



AS ALPPES Capital

Registration No. 52103097551

LEI: 984500D66E0J0A5BB002

PROGRAM TERMS FOR THE ISSUANCE OF THE BONDS IN THE AMOUNT OF UP TO EUR 30,000,000.00

These Program terms for the issuance of the Bonds in amount up to EUR 30,000,000.00 ("Terms") is not a prospectus for the purposes of the Prospectus Regulation and no competent authority of any Member State has examined or approved the contents thereof. These Terms have been prepared on the basis that all offers of the debt securities are issued by the Issuer according to these Terms and will be made pursuant to an exemption from the obligation to publish a prospectus under the Prospectus Regulation (however, subject to the Issuer's discretion below to request admission to trading of the one or several Issues on the Regulated Market that will require prospectus).

An Issue of Bonds under the Program is not a public offering in any jurisdiction in which these Terms are available requiring to publish the prospectus or similar document. While there is currently no intention of the Issuer to list the Bonds on a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended ("MiFID II"), such listing may be considered at a later stage. The Issuer may decide to request admission to trading of one or more Issues on the Regulated Market within 24 months after the Issue Date of the relevant Issue. However, there can be no assurance that such application will be made or that such admission will take place. If the Issuer decides to request admission to trading of the respective Bonds on the Regulated Market, the Issuer will prepare a prospectus in accordance with the Prospectus Regulation and will submit it to the Bank of Latvia for approval and subsequently submit an application to Nasdaq Riga. In such case the terms of the respective prospectus will apply to the Issue of the Bonds (instead of these Terms) from the moment the Issuer's shareholder or its management board (as applicable) has approved the respective prospectus. The Issuer will use its best efforts to ensure that respective prospectus terms are equivalent to these Terms; however, no assurances can be provided to the Bondholders as the Bank of Latvia or Nasdaq Riga may request to amend the terms. Further, the law provisions and regulations applicable to the prospectus or admission to trading at the Regulated Market (including in relation to the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation)), as well as actual description of the Issuer will be taken into account when relevant prospectus will be drafted that may differ from these Terms.

The Issuer is a company incorporated and existing under the Applicable Laws of the Republic of Latvia and the Applicable Laws allow for the Issuer to record the issue with the central securities depository of Latvia – Nasdaq CSD.

The decision of the Issuer to organize the issue of the Bonds has been passed in compliance with the Applicable Laws of the Republic of Latvia. The issue of the Bonds, including the relationship between the Issuer and Potential Investors or any third parties, and their respective rights and duties attached to the Bonds is governed by the Applicable Laws of the Republic of Latvia.

These Terms or any other information supplied in connection with the offering of the Bonds do not constitute an offer or invitation by or on behalf of the Issuer, the Trustee, or the Arranger to sell or a solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

These Terms do not constitute a public offer for the purposes of the Prospectus Regulation requiring to publish the

prospectus and no competent authority of any Member State has examined or approved the contents thereof.

MiFID II product governance - solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that (a) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in MiFID II; and (b) all channels for distribution of the Bonds to eligible counterparties, professional clients and respective retail clients are appropriate. Any person subsequently offering, selling, or recommending the Bonds should take into consideration the manufacturer's target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Article 5f of Regulation (EU) No. 833/2014 (as amended by Council Regulation (EU) No. 2022/328) and Article 1f of Regulation (EC) No. 765/ 2006 (as amended by Council Regulation (EU) No 2022/398) prohibit the sale of euro denominated transferable securities issued after 12 April 2022 or units of undertakings for collective investment (UCIs) providing exposure to such transferable securities, to any Russian or Belarusian national, any natural person residing in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State or to natural persons holding a temporary or permanent residence permit in a Member State of the European Union.

Before deciding to purchase the Bonds, the Potential Investors must make their own assessment as to the suitability of investing in the Bonds. In particular, each Potential Investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds and the merits and risks of investing in the Bonds;*
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds 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 Bonds, including where the currency for principal or interest payments is different from the Potential Investor's currency;*
- (d) understand thoroughly the terms of the Bonds 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 risks.*

In addition, before deciding to purchase the Bonds, Potential Investors should carefully review and consider the risk factors described herein. Should one or more of the risks materialize, this may have a material adverse effect on the cash flows, results of operations, and financial condition of the Issuer. If any of these risks materialize, the market value of the Bonds and the likelihood the Issuer will be in a position to fulfil its payment obligations under the Bonds may decrease, in which case the Bondholders could lose all or part of their investments.

Any previous discussions or presentations provided to Potential Investors were solely for information purposes and the Bonds are issued in accordance with these Terms. A Potential Investor should not make an investment decision relying solely upon the information provided in the Potential Investor presentation or otherwise.

Arranger:



30.07.2025.

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DEFINITIONS

Account Bank:	credit institution appointed to hold the Collateral Object on behalf of the Bondholders holding the Secured Bonds, and authorized to enforce the respective Collateral for the benefit of all such Bondholders, in accordance with these Terms and the Collateral Agreement(s). For the purposes of holding and enforcing the Collateral, the Account Bank shall be deemed the agent pursuant to Section VI ¹ of the Financial Instruments Market Law of the Republic of Latvia. There may be one or more Account Banks appointed in respect of different Collaterals (i.e., different Shares, transferrable securities or different Security Deposits). Initially, the Account Bank is Signet Bank.
Accounting Principles:	initially, the Latvian Accounting Standards (Latvian GAAP) in accordance with Applicable Laws. Starting not later than 1 January 2027 (for the financial year 2026), the International Financial Reporting Standards (IFRS) within the meaning of Regulation 1606/2002/EC, as otherwise adopted or amended from time to time.
Acquisitions:	any transaction or series of related transactions pursuant to which the Issuer or any member of its Group acquires, directly or indirectly, any interest in, title to or the Control over assets, rights, businesses, operations, undertakings, or entities of any kind. This includes, without limitation, a participation in the equity capital of, or the Control over, any person or entity. This also includes (i) any acquisition by the Issuer or any Group member of an operating division or business unit of another person or entity, (ii) the acquisition of any business, enterprise, operating division, or business unit; and (iii) the acquisition of any material assets or rights, whether tangible or intangible, where such acquisition constitutes, under Applicable Law, a transfer of enterprise or an independent part thereof (as defined in the Commercial Law or any equivalent legal concept under the relevant Applicable Laws).
Adjusted Equity:	the aggregate book value of Total Equity, increased by Subordinated Debt, according to the most recent Financial Report.
AML:	anti-money laundering and counter terrorism and proliferation financing.
Annual Coupon Rate:	the annual Coupon rate for the Bonds of the Issue which is set out in the Final Terms of the Issue.
Applicable Laws:	any applicable law, including without limitation: (a) the regulations of the Nasdaq CSD; (b) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether state, local, foreign, or EU; and (c) the laws and regulations of the EU, Republic of Latvia and any legal acts in each country in which the Issuer operates.
Arranger or Signet Bank:	Signet Bank AS, a Latvian credit institution registered in the Enterprise Register of the Republic of Latvia under registration No. 40003043232.
Auditor:	any of the following companies licensed to practice in the Republic of Latvia: (a) PricewaterhouseCoopers group entity; (b) ERNST & YOUNG group entity; (c) KPMG group entity;

- (d) Deloitte group entity;
- (e) BDO group entity;
- (f) Grant Thornton group entity;
- (g) AS "Nexia Audit Advice", registration number: 40003858822;
- (h) SIA POTAPOVIČA un ANDERSONE, registration number: 40003612562;
- (i) Baker Tilly Baltics AS, registration number: 40003444833.

Bank of Latvia:	Bank of Latvia (in Latvian: <i>Latvijas Banka</i>).
BluOr Security:	commercial pledge over shares of SIA Wash and Drive, registration number 40103929197, owned by the Issuer, in favour of AS BluOr Bank, registration number 40003551060.
Bond(s):	a debt security of the Issue issued by the Issuer according to these Terms and the Final Terms of the Issue which represents the Issuer's debt obligation in the amount of the Nominal Value of the Bond and the interest (coupon) payable on the Bond. Bonds may be issued either as Secured Bonds or Unsecured Bonds, each as defined in these Terms.
Bondholder(s) or Investor(s):	a private person or legal entity that is an owner of one or more Bonds and has a claim against the Issuer as provided in these Terms and the Final Terms.
Business Day(s):	any day when Nasdaq CSD system is open and operational to effectuate T2S-eligible securities settlement transactions.
Change of Control:	1. the occurrence of an event or series of events whereby, a person (natural person or legal entity) or group of persons acting in concert (directly or indirectly) acquires the influence (whether by way of ownership of shares, contractual arrangement or otherwise) to: (a) cast or control the casting of more than 50% (fifty percent) of the maximum number of votes that might be cast at a shareholders meeting of the Issuer; or (b) appoint or remove or control the appointment or removal of a majority of the management board or supervisory board members or other equivalent officers of the Issuer. 2. For the avoidance of doubt, a Change of Control does not take place if: (a) Existing Shareholder retains power to cast or control the casting of more than 50% (fifty percent) of the maximum number of votes that might be cast at a shareholders' meeting of the Issuer (including where any changes to the management board or supervisory board members or other equivalent officers of the Issuer takes place); or (b) an IPO Event, including any resulting changes in shareholding or governance structure, shall not constitute a Change of Control, provided that the Existing Shareholder retains power to cast or control the casting of more than 50% (fifty percent) of the maximum number of votes that might be cast at a shareholders' meeting of the Issuer; or (c) Change of Control takes place and new shareholder(s) of the Issuer is/are the Related Party or several Related Parties, provided that such Change of Control arises exclusively as a result of inheritance, or testamentary succession.

Collateral:	collateral(s) securing the fulfilment of the Issuer's obligations to the Bondholders under the Secured Bonds, consisting of a financial pledge over one or more Collateral Objects, as specified in the Final Terms of the respective Secured Bonds.
Collateral Agreement:	the agreement(s) on establishing the Collateral. The Trustee shall also be a party to the Collateral Agreement in its capacity as representative of the Bondholders, for the purpose of holding and enforcing the Collateral on their behalf.
Collateral Object:	each specific asset over which a Collateral is created to secure the Issuer's obligations under the Secured Bonds, which may consist of: (a) Shares; (b) any other transferable securities that are listed on a regulated market or on a MTF; (c) the Security Deposit; or a combination of any of the foregoing, as specified in the Final Terms of the respective Secured Bonds.
Collateral Provider:	person (natural person or legal entity) who provides the Collateral and who is indicated in the Final Terms.
Collateral Value:	in respect of the Collateral Object which is Shares or other listed transferable securities, the number of Shares or other transferable securities pledged as Collateral multiplied by the lower of (a) the last closing price or (b) the volume-weighted average price over the 10 (ten) most recent trading days on Nasdaq Riga regulated market or MTF, provided that the Collateral Object is admitted to trading on Nasdaq Riga regulated market or MTF. If the Collateral Object is admitted to trading on Nasdaq Riga regulated market or MTF and one or more other regulated markets or MTFs, then Nasdaq Riga regulated market or MTF shall take precedence and be used as the reference market for value purposes. If the Collateral Object is not admitted to trading on Nasdaq Riga regulated market or MTF, but is listed on two or more other regulated markets or MTFs, the Issuer shall have the right to select one of those markets or MTFs for the purpose of valuation, provided that such selected market provides a reliable or representative market price. If the Collateral Object is admitted to trading on both a regulated market and a MTF, the price from the regulated market shall prevail. If the Collateral Object is not admitted to trading on any regulated market but is admitted to trading on one or more MTFs, the price from such MTF may be used, provided it offers a reliable or representative market price. If no reliable or representative market price is available from Nasdaq Riga or any other market or MTF, due to suspension, low liquidity, technical failure, or other disruption, the Collateral Value shall be determined by the Issuer, based on a valuation issued by any of Big Four Auditors specified in (a) to (d) of the Auditor definition provided herein, dated not more than 6 (six) months period. The Issuer shall inform the Trustee of the initiation and outcome of such valuation process and shall submit the obtained third-party valuation to the Trustee without undue delay.
Commercial Law:	Commercial Law of the Republic of Latvia, adopted on 13 April 2000.
Compliance Certificate:	a certificate, in form substantially consistent with the sample attached as an Appendix 1 to these Terms, signed by an authorised signatory of the Issuer, certifying that:

- (a) the financial covenants set forth in Section 21 (*Financial covenants*) were met as of the last day of each Relevant Period to which the Compliance Certificate refers;
- (b) there has been no breach of any other undertakings set forth in Section 22 (*Undertakings*); and
- (c) to the best of the Issuer's knowledge, no Event of Default has occurred and is continuing;

and accompanied by an Excel file (or other format acceptable to the Trustee and the Account Bank) as an attachment, showing the calculation of the financial covenants set forth in Section 21 (*Financial covenants*), including relevant input data and sources used.

Communication Channels: the Issuer's webpage and, if the Bonds are admitted to trading on First North, the Nasdaq Riga information system, as well the Issuer's webpage.

Control: a direct or indirect possession of the power to direct or cause the direction of the management or policies of a person, whether through ownership of voting securities or partnership or other ownership interests, by contract or credit arrangement, or otherwise.

Coupon: interest on the Bonds calculated in accordance with Section 1919 (*Coupon*).

Coupon Payment Date: shall have the meaning ascribed to it in Clause 19.2.119.2.1 of these Terms and for each Issue as stated in the Final Terms.

Coupon Period: a calendar month on which the interest payable on the Bonds has accrued.

Custodian: Nasdaq CSD participant directly or a licensed credit institution or an investment brokerage company that has a financial securities custody account with a Nasdaq CSD participant.

Delisting Event: the occurrence of any of the following with respect to the Collateral Object:

- (a) the Collateral Object ceases to be listed or admitted to trading on any regulated market or MTF where it has been admitted, whether as a result of a voluntary delisting by the issuer of the Collateral Object, or as a result of suspension or removal initiated by the relevant exchange, market operator or regulatory authority; and
- (b) the Collateral Object is not admitted to trading on another regulated market or MTF established in the EU or the United Kingdom within 3 (three) months following such cessation.

A Delisting Event shall not be deemed to have occurred if the temporary suspension of trading is due to technical, regulatory, or administrative reasons, provided that trading is resumed within a reasonable period.

Downgrade Event: the occurrence of an event when the Collateral Object, which was prior to or on the moment of establishment of the relevant Collateral admitted to trading on a regulated market, ceases to be admitted to trading on such regulated market and is subsequently admitted or transferred to trading only on one or several MTFs, whether operated by the same or a different market operator, for any reason.

Equity Cure: has the meaning set forth in Clause 23.1.2.

Equity Ratio:	ratio of Total Equity to assets of the Issuer calculated according to the most recent Financial Report.
EU:	European Union.
EUR:	Euro (the single currency of the Member States of the European Monetary System).
Event of Default:	any event or circumstance set out in Section 2323 (<i>Events of Default</i>) of these Terms.
Existing Shareholder:	Aigars Kesenfelds, personal ID code in Latvia: 021183-10821.
Final Terms:	specific terms and conditions of each Issue which shall be completed substantially in the form set out in these Terms. Each Final Terms after their completion constitute an integral part of these Terms.
Financial Indebtedness:	the outstanding aggregate amount of total indebtedness of the Issuer to the most recent Financial Report, including: (a) monies borrowed and debt balances at banks or other Financial Institutions; (b) any amount raised pursuant to the issue of bonds or notes or any similar instrument, including the Bonds; (c) the amount of any liability in respect of any financial lease; (d) any amount raised under any other transaction having the commercial effect of a borrowing and treated as a borrowing under Accounting Principles; (e) any counter-indemnity obligation in respect of a guarantee or any other instrument issued by a bank or the Financial Institution; (f) any derivative transaction based on mark-to-market value; and without double-counting any assurance against financial-loss in respect of a type referred to the above items (a) to (e). but, excluding any Subordinated Debt.
Financial Institution:	any entity whose commercial activity include, but are not limited to, issuing loans, credit lines or similar debt instruments (including credit institutions, funds, lending companies).
Financial Report:	the annual standalone audited financial report of the Issuer and the quarterly interim standalone unaudited financial reports of the Issuer (as applicable), prepared in accordance with the Accounting Principles.
Financial Year:	for the Issuer, each year starting on 1 January and ending on 31 December.
First North:	Multilateral Trading Facility (MTF), First North, operated by Nasdaq Riga.
First Settlement Date (Issue Date):	the date set out in the Final Terms on which interest on the Bonds of Issue starts to accrue.
Force Majeure Event:	has the meaning set forth in Section 2626 (<i>Force Majeure</i>).
Group:	the Issuer and its Subsidiaries.
IFRS:	International Financial Reporting Standards within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

IPO Event	initial public offering of the shares of the Issuer, whereby by way of a primary offering (newly issued shares), secondary offering (sale of existing shares by shareholders), or combination thereof, resulting in listing and admission to trading of Issuer's shares on a recognized stock exchange.
ISIN:	International Security Identification Number.
Issue:	the aggregate of Bonds issued under these Terms and Final Terms with the same ISIN code.
Issuer:	AS ALPPES Capital, a company registered in the Enterprise Register of the Republic of Latvia with registration No 52103097551.
Issuer's webpage:	Issuer's webpage: https://alppescapital.com/ .
LTV:	the loan-to-value ratio (expressed as percentage) calculated as (a) the outstanding principal amount of the Secured Bonds of the relevant Issue that is secured by the respective Collateral (at the time of calculation), minus the amount of the Security Deposit, (b) divided by the Collateral Value (at the time of calculation), and (c) multiplied by 100. The formula of the above is as follows: $\text{LTV} = \left(\frac{\text{Outstanding Principal Amount of the Bonds} - \text{Security Deposit}}{\text{Collateral Value}} \right) \times 100$ The LTV shall be set and fixed by the Issuer in the Compliance Certificate, in accordance with these Terms.
Majority Bondholders:	the Bondholders who collectively hold Bonds with an aggregate Nominal Value representing at least 75% (seventy five percent) of the total Nominal Value of either (as further described in Clauses 28.1.1(g)28.1.1(g)- 28.1.1(j)): (a) all outstanding Bonds; or (b) the Bonds or a specific Issue; or (c) the Secured Bonds that are secured by the same Collateral and who are attending the relevant Bondholders' Meeting or participating in a Written Procedure (i.e. replying to the request). The Issuer, the Related Parties and the Issuer's indirect shareholders holding any such Bonds are not eligible for voting.
Maturity Date:	the date when the Bonds of the Issue shall be repaid in full at their Nominal Value by the Issuer. The Maturity Date of each Issue is stated in the relevant Final Terms.
Minimum Settlement Unit:	the minimum amount which can be held and traded, which is equal to the Nominal Value.
MTF:	a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments – in a way that results in a contract – in accordance with non-discretionary rules.
Nasdaq CSD:	Nasdaq CSD SE, registration No. 40003242879, registered address at Valņu iela 1, LV-1050, Riga, Latvia.
Nasdaq Riga	Nasdaq Riga AS, registration No. 40003167049, registered address at Valņu iela 1, Riga, LV-1050.
Nominal Value:	face value of a single Bond, which is EUR 1,000.00 (one thousand Euro).
Permitted Debt:	any Financial Indebtedness: (a) incurred by the Issuer under these Terms, including any subsequent Bonds

issue or any those Bonds that further are admitted to trading on the Regulated Market and where the prospectus is drafted as per Section 30 30 (*Admission to trading on the Regulated Market*);

- (b) Signet Debt (including future drawdowns);
- (c) incurred by the Issuer under any (secured or unsecured) Financial Indebtedness provided that all financial covenants under Section 21 (*Financial covenants*) are satisfied immediately following the incurrence of such Financial Indebtedness;
- (d) Shareholder Loans;
- (e) incurred as a result of the Issuer acquiring or merging with another entity and which is due to the fact that such entity holds Financial Indebtedness;
- (f) incurred by the Issuer under the Subordinated Debt;
- (g) incurred by the Issuer in respect of the Refinancing.

Permitted Security: the Issuer is permitted to create or maintain any of the following Security:

- (a) Security which is securing the respective Issue or any subsequent Secured Bonds issue
- (b) Security which is securing those Secured Bonds that further are admitted to trading on the Regulated Market and where the prospectus is drafted as per Section 3030 (*Admission to trading on the Regulated Market*);
- (c) BluOr Security;
- (d) Security granted by the Issuer in favour of the Financial Institution or other entity (including any person acting as security agent or trustee) in connection with the issuance of other bonds or other instruments, provided that all financial covenants under Section 2121 (*Financial covenants*) are satisfied immediately following the creation of any such Security;
- (e) any Security arising by operation of law or in the ordinary course of business and provided that all financial covenants under Section 21 21 (*Financial covenants*) are satisfied immediately following the creation of any such Security;
- (f) any Security incurred as a result of the Issuer acquiring another entity with existing Securities and provided that all financial covenants under Section 2121 (*Financial covenants*) are satisfied immediately following the creation of any such Security;
- (g) any other Security if such Security does not impact Collateral, enforceability, quality, or status thereof and provided that all financial covenants under Section 2121 (*Financial covenants*) are satisfied immediately following the creation of any such Security;
- (h) Security granted in relation to the Refinancing provided that the Bonds will rank senior to or pari passu with such Refinancing;
- (i) any other Security approved by the Majority Bondholders of all outstanding Bonds.

Potential Investor(s): a private person or legal entity that has, according to these Terms, expressed interest or is planning to purchase for its own account one or more Bonds.

Program: Bond Issues program in the framework of which Bonds are issued in accordance with these Terms. The Program term is 60 calendar months commencing on the Issue Date

of the first Issue.

Prospectus Regulation: Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

Refinancing: the process by which Bonds issued under these Terms are replaced or repaid through the procurement of a loan or other financing arrangement (including bond issue).

Regulated Market the official bond list (the Baltic Bond List) of Nasdaq Riga, which is a regulated market for the purposes of the MIFID II.

Related Party: any of the following person:

- (a) spouse, any parent, any child (each separately or jointly) of the Existing Shareholder; or
- (b) any entity that any of previously in point (a) mentioned individual (each separately or together with other previously in point (a) mentioned individual or with the Existing Shareholder) Controls; or
- (c) any entity that the Existing Shareholder Controls.

Whereas “**Related Parties**” mean several Related Parties.

Relevant Period: each period of 12 (twelve) consecutive calendar months, fixed at the end of each calendar quarter.

Sanctions: economic or financial sanctions, trade embargoes and similar measures imposed, administered, or enforced from time to time by the Republic of Latvia, the European Union, the United Nations, the Office of Foreign Assets Control of the US Department of the Treasury (OFAC) and any competent authority.

Secured Bonds: the Bonds that are designated as secured in the applicable Final Terms and in respect of which Collateral has been or will be established in accordance with the terms set out the Collateral Agreement. Any Bonds not designated as secured in the applicable Final Terms shall be deemed unsecured.

Security: any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third party claim, debenture, option, right of pre-emption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or security interests of any kind, including retention arrangements, or other encumbrance and any agreement to create any of the foregoing.

Security Deposit: funds in the Security Deposit Account that serve as Collateral for the respective Secured Bonds.

Security Deposit Account: in relation to any Issue of Secured Bonds where the Collateral consists of a financial pledge over Shares or other transferrable securities, a bank account of the Issuer that is designated and maintained specifically for the receipt of dividends, distributions, or other payments made in respect of such Shares or other transferrable securities. The Security Deposit Account shall be linked to the securities account where the relevant Shares or other transferrable securities are held, and all such dividends, distributions or payments shall be paid directly into this Security Deposit Account. The Security Deposit Account shall be pledged under the same Collateral Agreement as the pledge over the relevant Shares or other transferrable securities and shall form part of the Collateral securing the same Issue as the Shares or other transferrable securities. In

addition, the Issuer may, at its discretion, transfer other funds into the Security Deposit Account for the purpose of maintaining compliance with the applicable LTV ratio, as specified in the relevant Final Terms. Any such additional funds shall also form part of the Collateral for that Issue and shall be treated in the same manner as other funds held in the Security Deposit Account.

Settlement Unit Multiple: multiple that defines the settlement quantity or nominal must be a multiple of the Minimum Settlement Unit.

Shareholder Loans: loans, credit lines or any other similar financing arrangement from any of the Issuer's shareholders (including Existing Shareholder) or any Related Party provided that the interest rate of each such financing arrangement does not exceed 5% per annum.

Shares: dematerialized shares owned by the Collateral Provider and admitted to trading on a regulated market or MTF.

Signet Debt: the Issuer's debt to Signet Bank arising from the Signet Loan Agreement.

Signet Loan Agreement: the credit line agreement No 4.1-11.7/2023/45KR entered into by and between the Issuer and Signet Bank on 15.12.2023. (as amended or novated from time to time).

Subordinated Debt: the Issuer's debt arising from loan, credit line, bonds or any other similar financing arrangement that is subordinated to the Bonds in accordance to the subordination agreement concluded between the Issuer and the Issuer's creditor and contractual maturity that falls either before or after the Maturity Date. Subordinated Debt is subordinated to all Bonds and is fully or partly repayable only if: (a) the Issuer's existing and future financial covenants and undertakings provided in these Terms are met immediately after the repayment; or (b) after settlement of all obligations under these Terms are made.

For the sake of clarity, the Issuer is allowed to make interest payments on Subordinated Debt if such interest payments do not cause a breach of Section 2121 (*Financial Covenants*).

Subsidiary: an entity:

- (a) whose affairs and policies are subject to the Control of the Issuer; or
- (b) whose financial statements are, in accordance with Applicable Law and Accounting Principles, consolidated with those of the Issuer, if applicable.

Suspension Event: the occurrence of a suspension of trading of the Collateral Object on any regulated market or MTF where the Collateral Object is listed or admitted to trading), which:

- (a) has been initiated by the relevant issuer, the relevant exchange, or a competent authority, in accordance with Applicable Laws or exchange regulations; and
- (b) continues for a period of 30 (thirty) consecutive business days when the respective market or facility where the Collateral Object is listed or admitted to trading is open and operational to effectuate settlement transactions or more without the Collateral Object being reinstated to trading.

Such suspension may arise due to, but is not limited to, regulatory non-compliance, failure to publish mandatory information, market manipulation concerns, or other administrative or legal grounds.

A Suspension Event shall be deemed to have occurred on the 31st calendar day

following the commencement of such uninterrupted suspension, unless trading has resumed prior to that date.

Terms:	these Program Terms for the Issuance of the Bonds in amount up to EUR 30,000,000.00, which regulate the Bonds and the rights and obligations of the Issuer, the Arranger, the Account Bank, the Trustee and the Bondholders.
Total Equity:	the aggregate book value of the total equity (including minority interest, if applicable), increased by Subordinated Debt, according to the most recent Financial Report.
Trustee:	the Bondholders' trustee who acts in accordance with the Trustee Agreement, these Terms and Applicable Laws in the legal interests of the Bondholders in relations with the Issuer, and the Issuer undertakes to pay the Trustee the remuneration specified in the Trustee Agreement. Initially the Trustee is ZAB Eversheds Sutherland Bitāns SIA, registration No 40203329751, legal address: Marijas iela 2A, Riga, LV-1050, the Republic of Latvia.
Trustee Agreement:	the agreement entered into on or before the Issue Date between the Issuer and the Trustee, or any replacement Trustee agreement entered into after the Issue Date between the Issuer and the Trustee.
Unsecured Bonds:	the Bonds that are not designated as secured in the applicable Final Terms and in respect of which no Collateral has been or will be established.

RISK FACTORS

BELOW IS THE DESCRIPTION OF RISK FACTORS THAT ARE MATERIAL FOR THE ASSESSMENT OF THE MARKET RISK ASSOCIATED WITH THE BONDS AND RISK FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE BONDS. SHOULD ONE OR MORE OF THE RISKS DESCRIBED BELOW MATERIALIZE, THIS MAY HAVE A MATERIAL ADVERSE EFFECT ON THE CASH FLOWS, RESULTS OF OPERATIONS, AND FINANCIAL CONDITION OF THE ISSUER. MOREOVER, IF ANY OF THESE RISKS MATERIALIZE, THE MARKET VALUE OF THE BONDS AND THE LIKELIHOOD THAT THE ISSUER WILL BE IN A POSITION TO FULFIL ITS PAYMENT OBLIGATIONS UNDER THE BONDS MAY DECREASE, IN WHICH CASE THE INVESTORS COULD LOSE ALL OR PART OF THEIR INVESTMENTS.

BEFORE DECIDING TO PURCHASE THE BONDS, POTENTIAL INVESTORS SHOULD CAREFULLY REVIEW AND CONSIDER THE FOLLOWING RISK FACTORS, IN ADDITION TO ALL OTHER INFORMATION PRESENTED IN THE TERMS, AND CONSULT WITH THEIR OWN PROFESSIONAL ADVISORS, IF NECESSARY. MOREOVER, POTENTIAL INVESTORS SHOULD BEAR IN MIND THAT SEVERAL OF THE DESCRIBED RISK FACTORS CAN OCCUR SIMULTANEOUSLY AND TOGETHER WITH OTHER CIRCUMSTANCES COULD HAVE A POTENTIALLY STRONGER IMPACT ON THE ISSUER. THIS IS NOT AN EXCLUSIVE LIST OF RISK FACTORS, AND ADDITIONAL RISKS, OF WHICH THE ISSUER IS NOT PRESENTLY AWARE, COULD ALSO HAVE A MATERIAL ADVERSE EFFECT ON THE ISSUER.

1. RISK FACTORS

1.1. Important note

The risks indicated in this section, if some or all of them materialize, may reduce the Issuer's ability to fulfil its obligations or cause its insolvency or restructuring in the worst-case scenario.

This section may not feature all the potential risks, which may affect the Issuer.

1.2. Risks related to the economic and regulatory environment

1.2.1. Exposure to macroeconomic volatility and geopolitical developments across Baltics, Europe, and global markets may adversely affect the Issuer's financial performance and investment returns

The Issuer operates as a private investment holding company with a core focus on deploying long-term capital into a diversified portfolio of investments across real estate, renewable energy, financial services, and manufacturing sectors. While its core markets are in the Baltic region – notably Latvia, Lithuania and Estonia – the Issuer also maintains a broader international investment footprint. Through its portfolio companies, the Issuer has exposure to multiple regions, including Northern and Central Europe, Southeast Asia, and Latin America, with a presence in both developed and emerging markets.

Adverse macroeconomic developments such as weakening GDP growth, high inflation, rising interest rates, or persistent unemployment in the relevant countries where the portfolio companies operate may directly impact the operational performance of the Issuer's portfolio companies in this region. In particular, key sectors such as real estate and consumer finance are sensitive to borrowing costs and household income levels. Prolonged economic slowdowns could depress asset values, reduce credit demand, and increase default rates, which may negatively affect the Issuer's revenue and investment returns.

Furthermore, slower growth in major EU economies, elevated borrowing costs due to continued monetary tightening by the European Central Bank, and regulatory shifts such as the EU's climate and ESG-related disclosure requirements could impose compliance burdens or margin pressures on portfolio companies operating in affected sectors.

The Issuer's international exposure also introduces sensitivity to geopolitical disruptions and trade-related developments. Heightened geopolitical tensions, supply chain disruptions, or changes in trade and energy policy – particularly in response to conflicts or sanctions – may impact input costs, market access, and business sentiment.

Such macroeconomic and geopolitical factors are largely beyond the Issuer's control and may adversely affect the valuation of portfolio assets, cash flows, and overall financial performance. While diversification across jurisdictions and sectors remains a strategic objective, the Issuer's results remain vulnerable to adverse developments in both regional and international markets.

1.2.2. Geopolitical instability in neighbouring regions may adversely affect the Issuer's investment portfolio, funding environment, and financial performance

The Issuer is headquartered in Latvia, a member state of the European Union (EU) that is geographically situated near regions of heightened geopolitical tension, particularly Russia and Belarus. While the Issuer does not directly operate in these countries, its position as a holding company with significant investments and subsidiaries across Latvia and the Baltic region exposes it to indirect risks arising from regional instability.

The ongoing conflict involving Russia and Ukraine has increased concerns about regional security and economic resilience in the Baltics. Although the Issuer's operations and financial performance have not been materially impacted to date, any escalation in hostilities or broadening of the conflict could lead to heightened economic uncertainty, reduced investor confidence, and potential disruptions to the business environments in which the Issuer's portfolio companies operate.

Sanctions or other restrictive measures imposed by the EU or international partners in response to geopolitical developments – such as trade embargoes, financial restrictions, or energy-related measures – could indirectly affect the Latvian economy and, by extension, the operational and financial health of the Issuer's investments. For instance, increased input costs, energy price volatility, or reduced export activity could impair the profitability or liquidity of certain portfolio companies, particularly in the manufacturing, real estate, and energy sectors.

Furthermore, a deterioration in investor sentiment toward the Baltic region could constrain capital markets access, elevate the cost of financing, or reduce valuations for regional assets, thereby impacting the Issuer's ability to raise funds or achieve targeted returns. The potential for military escalation or prolonged regional instability may also weaken borrower creditworthiness, suppress collateral values, and negatively affect the resilience of the Issuer's broader investment portfolio.

While the Issuer continuously monitors geopolitical developments and integrates risk mitigation strategies where appropriate, the inherently unpredictable nature of geopolitical events represents a material risk factor that could adversely influence the Issuer's investment performance, funding dynamics, and overall financial results.

1.2.3. Public health crises or future pandemics may adversely affect the Issuer's operations, investment activities, and financial performance

A significant disruption caused by a public health crisis – such as a pandemic or the outbreak of a new biological threat – could adversely affect the Issuer's operations, investment activities, or financial performance. While the Issuer operates as a holding company, its underlying investments span sectors such as real estate, manufacturing, energy, and financial services, many of which are sensitive to workforce availability, supply chain continuity, and consumer demand.

Public health measures such as lockdowns, travel restrictions, or mandatory quarantines may disrupt the day-to-day operations of the Issuer's subsidiaries or portfolio companies, delay project timelines, impair asset valuations, or restrict access to financing. Additionally, a widespread health crisis could threaten employee safety, reduce business activity across key sectors, and increase operational costs.

While the impact of COVID-19 has lessened in recent periods, the potential for future variants or new biological threats cannot be ruled out. Renewed outbreaks may lead to economic slowdowns or regulatory restrictions that could adversely impact the Issuer's income streams, investment returns, and ability to raise or deploy capital effectively.

The Issuer actively monitors emerging risks and adapts its operational strategy accordingly, but the inherently unpredictable nature of public health emergencies remains a material risk to its long-term financial stability and performance.

1.3. Risks related to the Issuer's business

1.3.1. The Issuer's financial position is dependent on the performance and distribution capacity of its investments

As a holding company, the Issuer does not engage in material revenue-generating activities of its own and is therefore reliant on the operational performance, financial condition, and cash flow generation of its underlying investments – including subsidiaries, associated companies, joint ventures, and fund

participations – to meet its financial obligations, including debt servicing, operating expenses, and potential distributions to investors.

The ability of investee companies to generate and upstream cash flows – whether in the form of dividends, loan repayments, interest payments or bond coupon payments, capital returns, or intercompany transfers – is subject to a number of risks. These include, but are not limited to, adverse local economic conditions, sector-specific volatility, regulatory and legal restrictions, liquidity constraints, and compliance with financing terms or capital adequacy requirements. In some jurisdictions, legal or regulatory limitations may restrict the ability of investees to declare or pay dividends, particularly in cases where minimum capital, solvency, or reserve thresholds must be maintained.

In the case of fund investments or minority equity positions, the Issuer may have limited influence or control over distribution timing, reinvestment decisions, or exit opportunities, further increasing uncertainty regarding the timing and amount of returns. Additionally, certain investments may be illiquid or long-term in nature, making them less accessible for generating near-term cash flows.

Any deterioration in the financial performance, profitability, or liquidity position of key investee entities may result in reduced, delayed, or suspended cash flows to the Issuer. In such cases, the Issuer may have limited alternative sources of funding to meet its obligations, which could have a material adverse effect on its financial condition and operating results.

Furthermore, there can be no assurance that the Issuer's investments will maintain consistent profitability or be in a position to make distributions in the future, particularly during periods of economic stress, geopolitical disruption, or regulatory change. The Issuer's dependence on investment performance and capital flows represents a structural risk that may impact its ability to fulfil its obligations, service debt, or pursue new investment and growth opportunities independently.

1.3.2. Dependence on the value, performance and liquidity of investments may affect the Issuer's ability to meet its financial obligations

The Issuer's balance sheet value and long-term financial stability are fundamentally linked to the market value and performance of its underlying investments. These include equity stakes in portfolio companies, participations in private equity funds (including Merito funds and affiliated vehicles), bond holdings, and other financial instruments.

If the fair value of one or more investments declines significantly – due to adverse market conditions, operational underperformance, sector downturns, or changes in valuation methodology – the Issuer may be unable to realise expected capital gains. This may impair its ability to generate liquidity through asset sales or investment exits and may materially affect the Issuer's capacity to repay its financial liabilities.

The Issuer's ability to service its obligations is supported by a diversified range of potential cash flow sources, including:

- (i) dividends from portfolio companies;
- (ii) distributions and exits from private equity and fund investments;
- (iii) capital gains and realisations;
- (iv) interest income;
- (v) returns from its fixed-income portfolio; and
- (vi) shareholder loans, where applicable.

While this diversification of repayment channels provides resilience, the actual timing and availability of such cash flows depend heavily on the financial performance, valuation stability, and liquidity of the underlying assets. Should market conditions deteriorate or investment realisations be delayed, the Issuer's ability to meet Coupon payments, redeem Bonds, or pursue reinvestment strategies could be adversely affected.

Accordingly, any sustained decline in asset values or disruptions in capital markets may lead to funding constraints, reduced financial flexibility, or the need to seek alternative financing on less favourable terms.

1.3.3. The Issuer may have limited operational control over certain portfolio companies despite holding a qualified interest

The Issuer holds qualified shareholdings in several of its portfolio companies. While these qualified holdings generally confer significant influence or a controlling interest from a governance perspective, they do not always guarantee full operational control over day-to-day business activities or strategic decision-making.

In practice, operational control in these companies may be shared with other shareholders, managed by autonomous executive teams, or subject to governance structures that limit the Issuer's ability to directly intervene in management decisions. This may restrict the Issuer's capacity to promptly influence key matters such as business strategy, capital allocation, risk management, or dividend distributions – even when such matters materially impact the Issuer's financial position or investment return.

Moreover, if the performance of a portfolio company deteriorates, the Issuer's ability to implement corrective measures may be constrained by shareholder agreements, minority protections, or board dynamics. This could delay or reduce the effectiveness of any strategic or operational adjustments the Issuer may seek to promote in response to underperformance or market stress.

As a result, the Issuer's exposure to financial and reputational risks associated with its portfolio companies may not always be fully aligned with its ability to manage those risks proactively. Any such limitations on operational oversight could adversely affect the value of the Issuer's holdings, the stability of cash flows from those entities, and the overall performance of the Issuer's investment portfolio.

1.3.4. Regulatory compliance and changes in legal frameworks applicable to financial subsidiaries may adversely affect the Issuer's operations and investment outcomes

The Issuer holds interests in regulated financial services companies that operate under specific legal and supervisory regimes, including those governing consumer lending, credit intermediation, and anti-money laundering (AML). These subsidiaries are subject to extensive regulatory obligations imposed by Latvian and EU authorities, including capital adequacy requirements, reporting standards, conduct rules, and risk management procedures.

Changes in the applicable legal or regulatory frameworks – such as amendments to consumer finance rules, tightening of AML obligations, or enhanced data protection requirements – could impose significant compliance costs, restrict product offerings, or necessitate operational restructuring at the subsidiary level. Such developments may reduce profitability, impair competitiveness, or constrain the ability of these companies to distribute capital upstream to the Issuer.

The Issuer actively monitors regulatory developments affecting its financial subsidiaries; however, the scope, timing, and impact of legal changes remain uncertain and may materially affect the financial and operational performance of the affected entities and, indirectly, the Issuer's investment returns.

1.3.5. Regulatory intervention in financial subsidiaries operating across multiple jurisdictions may limit their operational autonomy and adversely affect the Issuer's financial performance

Several of the Issuer's financial portfolio companies – whether majority held, or minority investments – operate under licensing regimes across various jurisdictions and are subject to supervision by national or regional regulatory authorities. These entities may include consumer lenders, investment service providers, or other regulated financial businesses. Each of them typically holds multiple licenses that are essential for their operations, and which are monitored by competent supervisory bodies are supervised by national regulatory authorities in respective jurisdictions.

These regulators are empowered to conduct audits, enforce compliance, issue binding instructions, impose corrective actions, or, in serious cases, restrict operations or suspend business activities. Regulatory intervention may result from a variety of triggers, including real or perceived non-compliance with Applicable Laws, governance or risk management concerns, capital adequacy issues, or broader market developments.

Such interventions – even if they do not result in formal penalties – may disrupt the operational continuity of the affected portfolio company, delay growth plans, increase legal or compliance costs, and impair its ability to generate distributable profits. In extreme cases, prolonged or severe regulatory measures may materially reduce the entity's enterprise value or lead to reputational damage that extends beyond the individual company.

Given that some of these financial portfolio companies contribute significantly to the Issuer's cash flows, returns, or asset base, regulatory action affecting any key licensed entity may have a direct adverse impact on the Issuer's financial results and liquidity. Furthermore, differing regulatory expectations across jurisdictions increase the complexity of compliance and introduce additional risk to portfolio stability.

1.3.6. Simultaneous loss or suspension of licenses across multiple jurisdictions could materially impair the Issuer's investment value and income streams

Several of the Issuer's portfolio companies operate in regulated financial sectors where valid licenses are a legal prerequisite to conduct business – such as issuing consumer loans, providing investment services, or managing client assets. These licenses are issued by national regulatory authorities and are subject to periodic review, contingent on compliance with legal, operational, and prudential requirements.

The Issuer's investment portfolio is highly diversified across different companies, sectors, and jurisdictions. As such, the loss or suspension of an individual license – while potentially disruptive at the level of a single portfolio company – is not expected to materially affect the Issuer's overall financial position.

However, the risk to the Issuer becomes more pronounced in scenarios where multiple portfolio companies simultaneously face regulatory challenges, such as coordinated enforcement actions or concurrent legal changes across several jurisdictions. In such a scenario, widespread license suspensions or heightened regulatory burdens could significantly reduce the enterprise value and income-generating capacity of the affected entities.

Furthermore, even in the absence of formal enforcement actions, increased regulatory scrutiny or sudden changes in licensing frameworks may result in operational uncertainty, elevated compliance costs, or reduced investor confidence. These developments could negatively affect the Issuer's ability to realise returns, particularly in the financial sector, and could have a broader adverse impact on its consolidated performance and valuation.

Although such systemic or simultaneous regulatory shifts are considered unlikely, they represent a low-probability, high-impact risk that the Issuer continues to monitor carefully as part of its portfolio risk management framework.

1.3.7. Volatility in consolidated financial performance, intercompany dependencies, and impairment risk may affect the Issuer's financial results

As a holding company, the Issuer consolidates the financial results of its subsidiaries across a range of sectors, including real estate, manufacturing, renewable energy, and financial services. The consolidated financial performance of the Issuer is therefore directly influenced by the operating results, asset valuations, and financial stability of these underlying businesses.

Volatility in the earnings or asset values of one or more subsidiaries – driven by market cycles, sector-specific disruptions, or operational underperformance – may materially impact the Issuer's consolidated income, balance sheet strength, or equity valuations. In particular, if a subsidiary experiences sustained losses or impairment triggers (e.g., declining cash flows, asset write-downs, or deteriorating market conditions), the Issuer may be required to recognise impairment losses, which could adversely affect its reported profitability and net asset value.

Intercompany dependencies, such as upstream dividends, loan repayments, or intra-group guarantees, further amplify this risk. A liquidity or performance issue in one entity may affect the broader group through reduced cash flow availability or increased credit risk.

That said, the Issuer is well-positioned to manage these risks. The Issuer maintains a very high equity ratio and operates with minimal or no external debt, resulting in a strong balance sheet and financial resilience. This conservative capital structure provides a substantial and growing equity buffer, which serves as a shock absorber against volatility in subsidiary performance or asset impairments. The Issuer's proactive financial management and capital discipline contribute to its ability to withstand fluctuations in consolidated results without compromising solvency or long-term investment capacity.

Nonetheless, sustained underperformance or material write-downs at the subsidiary level – especially in larger or capital-intensive holdings – could still have a negative impact on the Issuer's consolidated financial position and investor returns.

1.3.8. M&A and investment risk may result in execution challenges, overvaluation, or limited exit opportunities

The Issuer actively engages in mergers, acquisitions, and capital investments as part of its long-term value creation strategy. These activities inherently carry several risks, including execution risk (e.g., inadequate due diligence or integration challenges), overvaluation risk (e.g., acquiring assets above their intrinsic value), and exit risk (e.g., limited ability to monetise or divest investments at favourable terms).

Misjudgements in any of these areas may lead to suboptimal capital allocation, impairments, or delayed returns, thereby affecting the Issuer's financial results and ability to redeploy capital efficiently. Exit risks are particularly relevant in illiquid sectors or where investments are not readily marketable.

That said, the Issuer manages this risk conservatively. To date, all M&A and direct investment transactions undertaken by the Issuer have been relatively small in scale, with no single transaction exceeding 10% of the Issuer's equity base. This disciplined approach ensures that potential downside from any single transaction remains limited and does not materially jeopardise the Issuer's financial stability.

Nonetheless, as the Issuer continues to pursue growth and investment opportunities, the cumulative exposure to M&A-related risks may increase. If future transactions are larger or more complex, any missteps in valuation, integration, or market timing could have a more material adverse effect on the Issuer's returns and balance sheet.

1.3.9. Operational management risk may affect the Issuer's strategic execution, performance, and long-term value creation

The Issuer's operational success and ability to execute its long-term investment strategy are closely tied to the effectiveness, integrity, and stability of its senior management team. As a holding company with active oversight over a diversified portfolio, the Issuer relies on the leadership team's expertise in capital allocation, risk management, and subsidiary governance.

Inadequate performance, strategic missteps, or misconduct at the management level could materially impact the Issuer's operational efficiency, financial results, and market reputation. Key-person risk is also a factor, given the leadership team's central role in deal origination, portfolio oversight, and stakeholder engagement.

These risks are mitigated by strong alignment of interests between the Issuer and its leadership: the CEO is a shareholder in the Issuer. This creates a direct financial linkage between individual performance and the Issuer's overall success, reinforcing long-term commitment and accountability.

Nevertheless, management-related risks cannot be fully eliminated. Any loss of key personnel, deterioration in leadership quality, or governance failures could adversely affect the Issuer's ability to maintain strategic continuity, retain investor confidence, and achieve its long-term objectives.

1.3.10. Taxation and legal structure risks may adversely affect the Issuer's financial efficiency and the operations of its portfolio companies

As a private investment holding company with a broad range of portfolio companies and investments across multiple sectors and jurisdictions, the Issuer and its investees are exposed to risks related to the taxation rules, legal structuring, and cross-border regulatory complexity. The Issuer's financial performance is influenced by the tax efficiency of its investment structures, including its intra-group arrangements, dividend repatriation strategies, and the legal treatment of intercompany transactions.

Changes in tax legislation, regulations, administrative practices, or regulatory guidance – whether in Latvia, within the EU, or in other relevant jurisdictions where the Issuer or its portfolio companies operate – may lead to higher tax liabilities, disallowance of deductions, the reclassification of certain structures, or the imposition of new compliance obligations. Developments related to anti-avoidance measures, transfer pricing, withholding taxes, hybrid mismatch rules, or substance and residency requirements may materially impact the Issuer's effective tax rate or trigger unexpected exposures at both the parent or investment entity level.

Additionally, legal structuring risks may arise from evolving international standards concerning beneficial ownership, cross-border corporate governance standards, economic substance, or reporting requirements. If any existing investment structures are challenged or require material restructuring, the Issuer may face legal disputes, regulatory scrutiny, increased advisory costs, or delays in capital movement between entities.

These risks extend beyond subsidiaries to all portfolio companies and investment vehicles in which the Issuer holds equity or financial interests, including fund participations, joint ventures, or minority stakes. Complexity increases where multiple legal frameworks apply concurrently, especially in cases involving financial services, regulated industries, or cross-border investment flows.

While the Issuer monitors developments in tax and legal frameworks and obtains external advice where appropriate, the complexity and fluidity of international tax and regulatory regimes mean that full mitigation of these risks is not always possible. Any material adverse changes or compliance failures could reduce profitability, constrain operational flexibility, and affect the Issuer's ability to implement its investment strategy efficiently.

1.3.11. Cybersecurity and data protection risks are limited at the Issuer level but may be material within certain portfolio companies

As a holding company, the Issuer has limited direct exposure to cybersecurity and data protection risks, given the nature of its operations and the absence of large-scale data processing or customer-facing digital infrastructure. Accordingly, these risks are not considered material at the Issuer level.

However, certain portfolio companies – particularly those operating in regulated sectors such as financial services or technology – may face elevated exposure to cybersecurity threats, data breaches, or IT system failures. In these cases, such incidents could lead to operational disruption, regulatory penalties, reputational damage, or liability to customers and third parties.

While the Issuer does not manage day-to-day IT systems within its subsidiaries, it recognises the potential for indirect financial or reputational impact arising from material cybersecurity incidents at the portfolio level. The Issuer expects its subsidiaries to implement appropriate data security and risk management practices aligned with sector standards and legal requirements.

1.3.12. ESG and sustainability risks are not currently material at the Issuer level but may influence future investment strategy and portfolio company performance

At present, environmental, social, and governance (ESG) risks are not considered material at the Issuer's holding company level, given the nature of its operations, scale of direct resource use, and limited public-facing activities. The Issuer does not carry out industrial or operational activities that generate direct environmental or social impact.

However, ESG and sustainability factors are becoming increasingly important across capital markets, regulatory frameworks, and investor expectations. These developments may affect the Issuer indirectly – particularly through its portfolio companies, some of which operate in ESG-sensitive sectors such as real estate, energy, and manufacturing.

Failure by portfolio companies to meet evolving ESG standards or to adapt to stricter sustainability-related regulations could result in reputational harm, reduced access to capital, or lower asset valuations. Furthermore, ESG considerations may influence the Issuer's ability to attract institutional co-investors, exit investments at favourable terms, or qualify for future regulatory classifications (e.g., under the EU Taxonomy or SFDR).

While ESG risks are not currently a material factor at the holding level, the Issuer continues to monitor sustainability trends and expects its portfolio companies to align with applicable ESG norms and sector best practices where relevant.

1.4. Risks related to Bonds

1.4.1. Insufficient cash flow or inability to refinance may impair the Issuer's ability to service debt and meet its obligations under the Bonds

As a holding company, the Issuer relies primarily on cash flows from its Subsidiaries and investment activities – such as dividends, interest income, and asset realisations – to meet its financial obligations, including payments under the Bonds. The Issuer does not generate material revenue from its own operations and is therefore dependent on the financial performance and capital distribution capacity of its underlying portfolio companies.

While the Issuer currently maintains a conservative financial profile with minimal external debt and a high

equity ratio, any material deterioration in subsidiary performance, delays in dividend flows, or disruptions in capital markets could reduce available liquidity. In such a scenario, the Issuer's ability to make timely interest or principal payments on the Bond could be adversely affected.

Should the Issuer's cash flows or capital resources become insufficient to meet its debt service obligations, it may be required to consider alternative measures such as reducing investments, selling assets, raising additional equity or debt capital, or refinancing its obligations on less favourable terms. There is no assurance that such measures would be successful, timely, or available under acceptable conditions. Moreover, existing or future debt instruments may include restrictive covenants that limit the Issuer's financial flexibility in managing such contingencies.

Although the Issuer currently maintains strong balance sheet resilience, a significant shortfall in liquidity or inability to refinance maturing obligations could, in an adverse scenario, lead to credit downgrades, asset sales under pressure, or – in the most severe cases – defaults that may result in Bondholders incurring partial or total loss of their investment.

1.4.2. The Issuer may not be able to repay or refinance the Bonds at maturity

At the Maturity Date of each Bond Issue, the full principal amount and any accrued but unpaid interest become immediately due and payable. The Issuer may not have sufficient liquidity at that time to fully repay or refinance its obligations. In such a case, the Issuer may seek to extend the Maturity Date with the consent of Bondholders of the relevant Bond Issue or pursue alternative refinancing options. However, if contractual restrictions prevent repayment or refinancing at maturity, the Issuer may need to obtain waivers from other creditors or lenders. Failure to obtain such waivers or to secure refinancing on acceptable terms could result in the Issuer being unable to meet its obligations under the Bonds, leading to potential enforcement of Collateral (in the case of Secured Bonds) or losses to Bondholders.

1.4.3. Unsecured Bonds are subordinated to secured obligations, including Secured Bonds, and expose Bondholders to higher recovery risk in the event of insolvency

The Unsecured Bonds are unsecured debt instruments that are not secured by any assets of the Issuer and are therefore exposed to the risk that insufficient assets will be available to satisfy claims. The Bondholders holding Unsecured Bonds would be unsecured creditors in the event of the Issuer's insolvency. In the event of a default by the Issuer under these Terms, if the Issuer fails to fulfil any of its obligations under these Terms or the Final Terms of the relevant Issue, the claims of the Bondholders holding the Unsecured Bonds will be enforceable against the Issuer in accordance with the provisions of these Terms and the Final Terms of the relevant Issue. In the event of insolvency of the Issuer, the Issuer's assets will be used for settling the claims of the Bondholders holding the Unsecured Bonds and other unsecured creditors only after the claims of the secured creditors, including the Bondholders holding the Secured Bonds, and other preferential creditors are satisfied.

As of the date of these Terms, the shares of SIA Wash and Drive, registration number 40103929197, owned by the Issuer, are subject to the BluOr Security in favour of AS BluOr Bank, registration number 40003551060, that secures the obligations of SIA Wash and Drive the Credit Agreement No. KJ-47/2020 of 9 June 2020 (as amended, including Amendment No. 3 to Credit Agreement No. KJ-47/2020 dated 28 July 2023) and the Commercial Pledge Agreement No. KJ-47/2020-12 of 9 June 2020 (as amended, including Amendment No. 2 to Commercial Pledge Agreement No. KJ-47/2020-12 dated 28 July 2023). The maximum limit of the BluOr Security is EUR 11'161'877.

1.4.4. The Issuer may incur additional debt or grant Security, which could weaken the Bondholders' position and recovery prospects in insolvency

The Issuer is not prohibited from issuing further bonds or incurring other debt or restricted from granting security on any existing or future indebtedness, subject to fulfilment of financial covenants provided in Section 21 (*Financial Covenants*) and other restrictions and procedures generally imposed on the borrowers by the lenders. If the Issuer incurs significant additional debt or grants additional security, the Issuer's ability to service its Financial Indebtedness, including the Bonds, might deteriorate, the amount recoverable by the Bondholders in case of insolvency proceedings of the Issuer might decrease, and the position and priority of Bondholders in such case might worsen.

However, to mitigate this risk, these Terms limit the creation of additional Security by the Issuer to specific

categories defined as Permitted Security. Furthermore, the creation of any such Permitted Security is conditional upon the Issuer's ongoing compliance with all financial covenants under Section 21 (*Financial Covenants*), thereby providing a degree of protection for Bondholders against excessive leverage or deterioration in credit quality.

1.4.5. Trading of the Bonds on Nasdaq First North may be suspended or terminated, adversely affecting liquidity

In case Bonds are listed and admitted on trading on First North, the trading may be suspended or terminated, upon the initiative of the Issuer or Nasdaq Riga, in accordance with the applicable Nasdaq Riga regulations. In such case, the Bondholders will be able to trade the Bonds only on over-the-counter basis which may adversely affect their liquidity. More precisely, the Bondholders may find it more difficult to realise their investment through the sales of the Bonds to other investors.

1.4.6. Investors may be exposed to foreign exchange risk if they measure returns in a currency other than EUR

The Bonds will be denominated and payable in EUR. If Investors measure their investment returns in a currency other than EUR, an investment in the Bonds will entail foreign exchange-related risks. These risks arise due to factors such as significant changes in the value of the EUR relative to the currency by reference to which Investors measure their returns, influenced by economic, political, and other factors beyond the control of the Issuer. Depreciation of the EUR against the currency in which Investors measure their returns could cause a decrease in the effective yield of the relevant Bonds below their stated coupon rates and could result in a loss for Investors when the return on such Bonds is translated into the currency used for performance measurement.

1.4.7. Changes in tax laws or withholding obligations may reduce the return on the Bonds for certain Investors

Tax rates and payment procedures applicable to tax residents, non-residents of Latvia, and residents of other countries at the time of purchasing the Bonds may change. The Issuer will not compensate for any tax increases, meaning that Potential Investors may receive lower payments related to the Bonds due to higher taxes.

1.4.8. The Issuer's right to redeem or repurchase the Bonds may limit Bondholders' return and reinvestment opportunities

The Issuer may seek to repurchase or redeem the Bonds from time to time in full or in part under a call option right provided under the Terms, especially when prevailing interest rates are lower than the rate borne by such Bonds. If prevailing rates are lower at the time of redemption, the Bondholder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on such Bonds being redeemed. The Issuer's redemption right may also adversely impact the Bondholder's ability to sell such Bonds.

The Issuer may also from time to time repurchase the Bonds in the open market, through privately negotiated transactions, tender offers, or otherwise. Any such repurchases or redemptions and the timing and amount thereof would depend on prevailing market conditions, liquidity requirements, contractual restrictions, and other factors. Such transactions could impact the market for such Bonds and negatively affect the Issuer's liquidity.

1.4.9. Bondholders may be bound by majority decisions, which could adversely affect their individual rights

The majority resolution of the Bondholders is binding on all Bondholders. Therefore, a Bondholder is subject to the risk of being outvoted by a majority resolution of the other Bondholders. As a result, certain rights of such Bondholder against the Issuer may be amended, reduced, or even cancelled, without its consent.

1.4.10. Subordination risk may limit Bondholders' recovery in the event of enforcement or insolvency

The Issuer is permitted, under these Terms, to incur additional Permitted Debt and grant Permitted Security, which may rank either *pari passu* with or subordinate to the Collateral securing the Secured Bonds. In practice, *pari passu* ranking may be established upon mutual agreement with relevant financial institutions. Any such Permitted Security must be created in accordance with the conditions set out in these Terms and may dilute the recoveries available to Bondholders holding the Secured Bond in the event of enforcement or insolvency.

Additionally, the Issuer's Subsidiaries are not guarantors of the Bonds unless expressly designated as such under the relevant Issue. As a result, any indebtedness or obligations of non-guarantor Subsidiaries must be satisfied in full before any of their remaining assets can be distributed to the Issuer. This structural subordination means that Bondholders generally have no direct claim on the assets of non-guarantor Subsidiaries and must rely on distributions to the Issuer, which may be limited or delayed in a distress scenario.

These factors may materially reduce the amounts available for repayment to Bondholders, particularly if higher-ranking creditors or subsidiary-level liabilities absorb a significant portion of the recoverable assets.

1.4.11. The market price of the Bonds may fluctuate, and Investors may suffer losses if selling before maturity

The market price of the Bonds may fluctuate due to various factors, including changes in interest rates, central bank policies, overall economic conditions, or demand for the Bonds. Neither the Issuer nor any other party undertakes to maintain a specific price level for the Bonds. As a result, Investors are exposed to the risk of unfavourable price movement if they decide to sell the Bonds before the final Maturity Date of the relevant Issue. However, if an Investor chooses to hold the Bonds until the Maturity Date of the relevant Issue, they will be redeemed at their Nominal Value.

1.4.12. Limited liquidity may restrict Bondholders' ability to sell the Bonds before maturity

The Bonds are offered through private placement and are not admitted to trading on any regulated market at the time of issuance. There is no assurance that an active or liquid secondary market for the Bonds will develop or be maintained. As such, Bondholders may experience difficulty in selling their Bonds at prevailing market prices or may be unable to sell them at all prior to maturity.

Neither the Issuer nor any third party assumes any obligation to provide liquidity or ensure a minimum market price for the Bonds. Investors should therefore be prepared to hold the Bonds until their respective Maturity Dates. When considering an investment, Potential Investors are advised to take into account the potential illiquidity of the Bonds and the impact of market conditions, interest rate movements, and broader economic factors on the market value of their Bonds.

1.4.13. The Bonds may not be listed, which may adversely affect their tradability

The Issuer may, at its sole discretion, seek listing and admission of a given Bond Issue to trading on the Regulated Market or First North within the term and subject to the provisions specified in the respective Final Terms. However, the Issuer is under no obligation to pursue such a listing and admission. There is no guarantee that the Bank of Latvia will approve the relevant prospectus or that Nasdaq Riga will approve the application or, if approved, that the listing and admission will be maintained.

1.4.14. Certain Investors may receive preferential allocation or terms, and the proportionality principle may not be observed

While the Issuer will try to maintain the proportional reduction principle to the extent possible in final allocation of the Bonds, in case the total number of Bonds subscribed for is higher than the number of Bonds available, the Issuer has a right to refuse all or part of the subscribed Bonds to any Potential Investor due to perceived risks that might not be directly measurable and subjective, thus, the proportionality principle might not be observed.

Additionally, the Issuer has the right to sell the Bonds at a price lower than their Nominal Value to selected Investors and / or enter into agreements that may add additional rights to selected Investors if the Issuer perceives them as especially important for the Bonds issue due to the size of their investment or added experience. This may result in a situation where some Investors might gain preferential terms for investment into the Bonds than the rest of the Investors.

1.5. Risks related to Collateral

1.5.1. Enforcement of the Collateral may be limited or challenged under Applicable Law, reducing the effectiveness of the security

The Collateral secures the obligations of the Issuer under these Terms, applicable Final Terms and the Collateral Agreement on behalf of the Account Bank, acting as the agent under Section VI¹ of the Financial Instruments Market Law of the Republic of Latvia for the benefit of the respective Bondholders holding

Secured Bonds. However, the enforceability and recoverability of the Collateral may be limited by legal constraints applicable to the Collateral Provider.

Enforcement of any Collateral is subject to generally available legal defences in the relevant jurisdiction. These may include, but are not limited to, doctrines relating to lack of corporate benefit or purpose, fraudulent transfer or conveyance, voidable preference, insolvency or bankruptcy proceedings, financial assistance restrictions, thin capitalisation, capital maintenance rules, or other provisions affecting the rights of creditors generally. Such laws vary by jurisdiction, and may result in a Collateral Provider having reduced or no liability, depending on its financial condition and applicable legal restrictions.

Moreover, in some cases, the entire Collateral may be declared void or unenforceable. For example, if a court finds that the granting of Collateral constituted a preference or fraudulent transaction, or otherwise contravened mandatory legal provisions, the Collateral could be set aside in full, and Bondholders would lose the benefit of that security.

In such an event, affected Bondholders would no longer have recourse to that Collateral Provider and would instead rank as unsecured creditors of the Issuer, alongside Bondholders holding Unsecured Bonds (and, where applicable, of any other Collateral Provider whose security has not been invalidated).

These risks mean that Bondholders should not assume full recoverability under the Collateral, even where it is first-ranking, and should be aware that legal and structural limitations may materially reduce the effectiveness of their secured position.

1.5.2. Legal uncertainty related to Account Bank enforcement rights in the absence of a parallel debt structure

Under Latvian law, an agent may be appointed to hold and enforce Collateral created under Latvian law on behalf of Bondholders holding the Secured Bonds. Pursuant to the Financial Instrument Market Law (FIML), the Collateral securing the Secured Bonds (created under Latvian law) will be registered in the name of the Account Bank, who will act in its own name but in the interests of the Bondholders holding the respective Secured Bonds. As a result, the Bondholders will not have direct rights to enforce or have recourse to the Collateral governed by Latvian law, and only the Account Bank on the basis of the Instruction provided by the Bondholders to the Trustee and afterwards to the Account Bank will have the power to enforce the Collateral.

However, the legal framework governing the role and rights of the Account Bank in respect of Latvian-law governed Collateral remains relatively novel and underdeveloped. In particular, current Latvian legislation does not expressly recognize the agent as a creditor in enforcement proceedings. This creates uncertainty as to whether the Account Bank as the agent on the basis of the Instruction provided by the Bondholders to the Trustee and afterwards to the Account Bank can enforce the Collateral without a direct creditor-debtor relationship with the Issuer. These ambiguities may impact the enforceability of the Collateral governed by Latvian law in practice.

While a parallel debt structure – commonly used in jurisdictions following the common law tradition – could potentially mitigate this uncertainty by creating a direct debt obligation from the Issuer to the Account Bank, such structure will not be included in these Terms. As a result, the legal basis for enforcement by the Account Bank relies solely on the relatively untested provisions of the FIML and related agreements.

Given the absence of detailed regulation and Latvian case law interpreting these provisions, there is a risk that Latvian courts may interpret the role and enforcement rights of the Account Bank narrowly. This could result in delays, additional procedural hurdles, or in a worst-case scenario, challenges to the validity or enforceability of the Collateral governed by Latvian law. If such risk materializes, the Bondholders holding the Secured Bonds may not be able to realize the expected value from the Collateral, and their claims under the Secured Bonds would rank as unsecured claims against the Issuer.

1.5.3. Bondholders holding Secured Bonds are exposed to operational and legal risks related to the control, segregation, and enforcement of financial collateral under Latvian law

The Collateral securing the Secured Bonds – whether in the form of the Security Deposit, Shares or other financial assets – is intended to be held as financial collateral in accordance with the requirements of the Financial Collateral Law of the Republic of Latvia or any other Applicable Law. For this purpose, such Collateral must be held in a segregated account that is not accessible by the Issuer or any Collateral Provider. The

Account Bank, acting on the basis of the Compliance Certificate received from the Issuer and reviewed by the Trustee, which includes instructions for the Account Bank or from the Bondholders according to these Terms, must be able to take control of the Collateral and apply it for the benefit of the Bondholders upon the occurrence of an enforcement event.

There can be no assurance, however, that the account structure, control arrangements, or operational execution will function as intended in all circumstances, including in the event of insolvency of the Issuer, Collateral Provider, or Account Bank. Any failure in the segregation, control, or enforcement mechanisms may adversely affect the ability of the Trustee to access and distribute the Collateral to the Bondholders, potentially reducing recoveries.

In addition, Bondholders are exposed to structural risks arising from reliance on third parties (such as the Account Bank) and the practical enforceability of financial collateral under Applicable Law. While the structure is designed to comply with regulatory standards, no absolute guarantee can be given that such arrangements will be free of legal or operational challenges.

1.5.4. Bondholders holding Secured Bonds rely primarily on the Trustee or the Account Bank to enforce security

The security interests in the Collateral that will secure the obligations of the Issuer under the Secured Bonds will not be provided directly to the Bondholders but will be created and registered in favour of the Account Bank based on Paragraph 91.¹ of the Financial Instruments Market Law of the Republic of Latvia. Further, the Trustee will be involved in the Collateral enforcement procedure by primarily providing enforcement instructions, inter alia, to the Account Bank based on the Instruction received from the Bondholders according to these Terms. Thus, the Bondholders holding the Secured Bonds will generally not have any independent power to enforce, or have recourse to, any of the Collateral Agreement or to exercise any rights or powers arising under the Collateral Agreement or these Terms. Only the Account Bank will be entitled to enforce the Collateral and primarily the Trustee will be entitled to provide enforcement instructions to the Account Bank based on the Instruction received from the Bondholders according to these Terms. However, in the event of gross negligence, wilful misconduct, or failure to act on the part of the Trustee, the Bondholders may be entitled to instruct the Account Bank directly, in accordance with these Terms. In such case the Account Bank must inform the Trustee that the Bondholders have directly instructed the Account Bank. As a result of these restrictions, the Bondholders holding the Secured Bonds will have limited remedies and recourse against the Issuer in the Event of Default. In particular, none of the Bondholders holding the Secured Bonds will have a direct benefit under the Collateral.

1.5.5. The market value of the Collateral Object may fluctuate and may not fully cover Bondholders' claims upon enforcement

The Collateral securing the Secured Bonds may consist of a financial pledge over Shares, other listed transferable securities or Security Deposit. While such Shares or other securities may provide liquidity and market transparency, their market or realizable value is inherently volatile and may be adversely affected by a wide range of factors beyond the control of the Issuer or the Collateral Provider.

The value of the Collateral Object may fluctuate due to changes in market sentiment, interest rates, company performance, macroeconomic conditions, sector-specific developments, and regulatory or geopolitical events. In periods of market stress or low liquidity, the market price of such Collateral Object may decline significantly, reducing the recoverable value of the Collateral Object in an enforcement scenario.

In the event of enforcement, there is no guarantee that the Account Bank will be able to dispose of the Collateral Object at its prevailing market value, especially if the sale must occur under distressed conditions or in significant volume. Furthermore, the Issuer's obligations under the Secured Bonds are not limited to the value of the Collateral Object, meaning that any shortfall in enforcement proceeds may not be recoverable through other means.

The composition and value of the Collateral Object may also change over time due to corporate actions, dividend distributions, delisting, market conditions, or changes in the Issuer's investment strategy. Importantly, the Account Bank or the Trustee does not monitor, assess, or verify the market value, liquidity, or condition of the Collateral Object on an ongoing basis, and has no liability to Bondholders holding the Secured Bonds for any decline in the value or performance of the Collateral Object.

As a result, Bondholders holding the Secured Bonds should be aware that, even with the Collateral in place, the market value of the Collateral Object may not be sufficient to satisfy all claims under the Secured Bonds, particularly in adverse market conditions or if the Collateral Object experiences significant value deterioration prior to or during enforcement.

1.5.6. The Account Bank or the Trustee may fail to adequately perform its duties in relation to the Collateral

The Account Bank or the Trustee (as applicable under the Collateral Agreement or the Trustee Agreement) represents the Bondholders holding Secured Bonds in matters concerning the Collateral. There is a risk that the Account Bank or the Trustee, or any individuals appointed by them, may not adequately fulfil their obligations related to perfecting, maintaining, enforcing or taking other necessary actions regarding the Collateral.

1.5.7. Enforcement of the Collateral may be delayed, limited, or legally challenged due to procedural and regulatory constraints

Even when the Collateral is enforceable, the enforcement is subject to the procedures and limitations agreed in the Collateral Agreement and these Terms, as well as Applicable Law. The Trustee, acting on behalf of the Bondholders holding Secured Bonds, may instruct the Account Bank to initiate enforcement actions based on the Instruction received from the Bondholders according to these Terms; however, there is no assurance that such instructions will be timely or successfully executed. The Trustee's ability to act may be hindered by legal uncertainties, internal decision-making thresholds, or coordination challenges among Bondholders. Furthermore, any enforcement of the Collateral may be delayed due to the provisions of the Collateral Agreement, the Trustee Agreement, and these Terms. Additionally, the Collateral enforcement costs may be disproportional to the amount being recovered, and such costs are beyond the control of the Account Bank and the Trustee.

As the Collateral is a financial pledge over the Collateral Object, under the Applicable Laws, the Account Bank may only be replaced if the respective Collateral Object is transferred to the accounts of another financial institution (either financial instruments account or cash account, as applicable), and only if such financial institution agrees in writing to assume the role of Account Bank. This requirement may limit the flexibility of Bondholders holding Secured Bonds to replace the Account Bank, particularly during enforcement scenarios or in the event of operational disruption.

Enforcement may also face technical or administrative delays, but only to the extent that any of the following circumstances are applicable and legally binding under the Applicable Laws governing the enforcement process, including those related to: (a) account access restrictions or freezes imposed by custodians or regulatory authorities; (b) obligations to notify or seek approval from regulatory bodies or market operators prior to enforcement; (c) settlement and transfer delays in illiquid or volatile market conditions; (d) lock-up periods, trading suspensions, or legal disputes involving the Collateral Object or its issuer.

Furthermore, the costs of enforcement – such as legal fees, brokerage commissions, and administrative expenses – may be disproportionate to the recovery value, particularly if the Collateral Object must be liquidated quickly or under adverse market conditions. These costs are generally borne from enforcement proceeds and are beyond the control of the Account Bank or the Trustee.

In aggregate, these risks may result in delayed recovery, reduced proceeds, or even failed enforcement, leaving Bondholders holding Secured Bonds exposed to potential shortfalls or losses despite holding a secured claim.

1.5.8. Changes to Applicable Laws may affect the enforceability of the Collateral and the rights of Bondholders holding Secured Bonds

There is a general risk that amendments to Applicable Laws governing Collateral may introduce uncertainty to Bondholders holding Secured Bonds. Namely, there is a general risk that legislative changes may affect the enforceability of Collateral securing the Bonds, potentially affecting the Bondholders' position.

1.5.9. Bondholders holding Secured Bonds are dependent on the Account Bank or the Trustee for enforcement, and any failure in its performance may adversely affect their rights under the Collateral

By subscribing for, or accepting the assignment of, any Secured Bond, each Bondholder will accept the appointment of the Account Bank as the agent holding the Collateral in accordance with Section VI¹ of the

AS ALPPES Capital Program terms for the issuance of the Bonds

Financial Instruments Market Law of the Republic of Latvia. By subscribing for, or accepting the assignment of, any Secured Bond, each Bondholder will accept the appointment of the Trustee as representative of the Bondholders, including Bondholders in relation to the Secured Bonds, to represent and act for such Bondholders.

Only the Account Bank or the Trustee (as applicable under the Collateral Agreement or the Trustee Agreement) is entitled to exercise the rights under the Collateral and enforce the same. Any failure by the Account Bank or the Trustee to perform its duties and obligations properly, or at all, may adversely affect the enforcement of the rights of the Bondholders due to, for example, an inability to enforce the security and/or receive any or all amounts payable from the security in a timely and effective manner, including as a result of adverse decisions of state courts in any jurisdiction.

The Account Bank or the Trustee has not conducted an assessment of whether these Terms adequately safeguard the interests of the Bondholders. The Account Bank's responsibilities are strictly limited to holding the Collateral, and enforcing the Collateral exclusively upon the instruction of the Bondholders holding Secured Bonds, in compliance with the provisions of these Terms and Applicable Laws.

REPRESENTATIONS AND WARRANTIES, RESPONSIBILITY STATEMENT

REPRESENTATIONS AND WARRANTIES

The Issuer shall, in accordance with these Terms, issue the Bonds and perform the obligations arising from the Bonds to the Bondholders. The Issuer shall be liable to the Bondholders for the due and complete fulfilment of its obligations under the Bonds.

The Issuer represents and warrants to the Bondholders that:

- (a) the Issuer is duly incorporated and validly existing as a legal entity in its jurisdiction of incorporation, and operating under the laws of the jurisdiction of its incorporation;
- (b) all the Issuer's and Collateral Provider's obligations assumed under the Bonds are valid and legally binding to it and the performance of these obligations is not contrary to Applicable Law, its constitutional documents, or any agreement concluded by the Issuer and the Collateral Provider;
- (c) the Issuer has all the rights and sufficient authorizations to issue the Bonds, and fulfil other obligations under the Bonds, including the consent from Signet Bank;
- (d) the Collateral Provider has all the rights and sufficient authorizations to provide the Collateral, to register the Collateral in the relevant register or to arrange the necessary registration to make the Collateral enforceable;
- (e) the Issuer has performed all the formalities required for issuing the Bonds and fulfil other obligations under the Bonds;
- (f) all information that is provided by the Issuer to the Trustee or the Bondholders in these Terms is true, accurate and complete and not misleading in any material respect;
- (g) the Issuer and the Collateral Provider are solvent, able to pay its debts as they fall due, there are no liquidation or insolvency proceedings pending or, to the knowledge of the Issuer and the Collateral Provider, initiated against the Issuer or the Collateral Provider;
- (h) there are no legal or arbitration proceedings pending or, to the knowledge of the Issuer and the Collateral Provider, initiated against the Issuer or the Collateral Provider, which may have, or have had a significant effect on the Issuer's financial position or profitability;
- (i) there are no criminal proceedings pending or, to the knowledge of the Issuer and the Collateral Provider, initiated against the Issuer or the Collateral Provider;
- (j) the Issuer shall not, and shall procure that none of its board members, officers, employees, or agents, use the proceeds from the Bonds: (i) to fund, finance, or facilitate any activities or business of or with any person that is, or is owned or controlled by persons that are, or in any country, region or territory, that, at the time of such funding, financing or facilitating is, or whose government is, the target of Sanctions; or (ii) in any other manner that would result in a violation of Sanctions by any person (including, any person participating in the subscription of Bonds, whether as a lender, underwriter, advisor, investor, or otherwise).

The Issuer's representations and warranties above are valid on the Issue Date of each Issue and will remain valid until the fulfilment of all obligations arising from the Bonds.

RESPONSIBILITY STATEMENT

The Issuer, represented by the member of its management board, accepts responsibility for the information contained in these Terms and declares that the Issuer and its management board have taken all reasonable care to ensure that the information contained in these Terms is, to the best of the Issuer's knowledge, true, accurate and complete, not misleading in any material respect and no information which may affect its meaning is concealed therein.

On behalf of AS ALPPES Capital
Aigars Kesenfelds
Chairman of the Management Board

This document is signed electronically with a secure electronic signature containing a time stamp.

TERMS OF THE PROGRAM FOR THE ISSUANCE OF THE BONDS

1. USE OF PROCEEDS

- 1.1. The Issuer expects to receive gross proceeds of up to EUR 30,000,000.00 (thirty million Euro) from the Issues of the Bonds under the Program. The gross proceeds under each Issue, after deduction of total expenses, will be used by the Issuer in accordance with the use of proceeds stated in the Final Terms of the relevant Issue, including, without limitation to (i) finance its growth, business expansion through acquisitions in line with the Issuer's strategy, and (ii) for other general corporate purposes.

2. GENERAL INFORMATION

- 2.1. The Bonds are issued in accordance with these Terms and the Final Terms in one or several Issues. Specific terms and conditions specified in the applicable Final Terms may be different in respect of each individual Issue. To identify each Issue, the Final Terms shall stipulate a serial number of the respective Issue.
- 2.2. The Issuer is entitled to issue the Bonds under the Program within 60 calendar months commencing on the Issue Date of the first Issue (the "**Program Period**"). During the Program Period, the Issuer may issue and the Bondholders may subscribe to the Bonds in accordance with the provisions set out herein and in the Final Terms of the respective Issue. For the avoidance of doubt, the Maturity Date of any Bonds issued under the Program may extend beyond the Program Period.
- 2.3. The Bonds are bearer securities recorded in the central securities depository Nasdaq CSD in bearer form and any individual or entity that holds the Bonds in his/her securities account has the right to receive Coupon and the Nominal Value payments. It is planned to issue the Bonds with a Nominal Value of EUR 1,000.00 (one thousand Euro) for one Bond and the total Nominal Value of the Bonds issued under the Program of up to EUR 30,000,000.00 (thirty million Euro). The total Nominal Value of each Issue is set out in the relevant Final Terms but in any case this amount shall not be smaller than EUR 1,000,000.00 (one million Euro).
- 2.4. Bonds making up the same Issue are fungible.
- 2.5. Unless the Bonds to be issued further in the following Issue are subject to identical terms, except that the Issue Dates and the Issue Prices thereof, or unless in accordance to ISIN standards Nasdaq CSD assigns the same ISIN, each Issue will be assigned a separate ISIN, which will be different from the ISIN of other Issues. Before each Issue, Nasdaq CSD, upon request of the Issuer, will assign to the respective Issue an ISIN. The ISIN of the respective Issue will be specified in the relevant Final Terms.
- 2.6. The minimum subscription amount for each Issue of the Bonds during the initial offering shall be either (a) EUR 100,000.00 (one hundred thousand Euro) or more, or (b) no less than EUR 10,000.00 (ten thousand Euro) with a minimum subscription step of EUR 1000.00 (one thousand Euro). The minimum subscription amount of each Issue of the Bonds is stated in the relevant Final Terms.
- 2.7. If the minimum subscription amount for the relevant issue of the Bonds is less than EUR 100,000.00 (one hundred thousand Euro), the Issuer must ensure that the offer of Bonds under the relevant Issue is addressed to fewer than 150 natural or legal persons per member state of the EU, other than qualified investors, in accordance with Article 1(4) of the Prospectus Regulation.
- 2.8. The Bond issue is not a public offering ("offer of securities to the public" within the meaning of the Prospectus Regulation) that require the Issuer's obligation to prepare the prospectus under Applicable Laws.
- 2.9. Sections 8 (*Collateral of the Secured Bonds*), 9 (*Permitted Security*), 10 (*Ranking and Distribution*), 11 (*Bondholders and the Account Bank*), 12 (*Scope and Obligations of the Account Bank*), 13 (*Establishment, Release and Enforcement of the Collateral*), 14 (*Replacement of the Account Bank*) and 15 (*Application of the Proceeds from the Collateral Enforcement*) of these Terms apply only to the Secured Bonds (not to Unsecured Bonds) and only to Bondholders holding Secured Bonds, unless the Final Terms regarding the Secured Bonds provide different terms or conditions.

- 2.10. The Final Terms of each Issue may contain different terms or conditions. In case of conflict between the Final Terms and these terms of the Program, the Final Terms of respective Issue prevail.

3. APPLICABLE LAW AND DISPUTE RESOLUTION

All disputes between any one or more Bondholders and the Issuer shall be settled in the state courts of the Republic of Latvia in accordance with the Applicable Laws.

4. LANGUAGE AND PREVAILING VERSION

These Terms and Final Terms are prepared and signed in English and any translations of these Terms and Final Terms into another language, if any, are unofficial and made exceptionally for the Potential Investors' or Bondholders convenience or in relation to the Secured Bonds, if required for the Collateral registration under Applicable Laws to make the Collateral enforceable. In case of any divergences between the text of these Terms and Final Terms in English and any of its translations into another language, the English text shall prevail.

5. FORM AND ACCOUNTING OF THE BONDS

The Bonds are issued in dematerialised form and will be recorded in the Latvian SSS (securities settlement system governed by the Applicable Laws), which will provide the custody function for the Bonds. The Bondholders may hold the Bonds through Nasdaq CSD participants participating in the Latvian SSS.

6. CURRENCY OF THE BONDS

Currency of the Bonds is EUR (Euro).

7. STATUS OF THE BONDS

- 7.1. The Bonds are secured or unsecured obligations of the Issuer (as accordingly indicated in the Final Terms).
- 7.2. In case of the Secured Bonds and Collateral: the Bondholders holding the Secured Bonds will be entitled to recover their investment on the same terms as other senior secured creditors, with respect to the relevant Collateral and within the same class of claims according to the relevant Applicable Laws.
- 7.3. In case of the Unsecured Bonds: the Bonds rank *pari passu* with other unsecured obligations of the Issuer. In case of the insolvency of the Issuer, the Bondholders holding the Unsecured Bonds will be entitled to recover their investment on the same terms as other unsecured creditors of the Issuer according to the relevant Applicable Laws. Save for mandatory provisions of Applicable Law, there are no contracts or other transaction documents that would subordinate the claims of the Bondholders holding the Unsecured Bonds to other unsecured liabilities of the Issuer.

8. COLLATERAL OF THE SECURED BONDS

- 8.1. The Collateral shall be established in accordance with the terms and conditions of the relevant Collateral Agreement. The Collateral shall be established and if, required under Applicable Laws, the necessary registrations to make the Collateral enforceable are completed on or before the Issue Date of the respective Secured Bonds.
- 8.2. If under Applicable Laws the maximum secured claim amount of the Collateral is required, then the following formula is applied: total Nominal Value of the respective Issue multiplied with 130%.
- 8.3. Account Bank will hold the Collateral for the benefit of the Bondholders holding the Secured Bonds. The Account Bank is authorized as per Section VI¹ of the Financial Instruments Market Law of the Republic of Latvia to act with the Collateral in favour of all the Bondholders holding relevant Secured Bonds secured by relevant Collateral, in accordance with these Terms, Final Terms, Collateral Agreement, the Trustee Agreement and its amendments, as well as, based on the Instruction received by the Trustee from the Bondholders according to these Terms.
- 8.4. Bondholders holding the Secured Bonds have no rights to act with the Collateral directly. The Bondholders holding the Secured Bonds will have equal rights for satisfaction of their claims with other creditors ranking in the same claims' group.

8.5. The Issuer shall be responsible for all the costs related to the registration of the Collateral and changes to the Collateral as specified herein, payment of the Account Bank's or the Trustee's fees, as well as any related enforcement costs of the Collateral.

8.6. Bondholders holding the Secured Bonds are entitled to get acquainted with the Collateral Agreement upon prior written request to the Issuer.

9. PERMITTED SECURITY

9.1. The Issuer may create, grant, or permit to subsist any Permitted Security over its assets, provided such security is permitted under these Terms and Applicable Laws.

9.2. The Account Bank or the Trustee shall bear no responsibility for determining whether the creating of any Permitted Security complies with any applicable document, assessing the impact of the Permitted Security on the Collateral, or resolving disputes arising between creditors in connection with such Permitted Security.

9.3. Following the establishment of any Permitted Security in accordance with the Applicable Laws, the Issuer shall be required to publish the notice via Communication Channels.

10. RANKING AND DISTRIBUTION

10.1. If the Permitted Security is registered on a *pari passu* basis with the Collateral, then, upon enforcement, any distributions shall be made to the creditors (via the Account Bank), including the Bondholders holding the Secured Bonds secured by relevant Collateral, on a *pro-rata* basis, proportionate to their respective secured amounts, as measured in EUR.

10.2. In the event of enforcement of the pledge over the shares of SIA Wash and Drive, registration number 40103929197, owned by the Issuer and subject to the BluOr Security in favour of AS BluOr Bank, registration number 40003551060, the claims secured by such pledge shall be satisfied in priority from the proceeds of enforcement, before any claims not secured by that asset, including, for the avoidance of doubt, claims arising under the Bonds.

11. BONDHOLDERS AND THE ACCOUNT BANK

11.1. By submitting a subscription order or acquiring the Secured Bonds on the secondary market, each Bondholder:

- (a) appoints the Account Bank to act solely as an Account Bank for the limited purposes of performing the obligations and exercising the rights specifically set forth in these Terms and the Collateral Agreement and authorises the Account Bank to exercise only the rights, powers, authorities and discretions expressly and unambiguously given to the Account Bank under or in connection with these Terms and the Collateral Agreement. The appointment of the Account Bank pursuant to this Clause shall be deemed to constitute the appointment of an agent within the meaning of Paragraph 91.¹ of the Financial Instruments Market Law of the Republic of Latvia. The Account Bank shall have no duty and no right to investigate, monitor, or assess the assets pledged under the Collateral, nor any obligation or right to take any discretionary or fiduciary action except as expressly required by the terms of the applicable agreements. The Account Bank's duties and rights shall be strictly administrative, and it shall not bear any responsibility for evaluating, interpreting, or enforcing any provisions of the Collateral Agreement or related documents that are not clearly defined. The above does not limit in any manner the Collateral enforcement by the Account Bank under the Collateral Agreement or Applicable Laws;
- (b) acknowledges that the Issuer has concluded the Collateral Agreement with the Account Bank, who acts in its own name, but in the interests of the Bondholders holding the Secured Bonds;
- (c) confirms the fact that the Collateral securing, *inter alia*, the Issuer's obligations towards the Account Bank does not constitute any conflict of interests between the Account Bank and the Bondholder holding the Secured Bonds (for the avoidance of doubt, the Account Bank has the right to withhold

the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Account Bank in accordance with Clause 15.2 and other relevant provisions of these Terms or to withhold performance of any Account Bank's actions, including the enforcement or realization of the Collateral, until the Account Bank's fees and costs are fully paid or compensated). Each Bondholder holding the Secured Bonds acknowledges the fact that the Collateral securing, *inter alia*, the Issuer's obligations towards the Account Bank does not impede or prevent the Account Bank from fulfilling its obligations and exercising its rights in accordance with these Terms and the Collateral Agreement, subject to the Account Bank's right to receive full compensation for its services and expenses;

- (d) agrees that in performing its obligations and exercising its rights in connection with the Collateral, the Account Bank shall be entitled to act primarily in accordance with the Instructions or the decision received by the Trustee from the Bondholders according to these Terms. However, if the Trustee has committed gross negligence or wilful misconduct in the performance of its duties and, as a result, fails to provide necessary Instructions in a timely manner, the Majority Bondholders of the respective Secured Bonds may jointly provide Instructions directly to the Account Bank. In such case, the Account Bank shall promptly inform the Trustee in writing that it has received and will act on such Instructions from the Majority Bondholders. No further evidence of the Trustee's failure shall be required for the Account Bank to act on such Instructions;
- (e) agrees that the Account Bank shall have the right to provide to the Issuer or any other third person any other services (including financial services) in any matters and in any fields of activity which do not directly relate to the performance of obligations of the Account Bank set forth in these Terms, and the Bondholder holding the Secured Bonds does not consider this to cause any potential or actual conflict of interests, as well as expressly waives any claim or concern in this regard. For the avoidance of doubt, the fact that the Account Bank acts as a financial instrument account bank or as the lender in relation to any further loans, credit lines (including under the Signet Loan Agreement) or arranger of the Bonds, or any other similar arrangement to the Issuer shall not be considered a conflict of interest. Furthermore, the Account Bank, in its capacity as a bondholder, may acquire any Bonds, including the Secured Bonds;
- (f) each private individual or legal entity as well as their authorized representatives upon the request of the Account Bank, are obliged to disclose to the Account Bank all information and documents on these private individuals or the legal entities and as well as their authorized representatives and the Account Bank is entitled to receive this information and documents for the purposes of performance of duties of the Account Bank. This information and documents also include those documents and information that are necessary to the Account Bank in order to fulfil the Account Bank's obligations regarding AML and sanctions compliance (e.g., information and documents on the ultimate beneficial owner).

12. SCOPE AND OBLIGATIONS OF THE ACCOUNT BANK

- 12.1. The functions and obligations of the Account Bank are limited to those expressly specified in the Collateral Agreement and these Terms and, notwithstanding any other provisions of these Terms, such functions are limited to the exercise of those rights which belong to the Account Bank in its capacity as the holder of the Collateral (pledgee).
- 12.2. The Account Bank does not have any obligation or right (without limiting in any manner the Collateral enforcement by the Account Bank under the Collateral Agreement, the Trustee Agreement or Applicable Laws or unless the Account Bank acts within the capacity as the lender, including under the Signet Loan Agreement):
 - (a) to take any action (including, without limitation, to commence legal proceedings, compulsory enforcement proceedings, bankruptcy proceedings or any other proceedings) with the purpose to satisfy any claims arising under these Terms in connection with any assets of the Issuer, except for enforcing the Collateral in accordance with these Terms and the Collateral Agreement upon the

Collateral becoming enforceable and receiving the relevant instructions from the Trustee or the Majority Bondholders of respective Secured Bonds;

- (b) to ensure the existence, enforceability or validity of the Collateral or to preserve the Collateral or its value or to assess any rights arising from or relating to the Collateral (except for the validity of the Collateral after its establishment to the extent within the control or sphere of influence of the Account Bank and to the extent within the scope of its obligations under these Terms; for the sake of clarity, the Account Bank shall have no duty or right to investigate, monitor, or assess the assets pledged under the Collateral);
- (c) to inform the Bondholders holding the Secured Bonds, the Issuer or the Trustee about any circumstances relating to the Collateral except to the extent such obligation to provide information is explicitly set forth in these Terms;
- (d) to provide any advice to the Bondholders holding the Secured Bonds in financial services related matters, accounting, tax or other matters for free; and
- (e) to monitor whether the Issuer complies with any provisions of these Terms or any ratios as well as correctness and completeness of any statements that the Issuer submits to the Account Bank.

12.3. The Bondholders holding the Secured Bonds shall not have any independent power to enforce the Collateral or to exercise any rights or powers arising under the Collateral Agreement. Bondholders holding the Secured Bonds may exercise their rights in relation to the Collateral only through the Account Bank and primarily through the Trustee pursuant to these Terms. However, in the event that the Trustee fails to act due to gross negligence or wilful misconduct, and as a result does not provide required Instructions within a reasonable time, the Majority Bondholders of the respective Secured Bonds may jointly instruct the Account Bank directly. In such case, the Account Bank shall promptly notify the Trustee in writing that it has received and will act on such Instructions from the Majority Bondholders. The Majority Bondholders shall not be required to provide any further justification or evidence of the Trustee's failure.

12.4. Upon the performance of its obligations and exercising its rights, the Account Bank shall act primarily in accordance with instructions of the Trustee, without having any independent interests of its own except payment or compensation of its fees and costs as per the Collateral Agreement (for the avoidance of doubt, the Account Bank has the right to withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Account Bank or the Trustee in accordance with Clause 12.10 or 29.1(c) of these Terms or to withhold performance of any Account Bank's actions, including the enforcement or realization of the Collateral, until the Account Bank's or the Trustee's fees and costs are fully paid or compensated) and without any obligation to consider any interests of the Issuer and without any right of the Issuer to give any instructions to the Account Bank. The Account Bank shall not start the enforcement of the Collateral without instructions provided by the Trustee or the Majority Bondholders of the respective secured Issue as described in Clause 13.6 of these Terms. Notwithstanding the foregoing, in the event that the Trustee fails to act due to gross negligence or wilful misconduct, the Majority Bondholders of the relevant Secured Bonds may, in accordance with these Terms, instruct the Account Bank directly, and the Account Bank shall promptly notify the Trustee in writing that it has received and will act upon such Instruction.

12.5. The Account Bank is not a party to the legal relationship between the Issuer and the Bondholders holding the Secured Bonds and is under no circumstances liable for the performance of the obligations of the Issuer or impossibility to enforce the Collateral in accordance with these Terms and any Final Terms and the Collateral Agreements or any restrictions or delays thereof.

12.6. Upon the performance of its obligations and exercising of its rights hereunder the Account Bank shall have the right at its sole discretion to use the services of third parties and to appoint third-party representatives (including, during the performance of its tasks and acts as stipulated in these Terms, the Final Terms and the Collateral Agreement). In case of use of the services of third parties and/or

appointment of third-party representatives, the Account Bank shall evaluate and appoint only reputable third parties having professional expertise for the fulfilment of the tasks and acts as stipulated in these Terms, any Final Terms and the Collateral Agreement. In case of use of the services of third parties and/or appointment of third-party representatives, the Account Bank shall also ensure the fees, costs and expenses of such third party services are in the Account Bank's opinion at a reasonable market price. In case the use of services of third parties or appointment of third-party representatives is required for the fulfilment of obligations arising from these Terms, the Final Terms or the Collateral Agreement, Clause 12.10 of these Terms is applicable.

- 12.7. At the request of the Account Bank (via Trustee) or the Trustee, the Bondholder holding the Secured Bonds shall provide the Account Bank (via Trustee) with any information required for the purposes of identification of the Bondholder holding the Secured Bonds and/or for the performance of other obligations arising from Applicable Laws. The Account Bank may refuse the payment to the Bondholder holding the Secured Bonds until respective information is submitted to the Account Bank (via Trustee).
- 12.8. At the request of the Account Bank (via Trustee) or the Trustee, the Issuer shall provide the Account Bank (via Trustee) or the Trustee with an updated list of Bondholders holding the Secured Bonds specifying the outstanding Nominal Value of the Secured Bonds each of them is holding, the respective Issue of Secured Bonds and their latest known email addresses if such information is available. Furthermore, the Issuer agrees to and authorizes the Trustee to directly request from Nasdaq CSD any information and documents concerning the Bondholders holding the Secured Bonds, private individuals, legal entities, and their authorized representatives for the purpose of fulfilling the duties of the Trustee in accordance with these Terms, Final Terms, the Collateral Agreement and the Trustee Agreement.
- 12.9. The Account Bank or the Trustee is not liable for any circumstances relating to or affecting the validity, enforceability, or perfection of the Collateral, to the extent that such matters are outside the direct control of the Account Bank or the Trustee. This includes, but is not limited to, any deficiencies in the creation, registration, or maintenance of the Collateral, or any external factors such as changes in law, regulatory actions, or third-party actions or omissions that may impair the Collateral's validity or enforceability. The Account Bank or the Trustee shall bear no responsibility for monitoring, verifying, or ensuring the sufficiency or legality of the Collateral.
- 12.10. The Account Bank shall have the right to receive fees and advance payments of the Account Bank's fees or payment of particular costs from the Issuer and to be compensated by the Issuer for the costs relating to the performance of its obligations under these Terms and the Collateral Agreement in accordance with the Collateral Agreement and shall have the right to withhold or stop the performance of its duties and obligations in case of delay of payment of the relevant fees and costs. As regards the costs, the Issuer shall compensate or pay to the Account Bank also all payments made or necessary to be made by the Account Bank to third parties for the purposes of establishment, amendment, termination, assignment, novation and enforcement of the Collateral in accordance with these Terms and the Collateral Agreement (including, without limitation, state fees and taxes, other fees and payments established by laws and regulations, costs and expenses incurred by the Account Bank), as well as all damages incurred by the Account Bank in relation to the same. This provision prevails over any provision in these Terms.
- 12.11. Notwithstanding any other provision of these Terms, Collateral Agreement and any other agreement/document, the Issuer, provided that the Account Bank has not already initiated enforcement of the Collateral, has the right to terminate the Collateral Agreement and the Trustee Agreement in case the Issuer decides not to proceed with the Secured Bonds issue and/or if in Issuer's opinion the Account Bank allows gross negligence/malicious intent in exercising their rights, abuses in any way its discretionary powers by sending termination notice to the Account Bank and to the Trustee. The Issuer must appoint a new Account Bank immediately but no later than within 30 (thirty) calendar days as of sending termination notice to the Account Bank by choosing a reputable account bank services provider for account bank functions provided that the respective person under the Applicable Laws is eligible to act

as the pledgee in relation to the respective Collateral. After a new account bank is appointed but in any case no later than within 40 (forty) days as of sending termination notice to the Account Bank, the retiring Account Bank must release (deregister) the Collateral and is entitled to request the Issuer to cover in advance the costs related to Collateral release as well as outstanding invoices not objected to by the Issuer within 14 (fourteen) Business Days as of receipt. For avoidance of doubt, provisions of this Clause have priority over all other provisions, including those that claim priority.

- 12.12. The Account Bank shall primarily communicate with the Trustee in relation to matters concerning or relating to the Collateral, the Collateral enforcement or any other activities performed by the Account Bank.

13. ESTABLISHMENT, RELEASE AND ENFORCEMENT OF THE COLLATERAL

- 13.1. For the purpose of constituting security for the due and timely payment, discharge and performance of the Secured Bonds, the Collateral shall be established in the interests of Bondholders under the name of the Account Bank (as the holder of the Collateral (pledgee)) under the Collateral Agreement which, in legal terms, serves as security for the Secured Bonds of the Issuer.
- 13.2. When the Collateral is registered in accordance with the Applicable Laws and these Terms in respect to the Secured Bonds, the Account Bank shall provide written confirmation on the relevant registration of the Collateral to the Issuer and the Trustee within 3 (three) Business Days after registration has taken place.
- 13.3. The Issuer may request the release and alienation, in whole or in part, of the Collateral securing a particular Secured Bonds issue without prior consent from the Bondholders whose claims are secured by the respective Collateral, provided that the net proceeds from such sale are transferred to the Security Deposit Account in an amount sufficient to ensure that the LTV ratio for the relevant Issue of the Secured Bonds remains in compliance with the required threshold. Any excess proceeds beyond the required amount to maintain the LTV ratio may be retained by the Issuer. The Issuer submits such request to the Trustee together with the Compliance Certificate. Within 5 Business Days as of the receipt of respective Issuer's request to the Trustee, which is included in the Compliance Certificate, the Trustee, after formally verifying whether the Compliance Certificate is in line with the Compliance Certificate requirement stated in these Terms (without verifying the substance of the Compliance Certificate, including without making any financial calculations by Trustee on its own), and if the Compliance Certificate is formally in line with the Compliance Certificate requirement stated in these Terms instructs the Account Bank to release the specified Collateral as requested by the Issuer.
- 13.4. The Issuer may exercise the voting rights of Shares or other transferrable securities that serve as Collateral on its own discretion until the Instruction is received (provided that such exercise of the voting rights, in the Issuer's reasonable opinion, do not materially harm the value of the Collateral Object). After the Instruction is received, the Issuer must take into account the instructions of the Trustee or decisions or instructions adopted by the Bondholders holding the Secured Bonds of the respective secured Issue, if such decisions or instructions have been adopted (otherwise, the Issuer continues to exercise voting rights in such manner as described above - in the Issuer's reasonable opinion, do not materially harm the value of the Collateral Object).
- 13.5. Upon receipt of the Bondholders notification that an Event of Default has occurred pursuant to Clause 23.2. (*Establishment of an Event of Default*), the Issuer shall have the right to submit the proposed action plan within 20 (twenty) Business Days in respect to the claim settlement to these Bondholders whose claims are secured by the same Collateral and the Trustee ("**Action Plan**"). The Issuer shall act in accordance with Section 28 (*Decisions of the Bondholders*) and the Majority Bondholders of the respective secured Issue may vote for the approval of the Action Plan.
- 13.6. If the Majority Bondholders whose claims are secured by the same Collateral have not approved the Action Plan, the Issuer shall act in accordance with Section 28 (*Decisions of the Bondholders*) and Majority Bondholders of the respective secured Issue shall vote on whether to instruct the Account Bank to enforce the Collateral

("Instruction"). The Bondholders holding the Secured Bonds agree that the Trustee submits the Instruction to the Account Bank who enforces the Collateral upon receipt of the Instruction. The Instruction shall be clear, specific, and in full compliance with the terms and conditions set forth in these Terms and the Collateral Agreement. If the Trustee fails to submit the Instruction to the Account Bank with 10 (ten) Business Days as of the Instruction date, the Majority Bondholders whose claims are secured by the same Collateral are allowed to submit the Instruction directly to the Account Bank.

- 13.7. If the Majority Bondholders whose claims are secured by the same Collateral in accordance with Clause 13.6 of these Terms have provided to the Instruction, the Trustee shall immediately notify (by letter or e-mail) the Issuer, the Account Bank and all Bondholders holding the Secured Bonds by the same Collateral of receipt of the Instruction, and the Issuer shall publish the received information via Communication Channels.
- 13.8. If multiple Issues under the Program are secured by different Collaterals, then the Bondholders of an Issue secured by the same Collateral shall have separate rights (not joint with Bondholders of other Issues secured by different Collaterals or by Unsecured Bonds) to review and approve the Action Plan and/or to provide an Instruction to enforce the respective Collateral in accordance with the procedure set out in this Section. Accordingly, the Account Bank shall enforce only the Collateral in respect of which it has received such Instruction from the Trustee or the Majority Bondholders, as applicable.
- 13.9. Upon receipt of the Instruction to enforce the Collateral, the Account Bank shall commence enforcement of the Collateral in accordance with Applicable Laws and the Collateral Agreement. Upon request of the Account Bank (via Trustee) or the Trustee, the Issuer undertakes to provide all relevant information and documentation to the Account Bank (via Trustee) or the Trustee without any delays which is necessary for Collateral enforcement under the Secured Bonds.
- 13.10. The Account Bank may assume that no violation of the Secured Bonds has occurred unless the Account Bank has received a written notice (letter or e-mail) to the contrary from the Trustee, Issuer or the Majority Bondholders whose claims are secured by the same Collateral. For the avoidance of doubt, the Majority Bondholders whose claims are secured by the same Collateral shall have such right only if the respective Secured Bonds are not performed in accordance with these Terms and the respective Final Terms and the Trustee has not submitted the Instruction to the Account Bank with 10 (ten) Business Days as of the Instruction date.
- 13.11. The Trustee primarily provides the instructions to the Account Bank on the Collateral enforcement process. The Trustee shall be entitled (but is not under any circumstances obliged) to request instructions, or clarification of any direction, from the Bondholders holding the relevant Secured Bonds as to whether, and in what manner, the Account Bank or the Trustee should exercise or refrain from exercising any rights, powers and discretions with regard to the enforcement of Collateral or the performance of any other obligations or the exercise of any other rights of the Trustee or the Account Bank under these Terms, the Collateral Agreement or the Trustee Agreement. Upon such request, the Bondholders' meeting of the respective secured Issue shall be convened in accordance with the terms of these Terms and accordingly give their instructions or clarifications to the Trustee within the time period specified in the Trustee's request for instructions or clarifications, such a time period is to be at least 10 (ten) Business Days. If the Bondholders' meeting of the respective secured Issue is not convened in 10 (ten) Business Days, the Trustee can convene the Bondholders' meeting of the respective secured Issue. The Trustee may refrain from acting unless and until Majority Bondholders whose claims are secured by the same Collateral have provided the Trustee with requested instructions or clarifications. Notwithstanding the above, if the Trustee fails to act due to gross negligence or wilful misconduct, and fails to request or provide instructions in a timely manner, the Majority Bondholders holding the relevant Secured Bonds may jointly instruct the Account Bank directly in accordance with these Terms. In such case, the Account Bank shall promptly notify the Trustee in writing that it has received and will act on such Instruction from the Bondholders. For the avoidance of doubt, the Account Bank or the Trustee shall not incur any liability,

and the Bondholders holding the Secured Bonds hereby waive any claims against the Account Bank or the Trustee, for any actions taken or omitted in reliance on the instructions or lack of instructions from the Bondholders holding the Secured Bonds, or for any delays in taking action resulting from the Bondholders' holding the Secured Bonds failure to provide timely instructions or clarifications.

- 13.12. Without prejudice to Clause 13.9, if, under Clause 13.10 of these Terms or following the request of the Account Bank (via Trustee) or the Trustee submitted under Clause 13.11 of these Terms, the Majority Bondholders whose claims are secured by the same Collateral have duly instructed the Trustee or the Account Bank (via Trustee), the Trustee or Account Bank is obligated to comply with these instructions. If the instructions are unclear or incomplete, the Trustee or the Account Bank (via the Trustee) shall promptly notify the Bondholders of the respective secured Issue and may refrain from taking any action until further instructions or clarifications are received from the Majority Bondholders whose claims are secured by the same Collateral. In such cases, the Trustee or the Account Bank shall not be liable for any delays, omissions, or failures to act while awaiting clear instructions. Any such instructions from the Majority Bondholders whose claims are secured by the same Collateral will be binding on all Bondholders of the respective secured Issue. The Account Bank or the Trustee shall not be liable for any consequences or damages that result from complying with the instructions.
- 13.13. Notwithstanding Clause 13.12 of these Terms, the Trustee may refrain from doing anything which in its opinion will or may be contrary to these Terms, any Final Terms, the Collateral Agreement, the Trustee Agreement or Applicable Laws or otherwise render it liable to any person and may do anything which is in its opinion necessary to comply with such legislation. The Trustee or the Account Bank may refrain from acting in accordance with the instructions of the Majority Bondholders whose claims are secured by the same Collateral until it has received such indemnification or security as it may require for all costs, claims, losses, expenses (including but not limited to legal fees) and liabilities which it will or may expend or incur in complying with such instructions. The Trustee or the Account Bank shall not be liable for any consequences or damages that result from such refrainment.
- 13.14. Without prejudice to Clauses 13.11, 13.12 and 13.13 of these Terms, the Trustee may (but is not obligated to) act (or refrain from acting) as it in its own discretion reasonably believes is in the best interests of the Bondholders holding the Secured Bonds. The Trustee shall not be liable to Bondholders holding the Secured Bonds for acting (or refraining from acting) as described in these Terms or any Final Terms or in accordance with the instructions of the Bondholders holding the Secured Bonds and/or Applicable Laws.
- 13.15. The Account Bank or the Trustee shall not be liable to Bondholders holding the Secured Bonds for the outcome of the enforcement of the Collateral, provided the Account Bank or the Trustee has acted in accordance with these Terms, the Final Terms and the Collateral Agreement.
- 13.16. The Account Bank or the Trustee shall, at all times, act in good faith and in a commercially reasonable manner to ensure fair and equal treatment of all Bondholders holding the Secured Bonds (regarding the same Collateral), acting solely within the scope and limits of the Collateral Agreement and the Trustee Agreement, as applicable. Regarding the same Collateral the Account Bank or the Trustee shall not favour or give preferential treatment to any individual Bondholder holding the Secured Bonds or group of Bondholders holding the Secured Bonds over others, and shall take all necessary actions to protect the rights and interests of all Bondholders holding the Secured Bonds collectively, in accordance with these Terms, Collateral Agreement, and Applicable Law. The Account Bank or the Trustee shall not be required to take any action, nor shall it be liable for any inaction, except as expressly provided for in the Collateral Agreement, the Trustee Agreement or as required by Applicable Law.
- 13.17. If the LTV ratio applicable to a particular Issue of Secured Bonds exceeds the value stated in the Final Terms of that Issue (i.e., the LTV ratio that the Issuer is obligated to maintain), the Issuer is entitled to submit a written request and the Compliance Certificate to the Trustee for the partial or full release of any portion of the Collateral securing that Issue. Such release shall be permitted without the prior consent

of the Bondholders of the relevant Secured Bonds, provided that, immediately after such release, the LTV ratio is recalculated and remains in full compliance with the applicable LTV covenant as stated in the Final Term. Within 5 Business Days as of the receipt of respective Issuer's request the Trustee, after formally verifying whether the Compliance Certificate is in line with the Compliance Certificate requirement stated in these Terms (without verifying the substance of the Compliance Certificate, including without making any financial calculations by Trustee on its own), and if the Compliance Certificate is in line with the Compliance Certificate requirement stated in these Terms instructs the Account Bank to release the specified Collateral as requested by the Issuer.

13.18. If for any reason the repayment or redemption of the Secured Bonds, including with the Refinancing, is arranged through an escrow account, the Account Bank is obliged to arrange all necessary actions required under Applicable Laws for release of the Collateral, if the following preconditions have been met:

- (a) the Account Bank has received a copy of an escrow account agreement which, among other, provides that the funds deposited in the escrow account should be transferred to the Bondholders holding the Secured Bonds through the intermediary of Nasdaq CSD for discharge the Issuer's obligations under the Secured Bonds, and performance of necessary actions required under Applicable Laws for deletion of the entries made in respect of the Collateral is a precondition for the release of funds from the escrow account;
- (b) the Account Bank has received a copy of the bank's, which holds an escrow account, confirmation about the amount of funds deposited with the escrow account, and such amount is sufficient to discharge the Issuer's obligations under the Secured Bonds; and
- (c) the relevant escrow account bank has confirmed to the Account Bank that all other preconditions for release of the funds from the escrow account have been fulfilled.

14. REPLACEMENT OF THE ACCOUNT BANK

14.1. The Account Bank shall have the right to unilaterally terminate the performance of its duties described in these Terms in accordance with the Collateral Agreement (including, without limitation, terminate the enforcement of the Collateral) in case:

- (a) the Issuer, any of its management board or supervisory board member, beneficial owner(s) or shareholder(s) is recognized as subject of Sanctions; and/or
- (b) the Issuer, any of its management board or supervisory board member, beneficial owner(s) or shareholder(s) violates the laws, regulations on AML and prevention of financing terrorism or proliferation or the Sanctions.

14.2. In order to exercise its right of termination under Clause 14.1 of these Terms, the Account Bank shall submit a respective written notice stating the basis of exercising the right of termination to the Issuer and the Trustee. The duties and obligations of the retiring Account Bank shall be deemed to have terminated from the moment when the respective written notice is submitted to the Issuer and the Trustee. For the avoidance of doubt, from the time of submission of such notice, the Account Bank shall have no further obligation to perform any duties or obligations under these Terms, the relevant Collateral Agreement or any other agreement, except for actions explicitly required by Applicable Laws to effect the release (discharge) of the Collateral as a result of the termination under Clause 14.1.

14.3. Within 14 (fourteen) calendar days following receipt of the relevant notice under Clause 14.1 (a) or (b) of these Terms by the Issuer, a successor Account Bank must be designated - either by the Issuer and the Majority Bondholders whose claims are secured by the same Collateral (where applicable) or solely by the Issuer, in accordance with these Terms. The successor Account Bank must take over the obligations of the retiring Account Bank and ensure that all necessary registration changes are duly completed.

If a successor Account Bank is not appointed and the necessary pledgee registration changes are not completed within the applicable period above, the retiring Account Bank shall be entitled to perform all actions required to release the Collateral.

14.4. Each Bondholder holding the Secured Bonds and the Issuer expressly waives any and all claims against the retiring Account Bank for any actions or omissions in relation to the Collateral after the termination of its performance under any event in accordance with this Section 14 (*Replacement of the Account Bank*), except for the obligation in relation to replacing the successor Account Bank or Trustee in accordance with these Terms.

14.5. The Issuer shall promptly notify the Bondholders holding the Secured Bonds on occurrence of any event listed in Clauses 14.1 where the Account Bank has submitted to the Issuer the notice in terminating its activities by publishing the notice via Communication Channels.

15. APPLICATION OF THE PROCEEDS FROM ENFORCEMENT OF THE COLLATERAL

15.1. The proceeds from the enforcement of Collateral shall be applied in the following order of priority:

- (a) as the first priority: to the satisfaction and payment of all fees, costs, expenses and damages (including, without limitation, state duties, notary fees, valuation costs and fees, costs and expenses of the Trustee and the Account Bank and any third parties engaged in by the Trustee or the Account Bank pursuant to conditions set out, *inter alia*, in Clauses 12.6, 12.10 or 29.1(c) of these Terms) related to performance of its duties by, or otherwise payable to, the Account Bank or the Trustee under these Terms, respective Final Terms, the Trustee Agreement and the Collateral Agreement securing the Issuer's obligations relating to the Issue, including but not limited to the establishment, amendment, termination, assignment, novation and enforcement of the Collateral incurred by the Account Bank, Trustee and any of the third parties engaged by the Account Bank or the Trustee, provided that the fees, costs and expenses have occurred on a reasonable market price and pursuant to conditions specified in Clause 12.6, 12.10 and/or 29.1(c);
- (b) as the second priority (after full satisfaction, payment and deduction of all claims and amounts set forth in Clause 15.1 of these Terms): in payment of the claims of those Bondholders whose Secured Bonds are secured by respective Collateral arising under these Terms and the respective Final Terms in accordance with the Applicable Law.

15.2. The Account Bank shall withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Account Bank and the Trustee specified in Clause 15.1(a) of these Terms and transfer the remaining proceeds to the Bondholders holding the Secured Bonds for satisfying the claims under Clause 15.1 of these Terms. The Account Bank shall return the proceeds from the enforcement of the Collateral remaining after satisfying all claims set forth in Clause 15.1 of these Terms to the relevant Collateral Provider (unless there are judgments regarding other claims against the Issuer (including claims of other Bondholders; then the Account Bank acts in accordance with instructions or competent authority (e.g., bailiff)).

15.3. In case the proceeds remaining after covering the fees, costs, expenses, damages and claims under Clause 15.1(a) of these Terms do not cover the claims of the Bondholders holding the Secured Bonds under Clause 15.1(b) of these Terms in full, these claims of the Bondholders holding the Secured Bonds shall be satisfied *pro rata* in accordance with the Applicable Law.

15.4. The Account Bank is not obliged to pay to the Bondholders holding the Secured Bonds or any other persons any interest on the proceeds from the enforcement of the Collateral (whether deposited or not).

15.5. In case the Account Bank is required, under Applicable Laws, to withhold or pay any taxes in connection with payments to be made by the Account Bank hereunder, the amount to be paid by the Account Bank shall be reduced by the amount of respective taxes and only the net amount shall be paid by the Account Bank.

16. RIGHTS AND RESTRICTIONS CONNECTED WITH THE BONDS

- 16.1. Each Bondholder has the right to receive Coupon and Nominal Value payments in accordance with Section 1919 (*Coupon*) and Section 2020 (*Repayment of Bonds*) of these Terms and Final Terms of the respective Issue, as well as exercise other rights provided in these Terms, Final Terms of the respective Issue and Applicable Laws.
- 16.2. The Issuer has the right to purchase the Bonds on the secondary market directly from the Bondholders. The Bonds that are purchased by the Issuer are held in the Issuer's financial securities custody account and the Issuer has the right to sell the purchased Bonds to Potential Investors and other Bondholders. The Issuer may cancel the purchased Bonds held in the Issuer's financial securities custody account.
- 16.3. The Bonds held by the Issuer and the Related Party are not eligible to participate in the voting in accordance with these Terms.

17. RESTRICTIONS ON FREE CIRCULATION OF THE BONDS

- 17.1. The Bonds are freely transferable debt securities and may be pledged. However, the Bonds cannot be offered, sold, resold, transferred, or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under the Applicable Laws.
- 17.2. Any Bondholder wishing to transfer or offer the Bonds must ensure that any offering related to such transfer or offer would not be qualified as a public offering in the meaning of the Applicable Laws ("offer of securities to the public" within the meaning of the Prospectus Regulation) that require the Issuer's obligation to prepare the prospectus under Applicable Laws. According to these Terms, it is the obligation and liability of the Bondholder to ensure that any offering of the Bonds does not fall under the definition of public offering under the Applicable Laws.
- 17.3. Each Bondholder shall inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds. When offering, selling, reselling, transferring or delivering any of the Bonds, a Bondholder shall be responsible for complying with all relevant laws, including Applicable Laws, at its own cost and expense. The Issuer shall not be responsible to ensure compliance with such laws by the Bondholder. The Issuer is not obliged to take any action in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction, where action for that purpose is required

18. FIRST SETTLEMENT DATE OF THE BONDS

The First Settlement Date (Issue Date) of the respective Issue, on which the Coupon starts to accrue, is set out in the Final Terms of the respective Issue.

19. COUPON

19.1. Annual Coupon Rate

- 19.1.1. The Annual Coupon Rate for the Bonds of the respective Issue is set out in the Final Terms of the respective Issue.

19.2. Coupon payment procedure

- 19.2.1. Coupon payments are made on each Coupon Payment Date. Coupon payments are made on the last Business Day of each calendar month, except the first Coupon payment and the last Coupon payment. The first Coupon payment period commences on the Issue Date and ends on the first Coupon Payment Date which shall be stated in the Final Terms. The last Coupon payment will be made on the Maturity Date of the relevant Issue. If the first Coupon Payment Date or the last Coupon Payment Date is not a Business Day, the Issuer will pay the relevant Coupon on the next Business Day after the first Coupon Payment Date or the last Coupon Payment Date, as applicable. The postponement of the payment date shall not have an impact on the amount payable.
- 19.2.2. The Coupon record date is the 5th (fifth) Business Day prior to the Coupon Payment Date. At the end of

the Coupon record date the list of the Bondholders, who are eligible for the Coupon payments, will be fixed. The Coupon payment shall be made to the Bondholders in accordance with the relevant Bondholders' list, on each Coupon Payment Date for the preceding Coupon period.

19.2.3. The Issuer shall pay the Coupon through the intermediary of Nasdaq CSD and in accordance with the applicable Nasdaq CSD regulations, which regulate the procedure for paying income from debt securities. The Nasdaq CSD regulations applicable on the date of these Terms are the Nasdaq CSD Rulebook and Corporate Action Service Description.

19.2.4. If the Issuer has failed to make Coupon payments in accordance with the deadlines specified in these Terms, the Bondholders shall have the right to submit claims regarding the payment of the Coupon not earlier than after 20 (twenty) Business Days following the payment date of the relevant Coupon.

19.3. **Coupon calculation**

19.3.1. Monthly Coupon payments, except for the first Coupon payment, shall be calculated according to the following formula:

$CPN = F * C / 12$ or $CPN\% = C / 12$, where

CPN – the amount of the Coupon payment in EUR per Bond;

F – Nominal Value of one Bond;

C – annual Coupon rate (%).

The first coupon payment on the First Coupon Date is determined according to the following formula:

$CPN1 = F * C * n / 360$, where

CPN1 – the amount of Coupon payment in EUR per Bond on the first Coupon Payment Date;

F – Nominal value of one Bond;

C – annual Coupon rate (%);

n – number of days since the Issue Date or the last Coupon Payment Date (as applicable) calculated on a 30-day basis.

19.4. **Accrued Coupon Calculation**

19.4.1. The first Coupon for the respective Issue starts to accrue on the First Settlement Date of the respective Issue. The accrued Coupon is calculated presuming there are 360 (three hundred and sixty) days in one year (day count convention – “European 30/360”).

Accrued interest between Coupon Payment Dates shall be calculated as follows:

$AI = F * C / 360 * D$, where:

AI – accrued interest of one Bond;

F – Nominal Value of one Bond at the beginning of the relevant month, i.e., the initial Nominal Value at the time of the issue of a Bond of the respective Issue, as may be reduced by the redemption or repurchase amounts paid during the previous periods in accordance with these Terms;

C – annual Coupon rate (%);

D – the number of days from the beginning of the Coupon accrual period according to the European 30/360-day count method.

20. **REPAYMENT OF BONDS**

20.1. **Repayment at maturity**

20.1.1. The Nominal Value of one Bond is EUR 1,000 (one thousand Euro) and the Issuer will repay the Nominal Value of the Bonds of the respective Issue at the Maturity Date of the respective Issue.

20.1.2. The Issuer will pay the Nominal Value in accordance with the Nasdaq CSD intermediary and applicable

Nasdaq CSD regulations. Nasdaq CSD regulations applicable on the date of these Terms are Nasdaq CSD Rulebook and Corporate Action Service Description. The Nominal Value of the Bonds of the respective Issue will be paid on the Maturity Date of the respective Issue. The list of the Bondholders eligible to receive the Nominal Value and accrued and unpaid Coupon of the respective Issue will be fixed at the end of the previous Business Day before the Maturity Date of the respective Issue.

20.1.3. If the Maturity Date of the Bonds of the respective Issue is not a Business Day, the Issuer will pay the Nominal Value of the Bonds on the next Business Day after the Maturity Date of the respective Issue. The postponement of the payment date shall not have an impact on the amount payable.

20.1.4. If the Issuer fails to make the Nominal Value payment in accordance with the deadlines specified in these Terms, the Bondholders shall have the right to submit claims regarding the repayment of the Nominal Value not earlier than after 20 (twenty) Business Days following the Maturity Date of the respective Issue.

20.2. Early redemption at the option of the Issuer (call option)

20.2.1. Unless the Final Terms provide different call option procedure, the Issuer may redeem the Bonds of the respective Issue, in whole or in part on the Coupon Payment Date, by paying 100% (one hundred percent) of the Nominal Value amount of the redeemed Bonds plus accrued and unpaid Coupon.

20.2.2. The Issuer may redeem the Bonds of the respective Issue in part in amount calculated in accordance to Clause 20.2.1 provided that any partial redemption amount shall be for an amount not less than 5% of the total Nominal Value of respective Issue amount (excluding accrued and unpaid Coupon that is paid in addition to this amount). Starting from the second partial redemption of the Bonds of the respective Issue, the Issuer may increase the redeemed amount of the total Nominal Value of the respective Issue in increments of 5% (five percent) or more for every case of early partial redemption.

20.2.3. If the Issuer takes a decision on early redemption of the Bonds of the respective Issue, the Issuer shall notify Nasdaq CSD, the Bondholders and the Trustee at least 10 (ten) Business Days prior to the redemption date of the Bonds of the respective Issue, by publishing the notice via Communication Channels.

20.2.4. If the Issuer redeems the Bonds of the respective Issue, the Issuer will pay the redemption payment with the Nasdaq CSD intermediary and applicable Nasdaq CSD regulations. The Nasdaq CSD regulations applicable on the date of these Terms are the Nasdaq CSD Rulebook and Corporate Action Service Description. The list of the Bondholders eligible to receive the redemption payment and accrued and unpaid Coupon will be fixed at the end of the previous Business Day before the redemption payment date.

20.2.5. The Issuer is entitled, at its sole discretion, to apply all or part of the Security Deposit towards the full or partial repayment or early redemption of any Bonds. In the case of full repayment or early redemption, this may be done regardless of whether the Issuer complies with any of the financial covenants provided in Section 21 (*Financial covenants*). In the case of partial repayment or early redemption, the Issuer may apply all or part of the Security Deposit only if it remains in compliance with all financial covenants provided in Section 21 (*Financial covenants*) immediately following such partial redemption. In either cases, the Issuer shall submit a written request to the Trustee. In the case of partial repayment or early redemption, the request shall be accompanied by a Compliance Certificate confirming that after the partial repayment all Financial Covenants will continue to be fulfilled. The Trustee shall immediately submit the request to the Account Bank. Upon receipt of such request, the Account Bank shall immediately release the requested amount from the Security Deposit Account without the need for any consent or approval from the Bondholders.

20.3. Early redemption at the option of the Bondholders (put option)

20.3.1. In case a Change of Control, a Delisting Event, Downgrade Event, or a Suspension Event has occurred, the Issuer has the obligation (in case of anticipated Change of Control – a right), in the case of a Change of Control, to inform all Bondholders, and in the case of a Delisting Event, Downgrade Event or Suspension Event, to inform only those Bondholders whose Secured Bonds are affected by such event (the “**Relevant Bondholders**”), by publishing a sufficiently detailed notice via Communication Channels no later than 20

(twenty) Business Days after such event has occurred or, in the case of a Change of Control, at any time before the anticipated occurrence:

- (a) stating that the Change of Control, Delisting Event, Downgrade Event, or Suspension Event has occurred or, in the case of Change of Control, is anticipated to occur, and that each Relevant Bondholder within a period of 10 (ten) Business Days has the right to require the Issuer to redeem all of such Bondholder's Bonds at a price equal to 101% (one hundred and one percent) of the Nominal Value plus accrued and unpaid Coupon;
- (b) stating the redemption date, which shall be no earlier than 10 (ten) Business Days and not later than 20 (twenty) Business Days from the date such notice is delivered to the Relevant Bondholders; however, if the notice is delivered prior to the occurrence of a Change of Control, the Issuer may state that the redemption of the Bonds is conditional upon the occurrence of a Change of Control, in which case the Bonds will be redeemed not later than 20 (twenty) Business Days following the occurrence of a Change of Control;
- (c) stating the record date;
- (d) stating that any Bond redeemed will cease to accrue interest after redemption and any Bonds not redeemed will continue to accrue interest;
- (e) describing the circumstances and relevant facts regarding the transaction or event that constitute a Change of Control, Delisting Event, Downgrade Event, or Suspension Event; and
- (f) describing the procedures determined by the Issuer that the Relevant Bondholder must follow to have its Bonds redeemed.

20.3.2. To exercise the put option, the Relevant Bondholder must, within a period of 10 (ten) Business Days after the date of publication of the Issuer's notice, submit to the Issuer a duly signed and completed notice of exercise put option in the form provided by the Issuer. The completed form shall be submitted to the Issuer by the Relevant Bondholder directly (a form with a hand-written signature delivered by post or courier or a form with an electronic signature delivered by e-mail) or indirectly via the Relevant Bondholder's Custodian. If no response from the Relevant Bondholder has been received within the designated time period, it is considered that the Relevant Bondholder will not execute its put option. No option so exercised may be withdrawn without a prior consent of the Issuer.

20.3.3. If at least 75% (seventy-five percent) of the Nominal Amount of the Bonds of the respective Issue then outstanding have been redeemed pursuant to this Clause 20.3 (*Early redemption at the option of the Bondholders (put option)*), the Issuer may, on not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Relevant Bondholders, which is given within 30 (thirty) days after the redemption of the Bonds pursuant to Clauses 20.3.1 and 20.3.2, redeem on a date to be specified in such notice at its option, all (but not some only) of the remaining Bonds at 101% (one hundred and one percent) of the Nominal Value plus accrued and unpaid Coupon.

20.3.4. The Issuer shall also inform the Trustee of the occurrence or anticipated occurrence of a Change of Control, Delisting Event, Downgrade Event, or Suspension Event at the same time as it informs the Relevant Bondholders, but in no event later than the notice publication deadline stated above.

21. FINANCIAL COVENANTS

Unless the Final Terms provide otherwise, the Issuer undertakes to comply and/or where applicable, undertakes to ensure compliance with the following financial covenants from the Issue Date of the Issue Date of the respective Bonds and for as long as respective Bonds are outstanding:

- 21.1. to maintain the Equity Ratio of at least 50% (fifty percent) calculated for the Relevant Period at the end of each quarter;
- 21.2. in relation to the respective Issue of the respective Secured Bonds: to ensure that the LTV ratio remains at or below the level as stated in the Final Terms at all times.

Financial covenants stated above shall be tested at the end of each quarter and proof of compliance with these covenants shall be included in every Financial Report. The financial covenants shall be calculated in

accordance with the Accounting Principles.

The Final Terms of respective Issue may provide additional financial covenants.

22. UNDERTAKINGS

- 22.1. Unless the Final Terms provide otherwise, the Issuer undertakes to comply with the following undertakings from the Issue Date of the first Issue and for as long as any Bonds are outstanding:
- (a) to ensure that the funds that are raised as a result of the Bonds' Issue are used only in accordance with Section 1 (*Use of the proceeds*);
 - (b) not to initiate or allow initiation of the Issuer's liquidation;
 - (c) to reduce the share capital of the Issuer and receive funds as a result of share capital reduction, provided that all financial covenants set out in Section 22 (Financial covenants) are fully satisfied immediately following the effectiveness of the capital reduction;
 - (d) to pay dividends to its shareholders provided that all financial covenants set out in Section 22 (Financial covenants) are fully satisfied immediately following such payment of dividends;
 - (e) to ensure that any and all dividends, distributions or similar payments made to the Issuer in respect of Shares or other transferrable securities that are subject to the Collateral are promptly transferred into the Security Deposit Account. Such funds shall be held as Collateral and may only be released in accordance with Clause 22.3);
 - (f) to repay any of the Shareholder Loans before the Maturity Date of any Issue provided that all financial covenants in Section 21 (*Financial covenants*) are fully satisfied immediately following such Shareholder Loan repayment;
 - (g) to incur only Permitted Debt and create only the Permitted Security;
 - (h) to ensure that any transactions with Related Parties are concluded on arm's length basis;
 - (i) following the end of each respective quarter to prepare and publish via Communication Channels quarterly Financial Reports by the end of the second month following the end of each respective quarter. The quarterly Financial Reports shall be accompanied by a Compliance Certificate, in which the Equity Ratio is calculated based on the figures presented in such Financial Report. The Financial Report shall also include information whether the Issuer is compliant with the financial covenants set out in Section 21 (*Financial Covenants*) of these Terms;
 - (j) to prepare and publish via Communication Channels annual Financial Report audited by the Auditor until 30 April of the following year after each consecutive Financial Year.
- 22.2. For avoidance of any doubt, these Terms shall not be construed to restrict or prohibit the Issuer from undertaking any of the following activities: (a) initiating or carrying out any Acquisitions, (b) granting loans, credit facilities, or entering into similar financing arrangement with any of its Subsidiaries, associated companies, or any other entity in which the Issuer holds or may in the future hold an investment, or (c) making equity contributions or capital injections into any entity (irrespective whether the Issuer already has equity interest in such company or does not have), or (d) undertaking any form of corporate reorganization, including but not limited to mergers, de-mergers, or corporate restructurings involving the Issuer or any other company merging with or into the Issuer, or (e) to invest in equity, as loans, mezzanine loans in other company/ies without any limitations.
- 22.3. The Issuer may submit a written request and a Compliance Certificate to the Trustee to request the release of the funds held with the Security Deposit Account, provided that, immediately following such release, the Issuer remains in full compliance with the financial covenants set out in Section 21 (*Financial covenants*). Within 5 Business Days of receiving the Issuer's request, the Trustee shall, after formally verifying whether the Compliance Certificate complies with the Compliance Certificate requirement stated in the Terms (without verifying the accuracy or substance of the financial data or representations contained in Compliance Certificate), and provided that the Compliance Certificate is compliant to the Terms, instruct the Account Bank to release the requested funds to the Issuer. The Trustee shall not be

required to make any independent assessment of the Issuer's compliance with Section 21 (*Financial covenants*), and shall be entitled to rely exclusively on the Compliance Certificate for the purposes of this Clause.

23. EVENTS OF DEFAULT

23.1. Each of the following events or circumstances shall constitute an Event of Default:

23.1.1. **Non-payment:** the Issuer fails to pay any amount of principal in respect of the Bonds on the due date for payment thereof or fails to pay any amount of Coupon in respect of the Bonds on the due date for payment thereof, unless the payment is made within 20 (twenty) Business Days following the original due date. The Bondholders shall have the right to submit claims to the Issuer and to the Trustee regarding failure to make payment not earlier than 20 (twenty) Business Days after the due date of the relevant payment;

23.1.2. **Breach of Financial Covenants:** The Issuer does not comply with any financial covenant set out in Section 21 (*Financial covenants*) unless prior to or within 20 (twenty) Business Days of the earlier of: (a) the date on which the relevant Financial Report or, in the case of the LTV covenant, the relevant Compliance Certificate is to be published or submitted pursuant to these Terms; and (b) the date that such a Financial Report or, in the case of the LTV covenants, such Compliance Certificate was in fact published or submitted pursuant to these Terms for any Relevant Period in which such failure to comply was (or would have been) first evidenced ("**Breach Period**"), the Issuer has taken corrective actions to restore compliance with the financial covenants. Such corrective actions may include, but are not limited to, receiving cash proceeds of new injections from the shareholders of the Issuer in a form of equity and/or Subordinated Debt, and, in case of a breach of the LTV covenant, providing additional Collateral, including (but not limited to) transferring additional funds to the Security Deposit Account or increasing the existing Collateral. Where the additional Collateral consists of Shares or other transferrable securities, such Shares or other transferrable securities must be of the same legal entity whose Shares or other transferrable securities are already pledged as Collateral under the relevant Issue of Secured Bonds (the "**Equity Cure**"). Such proceeds or actions must be sufficient to restore full compliance with the applicable financial covenants set out in Section 21 (*Financial covenants*), and the selection of the specific remedial action shall remain at the sole discretion of the Issuer.

Any Equity Cure provided to the Issuer in respect of such Breach Period shall be deemed to have been provided during the Breach Period and shall be included (without double counting) in all relevant calculations of the financial covenants set out in Section 21 (*Financial covenants*) until the date it was deemed provided falls outside any subsequent Relevant Period.

If after the Equity Cure the relevant financial covenant set out in Section 21 (*Financial covenants*) is met, then the requirement thereof shall be deemed to have been satisfied as at the relevant original date of determination of an Event of Default occasioned thereby shall be deemed to have been remedied for the purposes of these Terms.

23.1.3. **Breach of Undertakings:** The Issuer does not comply with any undertakings set out in Section 22 (*Undertakings*), unless the non-compliance (a) is capable of being remedied and (b) is remedied within 20 (twenty) Business Days after the Issuer becoming aware of the non-compliance.

23.1.4. **Cross Default:**

- (a) Any Financial Indebtedness of the Issuer is neither paid when due nor within any applicable grace period;
- (b) any Financial Indebtedness of the Issuer is declared to be or otherwise becomes due and payable prior to its specified maturity, as a result of an event of default (however described);
- (c) any commitment for any Financial Indebtedness of the Issuer is cancelled or suspended by a creditor, as a result of an event of default (however described); or
- (d) any security securing Financial Indebtedness of the Issuer over any asset is enforced by a secured creditor;

provided, however, the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above exceeds in total EUR 250,000.00 (two hundred fifty thousand Euro) (or the equivalent thereof in any other currency), if there is no dispute on the obligation to pay and that the above does not apply to any Financial Indebtedness owed to the Related Party or Subordinated Debt.

23.1.5. Insolvency:

- (a) the Issuer is declared insolvent or bankrupt by a court of competent jurisdiction or admits inability to pay its debts in case of lawful claims, save for the claims by the Related Parties or within the Group;
- (b) the Issuer enters into any arrangement with majority of its creditors by value in relation to the restructuring of its debts or any meeting is convened to consider a proposal for such arrangement; or
- (c) an application to initiate insolvency or restructuring (including procedures such as legal protection process and out of court legal protection process) or administration of the Issuer or any other proceedings for the settlement of the debt of the Issuer is submitted to the court by the Issuer or by any Related Parties, other than the proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 90 (ninety) calendar days of commencement or, if earlier, the date on which it is advertised.

23.2. Establishment of an Event of Default:

- 23.2.1. Bondholders representing at least 10% (ten percent) of the principal amount of the outstanding Bonds may by written notice to the Trustee and the Issuer declare the occurrence of Event of Default which is continuing.
- 23.2.2. If the Issuer confirms that Event of Default in accordance with Section 23 (*Events of Default*) above has occurred or does not provide any information within 30 (thirty) Business Days, then the Issuer shall pay all Bondholders the Nominal Value of the Bonds along with the accrued and unpaid Coupon and default interest in accordance with Section 24 (*Default Interest*) within 20 (twenty) Business Days from the occurrence of any of the aforementioned events, i.e., confirmation or non-response.
- 23.2.3. The Issuer shall publish information regarding Bondholders representing at least 10% (ten percent) of the principal amount of the outstanding Bonds declaring the occurrence of Event of Default and confirmation or denial of occurrence of Event of Default via Communication Channels.
- 23.2.4. For the avoidance of doubt, an Event of Default shall not be deemed established pursuant to this Clause 23.2 (*Establishment of an Event of Default*), if the Issuer notifies the Trustee and the Bondholders, within 30 (thirty) Business Days as set forth in Clause 23.2.2, that a circumstance, matter or event causing the relevant Event of Default to occur has ceased to exist or been remedied, or substantiates that the Event of Default did not occur. Event of Default in Clause 23.1.4 (*Cross Default*) ceases to exist if at any time (including after 30 (thirty) Business Days) the Financial Indebtedness is paid or settled in any other way.
- 23.2.5. For the avoidance of doubt, the Issuer is entitled not to make any payments to an Investor or perform any of its obligations towards an Investor, if (a) such payment or performance would not comply with Applicable Laws (e.g., would breach any applicable Sanctions) or (b) the Issuer (acting reasonably and in good faith) has requested an Investor to provide information or reasonable evidence regarding the inexistence of circumstances, events and matters that would cause a payment or performance to that Investor to be non-compliant with Applicable Laws and the Investor has not delivered such information or evidence.
- 23.2.6. Subject to Clause 23.2.8, if the Issuer is declared insolvent, the Trustee shall represent the Bondholders in all legal proceedings and take every reasonable measure necessary to recover the amounts outstanding under the Bonds. The Issuer shall notify the Trustee about being declared insolvent in accordance with Clause 25 (*Disclosure of Information*) promptly upon becoming aware of its occurrence. In such a case, all payments by the Issuer relating to the Bonds transferred to the Trustee, or to a party appointed by the

Trustee, and shall constitute escrowed funds, to be held on a separate interest-bearing account on behalf of the Bondholders. The Trustee shall arrange for payments of such funds in the following order of priority as soon as reasonably practicable:

- (a) *first*, in or towards payment *pro rata* of:
 - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee,
 - (ii) other costs, expenses and indemnities relating to the protection of the Bondholders' rights,
 - (iii) any non-reimbursed costs incurred by the Trustee for external experts, and
 - (iv) any non-reimbursed costs and expenses incurred by the Trustee in relation to a Bondholders' Meeting or a Written Procedure;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Coupon under the Bonds (Coupon due on an earlier Coupon Payment Date to be paid before any Coupon due on a later Coupon Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms.

23.2.7. If the Trustee makes any payment under Clause 23.2.6(d), the Trustee, as applicable, shall notify the Bondholders of any such payment at least 5 (five) Business Days before the payment is made. Such notice shall specify the record date which is the Business Day preceding the due date for the payment, the payment date and the amount to be paid.

23.2.8. Notwithstanding anything to the contrary in these Terms, the Trustee shall not be obliged to take any action, initiate or participate in any legal proceedings, or incur any expense in connection with the performance of its duties under these Terms unless it has received, to its satisfaction and in advance, such indemnity, security and/or prefunding (in each case in form and amount satisfactory to the Trustee) for all fees, costs, and expenses (including legal fees) as it may incur in connection with such action or proceedings from the Issuer or, failing which, from Bondholders.

24. DEFAULT INTEREST

If the Issuer fails to pay to the Bondholders any amount payable by it under these Terms, then the Issuer shall pay to the Bondholders default interest (in Latvian – *nokavējuma procenti*) accruing on the overdue amount from the due date up to the date of actual payment at a rate which is 0.05% (zero point zero five per cent) per day.

25. DISCLOSURE OF INFORMATION

25.1. Up until the Maturity Date of the relevant Issue, the Issuer shall provide all information required by covenants directly to the Trustee and to Bondholders on the Issuer's webpage.

25.2. Any notice or report published in a manner prescribed in Section 25 (*Disclosure of information*) of these Terms shall be deemed to have been received on the same Business Day when it is published.

26. FORCE MAJEURE

26.1. The Issuer shall be entitled to postpone the fulfilment of its obligations under these Terms by publishing notice via Communication Channels, in case the performance is not possible due to continuous existence of any of the following circumstances (a "**Force Majeure Event**"):

- (a) action of any authorities, war or threat of war, armed hostility or a serious threat of it, including but not limited to enemy attacks, blockades, military embargoes, actions by a foreign enemy, general military mobilisation, military actions, declared and undeclared war, actions by a public enemy, commotions, acts of terrorism, diversions, piracy, disorders, invasion, revolution, coup, insurrection, mass unrest, expropriation, enforced withdrawal, takeover of enterprises, requisition;

- (b) disturbances in postal, telephone, or electronic communications which are due to circumstances beyond the reasonable control of the Issuer and that materially affect the operations of the Issuer;
- (c) any interruption of or delay in any functions of measures of the Issuer as a result of fire, frost or other similar disaster;
- (d) any industrial action, such as strike, lockout, boycott or blockade affecting materially the activities of the Issuer; or
- (e) any other similar force majeure hindrance.

26.2. In case of occurrence of a Force Majeure Event, the Issuer's fulfilment of the obligations may be postponed for the period of the existence of such respective circumstances and shall be resumed immediately after such circumstances cease to exist, provided that the Issuer shall put all best efforts to limit the effect of the Force Majeure Event and to resume the fulfilment of its obligations as soon as possible.

26.3. For the avoidance of doubt, an Event of Default shall not occur if a relevant event, matter or circumstance that would otherwise cause an Event of Default to occur is a Force Majeure Event.

27. REPRESENTATION OF THE BONDHOLDERS

27.1. Within the framework of the issue, it is not planned, yet not prohibited to create an organization of authorized persons, which would represent Bondholders. In case of the insolvency of the Issuer each Bondholder has the right to represent their own interests in creditors' meetings. The Bondholders will have equal rights for satisfaction of their claims with other creditors in the same claims' group.

27.2. The Bondholders holding the Secured Bonds have no rights to act with the Collateral directly, yet at the same time there are no restrictions set for the Bondholders' holding the Secured Bonds right to create and/or authorize an organization/person that represents the legal interests of all Bondholders or part thereof.

28. DECISIONS OF THE BONDHOLDERS

28.1.1. General provisions

- (a) The decisions of the Bondholders (including decisions on amendments to these Terms or the Final Terms of the relevant Issues or granting of consent or waiver) shall be passed at a meeting of the Bondholders (the "**Bondholders' Meeting**") or in writing without convening the Bondholders' Meeting (the "**Written Procedure**") at the choice of the Issuer or the Trustee (as applicable). However, the Issuer shall have a right to amend the technical procedures relating to the Bonds in respect of payments or other similar matters without the consent of the Bondholders, if such amendments are not prejudicial to the interests of the Bondholders.
- (b) The Issuer and the Trustee shall have a right to convene the Bondholders' Meeting or instigate the Written Procedure at any time and the Trustee shall do so following a written request from the Bondholders who, on the day of the request, represent not less than 10% (ten percent) of the principal amount of the Bonds outstanding or the principal amount of the Bonds of the relevant Issue outstanding (as applicable) (excluding the Issuer and the Related Parties).
- (c) In case convening of the Bondholders' Meeting or instigation of the Written Procedure is requested by the Bondholders, the Trustee shall be obliged to convene the Bondholders' Meeting or instigate the Written Procedure within 1 (one) month after receipt of the respective Bondholders' written request.
- (d) Only those who were appearing in Nasdaq CSD as the Bondholders by the end of the 5th (fifth) Business Day prior to convening the Bondholders' Meeting (in case of the Bondholders' Meeting is convened) and only those who were appearing in Nasdaq CSD as the Bondholders by the end of the 5th (fifth) Business Day after publishing an announcement on instigation of the Written Procedure (in case the Written Procedure is instigated) or proxies authorised by such Bondholders, may exercise their voting rights at the Bondholders' Meeting or in the Written Procedure. The voting rights of the Bondholders will be determined on the basis of the principal amount of the

Bonds held. In case of Bondholder's proxies the Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

- (e) Quorum at the Bondholders' Meeting or in respect of the Written Procedure only exists if one or more Bondholders holding 50% (fifty per cent) in aggregate or more of the principal amount of the Bonds outstanding or the principal amount of the Bonds of relevant Issue outstanding (as applicable):
 - (i) if at a Bondholder's Meeting, attend the meeting; or
 - (ii) if in respect of a Written Procedure, reply to the request.

If the Issuer or the Related Parties are the Bondholders, their principal amount of the Bonds will be excluded when a quorum is calculated.

- (f) If quorum does not exist at the Bondholders' Meeting or in respect of a Written Procedure, the Issuer (if approved by the Trustee) or the Trustee shall convene a second Bondholders' Meeting (in accordance with Clause 28.1.1(a)) or instigate a second Written Procedure (in accordance with Clause 28.1.1(a)), as the case may be. The quorum requirement in paragraph (d) above shall not apply to such second Bondholders' Meeting or Written Procedure, except for exclusion of the Issuer and the Related Parties from calculation of a quorum.
- (g) Consent of the Majority Bondholders is required for agreement with the Issuer to amend Sections 3 (*Applicable law and dispute resolution*), Section 7 (*Status of the Bonds*), Section 21 (*Financial covenants*), Section 22 (*Undertakings*), Section 23 (*Events of Default*) and Section 28 (*Decisions of the Bondholders*).
- (h) Consent of the Majority Bondholders of all Secured Bonds is required for agreement with the Issuer to amend Section 8 (*Collateral of the Secured Bonds*), Section 9 (*Permitted Security*), Section 10 (*Ranking and distribution*), Section 11 (*Bondholders and the Account Bank*), Section 12 (*Scope and obligations of the Account Bank*), Section 13 (*Establishment, release and enforcement of the Collateral*), Section 14 (*Replacement of Account Bank*).
- (i) Consent of the Majority Bondholders whose claims are secured by the same Collateral is required for agreement with the Issuer to amend these Terms regarding the respective Collateral, enforcement of the respective Collateral, or the approval of the Action Plan.
- (j) Consent of at least 75% (seventy-five per cent) of the aggregate principal amount of the outstanding Bonds of the respective Issue attending the Bondholders' Meeting or participating in the Written Procedure (i.e. replying to the request) is required for the following decisions:
 - (i) agreement with the Issuer to change the date, or the method of determining the date, for the payment of principal, interest or any other amount in respect of the relevant Issues, to reduce or cancel the amount of principal, interest or any other amount payable on any date in respect of the relevant Issue or to change the method of calculating the amount of interest or any other amount payable on any date in respect of the relevant Issue or to decide on any other Issue specific items;
 - (ii) agreement with the Issuer to change the currency of the relevant Issue.
- (k) Consent of simple majority of all Bondholders or the Bondholders of the respective Issue (as applicable) attending the Bondholders' Meeting or participating in the Written Procedure (i.e. replying to the request) is required to the decisions not covered in any of the paragraph (g) - (j) above (as applicable).
- (l) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be provided to the Bondholders in accordance with Section 25 (*Disclosure of information*), provided that a failure to do so shall not invalidate any decision made or voting result achieved.

- (m) Decisions passed at the Bondholders' Meeting or by way of the Written Procedure shall be binding on all Bondholders irrespective of whether they participated at the Bondholders' Meeting or in the Written Procedure.
- (n) All expenses in relation to the convening and holding the Bondholders' Meeting or a Written Procedure shall be covered by the Issuer.
- (o) The Issuer shall have a right to appoint and authorize an agent to convene and hold the Bondholders' Meeting or a Written Procedure.
- (p) The Issuer shall inform Nasdaq CSD of any decisions made by the Bondholders, changes to the specifications of the Bonds and/or the Coupon calculation method, as well as any modifications to the procedure for Coupon payments and/or the repayment of the Nominal Value, according to the regulation determined in the Nasdaq CSD rules.
- (q) If the Issuer offers Bondholders a fee for relevant decision of the Bondholders, the Issuer shall transfer the fee through the intermediary of Nasdaq CSD and in accordance with applicable Nasdaq CSD regulations, which regulate the procedure for paying income from debt securities.

28.2. Bondholders' Meeting

- (a) If a decision of the Bondholders is intended to be passed at the Bondholders' Meeting, then a respective notice of the Bondholders' Meeting shall be provided to the Bondholders in accordance with Section 25 (*Disclosure of information*) no later than 10 (ten) Business Days prior to the meeting. Furthermore, the notice shall specify the time, place and agenda of the meeting, as well as any action required on the part of the Bondholders that will attend the meeting. No matters other than those referred to in the notice may be resolved at the Bondholders' Meeting.
- (b) The Bondholders' Meeting shall be held in Riga, Latvia, and its chairman shall be the Issuer's representative appointed by the Issuer.
- (c) The Bondholders' Meeting shall be organised by the chairman of the Bondholders' Meeting.
- (d) The Bondholders' Meeting shall be held in English with translation into Latvian, unless the Bondholders present in the respective Bondholders' Meeting unanimously decide that the respective Bondholders' Meeting shall be held only in Latvian or English.
- (e) Minutes of the Bondholders' Meeting shall be kept, recording the day and time of the meeting, attendees, their votes represented, matters discussed, results of voting, and resolutions which were adopted. The minutes shall be signed by the keeper of the minutes, which shall be appointed by the Bondholders' Meeting. The minutes shall be attested by the chairman of the Bondholders' Meeting, if the chairman is not the keeper of the minutes, as well as by one of the persons appointed by the Bondholders' Meeting to attest the minutes. The minutes from the relevant Bondholders' Meeting shall at the request of a Bondholder be sent to it by the Issuer.

28.3. Written Procedure

- (a) If a decision of the Bondholders is intended to be passed by a Written Procedure then a respective communication of the Written Procedure shall be provided to the Bondholders, Trustee and, if necessary, to the Account Bank (in respect of Secured Bonds) in accordance with Section 25 (*Disclosure of information*).
- (b) Communication in paragraph (a) above shall include:
 - (i) each request for a decision by the Bondholders;
 - (ii) a description of the reasons for each request;
 - (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;

- (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote “yes” or “no” for each request) as well as a form of a power of attorney; and
- (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least 10 (ten) Business Days from the communication pursuant to paragraph (a) above) and a manner of a reply.
- (c) When the requisite majority consents pursuant to Clause 28.1.1(g), 28.1.1(h), 28.1.1(i), 28.1.1(j), 28.1.1(k) (as applicable) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 28.1.1(g), 28.1.1(h), 28.1.1(i), 28.1.1(j), 28.1.1(k) (as applicable), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.
- (d) In respect of the Secured Bonds the Issuer shall inform the Trustee and, if necessary, Account Bank on the results of Written Procedure and the status of the relevant decision.

29. APPOINTMENT AND REPLACEMENT OF THE TRUSTEE

29.1. Appointment of the Trustee

- (a) By subscribing for Bonds, each initial Bondholder appoints the Trustee to act as its agent in all matters relating to the Bonds and these Terms, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation or insolvency (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Trustee to act on its behalf. No Bondholder shall have any right to take individual enforcement action against the Issuer, except as expressly permitted under these Terms.
- (b) Each Bondholder shall, immediately upon request by the Trustee, provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), as the Trustee reasonably deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms. The Trustee is under no obligation to represent, or take any action on behalf of, any Bondholder which does not comply with such request.
- (c) The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and the Trustee Agreement, and the Trustee’s obligations under these Terms are conditioned upon the due payment of such fees and indemnifications. The Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability (including, but without limitation, legal fees) in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds is not reasonably assured to it. For this purpose, the Trustee may demand, prior to taking any such action, payment in advance as it considers (without prejudice to any further demand) shall be sufficient to prefund it.
- (d) The Issuer shall on demand by the Trustee pay all costs for external experts engaged by it:
 - (i) after the occurrence of an Event of Default,
 - (i) for the purpose of investigating or considering (A) an event or circumstance which the Trustee reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Bonds which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Terms,
 - (ii) in connection with any Bondholders’ Meeting or Procedure in Writing, or
 - (iii) in connection with any amendment (whether contemplated by the Terms or not) or waiver under the Terms.

- (e) When acting pursuant to these Terms, the Trustee is always acting with binding effect on behalf of the Bondholders. Any advice or opinion from the Trustee does not bind the Bondholders or the Issuer.
- (f) The Trustee is entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as trustee, without having to first obtain any consent from the Bondholders or the Issuer. If the Trustee engages the third persons or legal experts (as per Clause 29.1(d) above) the Trustee shall evaluate and appoint only reputable third parties having professional expertise for the fulfilment of the respective tasks and acts. In case of use of the services of third parties and/or appointment of third-party representatives, the Trustee shall also ensure: (a) by receiving a confirmation from the Issuer that no conflict of interest exists in respect to the Issuer; (b) the fees, costs and expenses of such third party services are in the Trustee's opinion at a reasonable market price; (c) the fees, costs and expenses for using the services of third parties and/or appointment of third-party representatives would not exceed costs, fees and expenses of the Trustee if the latter would perform its obligations under these Terms, the Final Terms, the Trustee Agreement on its own; and (d) involvement of third parties and/or appointment of third-party representatives does not entirely replace the Trustee for performing its services (or the substantial part thereof) under these Terms, the Final Terms and the Trustee , Agreement. If the Trustee has engaged such third parties without having first obtained consent from Majority Bondholders of the relevant Secured Bonds or the Issuer, the Trustee shall remain fully responsible and liable for the acts, omissions or defaults of any such third party as if they were the acts, omissions or defaults of the Trustee itself.
- (g) The Trustee may act as agent for several issues of securities issued by or relating to the Issuer or any companies related with the Issuer notwithstanding potential conflicts of interest.

29.2. Duties of the Trustee

- (a) The Trustee shall represent the Bondholders in accordance with these Terms, the Trustee Agreement and Applicable Laws, and shall carry out its duties under these Terms, the Trustee Agreement and Applicable Laws in a reasonable, proficient and professional manner, with reasonable care and skill. However, the Trustee is not responsible for the execution or enforceability of these Terms. The Trustee shall keep the latest version of these Terms (including any document amending these Terms) and the Final Terms and they will be available via Communication Channels.
- (b) Upon request by a Bondholder, the Trustee shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Trustee). The Trustee may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Trustee in doing so (including a reasonable fee for the work of the Trustee) before any such information is distributed. The Trustee shall, upon request by a Bondholder, disclose the identity of any other Bondholder who has consented to the Trustee in doing so.
- (c) The Trustee shall treat all Bondholders equally and, when acting pursuant to these Terms, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in these Terms and the Trustee Agreement.
- (d) If, in the Trustee's reasonable opinion, the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require. The Trustee shall give a notice to the Bondholders:
 - (i) before it ceases to perform its obligations under these Terms by reason of the non-

payment by the Issuer of any fee or indemnity due to the Trustee under these Terms or the Trustee Agreement, or

- (ii) if it refrains from acting for any reason described in this Clause.
- (e) Other than as specifically set out in these Terms, the Trustee shall not be obliged to monitor:
 - (i) whether any Event of Default has occurred,
 - (ii) the performance, default or any breach by the Issuer or any other party of its obligations under Terms, and
 - (iii) whether any other event specified in any finance document of the Issuer has occurred. Should the Trustee not receive such information, the Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Trustee does not have actual knowledge of such event or circumstance.
- (f) The Trustee shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Trustee, including the Compliance Certificate not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- (g) The Trustee shall give a notice to the Bondholders:
 - (i) before it ceases to perform its obligations under the Terms by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Terms or the Trustee Agreement, or
 - (ii) if it refrains from acting for any reason described above.

29.3. Limited Liability of the Trustee

- (a) The Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms, unless directly caused by its negligence or wilful misconduct. The Trustee shall never be responsible for indirect loss.
- (b) The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Trustee shall have no liability to the Issuer or the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with these Terms.

29.4. Replacement of the Trustee

- (a) The Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Procedure in Writing initiated by the retiring Trustee.
- (b) If the Trustee is insolvent or becomes subject to bankruptcy proceedings, the Trustee shall be deemed to resign, and the Issuer shall within 10 (ten) Business Days appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholders representing not less than 1/10 (one-tenth) of the nominal amount of Bonds may, by notice to the Issuer require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened

by it or by way of Procedure in Writing initiated by it, propose to the Bondholders that the Trustee be dismissed, and a new Trustee appointed.

- (d) If the Bondholders have not appointed a successor Trustee within 90 (ninety) calendar days after:
 - (i) the earlier of the notice of resignation was given or the resignation otherwise took place, or
 - (ii) the Trustee was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.

29.5. Limitation of liability

- (a) The Trustee is only liable for the breach of any of its obligations under these Terms, in the event of gross negligence or wilful misconduct of the Trustee. The liability of the Trustee is limited to EUR 300,000, save in case of wilful breach by the Trustee of its obligations giving rise to the liability of the Trustee. The professional liability of the Trustee is insured with an insurance company and Trustee shall ensure that its professional liability continues to be insured with an insurance company until the Bonds are redeemed.

29.6. Conflict of interest

- (a) The Bondholders acknowledge and agree that the Trustee may act and continue to act as advisor to the Issuer and its related parties in matters unrelated to these Terms or the Bonds and may receive fees for such services, provided that such advisory roles do not result in an actual conflict with the Trustee's obligations under these Terms. The provision of such services shall not be deemed to give rise to a conflict of interest or impair the Trustee's ability to act in its capacity as trustee under these Terms. The Trustee shall maintain appropriate internal safeguards to ensure separation between its trustee functions and any advisory services provided to the Issuer or its affiliates. The Trustee shall not be required to disclose to the Bondholders any confidential or privileged information obtained in the course of such services. The Bondholders acknowledge and agree that the Trustee's engagement by the Issuer and/or its related parties as advisor shall not of itself constitute a breach of duty, conflict of interest or any grounds for removal of the Trustee under these Terms.

29.7. Other provisions

- (a) For the purpose of or in connection with any Bondholders' Meeting or any Procedure in Writing, at the request of the Trustee, the Issuer shall promptly obtain the list of the Bondholders and provide it to the Trustee.
- (b) The Issuer shall issue any necessary power of attorney to Trustee, or such persons employed by the Trustee, as notified by the Trustee, in order for such individuals to independently obtain information directly from the Nasdaq CSD in respect of the Bonds and Bondholders. The Issuer may not revoke any such power of attorney unless directed by the Trustee or unless consent thereto is given by the Bondholders.

30. ADMISSION TO TRADING ON THE REGULATED MARKET

- 30.1. The Issuer may decide to request admission to trading of one or more Issues on the Regulated Market within the term and subject to other provisions that may be specified in the respective Final Terms.
- 30.2. If the Issuer decides to request admission to trading of the respective Bonds on the Regulated Market, the Issuer will prepare a prospectus in accordance with the Prospectus Regulation and will submit it to the Bank

of Latvia for approval and subsequently submit an application to Nasdaq Riga.

- 30.3. From the moment the Issuer's shareholder or its management board (as applicable) has approved the respective prospectus, these Terms do not apply to the respective Issue. The terms of the respective prospectus will apply to the respective Issue of the Bonds. In case of the Secured Bonds, within 10 (ten) Business Days after the Issuer's shareholder or its management board (as applicable) has approved the respective prospectus the Issuer ensures that the amendments to the Collateral Agreement are concluded and necessary registrations are performed to ensure that the Collateral secures the respective prospectus, which shall replace these Terms for the particular Issue.
- 30.4. The Issuer will use its best efforts to ensure that the respective prospectus' terms are equivalent to these Terms; however, no assurances can be provided to the Bondholders as the Bank of Latvia or Nasdaq Riga may request to amend the terms. Further, the legal provisions and regulations applicable to the prospectus or to the admission of the Bonds to trading on the Regulated Market (including, without limitation, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation)), as well as the actual description of the Issuer at the time of drafting, will be taken into account when the relevant prospectus is prepared, which may result in differences from these Terms.

FORM OF FINAL TERMS

Final Terms dated [●] [2025]

AS ALPPES Capital Issue of Bonds No [●]
with the total Nominal Value of EUR [●]
under the

Program terms for the Issuance of the Bonds dated [●] 2025

1. General Provisions

- 1.1. These Final Terms of the Program terms for the Issuance of the Bonds (“**Final Terms**”) constitute the specific terms and conditions of the Bonds issued by the Issuer under the AS ALPPES Capital Program for the Issuance of the Bonds dated [●] 2025 (“**Terms**”).
- 1.2. The Final Terms constitute an integral part of the Terms and will at all times be interpreted and applied together with the Terms. Words and expressions used, which are defined in the Terms, shall have the same meanings in the Final Terms. In the event of inconsistency between the provisions of Final Terms and provisions of the Terms, the Final Terms shall prevail.
- 1.3. The Bonds offered under these Final Terms shall be subject to the terms specified in Section 2 of the Final Terms.

2. Terms of Securities

2.1.	AS ALPPES Capital, a company registered in the Enterprise Register of the Republic of Latvia with registration No 52103097551.	
2.2.	[Secured Bonds] / [Unsecured Bonds]	
2.3.	Currency:	EUR
2.4.	ISIN:	[●]
2.5.	Aggregate principal amount:	EUR [●]
2.6.	Number of Bonds:	[●]
2.7.	Nominal Amount of a Bond:	EUR 1,000.00 (one thousand Euro)
2.8.	Issue Date:	[●] [2025]
2.9.	Annual Coupon Rate:	[●]% per annum
2.10.	Coupon Payment Date:	On the last Business Day of each calendar month. The first Coupon Payment Date shall be [●]. The last Coupon payment will be made on the Maturity Date of this Issue.
2.11.	Maturity Date of this Issue:	[●]
2.12.	Minimum Subscription Amount:	EUR [●]. [Bonds to be offered to fewer than 150 natural or legal persons per member state of the EU, other than qualified investors.]
2.13.	Issue Price of the Bonds:	[●]
2.14.	Subscription Period:	[The Subscription Period commences on [●] at [10:00] Riga time and ends on [●] at 17:00 Riga time.] Or [The Subscription Period commences on [●] at [10:00]

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		Riga time and ends on Maturity Date or when the total number of the Bonds subscribed reach the number of the Bonds of Issue available, whichever is earlier.]
2.15.	Name of the Arranger:	Signet Bank AS, registration number: 40003043232, legal address: Antonijas iela 3, Riga, LV-1010, Latvia.
2.16.	Listing and trading:	The Issuer will request listing and admission to trading of the Bonds on [the Regulated Market] or [First North] within [●] months from the Issue Date. / [Not applicable] / [●]
2.17.	Rating:	The Bonds to be issued have not been rated.
2.18.	Collateral:	[●] / [Not applicable]
2.19.	Account Bank:	[Signet Bank AS, registration number: 40003043232, legal address: Antonijas iela 3, Riga, LV-1010, Latvia.]/ [Not applicable]/ [●]
2.20.	Trustee:	[ZAB Eversheds Sutherland Bitāns SIA, registration No 40203329751, registered at address Marijas str. 2A, Riga, the Republic of Latvia].
2.21.	Use of Proceeds	[Financing of mergers and acquisitions executed by the Issuer, investments in alternative investment funds, and other ordinary course business activities of the Issuer, as well as general corporate purposes (including, without limitation, short-term treasury management activities such as temporary deposits, investments in liquid instruments, or repayment of existing credit facilities)] / [●]
2.22.	LTV:	[●] / [Not applicable]
2.23.	Issue specific terms and conditions (e.g., Collateral terms, undertakings, financial covenants, call option, put option)	[None] / [●]

[The Issuer, the Arranger and the Investors acknowledge that ISIN code has not been granted to the Issue as of date of the Final Terms because the Bonds of this Issue have not been registered with Nasdaq CSD as of the date of the Final Terms. The Issuer and the Investors authorise the Arranger to add ISIN code of the Bonds of this Issue to Clause 2.4 of the Final Terms upon the attribution of this code to the Bonds of this Issue. No separate or additional signing of the Final Terms or the amendment is needed. After adding ISIN code, such addition becomes an integral and valid addition to the Final Terms.]

[These Final Terms have been approved by the management board of the Issuer at its meeting on [date] [month] [year]/ These Final Terms have been approved by the management board of the Issuer upon signing these terms.]
Riga, [date] [month] [year]

TAXES

NOTICE

Tax legislation of the Investor's member state and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. The following is a general summary of certain tax consideration in Latvia in relation to the Bonds. It is not exhaustive and does not purport to be a complete analysis of all tax consequences relating to the Bonds, as well as does not take into account or discuss the tax implications of any country other than Latvia. The information provided in this Section shall not be treated as legal or tax advice; and prospective investors are advised to consult their own tax advisors as to the tax consequences of the subscription, ownership and disposal of the Bonds applicable to their particular circumstances.

This summary is based on the laws of Latvia as in force on the date of these Terms and is subject to any change in law that may take effect after such date, provided that such changes could apply also retroactively.

Latvia has entered into a number of tax conventions on elimination of the double taxation, which may provide more favourable taxation regime. Therefore, if there is a valid tax convention with the country of a non-resident prospective investor, it should be also examined. The procedures for application of tax conventions are provided in the Cabinet of Ministers' Regulations No. 178 "Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion" of 30 April 2001 (as amended).

DEFINITION OF RESIDENTS AND NON-RESIDENTS

An individual is considered a resident of Latvia for tax purposes if his or her declared place of residence is the Republic of Latvia, or he or she stays in the Republic of Latvia for more than 183 (one hundred and eighty-three) days within any 12 (twelve) month period, or he or she is a citizen of the Republic of Latvia and is employed abroad by the government of the Republic of Latvia. If an individual does not meet any of the above-mentioned criteria, he or she is considered a non-resident for tax purposes.

Any legal entity is considered a resident of Latvia for tax purposes if it is or should be established and registered in the Republic of Latvia according to the Latvian legal acts. This also includes permanent establishments of foreign entities in Latvia. Other legal entities are considered non-residents for tax purposes.

Latvia has entered into a number of tax conventions on elimination of the double taxation, which may provide a more favourable taxation regime. Therefore, if there is a valid tax convention with the country of a non-resident Bondholder, it should be also examined. The procedures for application of tax conventions are provided in the Republic of Latvia Cabinet of Ministers' Regulations No. 178 "Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion" of 30 April 2001. For the purposes of exchanging documents, the Bondholder should contact the Issuer *via* the information provided on the Issuer's webpage.

TAXATION

Tax consequences in the Republic of Latvia regarding the income derived from Bonds that are issued by a legal entity registered in the Republic of Latvia (not being a credit institution) effective as of the date of these Terms are as follows:

Legal status of income beneficiary	Bonds that are not in public circulation (not admitted to trading on a regulated market for the purposes of MiFID II)		Conditions
	Interest tax rate	Capital gains tax rate	
Individual resident of Latvia	25.5% ¹	25.5% ¹	25.5% tax from the interest

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			withheld and transferred to the State budget by the Issuer. 1 – Income from disposal of the Bonds is considered as income equivalent to an interest income and taxed in the same way at 25.5% rate in Latvia. Should the total taxable income as defined under the Law “On Personal Income Tax” of an individual resident of Latvia exceed EUR 200,000 in a calendar year, an additional tax rate of 3% will be applicable to the portion of income exceeding EUR 200,000. Special rules apply if the transactions with the Bonds are made through an investment account within the meaning of the Law “On Personal Income Tax”. In such case taxation of income is deferred until the moment when the amount is withdrawn from the investment account.
Company resident of Latvia	deferred: 20/80 of the beneficiary's net profit distributed (equals to 20% of the gross profit)	deferred: 20/80 of the beneficiary's net profit distributed (equals to 20% of the gross profit)	Interest (coupon) income and a capital gain from the Bonds constitute a part of the beneficiary's - Latvian company's overall income. The Corporate Income Tax obligation is deferred to the moment of profit distribution (dividends, interim dividends) or deemed profit distribution (e.g., deemed dividends, non-business expenditure, bad debts provisions/write-off, loans to the related persons, transfer pricing adjustments, liquidation quota) of the beneficiary - Latvian company. The tax is assessed and paid based on the Corporate Income Tax Return filed for a taxation period (a month or year).
Individual non-resident	5%/20%/25.5% ^{2,4}	5%/20%/25.5% ^{2,3,4}	5% tax from interest (coupon) income and a capital gain from the Bonds can be withheld and transferred to the State budget by the Issuer of the Bonds, if all of the following three criteria are met: (i) the payment is made with the intermediation of an investment service provider, including Nasdaq CSD, and the issue of the Bonds is organized by an investment service provider supervised by competent authority supervising financial markets and participants thereof (such as the

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			Bank of Latvia); (ii) the recipient of such income is a resident of the European Union or the European Economic Area and is not engaged in economic activity; (iii) the Bonds are not publicly traded. Otherwise 25.5% tax from the interest (coupon) income or an income from disposal of the Bonds is withheld and transferred to the State budget by the Issuer. 2 - In general, interest payments and other payments (except principal loan) to non-resident located, registered or incorporated in a no-tax or low-tax country or territory as defined according to the Regulations of the Cabinet of Ministers No. 333 "List of Low-Tax or No-Tax Countries and Territories", adopted on 27 June 2023, effective as of 1 July 2023, are subject to withholding tax of 20% if the payer is a Latvian legal entity. 3 - Income from disposal of the Bonds is considered equivalent to an interest income and taxed at 25.5% rate. 4 - A non-resident individual being a beneficiary of interest (coupon) income or an income from disposal of the Bonds could be obliged to assess and pay tax in its country of residence at the tax rate specified in the relevant country, which may or may not be higher than the one applicable in Latvia.
Company non-resident	Not taxable in Latvia ^{5,6}	Not taxable in Latvia ^{5,6}	Interest (coupon) income and a capital gain derived by a non-resident company (except a company from no-tax or low-tax countries or territories) are not taxable in Latvia. 5 - In general, interest payments and other payment (except principal loan) to non-resident located registered or incorporated in a no-tax or low-tax country or territory as defined according to the Regulations of the Cabinet of Ministers No. 333 "List of Low-Tax or No-Tax Countries and Territories" adopted on 27 June 2023, effective as of 1 July 2023 are subject to withholding tax of 20% if the payer is Latvian legal entity. 6 - A non-resident company being a beneficiary of interest (coupon) income or a capital gain could be obliged to assess and pay tax in its country of residence at the tax rate specified in the relevant country, which may or may not be higher than the one applicable in Latvia.

Source: Applicable Laws of the Republic of Latvia

TERMS OF THE OFFERING

Words and expressions defined in these Terms have the same meanings in this Section.

1.1. Subscription for the Bonds

The subscription period ("**Subscription Period**") for the Bonds of relevant Issue commences on the date indicated in the Final Terms. The Subscription Period commences at time and date both indicated in the Final Terms and ends on either: (i) on the time and date both indicated in the Final Terms or (ii) if indicated in the Final Terms, on Maturity Date indicated in the Final Terms or when total number of the Bonds subscribed reach the number of the Bonds of Issue available, whichever is earlier. In case the total number of the Bonds subscribed for during the Subscription Period exceeds the number of the Bonds available for the relevant Issue, the Arranger and/or the Issuer shall have the full and unfettered discretion to terminate the Subscription Period at any time and to announce its completion. The timing of such termination may differ between private and institutional investors. Furthermore, the Issuer and/or the Arranger shall retain sole discretion over the allocation of Bonds among subscribers and shall not be obliged to allocate Bonds on a *pro rata* or any other predetermined basis.

1.2. Subscription terms

- 1.2.1. The orders to acquire the Bonds ("**Subscription Orders**") can be submitted to the Arranger every Business Day during normal working hours until the end of the Subscription Period. More detailed information on the submission of the Subscription Orders is available by phone +371 67 081 069.
- 1.2.2. The Subscription Orders can also be submitted to other Custodians, which in turn shall submit orders to the Arranger until the end of the Subscription Period. The form of such Subscription Orders is regulated by contracts between Bondholders and Custodians and by the Applicable Laws.
- 1.2.3. The minimum initial subscription size ("**Minimum Investment Amount**") is either (a) at least EUR 100,000.00 (one hundred thousand Euro), or (b) at least EUR 10,000.00 (ten thousand Euro), in each case in multiples of the Settlement Unit Multiple. The Minimum Investment Amount applicable to each Issue of the Bonds shall be specified in the Final Terms. If the Minimum Investment Amount for relevant Issue is less than EUR 100,000.00, the offer of Bonds under such Issue shall be addressed to fewer than 150 natural or legal persons per member state of the EU, other than qualified investors, in accordance with Article 1(4) of the Prospectus Regulation.
- 1.2.4. Total Nominal Value of the Bonds to be purchased and provided in each Subscription Order shall be for at least Minimum Investment Amount. Potential Investors have the right to submit several orders during the offering.
- 1.2.5. All Subscription Orders to the Bonds shall be considered as binding and irrevocable commitment to acquire the allotted Bonds.
- 1.2.6. By submitting the Subscription Order, the Bondholder confirms that it/he/she: (a) has read these Terms and understands them; (b) agrees and commits to adhere to these Terms; and (c) authorizes and instructs the Custodian, the Arranger, the Issuer, distributors or other parties involved in the Subscription Order submission and/or settlement process, forward and exchange its/his/her personal data and information provided in the Subscription Order.
- 1.2.7. In accordance with Article 5f of Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (as amended), it is prohibited to sell the Bonds to any Russian national or natural person residing in Russia or any legal person, entity or body established in Russia. This prohibition shall not apply to nationals of a Member State of the European Union, of a country member of the European Economic Area or of Switzerland, or to natural persons having a temporary or permanent residence permit in a Member State of the European Union, in a country member of the European Economic Area or in Switzerland.
- 1.2.8. In accordance with Article 1y of Council Regulation (EC) No 765/2006 of 18 May 2006 concerning restrictive measures against President Lukashenko and certain officials of Belarus (as amended), it is prohibited to sell the Bonds to any Belarusian national or natural person residing in Belarus or any legal

person, entity or body established in Belarus. This prohibition shall not apply to nationals of a Member State of the European Union or to natural persons having a temporary or permanent residence permit in a Member State of the European Union.

- 1.2.9. All the expenses related to the acquisition and custody of the Bonds shall be borne by a Potential Investor in compliance with the pricelist of a credit institution or investment service provider, through which the investor purchases and keeps Bonds. The Issuer is not obliged to compensate any such expenses incurred by the Potential Investor.

1.3. Price of the Bonds

- 1.3.1. The purchase price of the Bonds of respective Issue can be equal to 100% (one hundred per cent) of the Nominal Value or purchase price could be lower or higher than the Nominal Value and will be stated in the Final Terms, meaning that the Bonds can be sold with a discount or premium, plus accrued interest.
- 1.3.2. All subscription orders that have been submitted after the First Settlement Date shall be executed with accrued interest, unless the subscription orders are submitted within 5 (five) Business Days before the end of each respective month – from the Coupon record date and until the Coupon Payment Date, in which case the subscription orders shall be executed without accrued interest.

1.4. Allocation of the Bonds to Bondholders

- 1.4.1. The Bonds are allocated to the Bondholders in the amount not larger than the amount specified in the Subscription Order and not less than the Minimum Investment Amount.
- 1.4.2. In case the total number of the Bonds subscribed for during the Subscription Period is less than the number of the Bonds of Issue available, the Bonds will be allotted based on the Subscription Orders placed.
- 1.4.3. If the total number of the Bonds subscribed for exceeds the number of the Bonds of Issue available and the Issuer decides to proceed with the offering, the Bonds may be allocated at the Issuer's discretion with the aim of creating a solid and reliable Investor base. Any additional provisions applied to the allocation of a separate Issue of the Bonds will be specified in the Final Terms for those Bonds. The division of the Bonds between the retail and institutional Investors has not been predetermined. The Issuer will determine the exact allocation at its sole discretion.
- 1.4.4. The Issuer or Arranger at its sole discretion has a right to refuse to allocate all or part of the subscribed Bonds to any Potential Investor due to AML, Sanctions regulations compliance risk or other risks.

1.5. Discontinuation of the placement and reduction of the Bonds Issue size

- 1.5.1. The Issuer may decide to discontinue placement of the Bonds at any time until the end of the Subscription Period.
- 1.5.2. The Issuer may decide on reduction of the Bonds Issue size.
- 1.5.3. Any Bonds that are not issued shall be deleted.

1.6. Settlement and delivery of the Bonds

- 1.6.1. The First Settlement Date of the Bonds of Issue is the Issue Date. All subscription orders that are aggregated during the subscription period with settlement date on the Issue Date will be delivered without accrued interest.
- 1.6.2. The settlement date after the First Settlement Date for the Bonds of Issue can be any Business Day which is not earlier than the 2nd (second) Business Day and not later than 20th (twentieth) Business Day after Subscription Order is fully submitted to the Arranger.
- 1.6.3. Settlement of the Bonds will be executed through Nasdaq CSD in accordance with the DVP (delivery versus payment) principle pursuant to the applicable rules of Nasdaq CSD.
- 1.6.4. The Custodians shall execute payments for the Bonds based on the results of the subscription provided by the Arranger. The Bonds will be transferred to the Bondholders' financial instrument accounts on the settlement date.
- 1.6.5. Settlement for the Bonds can be executed according to other procedure, which is agreed to by the

Arranger and a Potential Investor, but in any case, through Nasdaq CSD in accordance with the DVP (*delivery versus payment*) principle pursuant to the applicable rules of Nasdaq CSD.

1.7. Pre-emptive rights

None of Potential Investors has the rights of pre-emption in respect to acquisition of the Bonds in the initial placement.

1.8. Listing and admission of the Bonds to trading

- 1.8.1. The Issuer may decide to request the listing and admission to trading of one or more Issues on the Regulated Market or First North within the term and subject to other provisions that may be specified in the respective Final Terms.
- 1.8.2. If the Issuer decides to request admission to trading of the respective Bonds on the Regulated Market, the Issuer will prepare a prospectus in accordance with the Prospectus Regulation and will submit it to the Bank of Latvia for approval and subsequently submit an application to Nasdaq Riga. Prospectus instead of these Terms will apply to respective Issue.
- 1.8.3. If the Issuer decides to request the listing and admission to trading of the respective Bonds on First North, such listing and admission to trading is subject to the approval by Nasdaq Riga. The Issuer has no obligation to register the Bonds prospectus with the Bank of Latvia or list the Bonds on any regulated market or trading venue.
- 1.8.4. The Issuer has not entered into any agreement with any person for liquidity maintenance (market making) in respect of Bonds on the secondary market.

GENERAL INFORMATION

GENERAL INFORMATION ON THE ISSUER

The Issuer is AS ALPPES Capital, a joint stock company (in Latvian: *akciju sabiedrība*) registered in the Enterprise Register of the Republic of Latvia under registration no. 52103097551 and registration date of 21.08.2019.

The Issuer carries out its activities in accordance with the Applicable Laws.

The Issuer is a well-capitalized private investment company with a robust track record of profitable and diversified holdings. With annual profits in the several tens of millions and active deployment across asset classes, the Issuer is poised to deepen its competitive edge by further expanding capital support to its portfolio, exploring new equity and debt opportunities, and maintaining its rigorous underwriting and governance standards.

DECISIONS OF THE ISSUER ON THE BONDS ISSUE

On 30 July 2025 the Issuer's sole shareholder passed the decision to approve these Terms and to authorize the management board to perform issuance of each Bonds issue and to sign all the documents (including the Final Terms) related to the issuance of the Bonds.

AUDITOR

The Issuer's financial statements for the year 2024 have been audited by AS "Nexia Audit Advice", registration number: 40003858822, registered address: Mihaila Tāla iela 1, Riga, LV-1045, Latvia.

ADVISORS INVOLVED IN THE ISSUE

The Issuer has concluded an agreement with the Arranger to organise the Bonds issue, to communicate with Nasdaq CSD, market Bonds to investors and conduct settlement of the Bonds during the subscription period. The Arranger may provide other services to the Issuer in the future and receive remuneration for it. The Arranger may invest its own funds in the Bonds.

The Issuer has appointed Signet Bank AS as the Account Bank in relation to the Collateral, responsible for the safekeeping, administration, and enforcement of the Collateral, including the operation of the Security Deposit Account, in accordance with the Terms and the Collateral Agreement.

The Issuer has also appointed ZAB Eversheds Sutherland Bitāns SIA as the Trustee, who acts on behalf of the Bondholders in accordance with the Terms, the Collateral Agreement and the Trustee Agreement, including in relation to enforcement and monitoring of security interests.

Legal advice to the Issuer in respect of the Bonds issue was provided by Sorainen ZAB SIA.

EXTERNAL AUDIT OF THE INFORMATION INCLUDED IN THESE TERMS

The information included in these Terms has not been verified by auditors.

STATEMENTS OR REPORTS INCLUDED IN THESE TERMS

These Terms do not contain any expert statements or reports.

CREDIT RATINGS

No credit rating has been assigned to the Issuer or to the Bonds.

BUSINESS DESCRIPTION

1. BUSINESS OVERVIEW

1.1. General overview

The Issuer, AS ALPPES Capital, registration number 52103097551, registered address Jūras iela 12, Liepāja, LV-3401, Latvia, is a private investment company established in 2019. The Issuer operates as a holding and investment company with a core focus on long-term capital growth and value creation. Its business activity centers on managing a diversified portfolio that includes private and public equity investments, bonds, other debt instruments, and intra-group financing, particularly to affiliated companies.

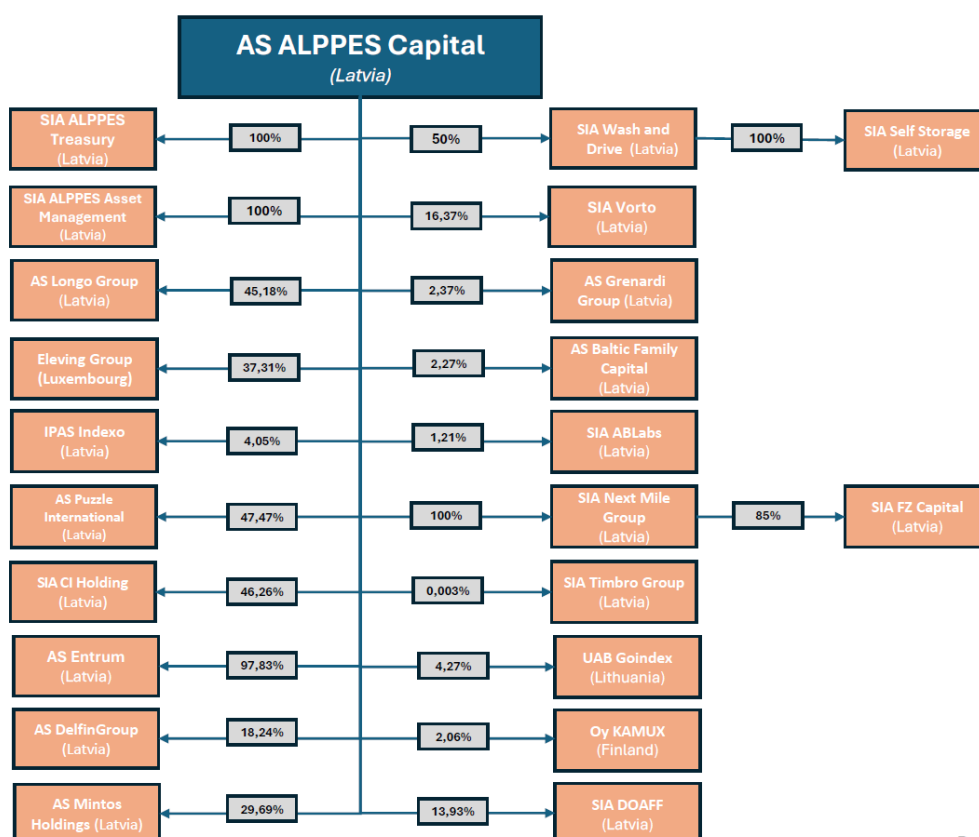
The Issuer holds significant direct and indirect equity positions in some of the most prominent Latvian-founded international businesses, including Eleving Group S.A., DelfinGroup AS, Mintos Holdings AS, Longo Group AS, and Sun Finance Group AS and others. These portfolio companies operate in over 30 countries and collectively generate more than EUR 600 million in annual revenue, employing over 5,000 people worldwide.

The Issuer achieved record financial performance in 2024, with a net profit of EUR 74.8 million, a total equity base of EUR 143.9 million, and no external debt. Income is generated primarily through dividends from associated companies (EUR 30.9 million in 2024) and interest income, as well as capital gains. With an efficient and lean operating structure, the Issuer continues to grow its investment footprint across geographies and asset classes, while maintaining a highly prudent and conservative financial policy.

1.2. Corporate structure and subsidiaries

The Issuer is a central holding entity with various equity interests across a diverse range of companies across multiple jurisdictions. These ownership stakes vary significantly, from minority positions to full ownership.

Below is an organizational chart the Issuer and its principal subsidiaries.



Data on 30.06.2025.

Key holdings of the Issuer (as of 30 June 2025)

<i>100% ownership</i>	<i>Majority/Strategic Stakes</i>	<i>Minority Stakes</i>
SIA ALPPES Asset Management (Latvia) SIA ALPPES Treasury (Latvia) SIA Next Mile Group (Latvia)	AS Entrum (Latvia) – 97.83% SIA Wash and Drive (Latvia) – 50% SIA Self Storage (Latvia) – indirectly 50% SIA FZ Capital (Latvia) – indirectly 85% AS Longo Group (Latvia) – 45.18% Eleving Group S.A. (Luxembourg) – 37.31% AS Puzzle International (Latvia) – 47.47% AS DelfinGroup (Latvia) – 18.24% AS Mintos Holdings (Latvia) – 29.69%	IPAS Indexo (Latvia) – 4.06% SIA CI Holding (Latvia) – 46.2% SIA Vorto (Latvia) – 16.37% AS Grenardi Group (Latvia) – 4.06% AS Baltic Family Capital (Latvia) – 2.27% SIA ABLabs (Latvia) – 1.21% SIA Timbro Group (Latvia) – 0.003% UAB Goindex (Lithuania) – 4.27% Oy KAMUX (Finland) – 2.05% AB Artea bankas (Lithuania) – 0.5%

Diverse portfolio. The structure indicates a diversified investment strategy across sectors, geographies (Baltics and Finland), and ownership levels. This likely spreads risk and enables strategic synergies.

Core control strategy. Full ownership of multiple entities (especially those related to asset and treasury management) suggests vertical integration and control over internal operations.

Private equity characteristics. The group structure resembles a private equity holding model, combining majority control in some growth-oriented companies and passive/minority stakes in others.

Regional focus with cross-border exposure. While most holdings are based in Latvia, key cross-border investments (Lithuania, Finland, Luxembourg) provide regional scale and access to broader markets.

Financial services and tech orientation. Several holdings (e.g., Eleving Group S.A., IPAS Indexo, Mintos Holdings AS, DelfinGroup AS, Sun Finance Group AS through AS Puzzle International) hint at a financial services or fintech emphasis, possibly complemented by other strategic and infrastructure investments (e.g., SIA Self Storage, SIA Wash and Drive).

1.3. Key strengths of the Issuer

Strong track record of profitable growth. The Issuer has reported positive net profit in each of the past 3 (three) financial years, with net profit of EUR 11.5 million in 2022, EUR 16.8 million in 2023, and EUR 74.8 million in 2024. The growth reflects both the maturity of the Issuer's core holdings and the successful reinvestment of retained earnings into new income-generating assets. This profitability reflects the performance of its core portfolio companies and the reinvestment of retained earning into income-generating assets. The results are attributable to the Issuer's established investment strategy and its focus on maintaining stable, recurring returns.

High equity ratio and low indebtedness. The Issuer's capital structure is exceptionally conservative, with no outstanding bank or other financial institution debt as of year-end 2024. Equity accounts for approximately 99% of total assets, reaching EUR 143.9 million against total assets of EUR 145.6 million. The absence or low financial indebtedness enhances the Issuer's ability to weather adverse economic conditions and provides a strong buffer for bondholders.

Prudent financial management. The Issuer adheres to a prudent financial policy, focusing on sustainable capital allocation and risk control. Profits are reinvested selectively, liquidity levels are maintained at appropriate levels, and the Issuer avoids large short term speculative exposures. At present, all funding is derived primarily from shareholder equity, retained earnings, and stable income streams such as dividends and interest income. The Issuer is also entitled to receive loans from the Signet Bank (on the basis of the credit line agreement concluded on 15 December 2023 between the Issuer and Signet Bank), although on 30 June 2025 there were no outstanding

loans received under this credit line. Further, new investments are expected to be financed in part from the proceeds of the Bonds issued under this Program. The Issuer's management carefully evaluates risk across all investment decisions, applying conservative assumptions and thorough due diligence.

Diversified investment portfolio across sectors and geographies. The Issuer maintains a well-diversified portfolio encompassing direct equity stakes, bonds, and alternative investment funds. Key holdings include leading consumer finance, fintech, used car trading, and investment platform companies such as Eleving Group S.A., DelfinGroup AS, Mintos Holdings AS, Longo Group AS, and Sun Finance Group AS. These businesses operate across more than 30 countries, reducing regional concentration risk. In addition, in 2024 the Issuer invested into thematic alternative funds focused on sustainable energy, real estate, and growth capital.

Predictable and diversified income stream. The Issuer benefits from multiple recurring revenue sources, primarily dividends from subsidiaries and associated companies (EUR 30.9 million in 2024, EUR 21.2 million in 2023 and EUR 11.2 million in 2022) and interest income from intra-group loans and fixed income investments. These predictable cash flows provide a stable base for operations, reinvestment, and debt service. The diversity of these income streams across sectors and jurisdictions adds to the robustness of the Issuer's financial profile.

Lean operating model and low cost base. The Issuer operates with a compact team and highly efficient internal structure, leading to low administrative and operating expenses relative to the size of its portfolio. In 2024, administrative costs (including management board and supervisory board remuneration and third-party services) were EUR 136.6 thousand – a small fraction of total income – allowing for a high profit retention rate and flexibility in reinvestment or distributions.

Long-term investment orientation and stability of shareholder base. The Issuer is a 100% privately held private investment company, allowing it to pursue a patient, long-term investment horizon without pressure for short-term returns. The stable ownership by founder Aigars Kesenfelds ensures strategic continuity, alignment of interests, and disciplined governance. This long-term perspective enhances the predictability and consistency of the Issuer's performance over time.

Resilient to market shocks due to conservative policies and strong liquidity. Despite geopolitical and macroeconomic uncertainties, the Issuer has delivered record financial results. This reflects its focus on high-quality assets, diversified exposures, and the maintenance of cash and liquidity buffers. In 2024, the Issuer retained over EUR 2.2 million in cash on its balance sheet and held EUR 4.2 million in bonds, offering additional liquidity options in times of market stress. Further, the Issuer has access to a revolving credit facility provided by Signet Bank (on the basis of the credit line agreement concluded on 15.12.2023. between the Issuer and Signet Bank), which may be used to support investment activities or manage short-term cash flows, if needed. As of year-end 2024 and as of the end of June 2025, this facility remained fully undrawn and available.

1.4. Strategy

The Issuer pursues a strategy built on disciplined capital deployment and long-term value creation. Its strategic objectives include:

- (a) **Strategic capital deployment.** The Issuer actively reinvests retained earnings into high-quality investment opportunities across private and public markets. These include equity in scalable businesses, income-generating fixed-income instruments, and alternative funds focused on energy, real estate, and growth capital. Each investment is assessed for its long-term return potential, alignment with risk appetite, and strategic fit with the overall portfolio.
- (b) **Focus on diversified and stable income streams.** To ensure predictable cash flow, the Issuer emphasizes investments that provide recurring income through dividends, interest, or coupon payments. These include holdings in mature, dividend-paying businesses and bonds from well-capitalized issuers. This strategy allows the Issuer to maintain high liquidity, fund future investments, and support shareholder distributions without relying on leverage.
- (c) **Expansion through disciplined diversification.** The Issuer continues to expand its portfolio by entering new sectors and geographies. In recent years, it has diversified its equity portfolio into listed financial institutions across the Baltics, while also increasing exposure to alternative assets via Merito managed funds. This approach mitigates concentration risk and enhances long-term stability.
- (d) **Supporting portfolio companies' growth.** As a long-term shareholder and strategic partner, the Issuer

provides capital and strategic guidance to its portfolio companies, many of which are regional market leaders. Through board-level involvement or close collaboration, the Issuer contributes to scaling these businesses and enhancing their resilience and profitability.

- (e) **Maintaining conservative financial policies.** On 30 June 2025 the Issuer was fully equity-financed and debt-free, with a strong equity ratio of 99%. While this capital structure will change following the issuance of Bonds under the Program, and the availability of a credit facility from Signet Bank, the Issuer intends to maintain a conservative balance sheet in the future, targeting a low level of indebtedness and a prudent debt-to-equity ratio). This approach is aimed at preserving balance sheet strength and financial resilience across market cycles. The Issuer also maintains appropriate cash buffers and liquidity reserves, allowing it to respond to investment opportunities without compromising solvency.
- (f) **Strengthening internal capacity and efficiency.** The Issuer maintains a lean organisational structure supported by a skilled team. Continued refinement of internal processes – including investment analysis, risk evaluation, and financial reporting – are aimed at supporting disciplined capital deployment and enhancing transparency to stakeholders. External advisors are engaged where specialized expertise is needed, enabling cost-effective scalability.

1.5. Core investment activities

The Issuer operates as a private investment company with a focus on capital growth and long-term value creation. Its operations are centered around managing a diversified and balanced investment portfolio. Rather than offering financial services to external clients, the Issuer's core activities revolve around investing in and financing businesses within and beyond its group structure.

- (a) **Strategic equity investments.** The Issuer holds significant equity stakes in a range of private and publicly listed companies across diverse sectors, including consumer finance, fintech, automotive retail, and investment platforms. Notable portfolio companies include Eleving Group S.A., DelfinGroup AS, Mintos Holdings AS, Longo Group, Sun Finance Group AS, SIA Next Mile Group, Kamux and others. These strategic investments are selected for their long-term growth potential, recurring dividend streams, and alignment with the Issuer's capital preservation philosophy.
- (b) **Intra-group financing and relating lending.** A substantial portion of the Issuer's investment activities involves issuing loans to affiliated and associated companies. These intra-group loans are structured to support the operational and expansion needs of related entities while providing a steady stream of interest income to the Issuer. All lending is funded from the Issuer's own capital base without reliance on external debt.
- (c) **Public market securities and fixed income investments.** The Issuer diversifies its capital through investments in publicly traded equities and bonds.
- (d) **Alternative asset exposure through investment funds.** To further diversify and access new asset classes, the Issuer has committed capital to several alternative investment funds. Managed by Merito Partners, these funds focus on growth equity, real estate development, and sustainable energy. As of 2024, the Issuer's total investment in such funds reached EUR 14.6 million, reflecting its commitment to diversification and ESG-aligned opportunities. In the nearest future, the Issuer plans to substantially increase its investments in Merito managed funds.

1.6. Key business processes

Although the Issuer is a holding company, it maintains a robust internal framework to ensure the success, oversight, and integrity of its capital management. Its key business processes are:

Investment sourcing and screening

The Issuer follows a disciplined and structured approach to identifying, evaluating, and selecting investment opportunities. The Issuer leverages a broad and established network of partners, entrepreneurs, co-investors, fund managers, and financial institutions across the Baltics, Nordics, and wider European markets to generate a steady and diversified deal flow.

Opportunities typically originate through several channels, including: (i) direct introductions from company founders and management teams; (ii) referrals from portfolio company executives, leveraging Issuer's active presence in key sectors such as financial services, fintech, and automotive retail; (iii) strategic partnerships with

investment banks, venture capital firms, and private equity managers; (iv) participation in fund vehicles and syndications led by trusted alternative investment firms (e.g., Merito Partners); (v) monitoring of public markets, particularly in the Baltics and Scandinavia, for high-quality, dividend-paying listed equities.

Once an opportunity is identified, the Issuer applies a rigorous screening framework designed to assess both the standalone quality of the asset and its fit within the broader portfolio strategy. The evaluation process integrates: (i) quantitative financial analysis, including historical performance, revenue and profit growth, margin stability, capital efficiency, and debt levels; (ii) qualitative assessment of the business model, industry positioning, management team strength, competitive dynamics, and governance practices; (iii) risk-return alignment, evaluating expected cash flows, volatility, and strategic relevance relative to the Issuer's long-term investment horizon and conservative capital structure; (iv) scenario and downside analysis, to assess resilience under various macroeconomic or market conditions; (v) ESG compatibility, where applicable, especially in alternative investment funds or long-term infrastructure and energy investments.

Particular emphasis is placed on capital preservation, liquidity profile, and recurring income potential – ensuring that each investment contributes meaningfully to the Issuer's overall portfolio performance and financial objectives.

This disciplined sourcing and screening approach helps ensure that the Issuer continues to build a high-quality, diversified, and income-generating portfolio aligned with its risk appetite and shareholder expectations.

Due diligence and risk assessment

The Issuer applies a comprehensive and multi-dimensional due diligence process to every prospective investment, whether in private equity, public markets, debt instruments, or alternative funds. This process is designed to safeguard capital, ensure alignment with the Issuer's long-term investment strategy, and manage risk proactively at both the asset and portfolio level.

A thorough financial review is conducted to assess the historical performance, quality of earnings, cash flow sustainability, balance sheet health, and capital structure of the target investment. Key financial metrics such as return on equity, debt-to-EBITDA, margin stability, and dividend coverage ratios are scrutinized. For credit and bond investments, particular focus is placed on debt servicing capacity and collateral protection.

Legal review includes verification of ownership structures, contractual obligations, compliance with relevant corporate governance standards, and identification of contingent liabilities or legal risks. The Issuer also ensures that all investment vehicles and structures comply with Latvian and international regulatory frameworks, including AML and sanctions compliance.

The Issuer evaluates the operational resilience and scalability of the underlying business, including technology infrastructure, supply chains, cost structure, and talent quality. In strategic equity investments, the Issuer assesses the management team's track record, decision-making processes, and ability to execute on long-term business plans.

The Issuer conducts a detailed risk analysis that includes, but is not limited to: (i) credit risk – particularly relevant for intra-group and third-party lending; (ii) liquidity risk – assessing exit horizons, secondary market depth, and fund lock-up terms; (iii) market risk – including interest rate sensitivity, FX exposure, and valuation volatility; (iv) sector risk – evaluating industry cyclicality, technological disruption, and regulatory pressure; (v) geopolitical and jurisdictional risk – focusing on cross-border operations or exposures in less stable regions; (vi) portfolio concentration risk – ensuring no single exposure unduly influences the overall financial position.

Each investment is assessed not only on a standalone basis, but also in the context of the Issuer's broader portfolio strategy – ensuring proper diversification across asset classes, sectors, currencies, and geographies.

The Issuer maintains a highly conservative investment approach, with a strong preference for well-capitalized or cash generating businesses and assets, clear downside protection. Emphasis is placed on maintaining high asset quality and ensuring that each new investment enhances the stability and risk-adjusted returns of the portfolio.

Where needed, the Issuer engages external advisors – including legal counsel, auditors, and industry experts – to supplement internal assessments and ensure objective, best-in-class evaluation.

This robust and disciplined due diligence framework underpins the Issuer's ability to preserve capital, support stable returns, and maintain investor confidence across market cycles.

Portfolio monitoring and oversight

Following the investment phase, the Issuer applies a structured but proportionate approach to monitoring portfolio developments and staying informed about performance. The objective is to ensure that investments remain aligned with the Issuer's long-term objectives and continue to contribute to the overall portfolio's financial stability.

The Issuer receives periodic financial and operational updates from portfolio companies, including reporting on key metrics such as revenue, profitability, and dividend flows. These reports, together with market observations and sector insights, help inform internal assessments and identify any potential issues that may require closer attention.

For select investments where the Issuer holds a significant stake, it may take a more active role, such as participating in shareholder meetings or engaging in governance-related discussions. The extent of involvement depends on the nature of the investment and the Issuer's shareholding position, with the goal of supporting sound business practices and effective oversight.

As part of its overall investment management process, the Issuer may reassess individual holdings from time to time to determine whether capital should be reallocated. Where appropriate, the Issuer may consider reducing or exiting positions that are no longer aligned with its investment strategy or risk-return expectations.

The Issuer also encourages adherence to sound governance standards and ESG principles where relevant, particularly in sectors such as renewable energy, real estate, and financial services.

Overall, the Issuer aims to manage its portfolio in a balanced and disciplined manner, supporting value preservation and long-term capital efficiency while maintaining flexibility in its level of engagement with investee companies.

Financial planning and capital allocation

The Issuer employs a structured and forward-looking financial planning approach to support disciplined capital deployment, liquidity management, and long-term value creation. Financial planning is fully integrated into the Issuer's strategic decision-making processes and plays a critical role in maintaining operational agility and financial resilience.

The Issuer regularly monitors its liquidity position, taking into account expected cash flows from various sources, including dividends, interest income, operating costs, and investment-related needs. While exact timing of cash flows may vary, this monitoring allows the Issuer to maintain adequate liquidity to meet near-term obligations and support investment activity as opportunities arise, without relying on excessive external financing to finance investments. Liquidity is managed through a combination of cash reserves and liquid assets, such as bonds and listed equities. This approach enables the Issuer to operate flexibly without an undue reliance on external financing.

Capital is allocated with a strong emphasis on return on invested capital (ROIC), risk-adjusted yield, and strategic fit. The Issuer maintains a balanced approach across four primary channels: (i) equity investments in private and listed companies; (ii) debt instruments, including intra-group and third-party lending; (iii) publicly traded securities with stable dividend or coupon profiles; (iv) alternative investment funds offering thematic exposure (e.g., sustainable energy, real estate).

The Issuer benchmarks the performance of its investments and overall portfolio against both internal targets and relevant market indices. This includes monitoring key metrics such as internal rate of return (IRR), equity value growth, dividend yield, and payback periods. For publicly traded assets, the Issuer compares results to sector benchmarks (e.g., regional bank indices). This process informs both reinvestment decisions and divestment of underperforming assets.

As a self-financed holding company, the Issuer uses retained earnings as its primary source of funding. The Issuer evaluates dividend receipts from its portfolio annually to determine appropriate reinvestment levels and potential shareholder returns. While distributions may be made based on liquidity and performance, priority is given to preserving capital for future growth opportunities and strengthening the balance sheet.

All capital planning and deployment decisions are evaluated in the context of the Issuer's long-term objectives: growing equity value, generating recurring income, ensuring portfolio diversification, and maintaining a high equity ratio. This strategic alignment ensures consistency across financial planning, investment execution, and risk management.

This structured and conservative financial planning model allows the Issuer to remain agile, opportunistic, and resilient – essential qualities for navigating changing market conditions while delivering sustainable value to investors and stakeholders.

Reporting

The Issuer maintains a consistent and disciplined approach to financial reporting, in line with its role as a private holding company. Financial statements are prepared on a prudent basis under the historical cost convention and reflect key Accounting Principles, including materiality, substance over form, and the going concern assumption.

The Issuer's financial statements are audited annually by an independent certified auditor. Internally, appropriate controls are in place to support the reliability of financial data, monitor portfolio valuations, and address reporting-related risks.

Financial planning and analysis are part of routine operations, with regular tracking of investment performance, interest income, dividend receipts, and other material balance sheet movements.

Lean operations and cost control

The Issuer maintains a highly efficient operational model, intentionally designed to support cost-effective management of a sizable and diversified investment portfolio. This lean structure enables the Issuer to achieve superior cost-to-income efficiency and reinforces its long-term focus on capital preservation and value creation.

The Issuer operates with a very small internal team, reflecting its nature as a private investment company rather than an active operating business. In 2024, the Issuer employed just 7 people, including management and administrative staff. This low headcount structure significantly reduces personnel-related costs and limits organizational overhead, allowing the Issuer to dedicate the vast majority of income toward reinvestment or retained earnings.

To maintain high professional standards without inflating internal costs, the Issuer engages external specialists – such as auditors, legal counsel, fund managers, or due diligence experts – on an as-needed basis. This flexible resourcing model ensures access to best-in-class expertise while preserving internal focus and minimizing fixed expenditures.

Administrative and general expenses remain consistently low as a percentage of income. In 2024, the Issuer generated EUR 74.8 million in net profit with administrative expenses of just EUR 136.6 thousand – representing less than 0.2% of earnings. This extraordinary operating efficiency results in a high net margin and supports robust retained earnings growth.

The Issuer's governance culture emphasizes financial prudence at all levels. All expenses are subject to oversight and evaluated based on necessity, value-add, and alignment with the Issuer's long-term strategy. Discretionary spending is kept to a minimum, and any incremental cost must be justified by its potential to enhance risk management, reporting quality, or investment performance.

The lean operating model is inherently scalable. As the portfolio grows, the Issuer can manage increased complexity with only modest increases in resource requirements. This ensures that operating leverage remains favorable and that financial performance is not compromised by growth. The model also enhances resilience during market downturns, where larger, more complex organizations may struggle with fixed cost burdens.

This disciplined and cost-conscious operating approach supports the Issuer's core mission: maximizing long-term returns on capital while maintaining financial stability and protecting investor interests. It also provides a strong foundation for sustainable portfolio expansion and prudent balance sheet management.

2. ISSUER'S STRUCTURE

2.1. Issuer's shareholder structure

At the date of these Terms, the sole shareholder and ultimate beneficial owner of the Issuer is Aigars Kesenfelds.

2.2. Organizational structure

The Issuer operates as a lean and highly efficient private investment company. The management of the Issuer is led by its founder and sole shareholder, Aigars Kesenfelds, who also serves as Chairman of the Management Board. Given its nature as a holding company with no operational subsidiaries, the organizational structure is simple, with

key responsibilities centralized under a compact team and supported by external specialists as needed.

The Issuer also maintains a Supervisory Board, whose role is to monitor the activities of the management board, approve major decisions, and ensure alignment with the Issuer's long-term strategy and risk framework.

The organizational structure consists of the following governing bodies:

- **Management board** (in Latvian: *valde*)
 - Responsible for day-to-day operations, capital allocation, investment execution, financial reporting, and overall business management;
 - Led by Aigars Kesenfelds (Chairman of the Management Board), who brings extensive experience in building and managing a diverse global investment portfolio.
- **Supervisory board** (in Latvian: *padome*)
 - Provides strategic oversight, approves major transactions, and ensures compliance with governance standards.
 - Acts as a check and balance mechanism to support transparency and protect long-term shareholder interests.
- **Chief Financial Officer**
 - Solvita Kurtiša serves as the Issuer's Chief Financial Officer (CFO) and plays a key operational and financial leadership role, though she is not a member of the management board.
 - She is responsible for financial planning and analysis, reporting, cash flow management, and regulatory compliance.
 - Her involvement ensures high standards of financial discipline, transparency, and control, complementing the Company's lean and performance-driven structure.

2.3. Professional experience and background of management board and supervisory board members and CFO

- **Aigars Kesenfelds** (Founder and Chairman of the Management Board)
 - Demonstrated entrepreneurial ambition early: began assisting in business meetings at age 7 and managed a family-owned cinema in Liepaja by age 19.
 - Co-founded 4Finance in 2008, a consumer lending business (brands such as Vivus.lv and SMSCredit.lv). A partial exit was completed in 2011, followed by a full exit in 2013.
 - Co-founded Mogo (Eleving Group) in 2012, a consumer lending and leasing business;
 - Co-founded Mintos in 2015, the leading peer-to-peer lending platform in Europe;
 - In 2019, established the Issuer as a private investment company to consolidate and manage his investments.
 - Founder and majority shareholder at Merito Partners (founded in 2022), a Riga-based investment firm and authorised AIFM, where he supports the deployment of flexible growth capital into the "New Nordics" region. Merito manages over EUR 110 million in assets across seven funds, with a core focus on growth, sustainable energy, and real-estate strategies.
 - Has built, together with his team, a diversified investment portfolio spanning private and public companies operating in more than 30 countries and employing over 5,000 people worldwide.
 - Co-founder or early-stage investor in several of notable companies with strong links to the Baltic region, many of which are well-recognized in the jurisdictions where they operate. These include Eleving Group S.A. (consumer finance and mobility solutions, operating in 16+ markets), DelfinGroup AS (NASDAQ Riga-listed non-bank lending and fintech firm), Mintos Holdings AS (Europe's leading retail investment platform for diverse investments), Longo Group AS (used car retail platform active in the Baltics and Central Europe), and Sun Finance Group AS (fast-growing online consumer lending company with global reach).
 - Known for guiding private companies to public listings and scale-ups with strong leadership teams, sustainable processes, and international expansion strategies.
 - Holds a degree from the Stockholm School of Economics in Riga.
 - As Chairman of the Management Board, he steers the Issuer's strategic vision, overseeing capital allocation, governance, and maintaining a disciplined, long-term investment philosophy aimed at value

creation and preservation.

- **Ieva Judinska-Bandeniece** (Chairwomen of the Supervisory Board)
 - Over 25 years' experience as an attorney specializing in intellectual property, corporate law, FinTech, and M&A.
 - Partner at ZAB "DRILL." with an LL.M. from the University of Latvia.
 - Member of the Latvian Bar Association since 2003; accredited EU Patent Attorney.
 - Recognized by IFLR1000, Legal 500, and Chambers Europe as one of Latvia's top legal professionals.
- **Uldis Judinskis** (Deputy Chairman of the Supervisory Board)
 - Partner at ZAB "DRILL.", bringing over 20 years' expertise in real estate, construction, M&A, commercial, and employment law.
 - LL.M. from the University of Latvia; member of the Latvian Bar Association since 2011.
 - Praised by Legal 500 for exceptional commercial law advice and client service.
- **Margarita Ivanova** (Member of the Supervisory Board)
 - Senior Associate at ZAB "DRILL.", with deep experience in banking & finance, corporate law, Fi-nTech, AML, sanctions, and consumer rights.
 - Holds an LL.M. in International Business Law from Tilburg University and an LL.B. from the University of Latvia.
 - Former Head of Legal Support & Methodology at Integrum Asset Management (now Signet Pensiju Pārvalde IPAS), responsible for investment legal support and regulatory compliance.
- **Solvita Kurtiša** (CFO)
 - Holds master degree in economics;
 - Has 17 years' experience as the financial director.

2.4. Legal proceedings and arbitration

At the date of these Terms, the Issuer or its management board member are not involved in any lawsuits or arbitration proceedings, which may significantly affect or have significantly affected the financial situation or profitability of the Issuer.

2.5. Substantial changes in the financial situation of the Issuer

As of the publication of the last financial statement, the financial situation or performance of the Issuer has not worsened. The Issuer is unaware of any factors, claims, obligations, or events which would negatively affect the financial situation or performance of the Issuer in future.

2.6. Important agreements

The Issuer is not aware of any other important agreements or internal decisions that could have been concluded/made by the Issuer or between the Issuer and any related company and that could affect the Issuer's ability to fulfil its obligations to the Bondholders under the Bonds.

2.7. Significant recent and know trends

At the time of signing these Terms, the Issuer has no information at its disposal regarding any other known trends that have negatively affected the Issuer or the activity, apart from the aforementioned impact.

SELECTED FINANCIAL INFORMATION OF THE ISSUER

1. Statement of income (in millions EUR)

1.1. Profit and Loss Statement (in millions of EUR)

	Jun 2025	2024	2023	2022
Net turnover	5,99	13,62	23,67	2,99
Other operating income	3,18	45,34	3,64	0
Income from investments	18,67	30,86	21,22	11,18
Other interest and similar income:	0,11	0,26	0,87	0,77
Income from other securities and loans that have been included in long-term financial investments:			0	0,008
Total	27,94	90,09	49,40	14,96
Costs of goods sold or services provided	-6,30	-13,96	-24,39	-2,98
Selling expenses	-0,002	-0,11	-0,04	-0,0002
Administrative expenses	-0,19	-0,14	-0,25	-0,026
Other operating expenses	-3,87	-0,87	-7,51	-0,097
Interest and similar expenses:	-0,084	-0,19	-0,42	-0,34
Profit before tax	17,48	74,83	16,79	11,51
Corporate income tax for the reporting year	-0,0014	-0,0082	-0,026	-0,0002
Net Profit	17,48	74,82	16,77	11,51

1.2. Balance Sheet (in millions of EUR)

ASSETS	Jun 2025	2024	2023	2022
Non-current assets				
Intangible assets	0,005	0,002	0,0005	0,0006
Other fixed assets and inventory	0,023	0,009	0,015	0,013
Investments in subsidiaries	3,01	0,68	0	1,46
Loans to related companies	0,905	0,03	0	0
Investments in associates	107,05	104,99	50,77	41,96
Loans to associates		0	0,70	1,02
Other securities and investments	33,06	33,58	29,55	2,41
Other loans and other long-term receivables	0,204	0,19	0,09	0,13
Total non-current assets	144,26	139,49	81,13	46,99
Inventory	0,00002	0,00002	0	0
Trade receivables	0,007	0,0007	10,11	0,27
Receivables from related companies		0	0	0,90
Receivables from associate companies		0	1,34	2,50
Other receivables	5,87	3,83	0,55	0,61
Short-term loans to stockholders, shareholders or management	0	0	0	7,104
Prepaid expenses	0,0024	0,0005	0,0026	0
Accrued income	0,207	0,094	0	0
Cash and cash equivalents	1,87	2,16	0,72	0,35

AS ALPPES Capital Program terms for the issuance of the Bonds

Total current assets	7,96	6,09	12,73	11,73
TOTAL ASSETS	152,22	145,58	93,86	58,72

EQUITY AND LIABILITIES	Jun 2025	2024	2023	2022
Shareholder's equity				
Share capital	59,52	69,02	40,82	38,12
Retained earnings (uncovered losses) of previous years	74,90	0,08	32,78	-0,59
Profit or loss of the reporting year	17,48	74,82	16,77	11,51
Total equity	151,90	143,92	90,37	49,04
Liabilities				
Non-current liabilities				
Loans from credit institutions		0	1,29	0
Other loans		0	0,89	0
Payables to associate companies		0	0	3,16
Other payables	0,007	0,004	0,005	0,0007
Total non-current liabilities	0,007	0,004	2,18	3,16
Current liabilities				
Other loans		0	1,26	2,08
Trade payables to suppliers and contractors	0,0004	0,002	0,008	0,015
Taxes and mandatory state social insurance contributions	0,013	0,012	0,020	0,001
Other payables	0,014	0,013	0,012	4,42
Unpaid dividends		1,015	0	0
Accrued liabilities	0,033	0,614	0	0,0001
Total current liabilities	0,31	1,66	1,30	6,52
Liabilities total	0,32	1,66	3,49	9,68
TOTAL EQUITY AND LIABILITIES	152,22	145,58	93,86	58,72

1.3. Capital Structure (in millions of EUR)

	Jun 2025	2024	2023
Shareholder's equity			
Share capital	59,52	69,02	40,82
Retained earnings	92,38	74,90	49,55
Total equity	151,90	143,92	90,37
Liabilities			
Shareholder loans	0,25	0	0
Bank loan	0	0	1,29
Other creditors	0,067	0,65	2,20
Unpaid dividends		1,02	
Total liabilities	0,32	1,66	3,49
Total	152,22	145,58	93,86
Equity / Assets	100%	99%	96%

1.4. Key financial ratios (in millions of EUR)

	2024	2023	2022
Total assets, EUR	145,58	93,86	58,72
Total equity, EUR	143,92	90,37	49,04
Net profit, EUR	74,82	16,77	11,51
Equity ratio (%)*	98,86	96,28	83,51
Return on equity (ROE) (%)**	63,87	24,05	26,67
Return on assets (ROA) (%)***	62,49	21,98	20,68

* Equity ratio = total equity / total assets * 100.

** Return on equity (ROE) = net profit / ((total equity as at start of the period + total equity as at period end) / 2) * 100.

*** Return on assets (ROA)= net profit / ((total assets as at start of the period+ total assets as at period end)/ 2)* 100

2. Share capital and shares

Shares of the Issuer have been issued in accordance with the Commercial Law of the Republic of Latvia. Any changes to the nature or scope of rights attached to the Issuer's shares, as defined in the articles of association of the Issuer, can only be made according to the procedure outlined in the Commercial Law of the Republic of Latvia. The Issuer is registered and operating as a joint stock company (in Latvian: *akciju sabiedrība*).

As of 18 July 2025 the share capital of the Issuer is EUR 56,770,845.00, which is composed of 56,770,845 dematerialized shares with the nominal value of one share EUR 1.00. All shares have been fully paid up. The form of the shares is dematerialized shares and they are recorded in the central securities depository Nasdaq CSD. Each shareholder is granted voting rights only by way of a fully paid-up share. Each minimum value paid-up share entitles to one vote in the shareholders' meeting.

APPENDIX 1

to the Program Terms for the Issuance of the Bonds
in the Amount of up to EUR 30,000,000.00 by AS ALPPES Capital
(hereinafter – Terms) / (turpmāk – Noteikumi)

SAMPLE FORM OF
COMPLIANCE CERTIFICATE / ATBILSTĪBAS APLIECINĀJUMS

As to compliance with Section 21 (*Financial covenants*) and compliance with Section 22 (*Undertakings*) of the Terms of the Program for the Issuance of the Bonds as at [INSERT DATE] (reporting period) Financial covenant computations are as follows / *Atbilstoši Programmas noteikumu 21. nodaļai (Finanšu rādītāji) un 22. nodaļai (Saistības) par obligāciju emisiju uz [IEVIETOT DATUMU] (pārskata periods), Finanšu rādītāju aprēķini ir šādi:*

Financial Covenants / <i>Finanšu saistības</i>	Computation inputs and value / <i>Aprēķinos izmantotie dati un aprēķinātā vērtība</i>	Compliance (Yes/No) / <i>Atbilstība (Jā/Nē)</i>
1. ¹ LTV ratio is at or below the level as stated in the Final Terms at all times / <i>LTV rādītājs ir vienāds vai zemāks par Galīgajos noteikumos norādīto līmeni</i>		
2. Equity Ratio is at least 50% (fifty per cent) based on the data of the quarterly financial statement / <i>Pašu kapitāla rādītājs ir vismaz 50% (piecdesmit procenti), balstoties uz ceturkšņa finanšu pārskata datiem</i>		

[Request for Release of Collateral Object / Pieprasījums par Ķīlas priekšmeta atbrīvošanu

The Issuer hereby requests the release of the following Collateral Object(s): [INSERT IDENTIFICATION OF COLLATERAL OBJECT]. / *Emitents ar šo pieprasī atbrīvot šādu/-s Ķīlas priekšmetu/-s: [IEVADIET ĶĪLAS PRIEKŠMETA IDENTIFIKĀCIJU].*

[This request is made in accordance with Clause 13.3 of the Terms, confirming that the net proceeds from such release will be (or have been) transferred to the Security Deposit Account in an amount sufficient to ensure that the LTV ratio for the relevant Issue of the Secured Bonds remains in compliance with the required threshold. Any excess proceeds beyond the required amount to maintain the LTV ratio may be retained by the Issuer. / *Šis pieprasījums tiek iesniegts saskaņā ar Noteikumu 13.3. punktu, apliecinot, ka no šādas atsavināšanas iegūtie neto ieņēmumi tiks (vai jau ir) pārskaitīti Drošības Depozīta Kontā apmērā, kas ir pietiekams, lai nodrošinātu, ka attiecīgās Nodrošināto obligāciju emisijas LTV rādītājs saglabājas atbilstošs noteiktajam sliekšnim. Emitents ir tiesīgs paturēt savā rīcībā jebkādas ieņēmumus, kas pārsniedz nepieciešamo summu LTV rādītāja nodrošināšanai.] OR [This request is made in accordance with Clause 13.17 of the Terms, confirming that after the requested release the LTV ratio for the relevant Issue of the Secured Bonds remains in compliance with the required threshold. / *Šis pieprasījums tiek iesniegts saskaņā ar Noteikumu 13.17. punktu, apliecinot, ka pēc pieprasītās atbrīvošanas attiecīgās Nodrošināto obligāciju emisijas LTV rādītājs saglabājas atbilstošs noteiktajam sliekšnim.]**

Appendix 1 includes the relevant LTV ratio calculations, demonstrating compliance both before and after the requested release of the Collateral Object(s). / *Pielikumā Nr. 1 ir ietverti attiecīgie LTV rādītāja aprēķini, kas apliecina atbilstību gan pirms, gan pēc pieprasītās Ķīlas priekšmeta/-u atbrīvošanas.]*

¹ To be included only in case of the Secured Bonds / *Norādāms tikai Nodrošināto obligāciju gadījumā.*

Attached to this Compliance Certificate / *Šim Atbilstības Apliecinājumam pievienots: Appendix 1 with the relevant calculations of the LTV ratio / Pielikums Nr. 1, kurā ietverts LTV rādītāja aprēķins.*

In case there are discrepancies between the English and Latvian text of the Compliance Certificate, the English version shall prevail. / *Gadījumā, ja starp Atbilstības Apliecinājuma angļu un latviešu valodas tekstu ir pretrunas, noteicošā ir angļu valodas versija.*

The Terms are expressly and specifically incorporated into this Compliance Certificate and have the same meaning as in the Terms. / *Noteikumi ir skaidri un konkrēti iekļauti šajā Atbilstības apliecinājumā un tiem ir tāda pati nozīme kā Noteikumos.*

Therefore, we confirm and certify that as of [DATE] all financial covenants in accordance with Section 21 (*Financial covenants*) of the Terms have been fulfilled and no Event of Default has occurred. / *Līdz ar to mēs apstiprinām un apliecinām, ka uz [DATUMS] visi Noteikumu 21. nodaļā (Finanšu rādītāji) paredzētie finanšu rādītāji ir izpildīti un Saistību neizpildes gadījums nav iestājies.*

On behalf of the Issuer / Emitenta vārdā:

Aigars Kesenfelds
Chairman of the Management Board / Valdes priekšsēdētājs

This document is signed electronically with a secure electronic signature containing a time stamp.