AS Hipocredit

Registration No. 40103793931

LEI: 6488005G1FDVLIOA1D86

INFORMATION DOCUMENT

ISIN:	LV0000112845
Type of securities:	Senior Secured Bonds
Nominal Value per one Bond:	EUR 1,000.00 (one thousand euros)
Number of Bonds:	up to 8,000 (eight thousand)
Total nominal value of the issue:	up to EUR 8,000,000.00 (eight million euros)[1]
Annual Coupon Rate:	8.00% per annum – fixed for the entire time
Coupon Payment Date:	monthly, on the last calendar day of each calendar month during the term of the Bonds
Maturity:	20 August 2029 – 3 (three) years from the Issue Date
Issue Date:	19 August 2026
Minimum Investment Amount:	1 (one) Bond
Admission to Trading:	Nasdaq Riga First North (MTF) – no later than 6 (six) months from the Issue Date

This Information Document is not a prospectus for the purposes of the Prospectus Regulation and has not been examined, reviewed or approved by Latvijas Banka, the Estonian Financial Supervision Authority (in Estonian: Finantsinspektsioon), the Bank of Lithuania (in Lithuanian: Lietuvos bankas) or any other competent authority of any Member State. This Information Document has been prepared on the basis that the offer of the Bonds in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania will be made pursuant to an

[1] The aggregate nominal value of the Bonds may, at the Issuer's sole discretion, be increased in accordance with this Information Document up to EUR 12,000,000 (twelve million euros) with effect from the date on which the threshold below which an offer of securities to the public is exempt from the obligation to publish a prospectus under applicable Bank of Latvia Regulations is increased to an amount of at least EUR 12,000,000, provided that the aggregate consideration of the offer to the public, calculated over a 12-month period, does not at any time exceed the then-applicable threshold and provided further that the Issuer has elected to make such increase and has published the relevant supplement to this Information Document in accordance with the Bank of Latvia Regulations. Unless and until the Issuer has made such election and published such supplement, the aggregate nominal value of the Bonds shall not exceed EUR 8,000,000.

exemption from the obligation to publish a prospectus under the Prospectus Regulation and the applicable national laws of each such jurisdiction.

This Information Document has been drawn up and prepared in accordance with:

(i) the Financial Instrument Market Law of the Republic of Latvia and Latvijas Banka Regulation No. 261 of 18 December 2023 "Regulations on Drawing up and Publishing an Information Document for Making a Public Offering", as amended;

(ii) the Securities Market Act of the Republic of Estonia and Regulation No. 10 of the Estonian Minister of Finance of 6 May 2024 "Requirements for the Securities Offering Information Document", as amended; and

(iii) the Law on Securities of the Republic of Lithuania and the "Description of Requirements for the Preparation of the Information Document", approved by Resolution No. 03-45 of the Board of the Bank of Lithuania of 28 February 2013, as amended.

*The offering of the Bonds constitutes a public offering in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania. The Issuer intends to apply for the admission of the Bonds to trading on the alternative market First North operated by Nasdaq Riga in accordance with the Nasdaq Riga Alternative Market First North Rules, as amended from time to time. First North is a multilateral trading facility and not a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended ("**MiFID II**"), and the Issuer does not intend to apply for the admission of the Bonds to trading on a regulated market.*

The Issuer is a company incorporated and existing under the Applicable Laws of the Republic of Latvia, under which the Bonds may be registered with Nasdaq CSD, acting as the central securities depository in Latvia.

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 contractual relationship between the Issuer and the Bondholders, and their respective rights and duties attached to the Bonds, shall be governed by the Applicable Laws of the Republic of Latvia, without prejudice to the mandatory laws and regulations applicable to the public offering, marketing and distribution of the Bonds in the Republic of Estonia and the Republic of Lithuania.

This Information Document does not constitute an offer 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.

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 (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in MiFID II; and (ii) 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) 1 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, Potential Investors must make their own assessment as to the suitability of investing in the Bonds. In particular, each Potential Investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds and the merits and risks of investing in the Bonds;

(ii) 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;

(iii) 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;

(iv) understand thoroughly the terms of the Bonds and be familiar with the behavior of any relevant financial markets; and

(v) 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 this Information Document. A Potential Investor should not make an investment decision relying solely upon the information provided in the Potential Investor presentation or otherwise.

Arranger:

SIGNET BANK

The date of this Information Document is 3 August 2026

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1. DEFINITIONS

1.1 Interpretation

For the purpose of this Information Document, the following definitions have the following meaning:

Accounting Principles	Initially, Latvian Accounting Standards (Latvian GAAP) in accordance with the Applicable Laws. Starting from 1 January 2027 (for Financial Year of 2026), the International Financial Reporting Standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).
Acquisitions	any transaction or series of related transactions pursuant to which the Group has acquired a participation in the equity capital of, or the Control in, a person if that person pursuant to the Accounting Principles has to be consolidated into the Group, or any acquisition or transfer of an operating division or business unit of any other person to the Group which under the Applicable Law constitutes a transfer of enterprise or an independent part thereof (in the meaning of the Commercial Law of the Republic of Latvia (in Latvian: *Komerclikums*)) or an equivalent legal concept under the relevant Applicable Law.
Adjusted Equity	the aggregate book value of the Total Equity, increased by Subordinated Debt, according to the most recent Financial Report.
AML	anti-money laundering.
Annual Coupon Rate	the annual Coupon rate for the Bonds of the respective Issue which is set out in this Information Document.
Applicable Law	any applicable law, including without limitation: (a) the regulations of the Bank of Latvia, Nasdaq Riga and 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 Republic of Latvia and any legal acts in each other country in which the Issuer operates.
Arranger or Bank	Signet Bank AS, with registration No. 40003043232 and with a legal address at: Antonijas iela 3, LV-1010, Riga, Latvia.
Articles of Association	Articles of Association of the Issuer effective as at the date of this Information Document.
Auction	the subscription process for the Bonds organised through Nasdaq Riga, whereby Exchange Members submit Subscription Orders as buy orders in the trading or auction system designated by Nasdaq Riga during the Subscription Period, on their own account or on behalf of Investors, in accordance with this Information Document and the Auction Rules.
Auction Rules	the rules governing the conduction of the Auction, in accordance with which the Arranger organizes and administers the Auction on behalf of the Issuer, as published on the Nasdaq Baltic website before the opening of the Subscription Period, setting out the technical and procedural rules applicable to the submission,

	modification, cancellation, allocation and settlement of Subscription Orders through the Auction.
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 "RMS Latvia", registration number: 40003858822; (h) Baker Tilly Baltics AS, registration number: 40003444833; (i) Sabiedrība ar ierobežotu atbildību "Merhels Revidenti Konsultanti", registration number: 40003405183; (j) Sabiedrība ar ierobežotu atbildību "POTAPOVIČA UN ANDERSONE", registration number: 40003612562; (k) Sabiedrība ar ierobežotu atbildību "Forvis Mazars Audits", registration number: 40103512765; (l) SIA "Taxlink audit", registration number: 40103710304
Bank's Collaterals	collaterals (commercial pledges and financial pledge), which serve as a security for the fulfilment of the Issuer's obligations towards the Bank under the Bank Loan Agreement, granted by the Issuer and the Existing Shareholder. At the date of this Information Document, the Bank's Collaterals comprise: (a) a first ranking commercial pledge No. 100212962 over all shares of the Issuer as an aggregation of property securing claims up to a maximum amount of EUR 4,167,207.92 (four million one hundred sixty seven thousand two hundred seven euros and ninety two cents), and (b) first ranking commercial pledge No. 100216289 over claims (receivables) of the Issuer arising from the loan agreements listed in the relevant commercial pledge agreement and registered in the Commercial Pledge Register to a maximum amount of EUR 4,167,207.92 (four million one hundred sixty seven thousand two hundred seven euros and ninety two cents), and (c) first ranking commercial pledge No. 100212961 over claims of the Issuer arising from the loan agreements listed in the relevant commercial pledge agreement and registered in the Commercial Pledge Register to a maximum amount of EUR 4,167,207.92 (four million one hundred sixty seven thousand two hundred seven euros and ninety two cents), and (d) first ranking financial pledge over funds on the account of the Issuer No. LV85LLBB0003251000626 opened with the Bank. The maximum secured amount under these pledges may be adjusted from time to time, including reduced or, where applicable, increased in accordance with the respective pledge

	agreements to reflect the aggregate amount of secured claims outstanding from time to time, including any reduction of the secured bank financing following the issuance of the Bonds.
Bank Debt	the Issuer’s debt to the Bank arising from the Bank Loan Agreement and secured by the Bank’s Collaterals.
Bank Loan Agreement	loan agreement No. 4.1-11.7/2025/63KR entered into by and between the Issuer and the Bank on 1 October 2025 (as amended or novated from time to time) on the provision of loan secured by the Bank’s Collaterals.
Bank of Latvia	the Bank of Latvia (in Latvian: *Latvijas Banka*) with its office in Riga, Latvia. The Latvian financial supervision authority (www.bank.lv).
Bank of Latvia Regulations	Bank of Latvia Regulations No. 261 of 18 December 2023 “Regulations on Drawing up and Publishing an Information Document for Making a Public Offering”.
Bond	each debt security (secured bond) to be offered and issued by the Issuer according to this Information Document.
Bondholder	a private person or legal entity that is an owner of one or more Bonds and has a claim against the Issuer as stipulated by the Applicable Laws.
Bondholders' Meeting	a meeting of Bondholders convened and held in accordance with Section 7.21.4 (*Bondholders' Meeting*).
Bridge Group Debt	unsecured loan issued by Related Party which together with accrued interest may be fully or partly repayable only if the Group’s existing and future Financial Covenants and undertakings provided in Section 7.15 (*Undertakings*) are met after such repayment.
Business Day	any day when the Nasdaq CSD system is open and operational to effectuate T2S-eligible securities settlement transactions.
Capitalization Ratio	ratio of (a) the Adjusted Equity to (b) the Net Loan Portfolio, calculated according to the most recent Financial Report.
Cash and Cash Equivalents	cash and cash equivalents of the Group according to the most recent Financial Report.
CTPF	countering the financing of terrorism and proliferation.
Change of Business	means any of the following: (a) the Issuer ceases to carry on substantially the same type of business, taken as a whole, as carried on by the Issuer on the Issue Date (being the Permitted Business); or (b) the Issuer sells, transfers, leases, contributes, assigns or otherwise disposes of all or a Substantial part of the Group’s business or assets, whether in a single transaction or a series of related transactions within any rolling 12-month period, in each case unless such change or disposal (i) has been approved in advance by the Bondholders’ Meeting in accordance with this Information Document, and (ii) the net proceeds thereof are

	applied within 12 months of receipt to repayment of the Bonds or reinvestment in Permitted Business assets.
Change of Control	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. For the avoidance of doubt, a Change of Control does not take place if: (a) change of Control takes place between the Existing Shareholder and/or its Related Parties (including where any changes to the management board or supervisory board members or other equivalent officers of the Issuer takes place); or (b) Existing Shareholder loses Control over the Issuer and no other person gains 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 (c) an IPO Event, including any resulting changes in shareholding or governance structure, occurs.
Collateral	commercial pledges expected to be granted by the Issuer to secure the Bonds, as further described in Section 7.6 (*Collateral*).
Collateral Agent	a person holding the Collaterals on behalf of the Bondholders and authorised to act with the Collaterals in favour of all the Bondholders in accordance with this Information Document, the Collateral Agreements and the Collateral Agent Agreement, initially a Latvian company ZAB Eversheds Sutherland Bitāns SIA, a law firm registered with the Latvian Bar association and registered with the Company Register of the Republic of Latvia under registration No. 40203329751 and with a legal address at: Marijas iela 2A, Riga, LV-1050, Latvia. The liability of ZAB Eversheds Sutherland Bitāns SIA as the Collateral Agent is limited to EUR 300,000.00 (three hundred thousand euros), except in case of wilful breach by the Collateral Agent of its obligations giving rise to the liability of the Collateral Agent.
Collateral Agent Agreement	the agreement entered into between the Issuer and the Collateral Agent, which stipulates the rights and obligations of the Collateral Agent in relation to the establishment, maintenance, and enforcement of the Collaterals, as defined in this Information Document, in the interests of the Bondholders, as well as the Collateral Agent's compensation. A copy of the Collateral Agent

	Agreement is available for inspection upon request to the Issuer.
Collateral Agreements	the commercial pledge agreements concluded or to be concluded on the provision of the Collateral referred to in Section 7.6 (*Collateral*) between the Collateral Agent and the Issuer and governed by Applicable Law of the country of the Issuer. Copies of the Collateral Agreements are available for inspection upon request to the Issuer.
Commercial Law	Commercial Law of Latvia, adopted on 13 April 2000.
Commercial Pledge Register	Commercial Pledge Register of the Enterprise Register of the Republic of Latvia (in Latvian: *Komercķīlu reģistrs*).
Commercial Register	Commercial Register maintained by Register of Enterprises of Latvia (in Latvian: *Komercreģistrs*).
Communication Channels	Issuer's webpage and after the Bonds are admitted to trading on First North: Nasdaq Riga information system, as well as on the Issuer's webpage.
Competition Council	the Competition Council of Latvia (in Latvian: *Konkurences padome*).
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	the monthly payment made on a Bond, which is 8% (eight percent) per annum, determined in accordance with Section 7.12 (*Coupon*).
Coupon Payment Date	shall have the meaning ascribed to it in Section 7.12.2 (*Coupon Payment Procedure*).
Coupon Period	a calendar month on which the interest payable on the Bonds has accrued. The first Coupon Period is the period of time between the First Settlement Date and the first Coupon Payment Date stated in this Information Document. The last Coupon Period is the period between the first date of the last month and the Maturity Date as stated in this Information Document.
Custodian	an entity, which is licensed to provide custody services as per this Information Document within the territory of Latvia, Lithuania or Estonia and is a member of Nasdaq Riga or has relevant arrangements with a member of Nasdaq Riga.
De-listing	the removal of the Bonds from trading on First North after their admission to trading, where such removal is expressed by Nasdaq Riga to be final or permanent, other than any removal resulting from: (a) any temporary suspension of trading, halt, technical interruption or other temporary measure imposed by Nasdaq Riga in accordance with the First North rules, in each case for so long as it is not expressed to be permanent; (b) the redemption, repurchase and cancellation, or maturity of

	all the Bonds then outstanding in accordance with this Information Document; (c) the admission of the Bonds to trading, simultaneously with or promptly following such removal, on any other multilateral trading facility or regulated market in the EEA (including the regulated market operated by Nasdaq Riga), for so long as the Bonds remain so admitted; or (d) any change in the First North rules, any decision of Nasdaq Riga, or any change in Applicable Law, in each case not attributable to a breach or default by the Issuer of its obligations.
Early Redemption	redemption of the Bonds prior to their Maturity Date in accordance with the terms set out in Section 7.13.2 (*Early Redemption at the Option of the Issuer*) and Section 7.13.3 (*Early Redemption at the Option of the Bondholders*).
EBITDA	net profit for the Relevant Period calculated according to the most recent Financial Reports: (a) increased by any amount of tax on profits, gains or income paid or payable; (b) increased by Net Finance Charges; (c) before taking into account any exceptional items which are not in line with the ordinary course of business and any non-cash items (such as e.g., asset revaluation or write-down); (d) before taking into account any gains or losses on any foreign exchange gains or losses; (e) increased by any amount attributable to the amortization, depreciation or depletion of assets. For the avoidance of doubt, when calculating EBITDA, Pro-Forma EBITDA adjustments shall be made to reflect the financial performance of any business, assets, or entity for which acquisition financing has been drawn by the Issuer, as if such business, assets, or entity had been part of the Group for the entirety of the Relevant Period.
EEA	European Economic Area
Equity Cure	the cure or prevention of a breach of the Financial Covenants by the Group taking corrective actions, including receiving cash proceeds of new injections from the shareholders of the Issuer or their affiliates in the form of equity and/or Subordinated Debt and/or Bridge Group Debt, as further described in Section 7.16.3 (*Covenant Cure*).
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 7.16 (*Events of Default*).
Exchange Member	a licensed bank or investment firm to which the status of a member of Nasdaq Riga has been assigned and which has access to the Nasdaq Fixed Income Trading System or any other trading or auction system designated by Nasdaq Riga for the purposes of

	the Auction, and which may submit Subscription Orders in the Auction on its own account or on behalf of Investors.
Existing Collateral	shall mean any of the Bank's Collaterals, Mintos Collateral No. 1 and Mintos Collateral No. 2.
Existing Loan Lender	any of the persons listed in Annex 1 to this Information Document.
Existing Loan Agreement	any of the loan agreements listed in Annex 1 to this Information Document.
Existing Loans	loans issued by Existing Loan Lenders in accordance with the Existing Loan Agreements, some of which will be repaid partially from the proceeds of the Issue under this Information Document.
Existing Shareholder	SIA Hipocredit Group, registration number in the Republic of Latvia 40203611790, holding 100% of the share capital of the Issuer as at the Issue Date.
Fair Market Value	with respect to any asset, the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving any distress of either party, determined in good faith by the management board of the Issuer.
Financial Covenants	financial covenants provided in Section 7.14 (*Financial Covenants*).
Financial Indebtedness	the outstanding aggregate amount of total indebtedness of the Group according to the most recent Financial Report, including: (a) monies borrowed and debt balances at banks or other Financial Institutions, including Bank Debt and Mintos Debt; (b) any amount raised pursuant to the issue of bonds 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 (g) 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 includes, but is 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, 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	the Multilateral Trading Facility (MTF), First North, operated by Nasdaq Riga.
First Settlement Date	Issue Date.
Force Majeure Event	has the meaning set forth in Section 7.19 (*Force Majeure and Limitation of Liability*).
General Meeting	the general meeting of the shareholders of the Issuer.
Gradual Placement	the placement of Bonds by the Issuer after completion of the Auction, if and to the extent decided by the Issuer, in respect of Bonds not subscribed for or not issued during the Auction and/or Bonds issued up to the Increased Maximum Amount, forming part of the same Offering and the same single series of Bonds.
Group	the Issuer and its Subsidiaries together.
IFRS	International Financial Reporting Standards within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).
Increased Maximum Amount	the increased maximum aggregate nominal amount of the Bonds of EUR 12,000,000.00 (twelve million euros), which the Issuer may elect to offer, subject to the conditions set out in Section 5 (*Use of Proceeds*).
Information Document	this document which sets out the terms and conditions of the issuance and public offering of the Bonds by the Issuer.
Initial Subscription	the subscription process for the Bonds conducted during the Initial Subscription Period, comprising both (a) the Auction conducted through the Nasdaq Riga auction system for the Public Offering; and (b) the concurrent Private Placement conducted by way of Subscription Orders submitted directly to the Arranger, as further described in Section 8.2 (*Initial Subscription*).
Initial Subscription Period	the initial period of the Offering, as specified in Section 8.2.1 (*Indicative timetable of the Initial Subscription Period*), during which Investors may submit Subscription Orders for the Bonds through the Auction, commencing on the date and at the time specified therein and ending on the applicable closing date and time, in each case as may be shortened or extended by the Issuer in accordance with this Information Document.
Interest Coverage Ratio or ICR	the ratio of EBITDA to Net Finance Charges for the Relevant Period.
Investor	private person or legal entity that has, according to the terms stated in this Information Document, expressed interest or is planning to purchase for its own account one or more Bonds.
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 Securities Identification Number.
Issue Price	the price per Bond payable by an Investor upon subscription, expressed as a percentage of the Nominal Value. The Issue Price varies depending on the Offering channel and timing, as further

	specified in Section 8 (*Terms of the Public Offering*).
Issue	the aggregate of Bonds issued under this Information Document with the same ISIN.
Issue Date	the date on which Coupon on the Bonds starts to accrue: 19 August 2026.
Issuer or Company	AS Hipocredit, registration No. 40103793931, registered address at: Elizabetes iela 65 - 11 , Riga, LV-1050, Latvia.
Issuer's Acquisition	the acquisition of 100% of the shares of the Issuer by the Existing Shareholder, which is currently pending clearance by the Competition Council.
Issuer's webpage	Issuer's webpage: https://www.hipocredit.site or any other webpage of the Issuer notified by the Issuer to the Bondholders in accordance with Section 7.18 (*Disclosure of Information*) prior to the relevant change of the Issuer's webpage.
Listing Failure	the failure of the Issuer to procure that the Bonds are admitted to trading on First North within 6 (six) months after the Issue Date, other than where, and for so long as, such failure results from: (a) any action, inaction, decision, delay, requirement or processing time of Nasdaq Riga, Nasdaq CSD, the Bank of Latvia or any other competent or regulatory authority, exchange or clearing system, in each case not attributable to a breach or default by the Issuer of its obligations; (b) any change in the First North rules or in any Applicable Law occurring after the Issue Date (including any amendment to, or the process of amending, the Bank of Latvia Regulations); or (c) any other circumstance beyond the Issuer's reasonable control, in each case provided that the Issuer has used commercially reasonable efforts to procure such admission to trading; and provided further that the admission of the Bonds to trading on any other multilateral trading facility or regulated market in the EEA (including the regulated market operated by Nasdaq Riga) within 6 (six) months after the Issue Date shall not constitute a Listing Failure.
LTV	the ratio of the outstanding principal amount of the loan within the Net Loan Portfolio to the most recent available value of the real estate collateral securing such loan, as determined in accordance with the Issuer's internal valuation policies or independent third-party appraisals, if applicable
Majority Bondholders	Bondholders who collectively hold in aggregate the Bonds with the Nominal Value representing more than 50% (fifty percent) of the aggregate Nominal Value of all outstanding Bonds attending the Bondholders' Meeting or participating in a Procedure in Writing (i.e. replying to the request). Any Bonds held by the Issuer or its Related Parties shall be disregarded for the purposes of attendance, participation, quorum and voting.

Management Board	Management Board of the Issuer.
Maturity Date	the date when the Bonds shall be repaid in full at their Nominal Value by the Issuer, which is 20 August 2029.
Minimum Investment Amount	1 (one) Bond.
Minimum Settlement Unit	the minimum amount which can be held and traded, which is equal to the Nominal Value.
Mintos Agreement No. 1	Cooperation agreement No. LVMM/06-07-2022-53 entered into by and between the Issuer, AS Mintos Marketplace, registration number 40103903643, and SIA Mintos Finance No. 7, registration number 40203387660, on 26 April 2022 (as amended or novated from time to time) for the assignment of particular loan receivables to SIA Mintos Finance No. 7 as the issuer, secured by the Mintos Collateral No. 1.
Mintos Agreement No. 2	Cooperation agreement on issuance of loans No. MF – HC 2016/1 SL entered into by and between the Issuer and SIA Mintos Finance, registration number 40203022549, on 9 November 2016 (as amended or novated from time to time) on establishment of a revolving credit facility with loan limit of EUR 500,000 (five hundred thousand euros), secured by the Mintos Collateral No 2.
Mintos Collateral No. 1	a first ranking commercial pledge No. 100215333 on Issuer's claim rights to the Issuer's debtors arising from loan agreements listed in the relevant commercial pledge agreement and registered in the Commercial Pledge Register (list may be amended from time to time) up to a maximum amount of EUR 20,000,000.00 (twenty million euros), which serve as a security for the fulfilment of the Issuer's obligations towards AS Mintos Marketplace, registration number 40103903643, and SIA Mintos Finance No. 7, registration number 40203387660, under the Mintos Agreement No. 1, granted by the Issuer.
Mintos Collateral No. 2	a first ranking commercial pledge No. 100198020 on Issuer's claim rights to the Issuer's debtors arising from loan agreements listed in the relevant commercial pledge agreement and registered in the Commercial Pledge Register (list may be amended from time to time) up to a maximum amount of EUR 4,000,000.00 (four million euros), which serve as a security for the fulfilment of the Issuer's obligations towards SIA Mintos Finance, registration number 40203022549, under the Mintos Agreement No. 2, granted by the Issuer.
Mintos Debt	the Issuer's debt (a) to AS Mintos Marketplace, registration number 40103903643, and SIA Mintos Finance No. 7, registration number 40203387660, arising from the Mintos Agreement No. 1 and secured by Mintos Collateral No. 1, and (b) to SIA Mintos Finance, registration number 40203022549, arising from the Mintos Agreement No. 2 and secured by Mintos Collateral No. 2, jointly.
Nasdaq CSD or Depository	Nasdaq CSD SE (Societas Europaea), the regional Baltic central securities depository (CSD), registration No. 40003242879, registered address: Vaļņu iela 1, Riga LV-1050, Latvia.
Nasdaq Riga	Nasdaq Riga AS, registration No. 40003167049, registered

	address: Vaļņu iela 1, Riga, LV-1050, Latvia, with its current website address: www.nasdaqbaltic.com.
Net Finance Charges	all recurring debt-related charges of the Group for the Relevant Period calculated according to the most recent Financial Report: (a) including cash interest expense on the Financial Indebtedness; (b) including cash interest expense on guarantees issued by a bank or insurance company; (c) after deducting any interest income relating to Cash and Cash Equivalents; and (d) excluding any payment-in-kind interest capitalized on loans from the Related Party and/or Subordinated Debt and/or Bridge Group Debt.
Net Loan Portfolio	the sum of loans, securities, investments, receivables, inventories and reserves, minus allowances for losses as set forth in the balance sheet as of the Relevant Period ending on the last day of the period covered by the most recent Financial Report, prepared in accordance with the Accounting Principles.
Net Profit	the net profit for the Relevant Period calculated according to the Accounting Principles and disclosed in its Financial Reports.
Nominal Value	the face value of a single Bond, which is EUR 1,000.00 (one thousand euros).
Offering	the public offering of the Bonds by the Issuer to retail investors and institutional investors in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania, carried out on the basis of this Information Document through the Initial Subscription through Auction organised by Nasdaq Riga and Gradual Placement.
Parallel Debt	the legal arrangement described in Section 7.7.11(a) (*Establishment of Collateral*), pursuant to which the Issuer acknowledges a parallel debt to the Collateral Agent in respect of all amounts payable under the Bonds and this Information Document, which parallel debt is secured by the Collaterals.
Permitted Business	any businesses, services or activities that are the same as, or reasonably related, ancillary or complementary to, any of the businesses, services or activities in which the Issuer is engaged on the Issue Date, and reasonable extensions, developments or expansions of such businesses, services or activities.
Permitted Debt	any Financial Indebtedness: (a) incurred by the Issuer under this Information Document; (b) incurred by the Issuer under any other secured bonds issue or programme, other than this Information Document; (c) incurred by the Issuer under any unsecured Financial Indebtedness provided that all Financial Covenants are satisfied immediately following the incurrence of such Financial Indebtedness; (d) secured operational credit line or loan from the Financial Institution (who is not the Bank) incurred by the Issuer provided that annual interest rate of such credit line does not

	exceed the Annual Coupon Rate of the Issue; (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 Bank Loan Agreement; (g) incurred by the Issuer under Mintos Agreement No. 1 and Mintos Agreement No. 2 and/or any other financing, funding, refinancing, sale, transfer, assignment, securitisation, asset-backed securities, loan-backed notes, notes, receivables financing, special purpose vehicle, direct or indirect funding or similar arrangement entered into by the Issuer with or through any member of the Mintos group, including any arrangement under which the Issuer's loan receivables, claims, related rights or economic exposure thereto are sold, assigned, transferred, pledged, financed, refinanced or otherwise used as the underlying assets or collateral for funding made available to the Issuer; (h) incurred by the Issuer under Existing Loan Agreement; (i) incurred by the Issuer under the Subordinated Debt or Bridge Group Debt; (j) incurred by the Issuer in respect of the Refinancing, provided that (i) no Event of Default is continuing or would result from the incurrence of such Financial Indebtedness and (ii) all Financial Covenants are satisfied immediately following the incurrence of such Financial Indebtedness.
Permitted Distribution	any dividend or other similar type of distribution of profits by the Issuer to its shareholders, provided that all Financial Covenants are satisfied immediately following such distribution and no Event of Default is continuing or would result from such distribution.
Private Placement	the private placement of the Bonds to institutional investors and other selected investors in certain member states of the European Economic Area and other jurisdictions, in each case pursuant to an exemption under Article 1(4) of the Prospectus Regulation or other applicable exemptions, as further described in Section 8.1 (*General structure of the Offering*).
Permitted Security	the Issuer is permitted to create or maintain any of the following Securities: (i) Bank's Collaterals; or (ii) Mintos Collateral No. 1 and Mintos Collateral No. 2; or (iii) Collateral which is securing the Bonds; or (iv) Security granted by the Issuer in respect of Financial Indebtedness permitted under point (b) of the Permitted Debt definition or in favour of the Financial Institution in respect of Financial Indebtedness permitted under point (d) in the Permitted Debt definition, provided that: (i) if such Security is granted over specific loan agreements, receivables, claims or other assets which do not form part of the Collateral securing the Bonds, such Security shall not require any release, subordination, amendment or other action by the Collateral Agent and shall not affect the

	Collateral, its enforceability, quality, ranking or status; or (ii) if such Security is granted over any assets forming part of, or intended to form part of, the Collateral securing the Bonds, the Bonds shall rank senior to or *pari passu* with such other secured obligations of the Issuer, the relevant security sharing arrangements shall be documented in an intercreditor agreement or other arrangement acceptable to the Collateral Agent, and the Collateral Agent shall be authorised to take all actions reasonably necessary to permit the creation, registration, amendment or sharing of such Security in accordance with this Information Document; and in each case all Financial Covenants are satisfied immediately following the creation of any such Security; or (v) any Security arising by operation of law or in the ordinary course of business and provided that all Financial Covenants are satisfied immediately following the creation of any such Security; or (vi) any Security incurred as a result of the Issuer acquiring another entity with existing Securities and provided that all Financial Covenants are satisfied immediately following the creation of any such Security; or (vii) any other Security if such Security does not impact Collaterals, enforceability, quality, or status thereof and provided that all Financial Covenants are satisfied immediately following the creation of any such Security; or (viii) Security granted in relation to the Refinancing provided that the Bonds will rank senior to or *pari passu* with such Refinancing; or (ix) any other Security approved by the Majority Bondholders.
Portfolio Coverage Ratio	ratio of (a) Net Loan Portfolio minus the aggregate outstanding principal amount of all Secured Borrowings, plus Cash and Cash Equivalents, divided by (b) the aggregate outstanding Nominal Value of all Bonds, in each case as reported in or determined by reference to the most recent Financial Report.
Public Offering	the public offering of the Bonds to retail investors and institutional investors in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania, as further described in Section 8.1 (*General structure of the Offering*).
Potential Investor	any natural person, legal entity, or other party that is considering subscribing for or acquiring the Bonds, whether in the primary Offering or on the secondary market.
Replacement Effective Date	shall have the meaning ascribed to it in Section 7.7.12 (*Replacement of the Collateral Agent*).
Pro-Forma EBITDA	the sum of EBITDA over the Relevant Period plus, to the extent not already reflected in EBITDA, EBITDA over the Relevant Period of any other person or operating division or business unit of any other person acquired in an Acquisition during such period.
Promissory Note	an agreement between the Issuer and the Collateral Agent where the Issuer reassures it owes any sums due under this Information Document to the Collateral Agent and which may be used, if necessary, for the purposes of registration and enforcement of

	the Collaterals.
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 this Information Document are replaced or repaid through the procurement of a loan or other financing arrangement.
Related Party	any person listed in Article 184.[1] of the Commercial Law of the Republic of Latvia.
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 Borrowings	any Financial Indebtedness of the Issuer, other than the Bonds, which is secured by any Security over the loan portfolio of the Issuer, including, without limitation, the Bank Debt, the Mintos Debt and any secured credit line, loan or other secured financing provided to the Issuer. For the purposes of calculating the Portfolio Coverage Ratio, Secured Borrowings shall be taken into account in the aggregate outstanding principal amount, as set out in the most recent Financial Report.
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.
Settlement Unit Multiple	multiple that defines the settlement quantity, or nominal must be a multiple of the Minimum Settlement Unit.
Subordinated Debt	unsecured principal amount of the Issuer's debt (excluding Bridge Group Debt) that is subordinated to the Bonds with maturity after the Maturity Date. Subordinated Debt is subordinated to Bonds with respect to claims on assets or earnings and is fully or partly repayable only if: (a) the Group's existing and future Financial Covenants and undertakings provided in this Information Document are met after the repayment; and (b) settlement of all obligations under this Information Document 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 7.14 (*Financial Covenants*).
Subscription Order	an order to subscribe for and acquire the Bonds submitted by an Investor through an Exchange Member during the Subscription Period in accordance with this Information Document, the

	Auction Rules and the procedures of the relevant Exchange Member.
Subscription Period	the period during which the Investors may subscribe to the Bonds as specified in Section 8 (*Terms of the Public Offering*), commencing on the first day of the Initial Subscription Period and ending within 12 (twelve) months from the commencement of the Initial Subscription Period or, if earlier, on the date on which all Bonds available for subscription have been sold or the Offering has been discontinued by the Issuer. For the purposes of this Information Document, references to the "Subscription Period" shall, where the context requires, include the Initial Subscription Period conducted by way of the Auction and any subsequent period of Gradual Placement following the Auction, including any continuation, opening or re-opening of the Gradual Placement in respect of Bonds up to the Increased Maximum Amount. The aggregate duration of the Subscription Period, including the Initial Subscription Period and any period of Gradual Placement, shall not exceed 12 (twelve) months from the commencement of the Initial Subscription Period. For the avoidance of doubt, an increase of the aggregate nominal amount of the Bonds shall not in itself constitute a separate Subscription Period, and the placement of Bonds issued as a result of such increase may continue as part of the same Gradual Placement, unless the Bonds have already been fully placed prior to such increase or the Issuer otherwise decides to open or re-open the Gradual Placement for the placement of the additional Bonds, provided that any such Subscription Period shall end within the aforementioned 12 (twelve)-month period.
Subsidiary	an entity: (a) over whose affairs and policies the Issuer has the Control; or (b) whose financial statements are, in accordance with Applicable Law and Accounting Principles, consolidated with those of the Issuer.
Supervisory Board	the Supervisory Board of the Issuer.
Substantial	means any disposal or series of related disposals which, individually or in aggregate, result in the transfer of assets or business operations representing more than 25% of the Issuer's consolidated EBITDA (calculated according to the most recent Financial Report), calculated on a pro forma basis giving effect to such disposal(s).
Total Equity	the aggregate book value of the total equity (including minority interest, if applicable) according to the most recent Financial Report.
Yield	the annual yield to maturity of the Bonds: (a) 9% per annum for Bonds acquired during the Initial Subscription Period at the Issue Price of 97.38% of Nominal Value; (b) 8% per annum for Bonds acquired during the Gradual Placement as part of the Public Offering at the clean Issue Price of 100% of Nominal Value; and (c) as determined by the Issuer for Bonds acquired as part of the

	Private Placement. The yield is calculated on the basis of the applicable Issue Price, the Coupon, the Coupon Payment Dates, redemption of the Bonds at their Nominal Value on the Maturity Date and assuming that all payments under the Bonds are made in full and on their scheduled due dates.
Written Procedure	the written procedure for adopting decisions of the Bondholders as described in Section 7.21.3 (*Procedure in Writing*).

2. SUMMARY

This summary should be read as an introduction to this Information Document. Any decision to invest in the Bonds should be based on a consideration of this Information Document as a whole.

By investing in the Bonds, the Investor assumes the risks described in this Information Document. If any of these risks materialize, the value of the Bonds may decrease, and the Investor may lose all or part of their investment.

This Information Document is not a prospectus within the meaning of the Prospectus Regulation and has not been reviewed or approved by the Bank of Latvia or any other competent authority.

This summary provides an overview of the key information relating to the Issuer and the Bonds that is material to investors.

Issuer:	AS Hipocredit
Legal Entity Identifier (LEI):	6488005G1FDVLIOA1D86
Nominal Value of the Issue:	up to EUR 8,000,000.00 (eight million euros)[2]
Number of Bonds:	up to 8,000 (eight thousand)
Nominal Value:	EUR 1,000.00 (one thousand euros) per Bond.
Issue Price:	During the Initial Subscription Period: 97.38% of the Nominal Value (i.e. EUR 973.80 per Bond), corresponding to a Yield of 9% per annum. During the Gradual Placement (Public Offering): 100% of the Nominal Value (i.e. EUR 1,000.00 per Bond), corresponding to a Yield of 8% per annum. During the Private Placement: as determined by the Issuer.
Minimum Investment Amount:	1 (one) Bond.
Initial Subscription Period:	from 4 August 2026 to 17 August 2026. See Section 8 (*Terms of the Public Offering*) for details on Gradual Placement and the 12-month maximum placement period.
Issue Date:	19 August 2026
Maturity Date:	20 August 2029
Coupon:	8% (eight percent) per annum
Yield:	The annual Yield to maturity of the Bonds: (a) 9% per annum for Bonds acquired during the Auction at the Issue Price of 97.38% of Nominal Value; (b) 8% per annum for Bonds acquired during the Gradual Placement as part of the Public Offering at the clean Issue Price of 100% of Nominal Value; and (c) as determined by the Issuer for Bonds acquired as part of the Private Placement. The Yield is calculated on the basis of the applicable Issue Price, the Coupon, the Coupon Payment Dates, redemption of the Bonds at their Nominal Value on the Maturity Date and assuming that all payments under the Bonds are made in full and on their scheduled due dates. The actual Yield to an Investor will depend on the price paid and the date of acquisition. Bonds acquired after the Issue Date will include accrued Coupon from the most

[2] See footnote 1.

	recent Coupon Payment Date (or, if none, the Issue Date).
Coupon Payment:	monthly, on each Coupon Payment Date, in respect of the relevant Coupon Period, with the first Coupon Payment to be made on 30 September 2026.
Call Option:	early redemption permitted from 19 August 2027 at 101% of Nominal Value (100% from 19 February 2029), plus accrued Coupon.
Put Option:	101% of Nominal Value plus accrued Coupon upon Change of Control, Listing Failure or De-listing.
Use of Proceeds:	The net proceeds from the issue of the Bonds, after deduction of all related expenses and fees, will be applied by the Issuer for: (a) refinancing of the Existing Loans and the Bridge Group Debt as per Annex 1; and (b) general corporate purposes, which may include a further reduction of the Bank facility under the Bank Loan Agreement and funding the Issuer's loan portfolio growth.
ISIN:	LV0000112845
Form of the Bonds:	dematerialized book-entry securities held through Nasdaq CSD participants.
Status and Security:	secured obligations with first-ranking collateral over the Issuer's unencumbered loan portfolio and assets. See Sections 7.5 and 7.67.57.6.
Collateral Agent:	ZAB Eversheds Sutherland Bitāns SIA (initially).
Taxation:	Payments of interest under the Bonds will generally be subject to withholding tax in Latvia at applicable rates (including 25.5% for Latvian resident individuals and 5% or 25.5% for non-resident individuals depending on whether the conditions for the reduced rate are satisfied). No gross-up will be payable in respect of any such withholding. See Section 9 (*Taxation*) for further details.
Rating:	none.
Listing:	Nasdaq Baltic First North within 6 months after Issue Date.
Risks Factors:	4see Section 4 (*Risks related to the Issuer and the Bonds*). Investors may lose all or part of their investment.
Governing Law:	laws of the Republic of Latvia.
Dispute Resolution:	Latvian courts of competent jurisdiction.
Selling Restrictions:	see Section 7 (*Information on the Bonds*).
Date of the Information Document:	3 August 2026
Validity Period of the Information Document:	until 3 August 2027

3. INFORMATION ON THE ISSUER

Name of the Issuer	AS Hipocredit
Legal entity identifier (LEI)	6488005G1FDVLIOA1D86
Legal form	joint stock company (in Latvian: *akciju sabiedrība*)
Country of registration	Republic of Latvia
Date of registration	28 May 2014
Registration number	40103793931
Legal address	Elizabetes iela 65 - 11, Riga, LV-1050, Latvia
Email address	For all questions regarding investor relations: robijs.malnieks@meritopartners.com
Contact phone number	For all questions regarding investor relations: + 371 27833179 (Mobile)
Law governing the Issuer's activities	laws of the Republic of Latvia
Website of the Issuer	https://www.hipocredit.site The Issuer's website provides access to: • this Information Document (and its supplements and/or amendments, if any); • Issuer's Articles of Association; • Issuer's Financial Reports; • other documents of the Issuer which are important to investors and/or related to the issue of the Bonds.

4. RISKS RELATED TO THE ISSUER AND THE BONDS

Investors are advised to carefully consider the risk factors and other information provided in this Information Document. Investment in the Bonds involves certain risks, including, but not limited to, those described herein. If one or more of these risks materialize, this may adversely affect the Issuer's and the Group's business operations, financial condition and results of operations, as well as the Issuer's ability to fulfil its obligations under the Bonds. In a worst-case scenario, this could lead to the Issuer's insolvency or restructuring and investors may lose part or all of their investment. This Information Document may include forward-looking statements. Such statements are based on the current expectations and assumptions of the Issuer and involve known and unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by such forward-looking statements.

The risks and uncertainties described in this Section are not the only risks currently faced by the Issuer and/or the Group. The Issuer and/or the Group may also be exposed to risks of which they are currently not aware or which they currently consider immaterial, but which could nevertheless have a material adverse effect on the Issuer and/or the Group and the Issuer's ability to perform obligations under the Bonds.

The risks are presented in categories based on their nature. However, such categorization is intended solely for ease of reference and does not imply that a risk factor may not belong to more than one category. Certain risks may be interdependent and may occur simultaneously. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact.

4.1 Risks related to the economic and regulatory environment

4.1.1 Macroeconomic risk

The Issuer operates exclusively in Latvia, lending against real estate collateral, which means its results are closely linked to the health of the Latvian economy and, more broadly, to conditions across the European Union. Movements in GDP, inflation, interest rates and employment all feed through to property values, borrowers' capacity to repay, and the underlying appetite for credit.

A slowdown or recession tends to depress real estate prices, which erodes the Issuer's collateral cover and raises credit risk. At the same time, weaker economic conditions reduce how much households and businesses can borrow, dampening demand for new loans while pushing arrears higher. Because the Issuer's exposure is concentrated in a single market (Latvia), country-specific developments — regulatory shifts, fiscal instability, or a change in market sentiment — can have an outsized effect on the loan book and on financial stability. Heightened trade tensions and tariff measures affecting the EU could add to this uncertainty, weighing on Latvia's export-oriented sectors and, indirectly, on both the property market and borrowers' financial position.

The Issuer's exposure is concentrated in the Latvian economy, and any deterioration in macroeconomic conditions, whether domestic or regional, could curb lending volumes, drive up credit losses, and weaken the Issuer's financial condition and operating performance.

	Latvia			European Union		
	2024	2025	2026F	2024	2025	2026F
Real gross domestic product (GDP) (% year on year)	0.0	2.1	1.4	1.2	1.4	1.1
Inflation rate, average consumer prices (% year on year)	1.3	3.8	3.6	2.6	2.5	3.1
Unemployment (%)	6.9	6.9	6.8	6.0	6.0	6.0

Source: Eurostat (July 2026); 2026 forecasts: European Commission Spring 2026 Economic Forecast (May 2026)

4.1.2 Global pandemic risk

A widespread health crisis, such as the COVID-19 outbreak, has the potential to disrupt the Issuer's operations. Pandemics tend to generate economic uncertainty, dampen borrower activity, and place clients under greater financial strain, which can suppress demand for new loans and weaken the ability of existing borrowers to keep up with repayments. Disruptions of this kind could materially and adversely affect the Issuer's financial performance.

Containment measures imposed during such outbreaks — lockdowns, restrictions on movement, or forced business closures — can also weigh heavily on the real estate market. Subdued market activity may delay the sale or refinancing of properties, push valuations down, and reduce the quality of the collateral backing the Issuer's loans, in turn raising credit risk and making outstanding amounts harder to recover.

Pandemics can equally create operational difficulties, including staff absences, interruptions to day-to-day processes, and slower execution of recovery efforts. During COVID-19, for instance, the authorities introduced emergency legislation and public-health measures that caused broad economic disruption and forced businesses to adapt at short notice, affecting borrower behaviour, repayment rates and loan origination alike.

While the Issuer maintains contingency arrangements for unexpected events, a prolonged pandemic could nonetheless weaken its financial position, raise operating costs and erode profitability, so that a major public-health crisis or comparable external shock may adversely affect its commercial and financial performance. That said, throughout the COVID-19 period the Issuer continued to deliver stable portfolio growth and profitability.

4.1.3 Geo-political risk

The Issuer is based in Latvia — a country firmly integrated into the EU both geographically and economically, yet situated close to areas of geopolitical tension, notably Russia and Belarus. Political instability or military activity in these neighbouring regions could affect the Issuer's operations, financial results and longer-term development.

The continuing conflict involving Russia has sharpened concerns about regional security and the risk of spillover into the Baltic states. The Issuer's operations and financial performance have not suffered any adverse impact to date, but an escalation of regional tensions could bring greater economic uncertainty, dent investor confidence, and disrupt the local real estate market.

Sanctions adopted by the EU or other international bodies in response to geopolitical events may also have knock-on effects on the Latvian economy and, through it, on the Issuer's borrowers. Trade restrictions linked to such sanctions, or higher energy prices, could stretch Issuer's clients' finances and soften demand for real estate-backed lending.

A broader shift in investor sentiment away from the Baltic region on account of geopolitical risk could likewise restrict the Issuer's access to funding or raise its cost of capital. Any military conflict or further destabilisation in the region could weigh on borrower creditworthiness, collateral valuations and the Issuer's overall operational resilience.

The Issuer keeps geopolitical developments under continuous review and assesses their potential bearing on its business. Even so, the inherently unpredictable nature of these risks makes them a material factor that could adversely affect the Issuer's operations and financial results.

4.1.4 Licensing and regulatory risk

The Issuer's operations are subject to regulation by a variety of consumer protection, financial services, and other state authorities in Latvia, including, but not limited to, Applicable Laws relating to consumer loans, consumer rights protection, debt collection, unfair commercial practice, AML, and personal data processing. Failure to comply with existing Applicable Laws applicable to the Issuer's operations, or to obtain and comply with all necessary authorizations and permits required for its operations, or adverse findings from governmental inspections, may result in the imposition of material fines or penalties, or more severe sanctions. These could include preventing the Issuer from continuing substantial parts of its business activities, suspension or revocation of necessary licenses, or criminal penalties imposed on the Issuer's officers.

In Latvia, the consumer lending market is regulated. A permission (license) for providing consumer crediting services is required to issue consumer loans. The Issuer provides only mortgage-secured consumer loans and does not provide unsecured consumer lending.

Consumer Rights Protection Centre (Regulator, https://www.ptac.gov.lv/lv) carries out supervisory functions for consumer finance and debt collection companies in the Republic of Latvia. Regulator issues the aforementioned licenses for companies in these sectors.

The Issuer is licensed consumer finance company and has obtained a non-terminated license.

<u>The main Applicable Laws in Latvia:</u>

- The main Applicable Law regulating the market is the Consumer Rights Protection Law and connected legal acts. The purpose of this law is to ensure that consumers are able to exercise and protect their lawful rights when entering into contracts with manufacturers, traders or service providers.
- Currently, the activity of non-bank credit companies in Latvia is regulated by Cabinet Regulation No. 245 of 29 March 2011, "Regulations Regarding a Special Permit (License) of Consumer Credit Services", which, among other things, determines the need for a license, the fee of which is EUR 250,000.00, as well as annual prolongation of license operation, the fee of which is EUR 55,000.00; by Cabinet Regulation No. 691 of 25 October 2016, "Regulations On Consumer Credit", Law On Out-Of-Court Consumer Dispute Resolution Bodies, Personal Data Processing Law; Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing; Unfair Commercial Practice Prohibition Law; Law On Extrajudicial Recovery of Debt, and Consumer Rights Protection Law.

<u>The key terms for issue / revocation of the license include the following:</u>

- For the license to be issued an application should be submitted to the Consumer Rights Protection Centre with a proof of developed internal regulations of the applicant for customer assessment, complaints handling, etc. The applicant also has to satisfy all requirements applicable to it under the Applicable Laws regarding its board members.
- The licensee has to comply with the Applicable Laws applicable to it and report to Consumer Rights Protection Centre its performance indicators on a semi-annual basis, as well as on Consumer Rights Protection Centre's request.
- If a licensee breaches the requirements of the license, Consumer Rights Protection Centre can revoke or suspend the license. As of now there have been no precedents of revocation of this type of a license in the Latvian market, only precedents of its suspension.

Regulator is entitled to withdraw licenses in case there are breach of regulations set forth by Applicable Laws of the Republic of Latvia. The Issuer believes that the risk of losing license is managed by following Regulator's regulations and recommendations. Nevertheless, the risk that the Regulator may interpret or enforce existing requirements in new ways that could restrict the Issuer's ability to continue its current way of operation or impose significant additional compliance costs on the Issuer cannot be ruled out.

Furthermore, the government and the Regulator may seek to impose new laws, regulatory restrictions or licensing requirements that affect the products or services the Issuer offers, the terms on which the Issuer offers them, and the disclosure, compliance and reporting obligations the Issuer must fulfil in connection with the Issuer's business.

Any material changes in the existing Applicable Laws or implementation of any new Applicable Laws in the Republic of Latvia or EU might negatively affect the business and solvency of the Issuer.

4.2 Risks related to the Issuer's business and industry

4.2.1 Credit risk

The Issuer is exposed to credit risk — the risk that borrowers or other counterparties fail to meet their obligations, or that their actual performance deviates adversely from what was expected. The Issuer applies rigorous methodologies to assess both the creditworthiness of prospective borrowers and the value of the real estate offered as collateral, but it may nonetheless misjudge a customer's financial position or the true value of the collateral. In making credit decisions it relies on information supplied by applicants — which may be incomplete, inaccurate or deliberately false — and on data obtained from third parties such as credit bureaus, which may be incorrect or out of date; its scoring methodology may also prove inadequate. Any of these could result in unreliable assessments and poor lending decisions.

Borrowers may make late, partial or no repayments, whether through inability or unwillingness to pay. A borrower may over-estimate its capacity to repay, suffer unexpected events such as loss of employment, interrupted income, unforeseen expenses, illness, disability or death, or take on further secured or unsecured debt that weakens its creditworthiness, which the underlying loan agreements do not generally prevent. Although the Issuer maintains procedures for contacting delinquent customers, pursuing legal action and, in the case of secured loans, repossessing and liquidating the real estate collateral, these may not fully offset the impact of defaults.

The Issuer maintains allowances for expected credit losses based on historical data, economic forecasts and risk assessments. These rest on estimates and assumptions that may not capture every contingency, and if actual defaults or impairments exceed the provisions made, the Issuer could incur higher-than-expected losses.

The quality of the Issuer's credit risk depends on borrowers' financial stability, the quality of the real estate collateral, conditions in the property market and broader macroeconomic developments. In addition, depending on how the loan portfolio develops, it could become concentrated — in a number of large individual exposures, in particular regions of Latvia, or in a single category of real estate such as residential property — so that an adverse event affecting a major borrower, region or property segment would have a disproportionate effect than would a more evenly diversified portfolio.

A deterioration in any of these areas could increase the level of non-performing loans, require the Issuer to recalibrate its credit-scoring models and loss provisions, and have a material adverse effect on the Issuer's business, financial condition, results of operations, prospects and cash flows. A significant misjudgement in assessing credit risk could also attract regulatory scrutiny, penalties or sanctions, up to and including the suspension of operations or revocation of licences.

4.2.2 Risks related to deterioration in debt recovery

The Issuer’s ability to recover outstanding debt may suffer if more of its customers enter personal insolvency proceedings. A range of economic factors and possible legislative changes could drive up the number of such cases and make recovery more difficult, while amendments to insolvency laws, regulations or procedures could further reduce the prospects of successful collection, to the detriment of the Issuer’s financial condition.

Recovery may also be impaired for reasons unrelated to insolvency volumes. Where the costs of pursuing collection exceed the amount still owed, recovery may not be economically worthwhile and may not be pursued. Even when enforcement proceeds, the sums realised may have to be shared with other creditors of the borrower — such as the tax authorities, state bodies or other lenders — leaving the Issuer with less than the amount due. In addition, a loan agreement may, for various reasons, be challenged, which could delay or hinder the Issuer’s ability to enforce its rights; such challenges might arise from errors in the documentation, the lesser evidentiary value attributed in some proceedings to electronically signed agreements, questions over compliance with consumer-protection rules, or instances of borrower identity fraud.

An increase in personal insolvencies, a change in the legal framework governing them, or any of the recovery impediments described above could have a material adverse effect on the Issuer’s business, results of operations, prospects and cash flows.

4.2.3 Funding, liquidity and leverage risk

The Issuer carries a substantial level of indebtedness and a high debt-to-equity ratio, which may weaken its financial condition, limit its access to further financing and constrain its ability to meet its obligations under the Bonds. A highly leveraged position can mean that a significant portion of the Issuer's cash flows must be applied to debt service, leaving less available for its lending activities and other corporate needs; it can make refinancing harder and more costly; and it increases the Issuer's vulnerability to economic downturns and to adverse interest-rate movements, particularly to the extent any of its debt bears a variable rate. It may also place the Issuer at a disadvantage relative to less-leveraged competitors.

This Information Document permits the Issuer to incur certain additional Financial Indebtedness and to grant Security within the limits of the defined Permitted Debt and Permitted Security — for example, future bond issues, bank financing, operational credit facilities, refinancing arrangements and debt assumed in connection with acquisitions or mergers. While the Issuer is subject to Financial Covenants and certain limitations, these do not prohibit all additional debt or Security, so the Issuer may from time to time increase its leverage or grant Security in favour of other creditors. Creditors benefiting from such Security may, in certain circumstances, have enforcement rights over the Issuer's assets, which could adversely affect the Bondholders' recovery prospects in an enforcement or insolvency scenario. There can therefore be no assurance that the Issuer will maintain its current financial strength throughout the term of the Bonds.

The Issuer's working capital requirements are closely tied to the performance of its loan portfolio. If the cash generated by loan repayments falls short of its liquidity needs, the Issuer may have to draw on cash reserves, use existing credit facilities or raise fresh capital. A rise in non-performing loans, difficulties in collecting debt, or a reduced ability to sell repossessed properties and non-performing loans to third parties could weigh on cash flow and intensify these pressures. The Issuer is also exposed to liquidity risk arising from mismatches between the maturities of its assets and liabilities; if short- or long-term funding from the capital markets becomes unavailable, or if significant maturity mismatches develop, its ability to meet its obligations as they fall due could be impaired.

The Issuer's business depends on continued access to adequate funding from a range of sources, including bond issues, marketplace platforms, bank facilities and other third-party investors. The availability, cost and terms of these sources can shift with market conditions, and there is no assurance that they will remain accessible in the amounts required. The credit markets have experienced periods of volatility and liquidity disruption, such as those following the 2008–2009 financial crisis and the European sovereign-debt crisis; a recurrence could make it harder and more costly for the Issuer to refinance its debt, broaden its funding base or raise additional capital.

If the Issuer is unable to secure sufficient funding on acceptable terms, refinance its existing debt, or otherwise manage its financial obligations — whether owing to restrictions in its debt agreements or otherwise — it may be forced to dispose of assets or curtail its activities, and could default on its debt and face acceleration. Any of these developments could have a material adverse effect on the Issuer's business, financial condition, results of operations, liquidity and cash flows, and on its ability to meet its obligations under the Bonds.

4.2.4 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or external events. It is inherent in every industry and can arise from many sources, including human error, system failures, insufficient training, or external disruptions such as cyber-attacks or natural disasters.

The Issuer seeks to contain this risk through careful personnel selection, clearly defined job descriptions and a clear division of responsibilities. Despite these measures, its internal controls, procedures, compliance systems and risk-management frameworks may not always be sufficient to prevent or detect breaches of Applicable Laws, or to address adequately other risks that could have a material adverse effect on the Issuer’s operations, financial condition or results of operations.

4.2.5 IT, cybersecurity and data protection risk

The Issuer's operations depend heavily on information technology ("IT") systems to handle loan origination, customer data and account administration, and it offers and administers part of its lending through an online platform that accepts and processes applications digitally; e-commerce-related risks also extend to third-party brokers who use websites to generate leads. Any failure, disruption or degradation of these systems or of the online channel could impair the Issuer's ability to process loans, serve customers and manage its portfolio. The Issuer devotes significant resources to the stability, security, reliability and scalability of its IT systems, but there is no guarantee that they will perform without interruption or keep pace with the demands placed on them, and technical or financial constraints could affect service quality and operational stability.

The Issuer's business involves storing and transmitting proprietary and personal information belonging to its customers, and it depends on the secure operation of its online platforms and databases, the systems of its data-centre providers and the functioning of the internet generally. Although the Issuer has not experienced any significant cyber-attack or breach to date, and dedicates resources, together with its providers, to protecting the confidentiality, integrity and availability of data, no security system can be guaranteed to be impervious, and cyber threats continue to evolve, with new techniques sometimes going unrecognised until after they are deployed. A security breach — whether affecting the Issuer, its customers, its data-centre providers or other third-party vendors — could result in the loss or unauthorised release of sensitive data, online fraud, litigation or liability, and could undermine customer and supplier confidence, harm the Issuer's reputation and reduce its revenues.

The Issuer is also subject to a range of Applicable Laws governing matters such as privacy, data protection, advertising, marketing, disclosures, distribution, electronic contracts, consumer protection and online payment services, as well as the regulations governing digital financial services. As an EU member state, Latvia applies the General Data Protection Regulation ("GDPR"), among the strictest privacy regimes in the EU/EEA, under which an administrative fine for non-compliance can reach EUR 20,000,000.00 or 4% of total worldwide annual turnover for the preceding year, whichever is higher. Compliance with current and proposed data-protection and digital-finance laws can be costly, may constrain the development of new products and online services, and could expose the Issuer to negative publicity, increased operating costs, significant management attention, inquiries, claims, fines or penalties. The Issuer has adopted technical and organisational measures — including internal policies and procedures, employee training and the appointment of data-protection officers — assigns responsibility to designated employees and monitors developments in the relevant law, but it cannot guarantee that every employee will comply at all times.

Any actual or perceived failure in the Issuer's IT systems, online platform, cybersecurity or data-protection compliance could result in reputational harm, regulatory penalties, financial losses or legal liability, and could have a material adverse effect on the Issuer's business, financial condition, results of operations, prospects and cash flows.

4.2.6 Employee risk

The Issuer’s success depends on its management and staff, including their knowledge of real estate-backed lending and credit risk assessment and their understanding of the regulatory and legal environment of the markets in which the Issuer operates. The market for qualified professionals — particularly in finance and risk management — is highly competitive, and the cost of recruiting and training new staff continues to rise. The Issuer may therefore face difficulty in attracting and retaining suitably qualified employees, and the loss of key personnel could have a material adverse effect on its business, financial condition, results of operations, prospects and cash flows.

4.2.7 Operational management risk

The Issuer’s operational efficiency and profitability depend significantly on the performance of its management team. Inadequate performance, mismanagement or misconduct on the part of management could damage the Issuer’s operations and reputation. While the Issuer seeks to align management’s interests with its own and to maintain sound governance, the performance and conduct of its management nonetheless remain a key risk factor for the business.

4.2.8 Competition risk

The market for non-bank mortgage-secured lending services in Latvia is becoming increasingly competitive. Although a large share of lending has traditionally flowed through banks, non-bank lending continues to grow. New entrants — including prominent market players or established financial institutions from outside the country — may arrive bringing innovative business models, more advanced technology or greater financial resources, intensifying the pressure on existing providers. A failure to innovate or to respond effectively to shifts in the competitive landscape could cost the Issuer market share, with a potentially material adverse effect on its business, financial condition and results of operations.

4.2.9 Decreased demand risk

A fall in demand for the Issuer’s financial products — particularly real estate-backed loans — could significantly affect its revenue. Demand may be influenced by the availability and appeal of competing products, shifts in consumer sentiment and borrowing behaviour, broader economic conditions, and regulatory restrictions that limit customers' access to particular financial services. Should the financial position of the Issuer's customers deteriorate, they may turn to other providers or step back from borrowing altogether.

If the Issuer fails to adapt to material changes in customer demand or in access to its products, its revenues could decline substantially, to the detriment of its operations. Even where it introduces new products or adjusts existing ones to reflect changing preferences, there is no guarantee of success: customers may resist such changes, and the effect of any diversification or modification may not become clear for some time. Taken together, these factors could result in lost revenue and have a material adverse effect on the Issuer's business, financial condition, results of operations, prospects or cash flows.

4.2.10 Risks relating to industry trends

The Issuer operates in an evolving industry, and the financial services sector — particularly real estate-backed lending — may not develop as anticipated. Assessing the Issuer's business and future prospects is therefore difficult, given the range of risks and uncertainties it faces. These include, among others, the Issuer's ability to:

- increase the number and total volume of its loans while managing credit risk effectively;
- improve the terms on which it lends as its operations become more efficient;
- enhance the effectiveness of its marketing efforts;
- expand its network of partnerships and brokers;
- develop and launch new financial products and services successfully;
- compete effectively with companies already operating in, or entering, the lending market;
- navigate economic conditions and fluctuations in the credit markets;
- respond to regulatory change; and
- manage the growth of its business.

The Issuer may be unable to address these risks and challenges successfully, which could have a material adverse effect on its business, financial condition, results of operations, prospects or cash flows.

4.2.11 New product risk

The Issuer may from time to time develop and introduce new financial products and services to complement its existing lending. There is no guarantee that any such product will be successfully developed or launched, or that it will gain lasting market acceptance. The Issuer may misjudge the evolving needs or preferences of its target customers, leaving some products ineffective or quickly outdated, and the development and marketing of new products can involve significant cost with no assurance of profitability. New products or services may also attract additional regulatory scrutiny or oversight. A failure to introduce and manage new products and services successfully could have a material adverse effect on the Issuer's business, financial condition, results of operations, prospects or cash flows.

4.2.12 Growth risk

The Issuer's strategy is focused on profitable growth, and an increasing volume of lending will place considerable demands on its management and operational infrastructure. As its operations grow in size and complexity, the Issuer will need to strengthen its systems and infrastructure to support higher transaction volumes, which calls for substantial financial, operational and technical resources, often ahead of any actual increase in business — with no assurance that volumes will rise as projected. Continued growth could also test the Issuer's ability to maintain service levels, tighten its operational, financial and compliance controls, upgrade its reporting systems, and recruit and retain suitably skilled staff. Any difficulty in managing this growth could have a material adverse effect on its business, financial condition, results of operations, prospects or cash flows.

AML/CTPF and Sanctions breach risk

The Issuer is subject to anti-money laundering ("AML"), countering the financing of terrorism and proliferation ("CTPF") and Sanctions laws, together with the related compliance obligations in force in Latvia. The Issuer has put in place a robust AML/CTPF and Sanctions compliance policy, supported by an advanced internal control system, and has adopted local AML/CTPF and Sanctions procedures in line with Latvian Applicable Laws. Even so, these policies and procedures cannot guarantee that every possible breach will be prevented. Designated personnel are responsible for ensuring compliance, and because the Issuer's obligations are as demanding as those imposed on financial institutions, a failure to comply could expose it to criminal and civil penalties and other corrective measures. The Issuer commits significant resources to its AML/CTPF and Sanctions programme, but any penalties, remedial actions or investigations into potential breaches could damage its reputation and have a material adverse effect on its business, financial condition, operations, prospects and cash flows. Any tightening of AML/CTPF and Sanctions requirements could likewise weigh on the Issuer's financial position and future development. The Issuer continues to enhance its risk-management measures to maintain active compliance with these obligations.

4.2.13 Brand reputation risk

The Issuer's ability to win new customers and retain existing ones depends significantly on its brand recognition and its reputation for delivering high-quality services. That reputation could suffer if the Issuer encounters difficulty in providing new or existing services — whether through technical problems, changes to its product range, financial difficulties, regulatory sanctions or other causes. Any damage to the Issuer's reputation, or any decline in the quality of its services, could have a material adverse effect on its business, financial condition, results of operations, prospects or cash flows.

4.2.14 Fraud risk

In the course of its business the Issuer is exposed to several types of fraud, including, but not limited to:

- fraudulent financing applications, sometimes involving the use of false identities;
- payment fraud, in which third parties manipulate the bank details of the Issuer, its customers or its counterparties in order to divert payments;
- collusion between brokers, valuers or other intermediaries and the Issuer's employees — for example, to inflate collateral valuations or to arrange improper commission arrangements;
- the use of falsified ownership or title documents, or fraudulent valuations, in respect of the real estate offered as collateral.

The Issuer seeks to guard against these risks throughout its loan process — carrying out customer identification and verification, preliminary fraud and blacklist checks, and assessment of the borrower's income, and validating the collateral through independent valuations and the involvement of notaries. Despite these measures, no control framework can detect or prevent every instance of fraud, and fraudulent activity could still occur. Such activity could undermine the Issuer's ability to conduct secure transactions, damage its reputation and erode the trust of its customers and counterparties, with a potentially significant adverse effect on its business, financial condition and future prospects.

4.2.15 Risks relating to third-party service dependency

The Issuer's business relies heavily on services provided by third parties, including banks, consumer credit bureaus, IT service providers, debt-collection agencies, brokers, notaries, sworn bailiffs and real estate valuation firms.

The Issuer advances loans and collects repayments through bank accounts, which makes its relationships with its banks central to its operations. Those banking relationships also carry the risk that an operational bank account could be frozen, seized or closed — whether through AML or Sanctions-related action, the arbitrary acts of state authorities, or the insolvency of a bank or payment-services provider — which could restrict the Issuer's ability to collect borrowers' repayments and make its own payments for an indefinite period. The Issuer also depends on consumer credit bureaus and publicly available data to verify the identity and creditworthiness of prospective customers; every application is checked against two credit bureaus. Any loss of access to, or significant increase in the cost of, such information could prevent timely or accurate identity and credit checks, delaying loan approvals and raising operational costs.

The Issuer may outsource certain IT services — such as data-centre management, website hosting and technical support — to third-party providers. It also relies on third-party debt-collection agencies to recover delinquent debts; the loss of a key collection partner, or the financial instability of a core agency, could hinder the Issuer’s recovery efforts, with no assurance that such a partner could be replaced quickly or on favourable terms. The Issuer further depends on notaries and real estate valuation firms for key steps in its loan processes, and any disruption to the availability or quality of these services could delay loan approvals, affect compliance, or impair its ability to secure collateral. It also depends on brokers to support customer acquisition, and any disruption to their operations or performance could adversely affect customer acquisition and revenue. Further third-party providers or intermediaries not listed here may also be engaged over time, each potentially introducing new and unpredictable risks.

Any inability to maintain relationships with key third-party providers, or any deterioration in the quality or availability of their services, could have a material adverse effect on the Issuer’s business, financial condition, results of operations, prospects or cash flows.

4.2.16 Litigation risk

The Issuer may be adversely affected by contractual claims, complaints and litigation arising from its dealings with counterparties, customers, competitors or regulatory authorities, as well as by any negative publicity it attracts. Any such proceedings, claims or adverse publicity could have a material adverse effect on its business, financial condition, results of operations, prospects and cash flows. Even a successful defence may demand significant time and attention from management and involve substantial legal and related costs. The Issuer is also subject to regulatory risk and could suffer losses from the way Applicable Laws, rules and regulations are interpreted in regulatory proceedings, even where it is not a direct party. Any of these events could materially affect the Issuer’s business, financial condition, results of operations, prospects and cash flows.

4.2.17 Risks relating to the real estate collateral

The Issuer's loans are secured by a pledge over real estate, and the value of that collateral is subject to market fluctuations. Property values can be affected by local economic conditions, market demand, the characteristics of a particular property and regulatory change; a fall in values — whether driven by adverse economic conditions, oversupply in the market or changes in local regulation — would reduce the value of the collateral and increase the risk of losses on a borrower's default.

Even where the collateral retains its value, it may not be capable of being converted into cash quickly. Enforcing against pledged property in Latvia can be a lengthy process — potentially involving termination of the loan, court proceedings and a bailiff-administered auction — and may take many months to complete, during which the Issuer's capital could remain tied up and its recovery uncertain. Real estate is inherently illiquid, and in a weak or thinly traded market a forced sale may attract few buyers and could realise a price below the property's assessed value.

A decline in collateral values, delays in enforcement, an inability to sell collateral at an acceptable price, or any combination of these, could impair the Issuer's recoveries and have a material adverse effect on its business, financial condition, results of operations and cash flows.

4.2.18 Risks relating to retaining company premises

Part of the Issuer’s loan origination involves meeting customers at its office, which can support smoother interactions and help conversion. Although much of the Issuer’s process is conducted online, the office remains a useful channel, and the Issuer does not own the premises it occupies. Any disruption to its relationship with the landlord — such as a failure to renew the lease or unfavourable changes to the rental terms — could affect this part of the customer experience, and if the Issuer were unable to secure comparable premises at similar cost, its operating costs could rise, to the detriment of its financial performance.

4.2.19 Risks relating to changes in underwriting standards

The Issuer could face heightened credit risk if its management were to adopt a more aggressive risk appetite without ensuring that the additional risk is adequately compensated by additional revenue. Changes to the loan-approval process, or adjustments to risk thresholds that admit higher-risk borrowers, could increase the Issuer’s credit exposure; if that exposure is not matched by a corresponding rise in revenue from new business, the associated costs could outweigh the returns, to the detriment of the Issuer’s overall financial performance.

4.2.20 Interest rate spread risk

A significant part of the Issuer's revenue comes from the interest and fees charged on the loans it makes to customers. Those loans are funded by the Financial Institutions and other sources of capital, which in turn charge the Issuer interest on the amounts it borrows. If the spread between the rates at which the Issuer lends and the rates at which it borrows narrows, its profitability could decline. A range of factors — including the cost of capital, competition, regulatory change and the volume of loans issued — can affect both the rates the Issuer charges its customers and the rates it pays its lenders, and shifts in the Issuer's product mix may also influence its rates. In addition, macroeconomic factors such as inflation, economic growth, credit-market conditions, prevailing interest rates and government policy are beyond the Issuer's control and can significantly affect its interest-rate spread. Any material narrowing of this spread could adversely affect the Issuer's business performance and financial outlook.

4.2.21 Risks relating to implementation of the Issuer's Acquisition before Competition Council clearance

The Issuer's Existing Shareholder, SIA Hipocredit Group, has completed the acquisition of 100% of the shares in the Issuer. A merger notification has been submitted to and declared complete by the Competition Council, but its final decision is still pending.

Under the Competition Law, implementation of a transaction after submission of a complete merger notification but before the Competition Council's final decision is not, in itself, prohibited or subject to penalties. However, implementation before clearance is carried out at the sole risk of the merging parties.

If the Competition Council prohibits the merger, the parties may be required to restore the previous situation, including by divesting the Issuer or part of its business. Alternatively, the Competition Council may approve the merger subject to structural or behavioural remedies that could affect the Issuer's operations or strategic plans. Until the final decision is adopted, the parties may also be limited in implementing integration measures that would be difficult to reverse.

If the Competition Council prohibits the acquisition after completion or requires remedies resulting in a change of ownership, such measures could constitute a Change of Control under this Information Document. In such case, pursuant to Section 7.13.3 (*Early redemption at the option of the Bondholders (put option)*), Bondholders would have the right to require the Issuer to redeem their Bonds at 101% of the Nominal Value plus accrued and unpaid Coupon. Any such outcome could disrupt the Issuer's business, increase costs, create uncertainty regarding ownership and management, and materially adversely affect the Issuer's business, financial condition, results of operations, prospects and ability to perform its obligations under the Bonds.

4.2.22 Risks relating to the potential Competition Council decision on the Issuer's Acquisition

The merger notification submitted to the Competition Council defines the relevant markets as (i) lending services to legal entities in Latvia and (ii) lending services to consumers in Latvia. Based on these market definitions, the parties' combined market shares are limited and are not expected to give rise to competition concerns.

During its review, the Competition Council has indicated that it may consider a narrower market definition, including a separate market for non-bank mortgage-backed lending to legal entities in Latvia. The Issuer believes there are reasonable legal and economic arguments against such an approach and, based on the information currently available, does not expect that the Issuer's Acquisition would create or strengthen a dominant position or significantly reduce competition, even under such a narrower market definition. Nevertheless, there can be no assurance that the Competition Council will reach the same conclusion.

The Competition Council may approve the merger unconditionally, approve it subject to behavioural or structural remedies, or prohibit it. If the acquisition is prohibited or approved subject to material conditions, the Issuer or its shareholder may be required to implement remedial measures, including divesting assets or shares. Depending on the nature of such measures, they could result in a Change of Control under this Information Document, in which case Bondholders would have the right to require early redemption of the Bonds at 101% of the Nominal Value plus accrued and unpaid Coupon in accordance with Section 7.13.3 (*Early redemption at the option of the Bondholders (put option)*). If the Competition Council adopts a decision prohibiting the Issuer's Acquisition or approving it subject to material conditions that the parties consider inappropriate or disproportionate, the parties intend to assess and, where appropriate, pursue all legal and commercial remedies available under Applicable Laws, including exercising any available rights of appeal and seeking interim relief where permitted. However, there can be no assurance that any appeal would be successful or that the implementation or effects of the Competition Council's decision would be suspended pending the outcome of such proceedings.

Pending the final resolution of any proceedings or the implementation of any Competition Council decision that remains enforceable, the Issuer and its shareholder would seek to minimise disruption to the Issuer's business and preserve operational continuity. Depending on the circumstances, this may include postponing or limiting further integration measures, maintaining separate business functions where appropriate, implementing any required behavioural or structural remedies in an orderly manner, engaging with the Competition Council regarding their implementation, and taking such other actions as are reasonably necessary to comply with Applicable Laws while seeking to preserve the value of the Issuer's business and its ability to fulfil its obligations to customers, counterparties and Bondholders. Nevertheless, there can be no assurance that such measures would eliminate or materially reduce the adverse consequences of a prohibition decision or any conditions imposed by the Competition Council.

4.3 Risks related to the Bonds

4.3.1 Cancellation of the Offering risk

The Issuer may cancel the Offering of the Bonds prior to the Issue Date. In such case, the Subscription Orders may be disregarded and any payments made by Investors will be returned without interest.

The Issuer will not be liable for any costs or losses incurred by the Investors in connection with such cancellation.

4.3.2 Cashflow and debt servicing risk

The Issuer’s ability to make scheduled payments on or refinance its debt obligations depends on its financial condition and operating performance, which are influenced by prevailing economic and competitive conditions and various financial, business, and other factors beyond the Issuer’s control. The Issuer may not be able to generate sufficient cash flows from operating activities to cover the principal, premium (if any), interest (Coupon), and additional amounts (if any) on the Issuer’s indebtedness, including amounts payable under the Bonds offered herein.

If the Issuer’s cash flows and capital resources are insufficient to meet its debt service obligations, the Issuer may be forced to reduce or delay investments and capital expenditures, sell assets, seek additional capital, or restructure or refinance its indebtedness, including under the Bonds offered herein. The Issuer’s ability to restructure or refinance its debt will depend on the capital markets and the Issuer’s financial condition at that time. Any refinancing could be available only on less favourable terms, including higher interest rates, and may require the Issuer to comply with more restrictive borrowing covenants, which could further limit its business operations. Existing or future debt instruments may restrict the Issuer from pursuing some of these alternatives. These alternative measures may not be successful and may not enable the Issuer to meet its debt service obligations. Furthermore, any failure to make timely interest and principal payments on the Issuer’s outstanding debt could result in a downgrade of its credit rating, which may adversely affect the Issuer’s ability to incur additional indebtedness or refinance existing indebtedness.

If the Issuer cannot make scheduled payments on its debt:

- the holders of the Issuer’s debt could declare all outstanding principal and interest to be due and payable;
- the holders of the Issuer’s secured debt, if any, could initiate foreclosure proceedings against the assets of the Issuer;
- the Issuer could be forced into bankruptcy or liquidation; and
- the Bondholders could lose all or part of their investment in the Bonds.

4.3.3 Bonds repayment risk

The Bonds are secured by the Collaterals. However, the Collaterals do not comprise all assets of the Issuer. Certain loan portfolios of the Issuer are pledged in favour of other creditors under the Bank's Collateral, Mintos Collateral No. 1 and Mintos Collateral No. 2 and therefore do not form part of the Collaterals securing the Bonds. As a result, the Bondholders do not have a secured claim over all of the Issuer's loan receivables and other assets.

This Information Document also permits the Issuer to incur Permitted Debt and to grant Permitted Security in certain circumstances. Such Security may rank *pari passu* with the Collaterals securing the Bonds. If security interests ranking *pari passu* with the Collaterals are created, the proceeds from enforcement of the relevant Collateral will have to be shared among the secured creditors on a *pro rata* basis, which could reduce the amounts recoverable by the Bondholders.

Although the Bonds benefit from the Collaterals, there can be no assurance that the value of the Collaterals or the proceeds realised upon their enforcement will be sufficient to satisfy all amounts owed to the Bondholders. The value of the Collaterals may decline over time, enforcement may be delayed, more costly or less successful than anticipated, and recoveries may be lower than expected.

If the Issuer becomes insolvent or is subject to restructuring proceedings, the Bondholders may suffer delays in receiving payments and may lose part or all of their investment.

In addition, on the Maturity Date the Issuer must repay the full outstanding principal amount of the Bonds together with accrued and unpaid Coupon. The Issuer's ability to do so will depend on its financial position, cash flows and ability to refinance existing obligations. If the Issuer is unable to generate sufficient funds, obtain refinancing or otherwise secure the resources necessary to repay the Bonds at maturity, the Bondholders may not receive full and timely payment under the Bonds.

4.3.4 Foreign exchange risk

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.

4.3.5 Tax risk

Tax rates and tax payment procedures applicable at the time of purchase of the Bonds to tax residents, non-residents of the Republic of Latvia and residents of other countries at the time of purchasing the Bonds may change. The Issuer will not compensate for any tax increase, and therefore Bondholders may receive lower net payments in respect of the Bonds. Investors should consult their own tax advisers as to the tax consequences of acquiring, holding and disposing of the Bonds.

4.3.6 Early redemption risk

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 this Information Document, especially when prevailing interest rates are lower than the rate borne by the 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 is more likely to exercise any optional redemption right of the Bonds when prevailing market interest rates, credit spreads or alternative financing costs are relatively low, or where the Issuer can refinance the Bonds on more favorable terms. In such circumstances, Investors may be exposed to reinvestment risk and may lose the benefit of holding Bonds with an interest rate that is higher than the then-prevailing market rate for comparable investments. The Issuer's redemption right may also adversely impact the Bondholder's ability to sell such Bonds. For example, the market price and liquidity of the Bonds may decline if Investors expect that the Bonds will be redeemed before maturity, or if the remaining outstanding amount of the Bonds is reduced as a result of partial redemptions.

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 their market price, and could reduce the liquidity of the Bonds in the secondary market.

4.3.7 Resolutions of the Bondholders risk

The majority resolution of the Bondholders is binding on all Bondholders, including the Bondholders who voted against the relevant decision, abstained from voting, did not participate in the voting or acquired Bonds after the relevant decision was made. 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, postponed or otherwise modified, or even cancelled, without its consent, to the extent permitted under this Information Document and Applicable Law. This may include, subject to the limitations set out in this Information Document and Applicable Law, amendments to payment terms, covenants, Events of Default, enforcement instructions, waivers of breaches, or other changes that may materially affect the value, ranking, enforcement prospects or expected return of the Bonds.

The interests of Majority Bondholders may differ from the interests of individual Bondholders. Majority Bondholders may have different investment horizons, liquidity needs, risk appetite, exposure to the Issuer or other commercial relationships with the Issuer or the Group. Consequently, a decision supported by the required majority may not correspond to the preferences or best interests of a particular individual Bondholder. As a result, individual Bondholders may have limited ability to prevent or challenge decisions validly adopted in accordance with this Information Document, even where such decisions adversely affect their individual economic position or enforcement strategy.

4.3.8 Price risk

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 unfavorable price movement if they decide to sell the Bonds before the final Maturity Date. The sale price may be lower than the Nominal Value and may also be lower than the price paid by the Investor for the Bonds. However, if an Investor chooses to hold the Bonds until the Maturity Date, they will be redeemed at their Nominal Value, subject to the Issuer being able to make such payment and subject to the ranking of the Bonds under this Information Document and Applicable Law.

Additionally, the Issue Price and the respective Yield of the Bonds will differ, depending on the Offering channel and timing of the subscription. During the Auction, Bonds are offered at 97.38% of Nominal Value with a Yield of 9% per annum; during Gradual Placement, at 100% of Nominal Value with a Yield of 8% per annum; during Private Placement, at an Issue Price and Yield determined by the Issuer based on prevailing market conditions. This may result in a situation where some Bondholders might acquire the Bonds at a higher Yield than other Bondholders. The actual Yield achieved will also depend on the date of acquisition and the accrued Coupon payable.

4.3.9 Secondary Market Liquidity risk

There is no assurance that an active secondary market for the Bonds will develop or be maintained, which may adversely affect the ability of Bondholders to sell their Bonds or the price at which they may be able to do so.

Neither the Issuer nor any individual guarantees the minimum liquidity of the Bonds. As such, Investors should be aware that they may encounter difficulties in selling their Bonds on the secondary market at fair market value, or may not be able to sell them at all. Given these risks, Investors are encouraged to conduct thorough market analysis and assess the economic conditions that could impact the liquidity of the Bonds. Additionally, Investors should consider the potential effects of external market forces, regulatory changes, or unforeseen economic events on the secondary market for the Bonds.

If the Bonds are admitted to trading on First North, the trading volume and liquidity of the Bonds may be limited compared to securities listed on a regulated market. First North is a multilateral trading facility and is not subject to the same regulatory requirements as a regulated market. Potential Investors should be aware that the market for the Bonds may be less liquid than for securities traded on a regulated market, and that the lack of liquidity may adversely affect the market price of the Bonds or the ability to sell the Bonds at all.

4.3.10 Delisting risk

The Issuer plans to request admission to trading of the Bonds on First North within 6 (six) months from the Issue Date. There is a risk that Nasdaq Riga will not accept the Bonds to be admitted to trading on First North or order that the Bonds are delisted from First North before maturity after admission to trading has taken place due to changes in legal acts, including Nasdaq Riga regulations, or the Bank of Latvia recommendations.

In the event of a De-listing or Listing Failure, Bondholders may exercise their put option right to require the Issuer to redeem their Bonds at 101% of the Nominal Value plus accrued and unpaid Coupon. However, if all or a significant portion of Bondholders exercise this right simultaneously, the Issuer may face liquidity constraints that could delay or impair its ability to satisfy all redemption requests in a timely manner. Investors should consider this risk when assessing the practical enforceability of the put option.

4.3.11 Risk that Investors may not receive proportional allocation of the Bonds

The Initial Subscription will be conducted through the Auction in accordance with this Information Document and the Auction Rules. If the total number of Bonds subscribed for exceeds the number of Bonds available, the Issuer will determine the final allocation of the Bonds at its discretion in accordance with the allocation principles set out in this Information Document.

Although the Issuer may seek to apply a proportional reduction principle to the extent practicable, there is no assurance that the Bonds will be allocated to Investors on a strictly *pro rata* basis. The Issuer may take into account various factors when determining the final allocation, including the size and timing of Subscription Orders, the type and profile of Investors, the objective of creating a stable and diversified investor base, AML/CTPF, Sanctions, settlement and other legal or practical considerations.

As a result, some Investors may be allocated fewer Bonds than they subscribed for, or no Bonds at all, while other Investors may receive a higher proportion of their Subscription Orders. Accordingly, Investors should be aware that submission of a Subscription Order does not guarantee that the Investor will receive all or any of the Bonds subscribed for.

4.4 Risks related to the Collaterals

4.4.1 Risks associated with certain limitations relating to the validity and enforceability of the Collaterals

The Collaterals provide the Collateral Agent, acting for the benefit of the Bondholders and Collateral Agent itself (under Collateral Agent Agreement) as relates to fees and costs of the Collateral Agent, with a claim against the Issuer. However, the Collaterals will be limited to the maximum amount that can be guaranteed by the Issuer without rendering the Collaterals voidable or otherwise ineffective under the Applicable Laws, and enforcement of Collaterals would be subject to certain generally available defenses.

The Collaterals are required to be established and perfected within 60 (sixty) calendar days after the Issue Date. Accordingly, on the Issue Date and until the relevant Collaterals have been duly established and perfected, the Bonds may be wholly or partly unsecured, and the Bondholders may not benefit from the priority or enforcement rights intended to arise under the relevant Collateral Agreements. The establishment and perfection of the Collaterals may be delayed or may not be completed within the prescribed 90 (ninety)-day period due to, among other things, delays in the execution or submission of documents, registration formalities, actions or omissions of the Issuer or third parties, deficiencies in the relevant documentation or decisions of the competent registers or authorities. If the Issuer becomes insolvent, enforcement proceedings are commenced against it or competing security is created or perfected before the Collaterals have been duly established and perfected, the Bondholders may rank as unsecured creditors in respect of the affected assets or may rank behind creditors whose security has been validly established and perfected earlier.

Enforcement of the Collaterals against the Issuer will be subject to certain defenses available to the Issuer in Latvia, which generally include those that relate to corporate purpose or benefit, fraudulent conveyance or transfer, voidable preference, insolvency or bankruptcy challenges, financial assistance, preservation of share capital, thin capitalization, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, the Issuer may have no liability or decreased liability under its Collaterals depending on the amounts of its other obligations and the Applicable Laws.

under Latvian Insolvency Law, there is a possibility that entire Collateral may be set aside, in which case the entire liability may be extinguished. If a court decided the Collateral was a preference, fraudulent transfer or conveyance and voids such Collateral, or holds it unenforceable for any other reason, the Bondholder may cease to have any secured claim in respect of the Collateral. Any delay, failure or defect in the establishment, perfection, validity or enforceability of the Collaterals could materially reduce the amounts recoverable by the Bondholders and may result in the Bondholders losing all or part of their investment.

4.4.2 Risks associated with the Parallel Debt

The security interests in the Collaterals that will secure the obligations of the Issuer under the Bonds will not be provided directly to the Bondholders but will be created and registered in favour of the Collateral Agent. Thus, the Bondholders will not have any independent power to enforce, or have recourse to, any of the Collateral Agreements or to exercise any rights or powers arising under the Collateral Agreements, Collateral Agent Agreement or this Information Document. Only the Collateral Agent will be entitled to enforce the Collaterals. As a result of these restrictions, the Bondholders will have limited remedies and recourse against the Issuer in the Event of Default. In particular, none of the Bondholders will have a direct benefit under the Collaterals, and none of the Bondholders will have the status of a secured creditor in the insolvency or legal protection proceedings (in Latvian: *tiesiskās aizsardzības process*) of the Issuer.

Parallel Debt is a contractual instrument designed to allow the Collateral Agent to take, perfect, maintain, administer, and enforce the Collaterals in its own name and right but for the benefit of the Bondholders. The concept of Parallel Debt is not explicitly recognized under the Latvian law and its legality, validity, and enforceability has not been tested by Latvian courts. If the Parallel Debt arrangements are declared to be illegal, invalid, or unenforceable by the Latvian court, that will result in the Collaterals not being valid and enforceable. As a consequence, the Bondholder's claims under the Bonds would not rank *pari passu* with the other secured obligations of the Issuer and the Bondholders will not have a preferential right to the enforcement proceeds of the Collaterals.

4.4.3 Risk associated with the market value of the Collaterals

The Collaterals securing the Bonds primarily consist of mortgage loan receivables of the Issuer. The market value of this Collateral is subject to fluctuation and may be adversely affected by various factors, some of which are beyond the control of the Issuer.

With respect to the mortgage loan receivables, their value depends on the credit quality of the underlying borrowers, the market value of the real estate securing the loans, prevailing interest rates, economic conditions, and regulatory developments affecting the real estate or lending sectors. In the event of borrower defaults, real estate market downturns, or other adverse changes, the recoverability of the receivables may be impaired. If enforcement becomes necessary, the Issuer may be forced to sell such receivables at a discount, especially in a distressed or illiquid market, thereby reducing the recoverable value for the benefit of Bondholders.

The overall composition, quality, and value of the Collaterals may change over time, including due to prepayments, defaults, asset substitutions, corporate actions, or changes in the Issuer's capital structure. While certain asset-level risks, such as property damage, may be covered by insurance, this does not mitigate risks related to market value fluctuations or borrower creditworthiness. Importantly, the Collateral Agent does not monitor, assess, or verify the quality, composition, value, or condition of the Collaterals at any time, and bears no liability to the Bondholders in this respect. As a result, there is a risk that, in the event of enforcement, the proceeds from the sale or realization of the Collaterals whether from the mortgage loan receivables – may be insufficient to fully satisfy the Bondholders' claims under the Bonds.

4.4.4 Risks associated with the Collateral Agent Agreement

The Collateral Agent represents the Bondholders in all matters concerning the Collaterals. There is a risk that the Collateral Agent, or any individuals appointed by them, may not adequately fulfil their obligations related to perfecting, maintaining, enforcing, or taking other necessary actions regarding the Collaterals. According to the terms of the Collateral Agent Agreement, the Collateral Agent has the authority to enter into agreements with third parties or take any other actions necessary to maintain, release, or enforce the Collaterals, as well as to settle the rights of the Bondholders in relation to the Collaterals.

4.4.5 Risks associated with the limitations and procedures concerning enforcement of the Collaterals

Even when the Collaterals are enforceable, the enforcement is subject to the procedures and limitations agreed in the Collateral Agent Agreement, the Collateral Agreements and this Information Document. There can be no assurance as to the ability of the Bondholders to instruct the Collateral Agent to initiate any enforcement procedures. Furthermore, any enforcement of security may be delayed due to the provisions of the Collateral Agent Agreement and this Information Document. Additionally, the Collaterals enforcement costs may be disproportional to the amount being recovered, and such costs are beyond the control of the Collateral Agent.

Under the Collateral Agent Agreement, the Majority Bondholders may pass a decision to replace the Collateral Agent at any time. At any time, the Collateral Agent may resign from its role as the Collateral Agent according to the procedure stipulated in this Information Document. Furthermore, as of the date of this Information Document, the Collateral Agent's professional liability is insured with an insurance company If P & C Insurance AS Latvijas filiāle (registration number: 40103201449).

The Collateral includes receivables arising from consumer loans secured by mortgages. The Collateral Agent will not, before a legally permitted sale or transfer of the relevant portfolio, receive payments directly from consumers or assume the role of lender, consumer-credit provider, servicer or out-of-court debt collector. Enforcement of such receivables will be implemented through a legally permitted sale or assignment to, or servicing by, a third party permitted to acquire and/or service such receivables under Applicable Laws (including, without limitation, a licensed consumer-credit or debt-collection service provider, or a special purpose vehicle in the context of a securitisation or covered bonds). Until completion of that process, collections remain exposed to the Issuer's operational and insolvency risk . For the avoidance of doubt, the Collateral comprises the receivables arising from the relevant consumer loans, and does not include, and does not entitle the Collateral Agent or the Bondholders to directly enforce, the mortgages securing the underlying consumer loans; any recovery in respect of such mortgages remains subject to enforcement by the original mortgagee (or its successor) under the terms of the underlying loan and mortgage documentation.

However, this does not create any new obligations for the borrowers, nor does it provide any assurance that such borrowers will continue to make payments as required. As the Collaterals securing the Bonds include receivables from mortgage-secured consumer loans, due to previously described requirements concerning consumer lending in Latvia, the recoverability and cash flow from the pledged receivables could be negatively impacted. As a result, the effectiveness of the enforcement over such receivables is limited and may not lead to full recovery for the Bondholders.

4.4.6 Risks related to amendments to Applicable Laws

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

4.4.7 Risks related to actions of the Collateral Agent

By subscribing for, or accepting the assignment of, any Bond, each Bondholder will accept the appointment of the Collateral Agent as the collateral agent (within the meaning of the Financial Instrument Market Law of the Republic of Latvia) and representative of the Bondholders, to represent and act for such secured creditors, i.e., Bondholders, in relation to the Collaterals. Only the Collateral Agent is entitled to exercise the rights under the Collaterals and enforce the same. Any failure by the Collateral Agent 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, inability to enforce the security and/or receive any or all amounts payable from the security in a timely and effective manner due to decisions of state courts in any jurisdiction.

The Collateral Agent has not conducted an assessment of whether this Information Document adequately safeguards the interests of the Bondholders. The Collateral Agent's responsibilities are strictly limited to holding the Collaterals, and enforcing the Collaterals exclusively upon the instruction of the Bondholders, in compliance with the provisions of this Information Document and Applicable Law.

5. PURPOSE OF THE OFFERING AND USE OF PROCEEDS

The Issuer expects to raise total gross proceeds of up to EUR 8,000,000.00 (eight million euros) from the issue of the Bonds (the "Initial Maximum Amount") and net proceeds of approximately EUR 7,800,000.00 (seven million eight hundred thousand euros) after deduction of fees and expenses directly related to the issue of the Bonds.

The Initial Maximum Amount reflects the maximum total consideration for an offer of securities to the public in the EU over a 12-month period for which an information document may be prepared under the Bank of Latvia Regulations. In the event that the Bank of Latvia Regulations (or the underlying provisions of the Financial Instrument Market Law of the Republic of Latvia) are amended so as to increase that threshold to at least EUR 12,000,000.00 (twelve million euros), the Issuer may, at its sole discretion, elect to increase the total gross proceeds of the Issue of the Bonds up to EUR 12,000,000.00 (twelve million euros) (the "Increased Maximum Amount"), with effect from the later of (i) the date on which such amendment enters into force and (ii) the date on which the Issuer publishes a supplement to this Information Document recording the increase in accordance with the Bank of Latvia Regulations, in each case provided that the aggregate consideration of the offer to the public, calculated over any 12-month period, does not at any time exceed the maximum threshold applicable under the Bank of Latvia Regulations as then in force. The Issuer may, but shall not be obliged to, publish such supplement promptly following the entry into force of the relevant amendment. The terms of the Bonds, including the Nominal Value per Bond, the ISIN, the Coupon and the Maturity Date, will remain unchanged, and any such increase relates solely to the maximum amount of the single series of Bonds offered hereunder and does not constitute an issue in tranches or under a securities programme. Until such amendment enters into force, the Issuer has elected to increase the maximum amount of the Issue and such supplement is published, the total gross proceeds of the issue of the Bonds will not exceed the Initial Maximum Amount.

If the Offering is increased to the Increased Maximum Amount, the Issuer expects to raise net proceeds of approximately EUR 11,700,000.00 (eleven million seven hundred thousand euros) after deduction of fees and expenses directly related to the issue of the Bonds.

Fees and expenses directly related to the Issue of the Bonds are estimated at approximately EUR 200,000.00 (two hundred thousand euros), or, in the event the Offering is increased to the Increased Maximum Amount, approximately EUR 300,000.00 (three hundred thousand euros), including fees and commissions payable to the advisors involved in the Offering of the Bonds, Nasdaq CSD and Nasdaq Riga.

The Bonds are intended to be offered to professional clients, eligible counterparties and retail investors in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania.

The net proceeds from the issue of the Bonds before the increase to the Increased Maximum Amount will be used by the Issuer in the following order and amounts:

(i) EUR 5,897,994.00 (five million eight hundred and ninety seven thousand nine hundred ninety four euros) will be used for the refinancing of the Existing Loans as follows:

  a. EUR 5,244,000 (five million two hundred and forty-four thousand euros) to repay the outstanding obligations of the Issuer under the credit line agreement No. 01012018 with UAB Hipotekiniai kreditai in full and under the credit line agreement No. 20260714 with UAB Hipotekiniai kreditai to EUR 756,000.00;

  b. EUR 653,994 (six hundred fifty three thousand nine hundred ninety four euros) to repay the Bridge Group Debt provided by Existing Shareholder, which was applied to reduce the Issuer's outstanding obligations under the loan agreement No. 4.1-11.7/2025/63KR with Signet Bank AS dated 1 October 2025 to EUR 1,000,000.00;

(ii) remaining proceeds will be used for general corporate purposes, which may include a further reduction of the Bank facility under the Bank Loan Agreement and funding the Issuer's loan portfolio growth.

Any additional net proceeds raised as a result of an increase to the Increased Maximum Amount will be applied by the Issuer for funding the Issuer's loan portfolio growth and for general corporate purposes.

6. RESPONSIBILITY STATEMENT

6.1 Responsibility for the Information Document

The Issuer shall, in accordance with this Information Document, issue the Bonds and perform the obligations arising therefrom to the Bondholders. The Issuer shall be liable to the Bondholders for the due and complete fulfilment of its obligations under the Bonds.

6.2 Statement of Responsibility

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

On behalf of AS Hipocredit:

(electronic signature)

Robijs Lūkass Mālnieks

Member of the Management Board

DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE CONTAINING A TIME STAMP

7. INFORMATION ON THE BONDS

7.1 General Information

The Bonds are dematerialized bearer debt securities and any individual or entity that holds the Bonds in its securities account (or investment account, as applicable) has the right to receive Coupon and Nominal Value payments in accordance with the terms of the Bonds.

The Bonds will be issued with a Nominal Value of EUR 1,000.00 (one thousand euros) per Bond, with the total Nominal Value of the issue being up to EUR 8,000,000.00 (eight million euros) and the total number of Bonds being up to 8,000 (eight thousand). In the event that the Bank of Latvia Regulations (or the underlying provisions of the Financial Instrument Market Law of the Republic of Latvia) are amended so as to increase the applicable threshold to at least EUR 12,000,000.00 (twelve million euros), the Issuer may, at its sole discretion, elect to increase the total Nominal Value of the issue up to EUR 12,000,000.00 (twelve million euros) and the total number of Bonds shall be up to 12,000 (twelve thousand), with effect from the later of (i) the date on which such amendment enters into force and (ii) the date on which the Issuer publishes a supplement to this Information Document recording the increase in accordance with the Bank of Latvia Regulations, in each case provided that the aggregate consideration of the offer to the public, calculated over any 12-month period, does not at any time exceed the maximum threshold then in force. The Issuer may, but shall not be obliged to, publish such supplement or increase the total Nominal Value of the Issue following the entry into force of the relevant amendment. The Nominal Value per Bond, the ISIN, the Coupon and the Maturity Date of the Bonds will remain unchanged, and any such increase relates solely to the maximum amount of the single series of Bonds offered hereunder and does not constitute an issue in tranches or under a securities programme. Unless and until the Issuer has elected to increase the total Nominal Value of the Issue and has published the relevant supplement, the total Nominal Value of the issue shall not exceed EUR 8,000,000.00 (eight million euros) and the total number of Bonds shall not exceed 8,000 (eight thousand).

The ISIN of the Bonds, as allocated by Nasdaq CSD, is LV0000112845.

The Bonds will be offered at the following prices: (a) during the Initial Subscription Period, at 97.38% of the Nominal Value (i.e. EUR 973.80 per Bond); (b) during the Gradual Placement as part of the Public Offering, at 100% of the Nominal Value; and (c) during the Private Placement, at a price determined by the Issuer. Further details are provided in Section 8 (Terms of the Public Offering).

The minimum subscription amount for the Bonds is 1 (one) Bond.

7.2 Applicable Law and Dispute Resolution

The Bonds are offered to the public in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania pursuant to the exemption from the obligation to publish a prospectus under Article 3(2) of the Prospectus Regulation and in compliance with the applicable requirements of:

(a) the Financial Instrument Market Law of the Republic of Latvia and Latvijas Banka Regulation No. 261 of 18 December 2023 “Regulations on Drawing up and Publishing an Information Document for Making a Public Offering”, as amended;

(b) the Securities Market Act of the Republic of Estonia and Regulation No. 10 of the Estonian Minister of Finance of 6 May 2024 “Requirements for the Securities Offering Information Document”, as amended; and

(c) the Law on Securities of the Republic of Lithuania and the “Description of Requirements for the Preparation of the Information Document”, approved by Resolution No. 03-45 of the Board of the Bank of Lithuania of 28 February 2013, as amended.

The Offering, registration, settlement and intended admission of the Bonds to trading on First North shall also be subject, as applicable, to this Information Document, the applicable rules and procedures of Nasdaq Riga and Nasdaq CSD and, in respect of the Auction, the Auction Rules.

The Bonds, their form and content, and all contractual and non-contractual obligations arising out of or in connection with the Bonds and this Information Document shall be governed by the laws of the Republic of Latvia, without prejudice to the mandatory laws and regulations applicable to the public offering, marketing and distribution of the Bonds in the Republic of Estonia and the Republic of Lithuania.

Any disputes arising out of or in connection with the Bonds or this Information Document shall be settled exclusively by the courts of the Republic of Latvia of competent jurisdiction. The Bondholders are represented by the Collateral Agent in accordance with the terms of the Bonds and the related security documents.

This Information Document is prepared in English and any translation into another language is for convenience only. In the event of any inconsistency, the English version shall prevail.

7.3 Form and Accounting of the Bonds

The Bonds are issued in dematerialized form and are registered in the Latvian securities settlement system (SSS) operated by Nasdaq CSD in accordance with the Applicable Laws. The Bondholders hold the Bonds through Nasdaq CSD participants participating in the Latvian SSS.

7.4 Currency of the Bonds

The currency of the Bonds is EUR (euro).

7.5 Status and Ranking of the Bonds

The Bonds constitute direct, secured obligations of the Issuer. The Bonds are secured by first-ranking Collaterals over: (a) the Issuer's loan portfolio (excluding the loan portfolios pledged under the Bank's Collaterals, the Mintos Collateral No. 1 and the Mintos Collateral No. 2); and (b) the Issuer's assets, in each case subject to any security that may be granted on a *pari passu* basis to secure Permitted Debt in accordance with this Information Document and any applicable intercreditor arrangements.

In the event of the insolvency of the Issuer, the Bondholders will be entitled to recover their claims from the Collaterals in accordance with the Applicable Laws and the relevant security documents, subject to the rights of any other creditors whose claims are secured by the Collaterals on a *pari passu* basis in accordance with the terms of any Permitted Debt and the applicable intercreditor arrangements.

Save for mandatory provisions of Applicable Laws, there are no agreements or other transaction documents that would subordinate the claims of the Bondholders to other unsecured liabilities of the Issuer, and the claims of the Bondholders rank *pari passu* among themselves. To the extent that any Permitted Debt is secured by the Collaterals on a *pari passu* basis, the claims of the Bondholders against the proceeds of enforcement of such Collaterals shall rank *pari passu* with the claims of the relevant permitted secured creditors, in each case subject to the applicable security documents and intercreditor arrangements.

The Collaterals securing the Bonds, including their scope, ranking and enforcement mechanics, are described in detail in Section 7.6 (*Collateral*).

7.6 Collateral

The Bonds shall be secured by:

(a) a first-ranking commercial pledge (subject to Permitted Debt) over the Issuer's loan portfolio (rights of claim (receivables)) (excluding the loan portfolios pledged under the Bank's Collaterals, the Mintos Collateral No. 1 and the Mintos Collateral No. 2, as well as excluding any future receivables pledge(s) established in favour of other Financial Institution if establishment of such collateral is allowed under this Information Document and, where applicable, such receivables have been or are released from the Collateral in accordance with the procedure set out in this Section 7.6), initially the maximum secured amount of EUR 11,200,000.00 (eleven million two hundred thousand euros) that may be increased as per this Information Document; and

(b) a first-ranking commercial pledge (subject to Permitted Debt) over the Issuer's assets; however, excluding Issuer's rights of claim (receivables) listed in point (a) above of this Section; initially with the maximum secured amount of EUR 11,200,000.00 (eleven million two hundred thousand euros) that may be increased as per this Information Document.

The amount of secured claim of the Collaterals listed above comprises the principal amount of EUR 8,000,000.00 (eight million euros), or, in the event the Offering is increased to the Increased Maximum Amount, EUR 12,000,000.00 (twelve million euros), plus EUR 3,200,000.00 (three million two hundred thousand euros) initially or EUR 4,800,000.00 (four million eight hundred thousand euros) in case of Increased Maximum Amount as auxiliary claims. In case of the principal amount increase, upon the Issuer's request without Bondholders consent the Collateral Agent signs relevant amendments to the Collateral Agreements to the Increased Maximum Amount and necessary pledge novation or amendments applications to register relevant changes with the Commercial Pledge Register provided that such request is accompanied by the Issuer's confirmation that the increase has been made in accordance with this Information Document and Applicable Laws.

The Collateral Agent holds the Collaterals and performs certain duties in the interests of the Bondholders in accordance with this Information Document, the Collateral Agreements and the Collateral Agent Agreement. Detailed provisions regarding the role, rights and obligations of the Collateral Agent are set out in Section 7.7 (*Collateral Agent*).

Ranking of the Bonds as the liabilities of the Issuer shall be *pari passu* (equivalent with no priority) with the other secured liabilities of the Issuer, subject to the Permitted Security, secured in accordance with the Collateral Agreements. If any other secured liabilities of the Issuer are permitted under this Information Document to share the same Collateral or any part thereof with the Bonds on a *pari passu* basis, the Issuer shall procure that the relevant creditors, the Collateral Agent and, where applicable, any other security agent or creditor representative enter into an intercreditor agreement, security sharing agreement or other similar arrangement regulating, among other things, the ranking of claims, sharing of proceeds, enforcement procedures, amendments and releases of the relevant Collateral and the rights and obligations of the relevant secured creditors. The Collateral Agent shall be authorised, without separate Bondholders' consent, to enter into, amend, accede to and perform any such intercreditor agreement, security sharing agreement or similar arrangement, provided that such arrangement is consistent with the *pari passu* ranking of the Bonds and the Permitted Security provisions of this Information Document.

Collateral Agent will hold the Collateral for the benefit of the Bondholders, and the Collateral Agent is authorised to act with the Collateral in favour of all the Bondholders and the Collateral Agent, as far as it relates to the fees and costs of the Collateral Agent, in accordance with this Information Document, the Collateral Agreements, the Collateral Agent Agreement and its amendments (if any) and any intercreditor agreement, security sharing agreement or similar arrangement entered into in accordance with this Section 7.6. According to Financial Instrument Market Law of the Republic of Latvia, the purpose of appointing a Collateral Agent is to facilitate the satisfaction of claims arising from the Bonds towards the Bondholders. By exercising the rights and obligations of the Collateral Agent provided in this Information Document, Collateral Agreements, the Collateral Agent Agreement and its amendments (if any), the Collateral Agent acts in its own name, but in the interests of the Bondholders.

Bondholders have no rights to act with the Collateral directly, yet at the same time there are no restrictions set for Bondholders' right to use any right that Applicable Law or this Information Document provide and create and/or authorize an organisation/person that represents and acts on behalf of all Bondholders or part thereof. In case of the insolvency of the Issuer, every 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 ranking in the same claims' group. The Issuer shall be responsible for all the costs related to the notary approval and registration in the relevant public register and any amendments, assignment or novations thereto, as well as any related enforcement costs as specified herein.

The Issuer shall be responsible for all the costs related to the registration of the Collateral and changes to the Collateral as specified herein, including any costs related to any amendment, release, novation, re-registration or intercreditor arrangement permitted under this Information Document.

Bondholders are entitled to get acquainted with the Collateral Agreements and, where applicable, any intercreditor agreement, security sharing agreement or similar arrangement entered into by the Collateral Agent in accordance with this Section 7.6 upon prior written request to the Issuer.

For avoidance of doubt, the Bondholders hereby irrevocably authorise and instruct the Collateral Agent, acting solely as an administrative agent of the Bondholders and without the need to obtain any further consent or instruction from the Bondholders, to execute, deliver and submit to the Commercial Pledge Register or any other relevant public register any documents or applications necessary solely to:

(a) establish and register any Permitted Security in accordance with this Information Document;

(b) give effect to any Refinancing expressly permitted under this Information Document;

(c) increase the maximum amount of the claims secured by the Collaterals up to, but not exceeding, the Increased Maximum Amount, together with any applicable amount of auxiliary claims specified in the relevant security documents;

(d) establish and register security over the Collaterals in favour of creditors under any Permitted Debt on a *pari passu* basis with the security securing the Bonds and enter into or give effect to any related intercreditor arrangement expressly permitted under this Information Document; or

(e) give effect to a decision duly adopted by a Bondholders' Meeting that expressly authorises the relevant registration, filing or release.

The Collateral Agent shall take any action referred to above only upon receipt of: (i) a written request from the Issuer specifying the applicable paragraph above; (ii) a certificate signed by an authorised representative of the Issuer confirming that the applicable conditions under this Information Document have been satisfied; and (iii) the documents and information reasonably required to complete the relevant registration, filing or release. The Collateral Agent may rely on such certificate, documents and information without undertaking any independent investigation or verification.

The Issuer shall pay or reimburse all reasonable fees, costs and expenses incurred by the Collateral Agent in connection with any such action, to the extent required under this Information Document, the Collateral Agreement or the Collateral Agent Agreement.

The Issuer is entitled to request that the Collateral Agent amend, release or novate part of the Collateral if such amendment, release or novation is expressly permitted under this Information Document, including: (a) in the case of the commercial pledge over the Issuer's loan portfolio (rights of claim (receivables)), to the extent necessary to exclude specified receivables which are or are to be pledged in favour of the Bank or any member of the Mintos group to secure obligations of the Issuer under the Bank Loan Agreement, the Mintos Agreement No. 1, the Mintos Agreement No. 2 or any additional financing or funding agreement entered into by the Issuer with the Bank or any member of the Mintos group; or (b) to the extent necessary to permit the creatin, registration, amendment or sharing of any Permitted Security in accordance with this Information Document. For the purposes of this Information Document, any Financial Indebtedness incurred under, and any Security granted in connection with, any such additional agreement shall constitute Permitted Debt and Permitted Security, respectively, provided that (i) all receivables other than those specified receivables remain subject to the Collateral, (ii) no Event of Default is continuing or would result and (iii) all Financial Covenants, including the Portfolio Coverage Ratio, are satisfied immediately after giving effect to the relevant financing, Security and amendment, release or novation of the Collateral.

Any such request by the Issuer shall be made in writing and shall be accompanied by: (i) a description of the Collateral or part thereof to be amended, released, or novated, including, where relevant, a list of the relevant receivables, loan agreements or other assets; (ii) the Issuer's calculation of the Portfolio Coverage Ratio and other applicable Financial Covenants immediately after giving effect to the requested amendment, release, or novation; (iii) a confirmation signed by an authorised representative of the Issuer confirming that the requested action is permitted under this Information Document, that no Event of Default is continuing or would result from such action and that all Financial Covenants will remain satisfied immediately after such action; and (iv) drafts of the relevant amendments, applications, consents, confirmations or other documents required to implement and register the requested action.

Upon receipt of such request and documents, the Collateral Agent shall, acting solely as administrative agent for the Bondholders and without exercising any discretion or obtaining the Bondholders' consent, be entitled and instructed to rely on the Issuer's confirmation, and calculations without independently verifying them, and shall execute and submit any documentation, applications, amendments, novations, releases, registrations or other documents and take any other actions reasonably required to make effective and register the relevant amendment, release, or novation of the Collateral.

Where any Permitted Security is created over assets which form part of, or are intended to form part of, the Collateral and such Permitted Security is intended to rank *pari passu* with the Bonds, the Collateral Agent shall, upon the Issuer's written request and subject to receipt of the documents referred to above, be authorised and instructed to enter into any intercreditor agreement, security sharing agreement or similar arrangement and to execute any related amendments to the Collateral Agreements or pledge registrations necessary to reflect such *pari passu* ranking and sharing of Collateral, provided that the Issuer confirms that such arrangement is permitted under this Information Document and that either: (i) all Financial Covenants will remain satisfied immediately after giving effect to such arrangement; or (ii) such arrangement is entered into as part of a Refinancing pursuant to which: (a) any temporary failure to comply with a Financial Covenant arises solely because the refinancing indebtedness and the Bonds remain outstanding concurrently for a limited transitional period; (b) such transitional period does not exceed 10 (ten) Business Days from the date on which the relevant refinancing indebtedness is advanced or the related Permitted Security is created, whichever occurs first; (c) the proceeds of such refinancing indebtedness are applied within that period towards the redemption in full of the Bonds and payment of all other amounts outstanding under or in connection with the Bonds; and (d) all Financial Covenants will be satisfied immediately following such redemption, calculated after giving effect to the Refinancing and the discharge of the Bonds.Error! Reference source not found.

7.7 Collateral Agent

7.7.1 Appointment and Role of the Collateral Agent

By submitting the Subscription Order or acquiring the Bonds on the secondary market, each Bondholder:

(a) appoints the Collateral Agent to act solely as its collateral agent for the limited purposes of performing the obligations and exercising the rights specifically set forth in this Information Document, Collateral Agreements and the Collateral Agent Agreement and authorizes the Collateral Agent to exercise only the rights, powers, authorities and discretions expressly and unambiguously given to the Collateral Agent under or in connection with this Information Document, Collateral Agreements, and the Collateral Agent Agreement. The Collateral Agent 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 Collateral Agent'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 many manner the Collateral enforcement by the Collateral Agent under the Collateral Agreement or Applicable Laws;

(b) acknowledges the Issuer has concluded the Collateral Agent Agreement with the Collateral Agent and that the change of ownership of Bonds (e.g., in case Bonds are acquired on the secondary market) does not affect the rights and obligations of the Collateral Agent;

(c) acknowledges and confirms that the Collateral Agent acts: (i) under the Collateral Agent Agreement concluded with the Issuer; and (ii) in accordance with Applicable Law, including but not limited to the Financial Instruments Market Law of the Republic of Latvia;

(d) confirms the fact that the Collateral securing, *inter alia*, the Issuer's obligations towards the Collateral Agent does not constitute any conflict of interests between the Collateral Agent and the Bondholder (for the avoidance of doubt, the Collateral Agent has the right to withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent in accordance with Section 7.7.13(a) (*Application of the Proceeds from Enforcement of the Collateral*) and other relevant provisions of this Information Document or to withhold performance of any Collateral Agent's actions, including the enforcement or realization of the Collateral, until the Collateral Agent's fees and costs are fully paid or compensated). Each Bondholder acknowledges the fact that the Collateral securing, *inter alia*, the Issuer's obligations towards the Collateral Agent does not impede or prevent the Collateral Agent from fulfilling its obligations and exercising its rights in accordance with this Information Document, Collateral Agreements and the Collateral Agent Agreement, subject to the Collateral Agent's right to receive full compensation for its services and expenses;

(e) agrees that in performing its obligations and exercising its rights in connection with the Collateral, the Collateral Agent shall act in accordance with this Information Document, the Collateral Agreements and the Collateral Agent Agreement and, in relation to any action other than enforcement of the Collateral, shall take into account the collective and general interests of the Bondholders as a whole, rather than the interests of any individual Bondholder. The Collateral Agent shall not initiate or take any action to enforce the Collateral unless and until it has received an instruction from the Bondholders in accordance with Section 7.7.11(c) (*Event of Default and Action Plan*) and shall conduct such enforcement in accordance with that instruction without prejudice to Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*);

(f) agrees that the Collateral Agent shall have the right to advise the Issuer or any other third person and to provide any services to the Issuer or any other third person in any matters and in any fields of activity which do not directly relate to the performance of obligations of the Collateral Agent set forth in this Information Document, and the Bondholder does not consider this to cause any potential or actual conflict of interests, as well as expressly waive any claim or concern in this regard;

(g) each private individual or legal entity as well as their authorized representatives upon the request of the Collateral Agent, are obliged to disclose to the Collateral Agent all information and documents on these private individuals or the legal entities and as well as their authorized representatives and the Collateral Agent is entitled to receive this information and documents for the purposes of performance of duties of the Collateral Agent. This information and documents also include those documents and information that are necessary to the Collateral Agent in order to fulfil the Collateral Agents obligations regarding AML/CTPF and Sanctions compliance (e.g., information and documents on the ultimate beneficial owner).

7.7.2 The Scope of Obligations of the Collateral Agent

The functions and obligations of the Collateral Agent are limited to those expressly specified in the Collateral Agent Agreement, the Collateral Agreements and this Information Document and, notwithstanding any other provisions of this Information Document, such functions are limited to the exercise of those rights which belong to the Collateral Agent in its capacity as the holder of the Collateral (pledgee). The Collateral Agent is required to perform its obligations in relation to the Collateral only if the Issuer establishes the Collateral in the interests of the Bondholders and the Collateral Agent as far as it relates to the fees and costs of the Collateral Agent and under the name of the Collateral Agent (as the holder of the Collateral (pledgee)) in accordance with this Information Document to secure the Bonds.

7.7.3 Limitations of Obligations

The Collateral Agent does not have any obligation or right (without limiting in any way manner the Collateral enforcement by the Collateral Agent under the Collateral Agreement or Applicable Laws):

(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 this Information Document in connection with any assets of the Issuer, except for enforcing the Collateral in accordance with this Information Document, the Collateral Agent Agreement and Collateral Agreements upon the Collateral becoming enforceable and receiving the relevant instructions from the Majority Bondholders;

(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 their establishment to the extent within the control or sphere of influence of the Collateral Agent and to the extent within the scope of its obligations under this Information Document); for the sake of clarity, the Collateral Agent shall have no duty or right to investigate, monitor, or assess the assets pledged under the Collateral);

(c) to inform the Bondholders or the Issuer about any circumstances relating to the Collateral except to the extent such obligation to provide information is explicitly set forth in this Information Document;

(d) to provide any advice to the Bondholders in legal, accounting, tax or other matters for free;

(e) to monitor whether the Issuer complies with any provisions of this Information Document or any ratios, including Portfolio Coverage Ratio, as well as correctness and completeness of any statements that the Issuer submits to the Collateral Agent; and

(f) to become acquainted with changes of the ownership of the Bonds (for example, in case of alienation of the Bonds by the Bondholder) and it does not affect the rights and obligations of the Collateral Agent. Collateral Agent is not obliged to be informed on changes in identity of the Bondholder in order to enforce the Collateral, exercise any rights or powers, or perform other duties arising under this Information Document, the Collateral Agreements, the Collateral Agent Agreement and Applicable Law.

7.7.4 Bondholders' Rights and Enforcement

The Bondholders shall not have any independent power to enforce the Collateral or to exercise any rights or powers arising under the Collateral Agreement. Bondholders may exercise their rights in relation to the Collateral only through the Collateral Agent pursuant to this Information Document and Applicable Law.

Upon the performance of its obligations and exercising its rights, the Collateral Agent shall act at its sole discretion, but on the account of the Bondholders, taking into account the collective and general interests of the Bondholders as a whole, rather than the interests of any individual Bondholder, without having any independent interests of its own except payment or compensation of its fees and costs as per the Collateral Agent Agreement and Collateral Agreements (for the avoidance of doubt, the Collateral Agent has the right to withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent in accordance with the provisions of this Information Document or to withhold performance of any Collateral Agent's actions, including the enforcement or realization of the Collateral, until the Collateral Agent'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 Collateral Agent. In particular, in accordance with this Information Document, the Collateral Agent shall be entitled to decide at its sole discretion as to what would be in the best interests of the Bondholders upon failure to obtain instructions from the Majority Bondholders. However, the Collateral Agent shall not start the enforcement of the Collateral without instructions provided by the Majority Bondholders.

7.7.5 Liability of the Collateral Agent

The Collateral Agent is not a party to the legal relationship between the Issuer and the Bondholders and is under no circumstances liable for the performance of the obligations of the Issuer or impossibility to enforce the Collateral in accordance with this Information Document, the Collateral Agreements, the Collateral Agent Agreement, Applicable Law or any restrictions or delays thereof.

The Collateral Agent 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 Collateral Agent. 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 Collateral Agent shall bear no responsibility for monitoring, verifying, or ensuring the sufficiency or legality of the Collateral.

7.7.6 Use of Third Parties

Upon the performance of its obligations and exercising of its rights hereunder the Collateral Agent 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 this Information Document, the Collateral Agent Agreement and Collateral Agreements).

In case of use of the services of third parties and/or appointment of third-party representatives, the Collateral Agent shall evaluate and appoint only reputable third parties having professional expertise for the fulfilment of the tasks and acts as stipulated in this Information Document, the Collateral Agent Agreement and Collateral Agreements.

In case of use of the services of third parties and/or appointment of third-party representatives, the Collateral Agent shall also ensure: (a) no conflict of interest exists in respect to the Issuer; (b) the fees, costs and expenses of such third party services are in the Collateral Agent'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 Collateral Agent if the latter would perform its obligations under this Information Document, Collateral Agreements and the Collateral Agent Agreement on its own; and (d) involvement of third parties and/or appointment of third-party representatives does not entirely replace the Collateral Agent for performing its Collateral Agent's services (or the substantial part thereof) under this Information Document, Collateral Agreements and the Collateral Agent Agreement and not of the appointed third-party.

In case the use of services of third parties or appointment of third-party representatives is required for the fulfilment of obligations arising from this Information Document, Collateral Agreements or the Collateral Agent Agreement, Section 7.7.8 (*Fees and Indemnification*) is applicable. The Collateral Agent shall not be responsible for the losses and damage caused by the acts and omissions by third parties.

7.7.7 Information and Cooperation

At the request of the Collateral Agent, the Bondholder shall provide the Collateral Agent with any information required for the purposes of identification of the Bondholder and/or for the performance of other obligations arising from Applicable Laws. The Collateral Agent may refuse the payment to the Bondholder until respective information is submitted to the Collateral Agent.

At the request of the Collateral Agent, the Issuer shall provide the Collateral Agent with an updated list of Bondholders specifying the outstanding Nominal Value of the Bonds each of them is holding and their latest known email addresses or other Bondholders' contact information if such information is available to the Issuer. Furthermore, the Issuer agrees to and authorizes the Collateral Agent to directly request from Nasdaq CSD any information and documents concerning the Bondholders, private individuals, legal entities, and their authorized representatives for the purpose of fulfilling the duties of the Collateral Agent in accordance with this Information Document, Collateral Agreements, the Collateral Agent Agreement and Applicable Law.

7.7.8 Fees and Indemnification

The Collateral Agent shall have the right to receive fees and advance payments of the Collateral Agent'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 this Information Document, the Collateral Agent Agreement and Collateral Agreements in accordance with the Collateral Agent Agreement, provided that such fees, costs and advance payments are reasonable, properly incurred or reasonably anticipated and, upon request, supported by reasonable details or evidence. The Collateral Agent shall have the right to withhold or stop the performance of its duties and obligations in case of delay or failure by the Issuer to make payment or provide any reasonably requested advance payment or pre-funding in respect of payment of the relevant fees and costs.

For the avoidance of doubt, the Collateral Agent shall not be obliged to commence or continue any action, including any action relating to the establishment, perfection, registration, maintenance, release or enforcement of the Collateral, if the Collateral Agent reasonably determines that such action will require it to incur fees, costs, expenses or liabilities, unless it has first received such advance payment, pre-funding, security or indemnity as it may reasonably require in accordance with the Collateral Agent Agreement. Any request for advance payment or pre-funding shall, to the extent reasonably practicable, specify the relevant action and provide a reasonable estimate of the anticipated fees, costs and expenses.

Before withholding, suspending or stopping the performance of any material duty due to non-payment or lack of pre-funding, the Collateral Agent shall notify the Issuer and, where the interests of the Bondholders may be materially affected, the Bondholders in accordance with Section 7.18 (*Disclosure of Information*), specifying the relevant unpaid or unfunded amount and the action that will not be commenced or continued. The Collateral Agent shall commence or resume the relevant action as soon as reasonably practicable after receipt of the required payment, pre-funding, security or indemnity.

The Issuer's failure to pay or pre-fund any amount payable under this Section shall not release the Issuer from the relevant payment obligation or prejudice any rights or remedies of the Bondholders under this Information Document. Where the Issuer fails to provide the required pre-funding, the Collateral Agent may, but shall not be obliged to, accept such pre-funding or indemnity from the Bondholders in accordance with the Collateral Agent Agreement. No individual Bondholder shall be obliged to provide any such pre-funding or indemnity unless it expressly agrees to do so.

As regards the costs, the Issuer shall compensate or pay to the Collateral Agent also all payments made or necessary to be made by the Collateral Agent to third parties for the purposes of establishment, amendment, termination, assignment, novation and enforcement of the Collateral in accordance with this Information Document, the Collateral Agent Agreement and Collateral Agreements (including, without limitation, state fees and taxes, other fees and payments established by laws and regulations, costs and expenses incurred by the Collateral Agent), as well as all damages incurred by the Collateral Agent in relation to the same.

Any advance payment or pre-funded amount shall be applied solely towards the relevant fees, costs, expenses and liabilities, and any unused balance shall be returned to the Issuer or, where applicable, the Bondholders that provided it, without undue delay following completion or discontinuation of the relevant action. The Collateral Agent shall not be entitled to recover the same fee, cost, expense or liability more than once.

This provision prevails over any other provision in this Information Document to the extent of any inconsistency concerning the payment or pre-funding of the Collateral Agent's fees, costs and expenses, but shall remain subject to mandatory Applicable Laws and the express liability standards set out in the Collateral Agent Agreement.

7.7.9 Notices

Notices and documents to the Collateral Agent shall be valid only if made and forwarded in writing either by post or e-mail by using the contact details set forth in this Information Document. All notices of the Bondholder to the Collateral Agent shall be sent in writing (letter and email) to the Collateral Agent and copied to the Issuer and the Arranger. If the Collateral Agent has doubts that a notice from a Bondholder has not been sent to the Issuer, then the Collateral Agent shall immediately forward such notice to the Issuer.

7.7.10 Termination of the Collateral Agent Agreement

The Collateral Agent has the right unilaterally to terminate the Collateral Agent Agreement in case: (a) the Collateral described in Section 7.6 (*Collateral*) has not been established within the relevant term stipulated in Section 7.7.11(a) (*Establishment of Collateral*); and/or (b) the Collateral Agent withdraws from performance of the tasks set out in this Information Document on the grounds set out in Section 7.7.12 (*Replacement of the Collateral Agent*). Fees and payments already paid to the Collateral Agent shall not be refunded in the event of termination of the Collateral Agent Agreement.

Notwithstanding any other provision of this Information Document, Collateral Agent Agreement and any other agreement/document, the Issuer, provided that the Collateral Agent has not already initiated enforcement of the Collateral, has the right to terminate the Collateral Agent Agreement in case the Issuer decides not to proceed with the Bonds issue and/or if in Issuer's opinion the Collateral Agent allows gross negligence/malicious intent in exercising their rights, abuses in any way its discretionary powers, the foundation of trust between the Issuer and the Collateral Agent has been damaged or compromised or the Collateral Agent does not act honestly. In such case the Issuer must send a notice on termination per email to the Collateral Agent at least 2 (two) Business Days prior to the intended termination date. The Collateral Agent Agreement is then terminated on the termination date regardless of whether the Collateral Agent agrees to the underlying circumstances/legal basis of the termination and is not entitled to challenge the termination. Notwithstanding such termination, the retiring Collateral Agent shall continue to perform limited duties until the Replacement Effective Date (as defined in Section 7.7.12 (*Replacement of the Collateral Agent*)), including: (a) taking all actions reasonably necessary to preserve and maintain the Collateral; (b) cooperating with the Issuer and any successor Collateral Agent in completing the substitution or re-registration of the Collateral; and (c) upon appointment and registration of a successor Collateral Agent, releasing (deregistering) the Collateral in accordance with this Section 7.7.10; provided that the retiring Collateral Agent shall not be required to take any new discretionary action, incur any material unfunded liability or commence any new enforcement action unless it has received the instructions, indemnification, security or pre-funding required under this Information Document and the Collateral Agent Agreement. The Issuer must appoint a new Collateral Agent immediately but no later than within 30 (thirty) calendar days as of sending termination notice to the Collateral Agent by choosing a reputable services provider for Collateral Agent functions with prior experience in capital markets transactions. If the Issuer has not appointed a successor Collateral Agent within such 30 (thirty) calendar day period despite using commercially reasonable efforts, the Issuer shall promptly convene a Bondholders' meeting to consult with Bondholders on the appointment of a successor Collateral Agent or alternative arrangements for the Collateral; provided that the retiring Collateral Agent's duties to preserve and maintain the Collateral shall continue until the Replacement Effective Date. The Issuer shall procure that the new Collateral Agent is, to the extent possible under Applicable Laws, registered as the subsequent rank Collateral holder. After a new Collateral Agent is appointed and, to the extent possible under Applicable Laws, registered as the subsequent rank Collateral holder, the retiring Collateral Agent must release (deregister) the Collateral within 60 (sixty) days as of the appointment of such new Collateral Agent 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 Section have priority over all other provisions, including those that claim priority.

7.7.11 Establishment, Release and Enforcement of the Collateral

(a) Establishment of Collateral

For the purpose of constituting security for the due and timely payment, discharge and performance of the Bonds, the Collateral shall be established in the interests of Bondholders and the Collateral Agent, as far as it relates to the fees and costs of the Collateral Agent, and under the name of the Collateral Agent (as the holder of the Collateral (pledgee)) under the Collateral Agreement which, in legal terms, serves as security for the Bonds of the Issuer and the Collateral Agent Agreement towards the Collateral Agent. The Issuer shall conclude the relevant Collateral Agreements to secure the Bonds with the Collateral Agent and ensure the respective Collateral is registered in the Commercial Pledge Register within 60 (sixty) calendar days after the Issue Date. The Issuer shall, at its own cost, obtain or procure all consents, approvals, waivers, releases and other authorisations required from any existing or future creditor, security holder, contractual counterparty or other third party under any financing document, security document, contractual arrangement or Applicable Law for the valid establishment, perfection and registration of the relevant Collateral. The Issuer shall promptly provide the Collateral Agent with copies or other evidence of any such consent, approval, waiver, release or authorisation upon request. If a Promissory Note (or similar document of a technical nature) is required to register the respective Collateral, the Issuer and the Collateral Agent shall conclude such Promissory Note in the form suitable to the Commercial Pledge Register. For the avoidance of doubt, a Promissory Note does not constitute an independent or separate claim and the Collateral Agent may demand payment of any sum under a Promissory Note only in the amount and to the extent such equivalent sum has become due and payable to Bondholders under this Information Document.

Notwithstanding any other provision of this Information Document, for the purpose of ensuring and preserving the enforceability of the Collateral, the Issuer irrevocably and unconditionally undertakes to pay to the Collateral Agent, as creditor in its own right and not as representative of the Bondholders and as a joint and several creditor together with the Bondholders for the purposes of the Applicable Law, sums equal to and in the currency of each amount payable by the Issuer to each of the Bondholders (whether present or future and whether actual or contingent) in accordance with this Information Document as and in case the amount falls due for payment under this Information Document. The Collateral Agent shall be entitled to act as a joint creditor (jointly with the Bondholders) of each and every Bond (whether present or future and whether actual or contingent) of the Issuer to the Bondholders or any of them and, accordingly, the Collateral Agent shall have its own independent right to demand performance by the Issuer of any of those obligations (in any case in accordance to the procedure stated in this Information Document, the Collateral Agreement or the Collateral Agent Agreement). For the avoidance of doubt, the aggregate amount due by the Issuer under the Parallel Debt will be decreased to the extent the Issuer has paid any amounts to the Bondholders under this Information Document. For the avoidance of doubt, to the extent the Issuer has paid any amounts to the Collateral Agent under the Parallel Debt the aggregate amount due by the Issuer to the Bondholders under this Information Document will be decreased accordingly. The Parallel Debt shall become due and payable at the same time and to the same extent as the obligations of the Issuer to the Bondholders under these Terms and Conditions have become due and payable.

The Issuer shall provide written confirmation on the registration of the Collateral in the Commercial Pledge Register to the Collateral Agent within 3 (three) Business Days after the registration has taken place.

(b) Sale of Assets

By subscribing to the Bonds, each Bondholder acknowledges and confirms that the Issuer may, within its ordinary course of business, sell its assets provided that, in the Issuer's reasonable opinion, the sale is arranged via fair market value and on standard market terms. The Bondholders further acknowledge that the Collateral Agent shall have no responsibility or obligation to assess, monitor, or verify whether any such sale of the assets is within the Issuer's ordinary course of business, or whether the terms of any sale meet fair market value or standard market conditions. The Collateral Agent shall rely solely on the Issuer's representations in this regard and shall not be held liable for any actions taken in reliance on such representations.

(c) Event of Default and Action Plan

Upon receipt of a notification by the Issuer that an Event of Default has occurred pursuant to Section 7.16.6 (*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 the Bondholders ("Action Plan"). The Issuer shall act in accordance with Section 7.21 (*Bondholders' Meetings and Decisions*) and the Majority Bondholders may vote for the approval of the Action Plan.

If the Majority Bondholders have not approved the Action Plan, the Issuer shall act in accordance with Section 7.21 (*Bondholders' Meetings and Decisions*) and Majority Bondholders shall vote on whether to instruct the Collateral Agent to enforce the Collateral ("Instruction"). The Bondholders agree that the Collateral Agent will enforce 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 this Information Document, Collateral Agreements, and the Collateral Agent Agreement.

(d) Notification of Instruction

If the Majority Bondholders in accordance with Section 7.7.11(c) (*Event of Default and Action Plan*) have provided to the Collateral Agent the Instruction, the Collateral Agent shall immediately notify (by letter or e-mail) the Issuer of receipt of the Instruction. The Issuer shall immediately inform all Bondholders of the receipt and contents of the Instruction by publishing a notice through the Communication Channels. If the Issuer fails to publish such notice immediately, the Collateral Agent shall be entitled, on the following Business Day, to publish the relevant notice to the Bondholders through Nasdaq CSD, at the cost of the Issuer.

Upon receipt of the Instruction to enforce the Collaterals, the Collateral Agent shall commence enforcement of the Collaterals in accordance to Applicable Laws, Collateral Agreements and the Collateral Agent Agreement. Regarding the Collateral which includes receivables from mortgage-secured consumer loans, in the event of enforcement, the Collateral Agent will only be entitled to execute the sale of underlying performing or non-performing mortgage-secured consumer loans to a third party that has a permission (license) for providing consumer crediting services issued by Consumer Rights Protection Centre of Latvia or non-performing mortgage-secured consumer loans to a third party that has a permission (license) for providing out-of-court debt collection services issued by Consumer Rights Protection Centre of Latvia. The above does not apply to the loans issued to legal entities or non-consumer loans. Until such sale of portfolio with underlying mortgage-secured consumer loans is finalized to an eligible third party, the Issuer would continue to receive payments from the respective mortgage-secured consumer loans. Upon request of the Collateral Agent, the Issuer undertakes to provide all relevant information to the Collateral Agent without any delays regarding underlying mortgage-secured consumer loans portfolio which is necessary for Collateral enforcement under the Bonds.

The Collateral Agent may assume that no violation of the Bonds has occurred unless the Collateral Agent has received a written notice (letter or e-mail) to the contrary from the Issuer or the Majority Bondholders. For the avoidance of doubt, the Majority Bondholders shall have such right only if the Bonds are not performed in accordance with this Information Document.

(e) Instructions, Discretion and Limitations

The Collateral Agent shall be entitled (but is not under any circumstances obliged) to request instructions, or clarification of any direction, from the Bondholders as to whether, and in what manner, the Collateral Agent should exercise or refrain from exercising any rights, powers and discretions with regard to the enforcement of Collaterals or the performance of any other obligations or the exercise of any other rights of the Collateral Agent under this Information Document, Collateral Agreements or the Collateral Agent Agreement. Upon such request, the Bondholders' Meeting shall be convened in accordance with the terms of this Information Document and accordingly give their instructions or clarifications to the Collateral Agent within the time period specified in the Collateral Agent's request for instructions or clarifications, such a time period is to be at least 10 (ten) Business Days. If the Bondholders' Meeting is not convened in 10 (ten) Business Days, the Collateral Agent can convene the Bondholders' Meeting. The Collateral Agent may refrain from acting unless and until Majority Bondholders have provided the Collateral Agent with requested instructions or clarifications. For the avoidance of doubt, the Collateral Agent shall not incur any liability, and the Bondholders hereby waive any claims against the Collateral Agent, for any actions taken or omitted in reliance on the instructions or lack of instructions from the Bondholders, or for any delays in taking action resulting from the Bondholders' failure to provide timely instructions or clarifications. The Majority Bondholders may further authorise the specific Bondholder or the Bondholders' group to provide such instructions or clarifications of the directions to the Collateral Agent without obtaining further Majority Bondholders instruction or clarification. The Collateral Agent may approach directly the respective authorised person to provide such instructions or clarifications of the directions.

Without prejudice to the Collateral Agent's right to act at its sole discretion as set out in this Section 0(e) (*Instructions, Discretion and Limitations*), if, pursuant to the Instruction mechanism set out in Section 0(c) (*Event of Default and Action Plan*) or following the request of the Collateral Agent for instructions or clarifications as set out in this Section 0(e), the Majority Bondholders have duly instructed the Collateral Agent, the Collateral Agent is obligated to comply with these instructions. If the instructions are unclear or incomplete, the Collateral Agent shall promptly notify the Bondholders and may refrain from taking any action until further instructions or clarifications are received from the Majority Bondholders. In such cases, the Collateral Agent shall not be liable for any delays, omissions, or failures to act while awaiting clear instructions. Any such instructions from the Majority Bondholders will be binding on all Bondholders. The Collateral Agent shall not be liable for any consequences or damages that result from complying with the instructions.

Notwithstanding the foregoing provisions of this Section 7.7.11(e) (*Instructions, Discretion and Limitations*) regarding the Collateral Agent's obligations to comply with instructions, the Collateral Agent may refrain from taking any action pursuant to an Instruction only to the extent, and for so long as, it reasonably determines that taking such action would be manifestly contrary to this Information Document, the Collateral Agreements, the Collateral Agent Agreement or Applicable Laws or would expose the Collateral Agent to liability for which it is not adequately indemnified in accordance with Section 7.7.8 (*Fees and Indemnification*)). In such case, the Collateral Agent shall promptly notify the Majority Bondholders and the Issuer in writing, specifying in reasonable detail the grounds on which it considers that it is unable to act, and shall request such clarification, modification or confirmation of the Instruction as is reasonably necessary to remove the relevant impediment.

The Collateral Agent shall not be entitled to refrain from acting merely because it considers that another course of action may be more appropriate or commercially preferable, and shall not be required or entitled to assess the commercial merits of an Instruction duly given by the Majority Bondholders. Following receipt of a clarified or modified Instruction that removes the relevant impediment, the Collateral Agent shall act in accordance with such Instruction without undue delay. The Collateral Agent may take such limited action as is reasonably necessary to comply with Applicable Laws or to preserve the Collateral pending clarification of the Instruction, provided that such action is not materially inconsistent with the Instruction.

The Collateral Agent may refrain from acting in accordance with the instructions of the Majority Bondholders until it has received such indemnification or security as it may reasonably 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 Collateral Agent shall promptly inform the Majority Bondholders of the amount and form of the required indemnification or security and shall act without undue delay once such indemnification or security has been provided. The Collateral Agent shall not be liable for any consequences or damages that result from such refrainment, provided that it has complied with the requirements of this paragraph and has not acted fraudulently, with willful misconduct or gross negligence. If any Bondholder (or Bondholders group) has agreed to pay (and has paid) respective costs, claims, losses or expenses, then such paid amounts are included in the amounts that are satisfied in the Collateral enforcement pursuant to Section 7.7.13.

Without prejudice to the foregoing provisions of this Section 7.7.11(e) (*Instructions, Discretion and Limitations*) regarding the Collateral Agent's obligations to comply with instructions, its obligation to comply with instructions, and 0, the Collateral Agent 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. The Collateral Agent shall not be liable to Bondholders for acting (or refraining from acting) as described in this Information Document or in accordance with the instructions of the Bondholders and/or Applicable Laws.

The Collateral Agent shall not be liable to Bondholders for the outcome of the enforcement of the Collateral, provided the Collateral Agent has acted in accordance with this Information Document, the Collateral Agent Agreement and the Collateral Agreement.

The Collateral Agent shall, at all times, act in good faith and in a commercially reasonable manner to ensure fair and equal treatment of all Bondholders, acting solely within the scope and limits of the Collateral Agent Agreement. The Collateral Agent shall not favour or give preferential treatment to any individual Bondholder or group of Bondholders over others, and shall take all necessary actions to protect the rights and interests of all Bondholders collectively, in accordance with this Information Document, Collateral Agent Agreement, Collateral Agreements, and Applicable Law. The Collateral Agent shall not be required to take any action, nor shall it be liable for any inaction, except as expressly provided for in the Collateral Agent Agreement or as required by Applicable Law.

The Collateral Agent is obliged to submit to the Commercial Pledge Register an application duly executed by the Collateral Agent for deletion of the entries made in respect of the Collateral within 5 (five) Business Days from the date when the Issuer has informed the Collateral Agent that Issuer's obligations under the Bonds have been fully discharged.

(f) Release of Collateral

If for any reason the repayment or redemption of the Bonds, including with the Refinancing, is arranged through an escrow account, the Collateral Agent shall execute and submit, or release for submission an application duly executed by the Collateral Agent for deletion of the entries made in the Commercial Pledge Register in respect of the Collateral prior to the actual receipt by the Bondholders of all amounts outstanding under the Bonds only if the following preconditions have been met:

1. the Collateral Agent has received a copy of an escrow account agreement which, among other, provides that (i) the funds deposited in the escrow account should be transferred to the Bondholders through the intermediary of Nasdaq CSD in full discharge the Issuer's obligations under the Bonds, (ii) the deletion of the entries made in the Commercial Pledge Register in respect of the Collateral is the sole and final outstanding precondition for the release of such funds from the escrow account, (iii) no further consent, approval, instruction, action, document or exercise of discretion by the Issuer, the refinancing creditor, the escrow bank or any other person is required following such deletion; and (iv)

the escrow bank is irrevocably obliged to release the funds immediately upon receipt of evidence satisfactory to it that the relevant entries have been deleted from the Commercial Pledge Register;

2. the Collateral Agent has received a copy of the bank's, which holds an escrow account, confirmation about (i) the amount of funds deposited with the escrow account, and such amount is sufficient to discharge in full all of the Issuer's obligations under the Bonds, and (ii) the bank will release such funds immediately following deletion of the relevant entries from the Commercial Pledge Register; and

3. the Collateral Agent has received written confirmation from the escrow bank that all other preconditions for the release of the funds from the escrow account have been irrevocably and unconditionally fulfilled or waived and that deletion of the relevant entries from the Commercial Pledge Register is the sole remaining condition for such release.

The deletion of the Collateral prior to the receipt of the relevant funds by the Bondholders shall be permitted only in the circumstances and subject to the safeguards set out above.

If the Issuer requests the Collateral Agent to conclude a Refinancing agreement (such as a refinancing agreement or escrow account agreement), the Collateral Agent shall conclude such agreement without Bondholders' consent, provided that (i) the respective refinancing agreement contains typical market refinancing provisions (including obligations for the Collateral Agent to issue consents for lower ranking collaterals); (ii) any release of any Collateral by the Collateral Agent shall be effective only concurrently with the irrevocable and unconditional payment in full of all amounts outstanding under the Bonds or immediately thereafter (i.e., within a reasonable time period after) such payment, except that the Collateral may be deleted immediately prior to such payment solely pursuant to the escrow arrangements and subject to all conditions set out above.

7.7.12 Replacement of the Collateral Agent

The Collateral Agent shall have the right to unilaterally terminate the performance of its duties described in this Information Document in accordance with the Collateral Agreements and the Collateral Agent Agreement (including, without limitation, terminate the enforcement of the Collateral) in case:

(a) in the reasonable opinion of the Collateral Agent: (i) (further) enforcement of the Collateral on reasonable terms is not possible or feasible due to the commencement of insolvency or reorganisation proceedings of the Issuer, or enforcement of the Collateral on reasonable terms may not be possible for any other reason; or (ii) the estimated proceeds of the enforcement of the Collateral will not be sufficient to cover the claims under Section 7.7.13(a) (*Application of the Proceeds from Enforcement of the Collateral*); and/or

(b) in the opinion of the Collateral Agent, the Collateral (or the substantial part thereof) ceases to exist for any reason; and /or

(c) 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

(d) the Issuer, any of its Management Board or Supervisory Board member, beneficial owner(s) or shareholder(s) violates the laws, regulations on AML/CTPF or the Sanctions.

In order to exercise its right of termination under this Section 7.7.12, the Collateral Agent shall submit a respective written notice stating the basis of exercising the right of termination to the Issuer and all of the Bondholders. The submission of such notice shall initiate the replacement procedure set out in this Section 7.7.12 but shall not, by itself, terminate the appointment, duties or obligations of the retiring Collateral Agent. The appointment, duties and obligations of the retiring Collateral Agent shall terminate only when:

(a) a successor Collateral Agent has been duly appointed and has accepted its appointment, and all Collateral has been validly transferred to, established or re-registered in the name of the successor Collateral Agent as the holder of the Collateral; or

(b) where no successor Collateral Agent has been appointed within the applicable period specified below and the retiring Collateral Agent is entitled to procure deletion of the Collateral under this

Section 7.7.12, all registrations of the Collateral in the name of the retiring Collateral Agent have been duly deleted from the relevant registers,

in each case, the date on which the relevant actions have been completed being the "Replacement Effective Date".

Until the Replacement Effective Date, the retiring Collateral Agent shall remain appointed and shall continue to perform its duties and obligations under this Information Document, the relevant Collateral Agreements and the Collateral Agent Agreement. During this transitional period, the retiring Collateral Agent shall take all actions reasonably necessary to preserve and maintain the Collateral, complete the substitution or deletion process and avoid prejudice to the collective interests of the Bondholders. The retiring Collateral Agent shall not be required to take any new discretionary action, incur any material unfunded liability or commence any new enforcement action unless it has received the instructions, indemnification, security or pre-funding required under this Information Document and the Collateral Agent Agreement.

The Collateral Agent shall have the right to resign due to reasons other than those stated in the first paragraph of this Section 7.7.12 by submitting a respective written notice to the Issuer. Such notice shall initiate the replacement procedure but shall not, by itself, terminate the appointment, duties or obligations of the retiring Collateral Agent. The Collateral Agent resignation or dismissal shall only take effect upon the appointment of a successor Collateral Agent and acceptance by such successor Collateral Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Collateral Agent, including, for the avoidance of doubt, registration of all necessary amendments to the Collateral with the Commercial Pledge Register to ensure that the Collateral is established and maintained in the interests of the Bondholders and under the name of the successor Collateral Agent (as the holder of the Collateral). Accordingly, the appointment, duties and obligations of the retiring Collateral Agent shall continue until the Replacement Effective Date.

The retiring Collateral Agent shall cooperate with the Issuer and the successor Collateral Agent and shall execute and submit all documents, applications and notifications reasonably necessary to transfer, establish or re-register the Collateral in the name of the successor Collateral Agent or, where permitted under this Section 7.7.12, to delete the relevant Collateral registrations.

Within the time periods specified below following receipt by the Issuer of the relevant notice of termination under paragraphs (a), (b), (c) or (d) of the first paragraph of this Section 7.7.12 or notice of resignation under this Section 7.7.12 by the Issuer, a successor Collateral Agent must be designated – either by the Issuer and the Majority Bondholders (where applicable) or solely by the Issuer, in accordance with this Information Document. The successor Collateral Agent must take over the obligations of the retiring Collateral Agent and ensure that all necessary registration changes are duly completed. The time periods are as follows:

(a) 45 (forty-five) calendar days – in the case of a notice of termination under paragraph (a) or (b) of the first paragraph of this Section 7.7.12;

(b) 14 (fourteen) calendar days – in the case of a notice of termination under paragraph (c) or (d) of the first paragraph of this Section 7.7.12;

(c) 90 (ninety) calendar days – in the case of a notice of resignation under this Section 7.7.12.

If a successor Collateral Agent is not appointed and the necessary pledgee registration changes are not completed within the applicable period above, the retiring Collateral Agent shall be entitled to submit the necessary applications and perform all actions required to delete the Collateral registrations from the relevant registers. The appointment, duties and obligations of the retiring Collateral Agent shall continue until such deletion has been completed and shall terminate only on the Replacement Effective Date. The retiring Collateral Agent shall notify the Issuer and the Bondholders before submitting any application for deletion of the Collateral and shall not procure such deletion if a successor Collateral Agent has been duly appointed and the transfer or re-registration of the Collateral in its name is capable of being completed without undue delay.

Each Bondholder and the Issuer expressly waives any and all claims against the retiring Collateral Agent for any actions or omissions in relation to the Collateral after the Replacement Effective Date, except for claims arising from any breach of duty, fraud, wilful misconduct or gross negligence occurring before the

Replacement Effective Date, or from any failure to perform an obligation expressly stated to survive the termination of its appointment.

The Collateral Agent shall evaluate that no conflict of interest exists with regard to the Issuer; however, the existence of conflict of interest shall not prevent the Collateral Agent from fulfilling its obligations to the extent and scope as described in this Information Document, in the Collateral Agreements and in the Collateral Agent Agreement.

The Issuer shall promptly notify the Bondholders of the receipt of any notice of termination or resignation under this Section 7.7.12 by publishing the notice on the Communication Channels. The Issuer shall also notify the Bondholders of the appointment of the successor Collateral Agent and the occurrence of the Replacement Effective Date.

The Issuer shall use commercially reasonable efforts to assist with such substitution of the Collateral Agent, where needed, but shall not be responsible for any delay or failure caused by the retiring Collateral Agent, the successor Collateral Agent, the Bondholders, any public authority, registry, Nasdaq CSD or any other third party.

7.7.13 Application of the Proceeds from Enforcement of the Collateral

The proceeds from the enforcement of the 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, and costs and expenses of third parties engaged by the Collateral Agent pursuant to conditions set out, i*nter alia*, in Section 7.7.6 (*Use of Third Parties*) and Section 7.7.8 (*Fees and Indemnification*)) related to the performance of its duties by, or otherwise payable to, the Collateral Agent under this Information Document, the Collateral Agent Agreement and the Collateral Agreements, including, but not limited to, the establishment, amendment, termination, assignment, novation and enforcement of the Collateral incurred by the Collateral Agent or any of the third parties engaged by the Collateral Agent, provided that the fees, costs and expenses have occurred on a reasonable market price and pursuant to conditions specified in Section 7.7.6 (*Use of Third Parties*) and/or Section 7.7.8 (*Fees and Indemnification*);

(b) as the second priority (after full satisfaction, payment and deduction of all claims and amounts set forth in Section 7.7.13(a)): in payment of the claims of the Bondholders arising under this Information Document in accordance with the Applicable Law.

The Collateral Agent shall withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent specified in Section 7.7.13(a) and transfer the remaining proceeds to the Bondholders for satisfying the claims under Section 7.7.13(a). The Collateral Agent shall return the proceeds from the enforcement of the Collateral remaining after satisfying all claims set forth in Section 7.7.13 to the Issuer.

In case the proceeds remaining after covering the fees, costs, expenses, damages and claims under Section 7.7.13(a) do not cover the claims of the Bondholders under Section 7.7.13(b) in full, these claims of the Bondholders shall be satisfied *pro rata* in accordance with the Applicable Law.

The Collateral Agent is not obliged to pay to the Bondholders or any other persons any interest on the proceeds from the enforcement of the Collateral (whether deposited or not).

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

7.8 Rights and Restrictions Connected with the Bonds

Each Bondholder has the right to receive Coupon and Nominal Value payments in accordance with the terms of the Bonds and to exercise other rights provided in this Information Document and the Applicable Laws.

The Issuer has the right to purchase the Bonds on the secondary market directly from the Bondholders. The Bonds purchased by the Issuer shall be held in the Issuer's financial securities custody account and the Issuer has the right to sell such Bonds to potential investors or other Bondholders or, at its discretion, to cancel all or any part of such Bonds at any time prior to the Maturity Date, in each case in accordance with the Applicable Laws and the applicable rules and procedures of Nasdaq CSD. The cancellation of any Bonds shall not require the consent of the Bondholders and shall result in a corresponding reduction of the aggregate Nominal Value of the outstanding Bonds and the size of the Bonds Issue. Any Bonds so cancelled shall cease to be outstanding and no further Coupon, Nominal Value or other amounts shall be payable in respect of such Bonds.

The Bonds held by the Issuer and its Related Parties shall not be eligible to participate in voting in accordance with this Information Document.

7.9 Restrictions on Free Circulation of the Bonds

The Bonds are freely transferable debt securities and may be pledged. However, the Bonds may not be offered, sold, resold, transferred or delivered in any jurisdiction or under any circumstances in which such actions would be unlawful or require measures other than those required under the Applicable Laws.

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 within the meaning of the Applicable Laws. It is the obligation and responsibility of each Bondholder to ensure that any transfer or offering of the Bonds complies with all the Applicable Laws.

7.10 Issue Date of the Bonds

The Issue Date of the Bonds is 19 August 2026, on which Coupon starts to accrue.

7.11 Listing

The Issuer plans to request the admission to trading of the Bonds on First North within 6 (six) months after the Issue Date and submit this Information Document with Nasdaq Riga. The Issuer does not undertake to prepare or register a prospectus with the Bank of Latvia or to list the Bonds on any regulated market. The Issuer has not signed any agreement with any person for Bonds liquidity maintenance on the secondary market.

Admission to trading on First North is subject to the approval of Nasdaq Riga and there can be no assurance that such approval will be obtained.

7.12 Coupon

7.12.1 Coupon Rate

The Coupon Rate for the Bonds is 8% (eight percent) per annum and is fixed until the Maturity Date.

7.12.2 Coupon Payment Procedure

Coupon payments are made 12 (twelve) times per year – on the last calendar day of each calendar month ("Coupon Payment Date"), except the first Coupon payment and the last Coupon payment. For the avoidance of doubt, the scheduled Coupon Payment Dates during each calendar year shall be 31 January, 28 February (or 29 February in a leap year), 31 March, 30 April, 31 May, 30 June, 31 July, 31 August, 30 September, 31 October, 30 November and 31 December. The first Coupon Period commences on the First Settlement Date and ends on the first Coupon Payment Date specified in this Information Document. The last Coupon payment will be made on the Maturity Date of the relevant Issue.

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 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.

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 this Information Document are the Nasdaq CSD Rulebook and Corporate Action Service Description.

If a Coupon Payment Date is not a Business Day, the Issuer shall make the payment on the next Business Day. Such postponement shall not affect the amount payable, and no default shall be deemed to have occurred solely due to such postponement.

If the Issuer has failed to make Coupon payments in accordance with the deadlines specified in this Information Document, Bondholders shall have the right to submit claims regarding the payment of the Coupon not earlier than 20 (twenty) Business Days following the relevant Coupon Payment Date.

7.12.3 Coupon Calculation

Monthly Coupon payments are determined according to the following formula:

CPN = F * C * n / 360, where:

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

F – Nominal Value of one Bond;

C – Annual Coupon Rate (% with six digits after the decimal separator);

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

7.12.4 Accrued Coupon Calculation

Coupon accrues from the Issue Date. The accrued Coupon is calculated presuming that there are 360 (three hundred and sixty) days in one year (day count convention – “European 30/360”).

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

AC = F * C / 360 * D, where:

AC – accrued Coupon per one Bond;

F – Nominal Value of one Bond at the beginning of the relevant Coupon Period, i.e., the initial Nominal Value at the time of the issue of a Bond, as may be reduced by the redemption or repurchase amounts paid during the previous periods in accordance with this Information Document;

C – Annual Coupon Rate (%);

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

7.13 Repayment of the Bonds

7.13.1 Repayment at Maturity

The Nominal Value of one Bond is EUR 1,000.00 (one thousand euros), and the Issuer shall repay the Nominal Value of the Bonds on the Maturity Date, which is 20 August 2029.

The Issuer shall pay the Nominal Value through Nasdaq CSD in accordance with the applicable Nasdaq CSD regulations. Nasdaq CSD regulations applicable on the date of this Information Document are Nasdaq CSD Rulebook and Corporate Action Service Description. The list of Bondholders eligible to receive the Nominal Value and accrued and unpaid Coupon shall be fixed at the end of the 5th (fifth) Business Day before the Maturity Date.

If the Maturity Date is not a Business Day, the Issuer shall pay the Nominal Value of the Bonds on the next Business Day after the Maturity Date, in which case no default shall be deemed to have occurred solely due to such postponement. The postponement of the payment date shall not have an impact on the amount payable.

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

7.13.2 Early Redemption at the Option of the Issuer (call option)

The Issuer may redeem the Bonds, in whole or in part, by paying:

(a) 101% (one hundred and one percent) of the Nominal Value amount of the redeemed Bonds plus accrued and unpaid Coupon, if the redemption occurs from 19 August 2027 (inclusive) until 18 February 2029 (inclusive);

(b) 100% (one hundred percent) of the Nominal Value amount of the redeemed Bonds plus any accrued and unpaid Coupon, if the redemption occurs from 19 February 2029 (inclusive) until the Maturity Date.

The Issuer may redeem the Bonds in part in amount calculated in accordance to this Section 7.13.2 provided that any partial redemption amount shall be for an amount not less than 10% (ten percent) of the total Nominal Value of the Bonds outstanding immediately prior to such redemption (excluding accrued and unpaid Coupon that is paid in addition to this amount). Starting from the second partial redemption of the Bonds, the Issuer may increase the redeemed amount of the total Nominal Value of the Issue in increments of 5% (five percent) or more for every case of early partial redemption. Any partial redemption shall be applied proportionally among all Bonds of the respective Issue.

If the Issuer takes a decision on early redemption of the Bonds pursuant to this Section 7.13.2, the Issuer shall notify Nasdaq CSD and the Bondholders at least 20 (twenty) Business Days prior to the redemption date of the Bonds, by publishing the notice on the Communication Channels. Such notice shall be irrevocable and shall specify at the redemption date, whether the redemption is in whole or in part, the aggregate Nominal Value amount to be redeemed, the redemption price, the amount of accrued and unpaid Coupon payable, and the record date for determining the Bondholders entitled to receive the redemption payment.

If the Issuer redeems the Bonds pursuant to this Section 7.13.2, the Issuer will pay the redemption payment through the intermediary of Nasdaq CSD and in accordance with the applicable Nasdaq CSD regulations. The Nasdaq CSD regulations applicable on the date of this Information Document 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.

7.13.3 Early Redemption at the Option of the Bondholders (put option)

In case a Change of Control, Listing Failure or De-listing has occurred or is anticipated to occur, the Issuer has the obligation (in case of anticipated Change of Control – a right) to inform the Bondholders by publishing a relevant notice with sufficient details on the Communication Channels no later than 20 (twenty) Business Days after the Change of Control, Listing Failure or De-listing has occurred and at any time before the anticipated occurrence of a Change of Control:

(a) stating that the Change of Control, Listing Failure or De-listing has occurred or is anticipated to occur, and that each 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 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 Coupon after redemption and any Bonds not redeemed will continue to accrue Coupon;

(e) describing the circumstances and relevant facts regarding the transaction or transactions that constitute a Change of Control;

(f) describing the procedures determined by the Issuer that the Bondholder must follow to have its Bonds redeemed; and

(g) including, as an attachment, the form of notice of exercise to be completed and submitted by a Bondholder wishing to exercise its right to require early redemption of its Bonds following the Change of Control, the Listing Failure or the De-listing, as applicable.

To exercise the Change of Control, Listing Failure or De-listing put option, the 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 Bondholder directly (physically signed form delivered by post or courier or electronically signed delivered by e-mail) or indirectly via the Bondholder's Custodian. If no response from the Bondholder has been received within the designated time period, it shall be considered that the Bondholder will not execute its put option. No option so exercised may be withdrawn without a prior consent of the Issuer.

For further information regarding the risk that a prohibition decision or any structural or other remedies imposed by the Competition Council in connection with the Issuer's Acquisition may require a divestment or other change in the ownership or Control of the Issuer that could result in a Change of Control, see Section 4.2.21 (*Risks relating to implementation of the Issuer's Acquisition before Competition Council clearance*). For the avoidance of doubt, whether any such divestment, remedy or other measure constitutes a Change of Control shall be determined solely by reference to the criteria and exceptions set out in this definition.

7.14 Financial Covenants

The Issuer undertakes to comply and/or, where applicable, undertakes to ensure compliance with the following Financial Covenants as at each relevant testing date from the Issue Date of the Bonds and as long as any Bonds are outstanding:

(a) to maintain Capitalization Ratio of at least 20% (twenty percent);

(b) to maintain Portfolio Coverage Ratio of at least 1.2x (one point two times);

(c) to maintain Interest Coverage Ratio of at least 1.25x (one point twenty-five times).

Financial Covenants stated above shall be tested at the end of each quarter and proof of compliance with these Financial Covenants shall be included in every Financial Report. For the avoidance of doubt, the Issuer is required to comply with the Financial Covenants only as at the relevant testing date, and not on a continuous daily basis. The Financial Covenants shall be calculated in accordance with this Information Document, based on the Financial Reports prepared in accordance with the Accounting Principles.

7.15 Undertakings

The Issuer undertakes to comply with the following undertakings from the Issue Date and for as long as any Bonds are outstanding:

(a) to ensure that the weighted average LTV of its Net Loan Portfolio remains below 60% (sixty percent) as at the end of each quarter, the proof of compliance of this undertaking included in every Financial Report;

(b) not to make or permit any Change of Business without the prior approval of the Bondholders;

(c) not to initiate or permit the initiation of the Issuer's reorganization, liquidation or similar proceedings and not to reduce the share capital of the Issuer, except where the Management Board is required to do so under mandatory provisions of Applicable Law, including where the Management Board is under a statutory obligation to file for insolvency or other similar proceedings. In such case, the Issuer shall, to the extent permitted by Applicable Law, notify the Bondholders without undue delay of the circumstances giving rise to such obligation and of any steps taken or proposed to be taken in connection therewith;

(d) not to commence any type of new economic activity outside the scope of Permitted Business except if revenue from such activity does not exceed 5% (five percent) of consolidated revenue of the Group;

(e) not to sell, present, change, rent, license, invest or otherwise transfer into utilization the right to use the trademarks of the Issuer;

(f) not to declare, pay or make any dividend or other distribution of profits to its shareholders, other than a Permitted Distribution, provided that all Financial Covenants are satisfied immediately following such distribution and no Event of Default is continuing or would result from such distribution;

(g) any transactions with Related Parties should be carried out at Fair Market Value or increasing the potential value of the Group;

(h) except the Bridge Group Debt, all existing and future loans from the shareholders of the Issuer or their Related Parties must be subordinated to the Bonds;

(i) to ensure that no Change of Control occurs in relation to the Issuer;

(j) to ensure the admission to trading of the Bonds on Nasdaq Baltic First North within 6 (six) months after the Issue Date and to maintain such listing thereafter;

(k) by the end of the second month following the end of each respective calendar quarter to prepare and publish on the Communication Channels quarterly Financial Reports;

(l) to include in each quarterly Financial Report a statement confirming compliance with the Financial Covenants as at the relevant reporting date and setting out the calculation of each Financial Covenant;

(m) to prepare and publish on the Communication Channels annual Financial Report within 6 (six) months after the end of each consecutive Financial Year, which shall be audited by the Auditor starting from 1 January 2027 (for Financial Year of 2026), and to include in each annual Financial Report, a statement confirming compliance with the Financial Covenants as at the relevant year-end and setting out the calculation of each Financial Covenant;

(n) to publish Financial Reports, notices and any other information to Bondholders as required under this Information Document and the Applicable Laws on the Communication Channels;

(o) to ensure that the net proceeds from the issue of the Bonds are used in accordance with Section 5 (*Purpose of the Offering and Use of Proceeds*).

For avoidance of doubt, any undertaking provided in this Section 7.15 above does not limit or restrict any of the following: (i) reorganization of legal type of the Issuer from AS (joint stock company) to SIA (limited liability company); or (ii) performing any action in relation to preparation for or commencement of the IPO Event.

The Issuer undertakes to prepare its consolidated financial statements, if the Issuer forms part of the Group, or stand-alone financial statements, if the Issuer does not have a Group, in accordance with the Accounting Principles.

7.16 Events of Default

Each of the events or circumstances set out below shall constitute an Event of Default:

7.16.1 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 such failure is caused by an administrative or technical error in payment systems or Nasdaq CSD and payment is made within 20 (twenty) Business Days after the due date of the relevant payment. Bondholders shall have the right to submit claims regarding failure to make payment not earlier than 20 (twenty) Business Days after the due date of the relevant payment.

7.16.2 Breach of Covenants

The Issuer does not comply with any Financial Covenant and fails to remedy such breach in accordance with Section 7.16.3 (*Covenant Cure*), or the Issuer does not comply with any undertaking set out in Section 7.15 (U*ndertakings*), unless such 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.

7.16.3 Covenant Cure

The Issuer may cure or prevent a breach of the Financial Covenants if, prior to or within 90 (ninety) calendar days of the earlier of: (a) the date on which the relevant Financial Report is to be published pursuant to this Information Document; and (b) the date such Financial Report was in fact published pursuant to this Information Document for any Relevant Period in which such failure to comply was (or would have been) first evidenced ("Breach Period"), the Group has taken corrective actions to restore compliance with the Financial Covenants, including but not limited to: (i) receiving cash proceeds of new injections from the shareholders of the Issuer or their affiliates in a form of equity and/or Subordinated Debt, and/or Bridge Group Debt, and such proceeds have been applied to reduce senior debt in an amount at least sufficient to ensure compliance with the Financial Covenants, including the Interest Coverage Ratio (the "Equity Cure").

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 until the date it was deemed provided falls outside any subsequent Relevant Period. For the purposes of calculating the Interest Coverage Ratio only, to the extent the proceeds of the Equity Cure are applied to reduce Financial Indebtedness, the relevant reduction of Financial Indebtedness shall be deemed to have occurred on the first day of the Relevant Period to which the relevant Interest Coverage Ratio relates, and the interest expense in respect of such reduced Financial Indebtedness shall be recalculated accordingly on a *pro forma* basis for such Relevant Period.If after Equity Cure the relevant Financial Covenant is met, the requirement thereof shall be deemed to have been satisfied as at the relevant original date of determination of an Event of Default, and the breach shall be deemed remedied for the purposes of this Information Document. For the avoidance of doubt, any *pro forma* recalculation made pursuant to this Section 7.16.3 shall apply only for the purposes of determining compliance with the Financial Covenants and shall not affect the Issuer's actual payment obligations, accounting treatment or historical financial statements.

7.16.4 Cross Default

If, in respect of the Issuer:

(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 specific maturity, as a result of an event of default (however described);

(c) any commitment for 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, that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above exceeds EUR 250,000.00 (two hundred fifty thousand euros) (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 or Bridge Group Debt.

7.16.5 Insolvency

If the Issuer:

(a) 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) 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, other than any solvent reorganisation, refinancing, rescheduling or restructuring permitted under this Information Document or approved by the Majority Bondholders; 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.

7.16.6 Establishment of an Event of Default

Bondholders representing at least 10% (ten percent) of the principal amount of the outstanding Bonds may by written notice to the Issuer declare the occurrence of an Event of Default at any time after such event has occurred (and as long as it continues). Any such notice shall identify the alleged Event of Default in reasonable detail and be accompanied by evidence of the relevant Bondholders' holdings of Bonds as at the date of the notice, including, without limitation, a statement or confirmation issued by the relevant Custodian or account operator.

Within 30 (thirty) Business Days after receipt of a notice referred to above, the Issuer shall notify the Bondholders by publishing this information on the Communication Channels whether it: (a) confirms that the relevant Event of Default has occurred and is continuing; (b) disputes that the relevant Event of Default has occurred, providing reasonable grounds for such position; or (c) states that the relevant circumstance, matter or event has ceased to exist or has been remedied, to the extent capable of remedy. If the Issuer confirms that the relevant Event of Default has occurred, or if the Issuer fails to publish any notice in accordance with this Section 7.16.6 within such 30 (thirty) Business Day period, the Event of Default shall be deemed established only for the purposes of this Information Document.

If an Event of Default in accordance with Section 7.16 (*Events of Default*) is deemed established in accordance with this Section 7.16.6 and unless otherwise decided by the Majority Bondholders, the Issuer shall, within 20 (twenty) Business Days following such establishment, redeem all outstanding Bonds at their Nominal Value together with all accrued and unpaid Coupon and any default interest payable in accordance with Section 7.17 (*Default Interest and Penalty*), subject in each case to any mandatory provisions of Applicable Law. For the avoidance of doubt, the Issuer's right to submit an Action Plan and the Majority Bondholders' right to instruct the Collateral Agent to enforce the Collateral, each as set out in Section 7.7.11(c) (*Event of Default and Action Plan*)), shall apply in parallel with this Section 7.16.6, and the exercise of rights under Section 7.7.11(c) (*Event of Default and Action Plan*)) shall not be prejudiced by the redemption obligation set out in this paragraph.

The Issuer shall publish: (a) promptly, and in any event no later than 2 (two) Business Days after receipt thereof, a notice that it has received a notice under this Section 7.16.6; and (b) promptly, and in any event no later than 2 (two) Business Days after making the relevant determination, its confirmation, dispute or statement referred to in this Section 7.16.6, in each case on the Communication Channels. Such publication shall include a summary of the alleged Event of Default and the Issuer's position in respect thereof.

For the avoidance of doubt, an Event of Default shall not be deemed established pursuant to this Section 7.16.6 if, within the 30 (thirty) Business Days period referred to above, the Issuer has published on the Communication Channels a notice disputing the occurrence of the relevant Event of Default with reasonable substantiation, or stating that the relevant circumstance, matter or event has ceased to exist or has been remedied, to the extent capable of remedy.

7.17 Default Interest and Penalty

If the Issuer fails to pay to the Bondholders any overdue principal amount payable by it under this Information Document, but excluding any Coupon, then the Issuer shall pay to the Bondholders default interest (in Latvian: *nokavējuma procenti*) accruing on such overdue principal amount from the due date up to the date of actual payment at a rate which is 0.05% (zero point zero five percent) per day.

If the Issuer fails to pay any Coupon payment when due under this Information Document, the Issuer shall pay to the relevant Bondholders a penalty (in Latvian: *līgumsods*) accruing on the overdue Coupon amount from the due date up to the date of actual payment at a rate of 0.05% (zero point zero five percent) per day, provided that the aggregate amount of such penalty shall not exceed 10% (ten percent) of the relevant overdue Coupon amount.

7.18 Disclosure of Information

Up until the Maturity Date, the Issuer shall publish all information required by this Information Document, the rules of Nasdaq Riga (if the Bonds are admitted to trading on First North) and the Applicable Laws.

Unless otherwise provided in this Information Document, for as long as the Bonds are not admitted to trading on First North, all notices and reports to the Bondholders shall be published on the Issuer's webpage.

The Issuer shall notify Nasdaq CSD of any Bondholders' Meeting or Written Procedure in accordance with the applicable Nasdaq CSD rules and procedures.

As of the date when the Bonds are admitted to trading on First North, all notices and reports to the Bondholders shall be published on the Nasdaq Riga website, as well as on the Issuer's webpage.

Any notice or report published in the manner described above shall be deemed to have been received on the same Business Day when it is published.

If under the Terms and Conditions, the Applicable Law or the Collateral Agreement the Collateral is obligated to notify or inform the Bondholders, then upon request of the Collateral Agent, the Issuer shall publish any notices of the Collateral Agent to the Bondholders in a manner specified in this Section as soon as reasonably practicable and, in any event, within 1 Business Day after receipt of such request. For this purpose, the Issuer hereby irrevocably authorises the Collateral Agent to publish such notices or information directly on any other permitted medium, including via Nasdaq CSD, the Collateral Agent's website, should the Issuer fail to publish the information within the time period set out above or if the Collateral Agent otherwise considers such direct publication necessary to properly inform the Bondholders, provided that such publication relates to the Bonds, the Collateral, the Collateral Agent Agreement, the rights of the Bondholders under this Information Document. If required by the Collateral Agent, the Issuer shall issue the necessary power of attorney to the Collateral Agent regarding such publication and communication in a form and content reasonably acceptable to the Collateral Agent.

7.19 Force Majeure and Limitation of Liability

The Issuer shall be entitled to postpone the fulfilment of its obligations under the Bonds only to the extent and for so long as the Issuer is prevented from performing such obligations due to a Force Majeure Event (as defined below) by publishing notice on the Communication Channels. For the purposes of this Information Document, a "Force Majeure Event" means an event or circumstance which:

(a) is beyond the reasonable control of the Issuer;

(b) was not reasonably foreseeable by the Issuer on the Issue Date;

(c) could not reasonably have been avoided, prevented or overcome by the Issuer or the consequences of which could not reasonably have been mitigated by the Issuer exercising due care and taking all reasonable steps;

(d) materially prevents or delays the performance of the affected obligation; and

(e) renders the performance of the relevant obligation objectively impossible, and not merely more onerous, more expensive or less profitable.

Subject to the criteria above, a Force Majeure Event may include, but are not limited to:

(a) action of any authorities, war or threat of war, armed hostility or a serious threat thereof, including but not limited to enemy attacks, blockades, military embargoes, actions by a foreign enemy, general military mobilization, military actions, declared or undeclared war, actions by a public enemy, commotions, acts of terrorism, diversions, piracy, disorders, invasion, revolution, coup, insurrection, mass unrest, introduction of curfews, quarantine established by the governments in the jurisdictions of the Issuer or its Subsidiaries, expropriation, enforced withdrawal, takeover of enterprises, requisition, sanctions, trade restrictions, emergency measures, mandatory orders or restrictions imposed by any governmental, regulatory, supervisory or other competent authority;

(b) disturbances in postal, telephone or electronic communications due to circumstances beyond the reasonable control of the Issuer and materially affecting the operations of the Issuer, Nasdaq CSD, any paying agent, account bank, custodian, settlement system, trading venue or other infrastructure provider relevant to the performance of the Issuer's obligations under this Information Document;

(c) any interruption of or delay in the operations of the Issuer as a result of fire, frost or other similar disaster, including flood, storm, lightning, earthquake, epidemic, pandemic, explosion, cyberattack, failure of information technology systems, failure of payment or settlement systems, power outage, grid failure or other event affecting critical infrastructure;

(d) any industrial action, such as strike, lockout, boycott or blockade materially affecting the activities of the Issuer, the Group or any material service provider, counterparty, settlement system, account bank, custodian or infrastructure provider relevant to the performance of the Issuer's obligations under this Information Document; or

(e) any other similar force majeure event or circumstance beyond the Issuer's reasonable control which materially prevents or delays the performance of the affected obligation.

In case of occurrence of a Force Majeure Event, the Issuer's fulfilment of the affected obligations may be postponed only for the duration of the Force Majeure Event and only to the extent affected thereby, 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. The Issuer shall, without undue delay after becoming aware of the Force Majeure Event, publish a notice describing the Force Majeure Event, the obligations affected, the expected effect on performance and, if reasonably available, the expected duration of the postponement. The Issuer shall also publish a notice promptly after the Force Majeure Event has ceased.

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.

7.20 Representation of the Bondholders

Within the framework of this Information Document, it is not planned, yet not prohibited to create an organization of authorized persons, which would represent all or relevant Bondholders of the relevant Issue. In case of the insolvency or legal protection proceedings of the Issuer each Bondholder has the right to represent their own interests, including, in creditors' meetings. The Bondholders will have equal rights for satisfaction of their claims with other creditors in the same claims' group.

There are no restrictions set for the Bondholders' right to create and/or authorize an organization/person that represents the legal interests of all Bondholders or part thereof.

7.21 Bondholders' Meetings and Decisions

7.21.1 General information

The Bondholders may make decisions relating to the Bonds at a Bondholders' Meeting or by way of a Procedure in Writing, at the choice of the Issuer.

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.

The Issuer shall have the right to convene a Bondholders' Meeting or initiate a Procedure in Writing at any time and shall do so following a written request from the Bondholders who, on the day of the request, represent no less than 10% (ten percent) of the principal amount of the outstanding Bonds (in each case excluding any Bonds held, directly or indirectly, by the Issuer). Any such request shall describe the matter to be decided in reasonable detail and shall be accompanied by evidence of the requesting Bondholders' holdings satisfactory to the Issuer, including, without limitation, statements or confirmations issued by the relevant custodians or account operators.

In case convening of the Bondholders' Meeting or instigation of a Procedure in Writing is requested by the Bondholders in accordance with this Section 7.21.1, the Issuer shall be obliged to convene the Bondholders' Meeting or instigate the Procedure in Writing within 1 (one) month after receipt of the respective Bondholders' written request. If the Issuer fails to do so within such period, the requesting Bondholders may themselves, or through a person authorised by them, convene the Bondholders' Meeting or instigate the Procedure in Writing, in each case with effect as if convened or instigated by the Issuer. The Issuer shall provide all reasonable cooperation required for such purpose, including providing or procuring access to the relevant procedural arrangements customarily used for communication with the Bondholders and the implementation of the meeting or a Procedure in Writing.

Only those Bondholders 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 Bondholders 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 Procedure in Writing (in case the Procedure in Writing is instigated) or proxies authorised by such Bondholders, may exercise their voting rights at the Bondholders' Meeting or in the Procedure in Writing. The voting rights of the Bondholders will be determined on the basis of the principal amount of the Bonds held on the relevant record date, excluding Bonds held by the Issuer. Any Bonds held, directly or indirectly, by the Issuer shall be disregarded for the purposes of quorum and voting.

Quorum at the Bondholders' Meeting or in respect of the Procedure in Writing only exists if one or more Bondholders holding 50% (fifty percent) in aggregate or more of the principal amount of the Bonds outstanding and eligible to vote (as applicable):

(a) if at a Bondholder's Meeting, are present or represented at the meeting; or

(b) if in respect of a Procedure in Writing, have submitted a valid reply within the prescribed time limit.

If the Issuer is the Bondholder, its principal amount of the Bonds will be excluded when a quorum and voting results are calculated.

If quorum does not exist at the Bondholders' Meeting or in respect of a Procedure in Writing, the Issuer shall convene a second Bondholders' Meeting (in accordance with this Section 7.21.1) or instigate a second Procedure in Writing (in accordance with this Section 7.21.1), as the case may be. If the Issuer fails to do so within 10 (ten) Business Days after it has been established that quorum did not exist, Bondholders entitled to request a meeting or Procedure in Writing under this Section 7.21.1 may themselves convene such second Bondholders' Meeting or instigate such second Procedure in Writing. The quorum requirement in this Section 7.21.1 above shall not apply to such second Bondholders' Meeting or Procedure in Writing, except for exclusion of the Issuer from calculation of a quorum and voting results.

The Issuer shall have a right to appoint and authorize an agent to convene and hold the Bondholders' Meeting or a Procedure in Writing.

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.

All expenses in relation to the convening and holding the Bondholders' Meeting or a Procedure in Writing shall be covered by the Issuer. This shall also apply where the Bondholders' Meeting or Procedure in Writing is convened or instigated by Bondholders in accordance with this Section 7.21.1, provided that such expenses have been reasonable, properly documented and incurred in accordance with this Information Document.

7.21.2 Majority and Voting

Consent of the Majority Bondholders is required for the following decisions:

(a) agreement with the Issuer to amend Section 7.5 (*Status and Ranking of the Bonds*), Section 7.6 (*Collateral*), Section 7.7 (*Collateral Agent*), Section 7.14 (*Financial Covenants*), Section 7.15

(*Undertakings*), Section 7.16 (*Events of Default*), Section 7.21 (*Bondholders' Meetings and Decisions*), enforcement of the Collateral, approval of Action Plan;

(b) agreement with the Issuer to change the date, or the method of determining the date, for the payment of principal, Coupon or any other amount in respect of the Bonds, to reduce or cancel the amount of principal, Coupon or any other amount payable on any date in respect of the Bonds or to change the method of calculating the amount of Coupon or any other amount payable on any date in respect of the Bonds;

(c) agreement with the Issuer to change the currency of the Bonds.

7.21.3 Procedure in Writing

If a decision of the Bondholders is intended to be passed by a Procedure in Writing then a respective communication of the Procedure in Writing shall be provided to the Bondholders and the Collateral Agent in accordance with disclosing provisions of this Information Document.

Communication above shall include:

(a) each request for a decision by the Bondholders;

(b) a description of the reasons for each request;

(c) 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;

(d) 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

(e) 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 above) and a manner of a reply.

When the requisite majority consents pursuant to Section 7.21.2 *(Majority and Voting)* have been received in a Procedure in Writing, the relevant decision shall be deemed to be adopted pursuant to Section 7.21.2 *(Majority and Voting)* even if the time period for replies in the Procedure in Writing has not yet expired.

The Issuer shall inform the Collateral Agent on the results of the Procedure in Writing and the status of the relevant decision.

7.21.4 Bondholders' Meeting

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 the disclosure provisions of this Information Document no later than 10 (ten) Business Days prior to the meeting. If the Bondholders' Meeting is convened by Bondholders in accordance with this Information Document due to the Issuer's failure to cooperate or act, such notice may be given by such Bondholders or their duly authorised representative by publishing information through available public means designed to notify as many Bondholders as possible (including, without limitation, an official gazette, press release or publication on a Bondholders' website), and shall be deemed valid for all purposes of this Information Document.

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, unless all Bondholders eligible to vote are present or represented and unanimously agree otherwise. No matters other than those referred to in the notice may be resolved at the Bondholders' Meeting.

The Bondholders' Meeting shall be held in Riga, Latvia, or, if determined by the Issuer, by video conference or other electronic means, and its chairman shall be the Issuer's representative appointed by the Issuer. If the Bondholders' Meeting is convened by Bondholders in accordance with this Information Document, or if the Issuer fails to appoint a chairman or the appointed chairman is not present at the meeting, the chairman shall be appointed by the Bondholders present or represented at the Bondholders' Meeting.

The Bondholders' Meeting shall be organized by the chairman of the Bondholders' Meeting. If the Bondholders' Meeting is convened by Bondholders in accordance with this Information Document, the meeting may be organized by such Bondholders or their duly authorised representative, and the chairman shall thereafter conduct the meeting.

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.

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. If the Bondholders' Meeting has been convened by Bondholders in accordance with this Information Document, the minutes may be prepared and distributed by such Bondholders or their duly authorised representative, and the Issuer shall promptly publish or otherwise communicate the adopted resolutions in accordance with disclosure provisions provided in this Information Document. If the Issuer fails to do so within 2 (two) Business Days after receipt of the minutes or the adopted resolutions, such Bondholders or their duly authorised representative may themselves publish or otherwise communicate the same, and such publication or communication shall be deemed valid for the purposes of this Information Document.

The Collateral Agent shall have a right to participate in all Bondholders' Meetings as observer.

7.21.5 Effect of Decisions

Information about decisions taken at a Bondholders' Meeting or by way of a Procedure in Writing shall promptly be provided to the Bondholders in accordance with disclosure provisions set forth in this Information Document, provided that a failure to do so shall not invalidate any decision made or voting result achieved.

Decisions passed at the Bondholders' Meeting or by way of the Procedure in Writing shall be binding on all Bondholders irrespective of whether they participated at the Bondholders' Meeting or in the Procedure in Writing, voted against the decision, abstained from voting or acquired the Bonds after the relevant decision was adopted.

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, provided that a failure to do so shall not invalidate any decision made or voting result achieved.

8. TERMS OF THE PUBLIC OFFERING

8.1 General structure of the Offering

The Offering consists of: (a) a public offering of the Bonds to retail investors and institutional investors in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania (the "Public Offering"); and (b) a private placement of the Bonds to institutional investors and other selected investors in the Republic of Latvia, the Republic of Estonia, the Republic of Lithuania and, where applicable, other member states of the European Economic Area and other jurisdictions, in each case pursuant to an exemption under Article 1(4) of the Prospectus Regulation or other applicable exemptions (the "Private Placement" and, together with the Public Offering, the "Offering"). The Bonds will be offered and issued by the Issuer in a single series in an aggregate nominal amount of up to EUR 8,000,000.00 (eight million euros), subject to the Issuer's right to increase the aggregate nominal amount of the Bonds up to EUR 12,000,000.00 (twelve million euros) if and to the extent such higher amount is permitted under Applicable Laws and regulations and as described in this Information Document.

The Offering shall commence on 4 August 2026 at 10:00 Riga time and shall remain open on a continuous basis until the date falling 12 (twelve) months after the commencement of the Offering, or until all Bonds are sold or the Offering is discontinued by the Issuer, whichever is earlier. In no circumstances shall the aggregate duration of the Offering, including the Initial Subscription Period and any Gradual Placement, exceed 12 (twelve) months from the commencement of the Offering.

The Offering may be conducted in two stages:

(a) an Initial Subscription Period conducted through the Nasdaq Riga auction system (the "Auction"); and

(b) if applicable, a subsequent gradual placement of any Bonds not subscribed for or not issued during the Auction and/or any additional Bonds issued as a result of an increase of the aggregate nominal amount of the Bonds (the "Gradual Placement").

The Private Placement shall be conducted in parallel with the Public Offering throughout the entire Offering period, including during the Initial Subscription Period. Institutional investors participating in the Private Placement may at any time submit Subscription Orders directly to the Arranger. The Issue Price and Yield applicable to the Private Placement shall be determined by the Issuer based on prevailing market conditions at the time of subscription and may differ from the Issue Price and Yield applicable to the Public Offering.

For the avoidance of doubt, any Gradual Placement following the Initial Subscription Period shall form part of the same Offering and the same single series of Bonds and shall not constitute a separate securities programme or a separate issue of bonds, unless expressly stated otherwise by the Issuer. Any continuation, opening or re-opening of the Gradual Placement shall remain subject to the maximum 12 (twelve)-month duration of the Offering specified above.

For the purposes of this Information Document, references to the "Subscription Period" shall, where the context requires, include the Initial Subscription Period conducted by way of the Auction and any Gradual Placement period opened following the end of the Initial Subscription Period, provided that the aggregate duration of such periods shall not exceed 12 (twelve) months from the commencement of the Offering.

The Offering is conducted in accordance with the Applicable Laws, this Information Document, the applicable rules and procedures of Nasdaq Riga and Nasdaq CSD and, in respect of the Auction, the Auction Rules. The Bonds may not be offered, sold or otherwise distributed in any jurisdiction where such offer, sale or distribution would be unlawful or would require any additional measures other than those required under the Applicable Laws.

8.2 Initial Subscription

8.2.1 Indicative timetable of the Initial Subscription Period

4 August 2026 at 10:00 Riga time	Start of the Initial Subscription Period
17 August 2026 at 14:30 Riga time	End of the Initial Subscription Period
On or about 17 August 2026	Publication of the results of the Initial Subscription and the decision whether to continue with the Gradual Placement
19 August 2026	Settlement of the Initial Subscription and Issue Date

The Issuer may decide to shorten or extend the Initial Subscription Period, by notifying the Investors in accordance with Section 7.18 (*Disclosure of Information*), provided that any such extension and any subsequent Gradual Placement shall not result in the aggregate duration of the Offering exceeding 12 (twelve) months from its commencement. The Subscription Order collection deadline might differ depending on the Investor's Custodian. Investors shall consult their Custodian for a specific collection deadline.

8.2.2 Issue Price during the Initial Subscription Period

During the Initial Subscription Period, the Issue Price shall be 97.38% of the Nominal Value (i.e. EUR 973.80 per Bond, corresponding to a Yield of 9% per annum). The Issue Price and Yield during the Initial Subscription Period for the Private Placement shall be determined by the Issuer.

8.2.3 Participation in the Initial Subscription

The Initial Subscription will be conducted through the Nasdaq Riga auction system (the "Auction System"). During the Initial Subscription Period, Subscription Orders collected by the Custodians shall be filed through the Nasdaq Riga Auction System in accordance with the Auction Rules.

For the purposes of the Offering, only such prospective Investors will be eligible to participate in the Auction who, at or by the time of placing their Subscription Orders, have opened securities accounts with the Custodian of their choice.

Investors wishing to subscribe for the Bonds in the Auction shall submit their Subscription Orders to their Custodian during the Initial Subscription Period, using the Subscription Order forms and methods made available by the respective Custodian, including without limitation in person, over the internet or by other means made available by the Custodian.

At the time of placing a Subscription Order, each Investor shall give a binding instruction for depositing the Bonds in a securities account maintained in its name and opened with a Custodian.

Subscription Orders submitted through a nominee account shall be eligible only if the relevant investor details are provided to Nasdaq Riga, Nasdaq CSD, the Arranger and/or the Issuer in accordance with the Auction Rules and Applicable Law.

Institutional investors may also submit Subscription Orders directly to the Arranger during the Initial Subscription Period.

8.2.4 Allocation in the Initial Subscription

On or about the day at the end of the Initial Subscription Period, the Issuer shall decide whether to proceed with the Offering or cancel the Offering.

If the Issuer decides to proceed with the Offering, the Issuer will determine the exact number of Bonds to be allocated to each Investor in the Auction and decide whether to continue with the Gradual Placement.

As a general principle, if the total number of Bonds subscribed for in the Initial Subscription Period is equal to or lower than the number of Bonds offered and the Issuer decides to proceed with the Offering, the Bonds may be allocated on the basis of the Subscription Orders received.

If the total number of Bonds subscribed for during the Initial Subscription Period exceeds the number of Bonds offered, the Bonds will be allocated to Investors at the sole discretion of the Issuer. The division of the Bonds between retail investors and institutional investors has not been predetermined. The Issuer will determine the exact allocation at its sole discretion.

The Issuer may allocate to an Investor a smaller number of Bonds than the number specified in the Investor's Subscription Order or may decide not to allocate any Bonds to a particular Investor.

The allocation shall be aimed at creating a solid and reliable investor base for the Issuer.

By placing a Subscription Order, each Investor shall be deemed to have consented to being allocated a lower number of Bonds than the number specified in its Subscription Order, or to not being allocated any Bonds at all.

8.2.5 Notification and publication of results of the Initial Subscription

After completion of the allocation in the Initial Subscription, each Investor shall receive a notification on full or partial satisfaction or rejection of the Subscription Order and the number of Bonds allotted, if any. Such confirmation shall be provided by the Custodian through which the Subscription Order was submitted.

The Issuer shall announce the results of the Initial Subscription and its decision whether to continue with the Gradual Placement via the Communication Channels.

8.2.6 Settlement of the Initial Subscription

The settlement for the Subscription Orders submitted during the Initial Subscription Period shall take place on the Issue Date, unless another settlement date is determined by the Issuer in coordination with the Arranger and Nasdaq CSD.

Settlement shall be carried out through Nasdaq CSD in accordance with the Auction Rules and the applicable rules and procedures of Nasdaq CSD.

The Bonds allocated to Investors participating in the Initial Subscription will be transferred to their securities accounts through the "delivery versus payment method" (DVP) pursuant to the applicable rules of Nasdaq CSD simultaneously with the transfer of payment for such Bonds. Title to the Bonds will pass to the relevant Investors when the Bonds are recorded in their securities accounts. All fully paid Bonds shall be treated as issued.

8.3 Gradual Placement

8.3.1 General terms of the Gradual Placement

After settlement of the Initial Subscription, if the total number of Bonds subscribed for during the Initial Subscription Period is less than the number of Bonds available in the Issue, the Issuer may decide to continue with gradual placement (the "**Gradual Placement**") of any Bonds not subscribed for or not issued during the Initial Subscription, up to the applicable maximum aggregate nominal amount of the Bonds. The Gradual Placement may be conducted as part of the Public Offering at the Issue Price of 100% of Nominal Value, corresponding to a Yield of 8% per annum, and/or as part of the Private Placement at Issue Prices and Yields determined by the Issuer based on prevailing market conditions at the time of subscription.

If the aggregate nominal amount of the Bonds is increased up to EUR 12,000,000.00 (twelve million euros) in accordance with this Information Document, the Issuer may continue the placement of Bonds with respect to such additional amount, provided that the aggregate consideration of the offer to the public, calculated over any 12-month period, does not at any time exceed the applicable threshold under Applicable Laws.

The Gradual Placement, if opened, shall commence on the date announced by the Issuer via the Communication Channels and shall remain open until the date falling 12 (twelve) months after the publication of this Information Document, or until all Bonds are sold, whichever is earlier, unless discontinued earlier by the Issuer. For the avoidance of doubt, the opening or re-opening of the Gradual Placement, including following an increase of the aggregate nominal amount of the Bonds, shall not commence a new 12 (twelve)-month period or otherwise extend the maximum duration of the Offering.

The start date, end date, settlement date or dates and other operational details of the Gradual Placement shall be announced by the Issuer via the Communication Channels and, where required, described in a supplement to this Information Document. The announced end date of the Gradual Placement may not fall after the date falling 12 (twelve) months after the commencement of the Offering.

8.3.2 Subscription during the Gradual Placement

During the Gradual Placement, Investors wishing to subscribe for the Bonds shall submit their Subscription Orders:

(a) directly to the Arranger during normal working hours on each Business Day during the Gradual Placement period. More detailed information on the submission of the Subscription Orders is available on phone: +371 67 081 069; or

(b) to the Investor's Custodian during the Gradual Placement period, using the Subscription Order forms and methods made available by the respective Custodian (including without limitation, in person, over the internet, or other means).

During the Gradual Placement period, the Subscription Orders collected by Custodians shall be submitted to the Arranger.

8.3.3 Allocation during the Gradual Placement

In case the Issuer decides to proceed with the Gradual Placement, the Bonds shall be allocated to Investors on a first-come, first served basis, based on the submitted Subscription Orders, subject to the Issuer's right to reject any Subscription Order in accordance with this Information Document.

The Issuer may discontinue the Gradual Placement at any time. In such case, the total issue size shall equal the aggregate Nominal Value of Bonds already issued and placed prior to such decision.

8.3.4 Issue Price and accrued interest during the Gradual Placement

For the Public Offering during the Gradual Placement, the Issue Price of one Bond shall be 100% of the Nominal Value (i.e. EUR 1,000.00 per Bond), corresponding to a Yield of 8% per annum together with accrued Coupon, if applicable. For the Private Placement during the Gradual Placement, the Issue Price and Yield shall be determined by the Issuer based on prevailing market conditions at the time of subscription. The Nominal Value of one Bond is EUR 1,000.00 (one thousand euros), but the amount payable by an Investor for one Bond shall be calculated on the basis of the applicable issue price, together with accrued Coupon, if applicable.

All Subscription Orders submitted after the end of the Initial Subscription Period with a settlement date after the Issue Date shall be executed together with accrued Coupon, calculated from and including the Issue Date, or such later date from which Coupon accrues in respect of the relevant Bond, to but excluding the relevant settlement date, unless the settlement date for the relevant Subscription Orders falls during the period from the Coupon record date until the Coupon Payment Date, in which case the Subscription Orders shall be executed without accrued Coupon.

8.3.5 Settlement of the Gradual Placement

For Subscription Orders submitted during the Gradual Placement, the settlement date may be any Business Day which is not earlier than the 2nd (second) Business Day and not later than the 20th (twentieth) Business Day after the Subscription Order is dully submitted to the Arranger.

The Bonds allocated to Investors participating in the Gradual Placement will be transferred to their securities accounts through the "delivery versus payment method" (DVP) pursuant to the applicable rules of Nasdaq CSD simultaneously with the transfer of payment for such Bonds. Title to the Bonds will pass to the relevant

Investors when the Bonds are recorded in their securities accounts. All fully paid Bonds shall be treated as issued.

Dealing with the Bonds may begin once the Bonds allocated to Investors have been transferred to their securities accounts.

8.4 Rules applicable to both the Auction and the Gradual Placement

8.4.1 Minimum Investment Amount

The total amount of Bonds to be acquired and indicated in each Subscription Order shall be at least the Minimum Investment Amount.

The Minimum Investment Amount is one Bond. The Nominal Value of one Bond is EUR 1,000.00 (one thousand euros); however, the actual amount payable for one Bond may be lower or higher than its Nominal Value depending on the applicable Issue Price. Additional Bonds may be subscribed for in multiples of one Bond. For the avoidance of doubt, the subscription amount payable by an Investor shall be calculated on the basis of the applicable Issue Price multiplied by the number of Bonds subscribed for, together with accrued interest, if applicable.

8.4.2 Subscription Orders

Investors wishing to subscribe for the Bonds in the Offering shall submit their Subscription Orders during the relevant Subscription Period in accordance with this Information Document.

Multiple Subscription Orders submitted by the same Investor may be merged for the purposes of allocation.

All Subscription Orders shall be binding and irrevocable commitments to acquire the allotted Bonds, subject to the provisions of this Information Document regarding amendment, cancellation and withdrawal of Subscription Orders. Subscription Orders shall not be considered valid and shall not be processed if the purchase amount indicated in the Subscription Order is less than the Minimum Investment Amount or if the Subscription Order is received after the end of the Subscription Period.

An Investor shall bear all fees and costs charged by the relevant Custodian or account operator in connection with the submission, amendment, cancellation or withdrawal of a Subscription Order.

8.4.3 Investor confirmation

By submitting a Subscription Order, each Investor:

(a) confirms that it has read and understands this Information Document and, in respect of the Auction, acknowledges that the Auction Rules apply to the technical submission, processing, allocation and settlement of Subscription Orders through the Auction and undertakes not to raise any objections related to the Auction Rules;

(b) agrees and commits to adhere to the terms and conditions set out in this Information Document and, in respect of the Auction, the Auction Rules;

(c) authorizes and instructs the relevant Custodian, Nasdaq Riga, Nasdaq CSD, the Arranger and the Issuer to process, forward and exchange information on the identity of the Investor and the contents of the Subscription Order to the extent necessary for the purposes of conducting the Offering, processing the Subscription Order, determining allocation, arranging settlement and fulfilling the Issuer's obligations under this Information Document;

(d) confirms that, when submitting a Subscription Order, it has sufficient funds on the cash account connected to its securities account or investment account to cover the subscription amount, being the Issue Price multiplied by the number of Bonds subscribed for, together with accrued Coupon if applicable;

(e) authorizes and instructs the relevant Custodian to block or reserve the relevant subscription amount on the Investor's cash account connected to its securities account or investment account until settlement is completed or the funds are released in accordance with this Information Document, the Auction Rules, if applicable, and the procedures of the relevant Custodian; and

(f) acknowledges that the submission of a Subscription Order does not in itself entitle the Investor to acquire the Bonds and does not result in a contract for the sale of the Bonds between the Issuer and the Investor unless and until the Bonds are allocated to the Investor and transferred to the Investor's securities account.

All expenses associated with the acquisition and custody of the Bonds shall be borne by the Investor in accordance with the price list of the Custodian through which the Investor acquires and holds the Bonds. The Issuer is not obligated to compensate any such expenses incurred by the Investor.

8.4.4 Invalidity and rejection of Subscription Orders

The Issuer reserves the right to reject any Subscription Order that is incomplete, incorrect, inaccurate, ambiguous, ineligible or non-compliant with this Information Document, the Auction Rules, if applicable, or Applicable Law, or which has not been submitted and/or accompanied by the required documents within the Subscription Period.

A Subscription Order shall not be considered valid and shall not be processed if:

(a) the Subscription Order does not contain all information required by the relevant Custodian, the Arranger, the Auction Rules, if applicable, or this Information Document;

(b) the purchase amount indicated in the Subscription Order is less than the Minimum Investment Amount;

(c) the Subscription Order is received after the end of the relevant Subscription Period;

(d) the Investor is not eligible to participate in the Offering; or

(e) the Subscription Order is rejected due to any other reason, including AML/CTPF, Sanctions, investor eligibility or other legal or regulatory requirements.

The Issuer, the Arranger, Nasdaq Riga, Nasdaq CSD and the relevant Custodian shall have no obligation to inform an Investor that its Subscription Order is invalid, except to the extent required under the procedures of the relevant Custodian, the Auction Rules, if applicable, or Applicable Law.

Any consequences of a Subscription Order being incorrectly completed, submitted or processed shall be borne by the Investor.

8.4.5 Amendment, cancellation and withdrawal of Subscription Orders

An Investor may amend, cancel or withdraw a Subscription Order before the end of the relevant Subscription Period by submitting the relevant instruction to the Custodian or Arranger through which the Subscription Order was submitted, in accordance with the procedures and deadlines applied by the relevant Custodian or Arranger and, in respect of the Auction, the Auction Rules.

An Investor shall bear all fees and costs charged by the relevant Custodian, Arranger or account operator in connection with the submission, amendment, cancellation or withdrawal of a Subscription Order.

8.4.6 Settlement and delivery

If an Investor has submitted several Subscription Orders through several securities accounts, the Bonds allocated to such Investor may be transferred to all such securities accounts proportionally to the number of Bonds indicated in the Subscription Orders submitted for each account, rounded up or down as necessary, or otherwise in accordance with the Auction Rules, if applicable, and the procedures of Nasdaq CSD.

8.4.7 Payments for the Bonds

By submitting a Subscription Order, each Investor authorizes and instructs the relevant Custodian through which the Subscription Order is submitted to block or reserve the whole subscription amount on the Investor's cash account connected to its securities account or investment account until settlement is completed or the funds are released.

The subscription amount to be blocked or reserved shall be equal to the Issue Price multiplied by the number of Bonds subscribed for by the Investor, together with accrued Coupon if applicable. An Investor may submit a Subscription Order only if there is sufficient funds on its cash account connected with the relevant securities account.

8.4.8 Return and release of the funds

If the Offering is cancelled, suspended or postponed, if an Investor has not been allocated any Bonds, if an Investor has been allocated fewer Bonds than subscribed for, or if a Subscription Order has been cancelled, withdrawn, rejected or deemed invalid, the funds blocked or reserved on the Investor's cash account, or the excess part thereof, shall be released by the relevant Custodian in accordance with the procedures of such Custodian, the Auction Rules, if applicable, and Applicable Law.

Regardless of the reason for which funds are released, neither the Issuer nor the Arranger shall be responsible for any relationship between the Investor and the relevant Custodian in connection with any operations on the cash account connected to the Investor's securities account or investment account.

Any released funds shall be returned or made available to the Investor without interest or any other compensation.

8.4.9 Cancellation, suspension or postponement of the Offering

The Issuer may cancel the Offering at any time prior to each settlement date without disclosing any reason for doing so. The Issuer may also suspend or postpone the Offering, extend or shorten the Subscription Period, or decide that new dates of the Offering will be announced later, provided that no suspension, postponement, extension, continuation, opening or re-opening of the Subscription Period shall result in the Offering remaining open for more than 12 (twelve) months from its commencement.

In the event of cancellation of the Offering, all Subscription Orders will be disregarded, and any blocked or reserved funds will be released without interest or any other compensation in accordance with the procedures of the relevant Exchange Member, the Auction Rules, if applicable, and Applicable Law.

Any decision on cancellation, suspension, postponement or amendment of the dates of the Offering will be published on the Communication Channels, and, where applicable, in any other manner required under Applicable Laws or the Auction Rules, if applicable.

8.4.10 Reduction of the Bonds Issue Size

At any time during Subscription Period, the Issuer may decide to discontinue placement of the Bonds. In such case, the total issue size shall equal the aggregate Nominal Value of Bonds already placed prior to such decision.

8.4.11 Restrictions on sale to certain persons

Article 5f of Regulation (EU) No. 833/2014 and Article 1f of Regulation (EC) No. 765/2006 prohibit the sale of euro-denominated transferable securities issued after 12 April 2022, or units of undertakings for collective investment 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 of the EU or to natural persons holding a temporary or permanent residence permit in a Member State of the EU.

8.4.12 Data protection

The Issuer, the Arranger, Nasdaq Riga, Nasdaq CSD and the Custodians shall process personal data of Investors to the extent necessary for the purposes of the Offering, including submission and processing of Subscription Orders, investor identification, Sanctions and AML checks, allocation, settlement, registration of the Bonds and compliance with legal and regulatory obligations.

Such processing shall be carried out in accordance with Regulation (EU) 2016/679, applicable data protection laws and the relevant privacy notices and data protection policies of the parties involved in the Offering.

8.4.13 No assignment or transfer of subscription rights

The rights arising out of this Information Document in relation to the subscription for the Bonds, including any rights arising from any Subscription Order or any acceptance thereof, are not assignable, tradable or transferable in any way. Any assigned or transferred rights will not be recognized by the Issuer and will not be binding on the Issuer.

There are no pre-emption rights associated with the Bonds. Therefore, no procedure for the exercise of any pre-emption rights has been adopted for the purposes of the Offering. Subscription rights are non-negotiable and non-tradeable.

8.5 Listing and Admission to Trading

The Issuer shall submit an application to list and admit the Bonds to trading on First North within 6 (six) months from the Issue Date.

The decision as to the listing and admission of the Bonds to trading on First North shall be adopted by the Board of Nasdaq Riga. The Issuer shall take all measures established in the applicable Nasdaq Riga rules required for the Bonds to be admitted to trading on First North as soon as reasonably practicable.

The Issuer shall use its best efforts to ensure that the Bonds remain listed on First North. Following the listing and admission to trading, the Issuer shall take all reasonable actions required on its part as a result of such listing or trading of the Bonds.

The Issuer will cover all costs related to the listing of the Bonds on First North.

The Issuer does not undertake to register this Information Document with Latvijas Banka or to list the Bonds on any regulated market.

The Issuer has not entered into any agreement with any person for liquidity maintenance of the Bonds on the secondary market.

9. TAXATION

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 considerations in the Republic of 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 consider or discuss the tax implications of any country other than the Republic of Latvia. The information provided in this Section 9 shall not be treated as legal or tax advice. Tax rates and conditions for paying taxes may change during the life of the Bonds. 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 circumstances.

This summary is based on the laws of Latvia as in force on the date of this Information Document and is subject to any change in law that may take effect after such date, including any change that may apply retroactively.

Latvia has entered into a number of tax conventions on elimination of the double taxation, which may provide a more favorable 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 Republic of Latvia Cabinet of Ministers' Regulations No. 178 of 30 April 2001 *"Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion"* (as amended).

9.1 Taxation of the Bondholders individuals

9.1.1 Resident individuals

Tax residence

An individual will be considered as a resident of Latvia for taxation purposes:

- if the individual's declared place of residence is in the Republic of Latvia; or
- if the individual stays in the Republic of Latvia for more than 183 days within any 12-month period, starting or ending in the taxation year; or
- if the individual is a citizen of the Republic of Latvia employed abroad by the government of the Republic of Latvia.

Interest and capital gains

In accordance with the Law on Personal Income Tax (in Latvian: *Likums "Par iedzīvotāju ienākuma nodokli"*), the interest income and interest equivalent income from the Bonds for resident individuals will be subject to 25.5% (twenty five point five percent) personal income tax, which shall be withheld at source by the Issuer or another person responsible for withholding tax under Applicable Laws, unless an exemption or special taxation regime applies, including where such income is paid into an investment account within the meaning of the Law on Personal Income Tax.

The capital gains from the sale of the Bonds will be subject to 25.5% personal income tax, but the tax would be payable by the individual by self-assessment.

If the total annual taxable income of an individual tax resident exceeds EUR 200,000.00 (two hundred thousand euros), a tax surcharge of 3% will apply to the portion of income exceeding EUR 200,000.00 (two hundred thousand euros). This surcharge is payable by the individual through self-assessment.

Investment account regime

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. If the investment in the Bonds is made through an eligible investment account held with a licensed credit institution or an investment service provider which is a tax resident of Latvia, another EU/EEA Members State, OECD Member State or a tax resident of a country with whom Latvia has concluded a treaty for the avoidance of double taxation and fiscal evasion, personal income tax on interest income and capital gains is deferred until the moment the income is distributed from this investment account to the Investor.

The investment account has to meet certain requirements (e.g. it has to be notified to the State Revenue Service) in order to qualify as eligible investment account for tax purposes. The personal income tax is levied at 25.5% on the part of the amount paid out of the eligible investment account which exceeds the amount paid into the account. In case a 25.5% tax on interest from the Bonds has already been withheld at the moment of the payment of the interest to the eligible investment account, this income is excluded from the taxable income derived from the investment account. The personal income tax on this income is payable by self-assessment.

9.1.2 Non-resident individuals

An individual will be considered as a non-resident of Latvia if the individual does not qualify as a resident individual under Latvian laws.

Interest income and equivalent income are subject to 5% withholding tax in Latvia if all of the following criteria are met:

(i) the payment is made through an investment service provider, including Nasdaq CSD, and the issue of the Bonds is arranged by an investment services provider supervised by the competent authority responsible for supervising financial markets and their participants (such as the Bank of Latvia);

(ii) the recipient of such income is a tax resident of the European Union or the European Economic Area and is not carrying on economic activity (in Latvian: *nav saimnieciskās darbības veicējs*); and

(iii) the Bonds are not publicly traded (i.e. they are not traded on a regulated market).

The 5% withholding tax rate will not apply automatically merely because the recipient is an individual tax resident of Lithuania, Estonia or another Member State of the European Union or the European Economic Area. The 5% rate will be applied only if, before the relevant payment is made, the Issuer or the person responsible for withholding tax has received, through Nasdaq CSD, the relevant Custodian, account operator or investment service provider, or otherwise in accordance with applicable tax laws, sufficient information to establish that the recipient is a tax resident in the European Union or the European Economic Area and is not a person carrying on economic activity. The Investor's tax residence is determined on the basis of the Investor's self-certification provided to the investment services provider or through Nasdaq CSD, in accordance with the due diligence procedures for the automatic exchange of financial account information. Each Investor is responsible for ensuring that its tax residence and non-business status are correctly recorded with, and communicated by, its custodian, account operator or investment service provider.

If any of the conditions for applying the 5% withholding tax rate is not satisfied, or if the Issuer or the person responsible for withholding tax has not received sufficient information to verify that those conditions are satisfied, the Issuer or the relevant withholding agent will generally withhold Latvian personal income tax at the rate of 25.5% from the relevant interest income and equivalent income, unless a lower rate or an exemption is applicable under the applicable double taxation treaty in accordance with the procedures prescribed by Latvian law. The Issuer and the relevant withholding agent may rely on the information received through Nasdaq CSD and the relevant custody chain and shall not be required to undertake any independent investigation of an Investor's tax status.

For an individual who is tax resident in Lithuania or Estonia, an applicable double tax treaty may provide tax relief or exemption. In particular, interest beneficially owned by a qualifying Lithuanian tax resident is generally taxable only in Lithuania under the Latvia – Lithuania double tax treaty, while Latvian tax on interest beneficially owned by a qualifying Estonian tax resident is generally limited to 10% of the gross amount under the Latvia – Estonia double tax treaty. Any treaty exemption or reduced rate at source is not automatic and may be applied only if the required tax residence certificate and any other necessary information or documentation have been provided in due time and in accordance with the Cabinet of Ministers Regulations No. 178 of 30 April 2001 "Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion" (in Latvian – *Ministru kabineta 2001. gada 30. aprīļa noteikumi Nr. 178 "Kārtība, kādā piemērojami starptautiskajos līgumos par nodokļu dubultās uzlikšanas un nodokļu nemaksāšanas novēršanu noteiktie nodokļu atvieglojumi"*; the "**Cabinet of Ministers Regulations No. 178**"). If treaty relief is not applied at source, the Investor may request a refund of excess Latvian tax in accordance with the applicable procedures.

Latvian taxpayers (e.g. Latvian companies and Latvian individual tax residents performing economic activity) have to withhold 3% withholding tax from capital gains derived by a non-resident individual from the alienation of Bonds. Where applicable, the 3% withholding tax is calculated on the gross consideration received from the alienation. Subject to the applicable Latvian declaration procedures, the non-resident individual may request a recalculation of Latvian personal income tax at the rate of 25.5% on a net basis, a refund of overpaid tax. However, an exemption may apply under an applicable tax treaty, provided that the non-resident individual has submitted a tax residence certificate and any other required documentation in accordance with Cabinet of Ministers Regulations No. 178. Tax is payable through self-assessment.

Each non-resident individual should seek professional advice and determine, in each individual case, whether any tax or reporting obligations apply under the domestic law of his or her country of residence.

9.2 Taxation of the Bondholders entities

9.2.1 Resident entities

An entity will be considered as a resident of Latvia for tax purposes if it is, or should have been, established and registered in the Republic of Latvia in accordance with the legislative acts of the Republic of Latvia. Permanent establishments of foreign entities in Latvia are treated as domestic legal entities for tax purposes.

Interest (coupon) income and a capital gain from the Bonds form a part of the beneficiary's overall income. The corporate income tax obligation is deferred until the legal entity makes a profit distribution (dividends, interim dividends) or is deemed to have made a profit distribution (e.g., deemed dividends, non- business expenditure, bad debts provisions/write-off, loans to the related persons, transfer pricing adjustments, liquidation quota). Corporate income the tax is assessed and paid based on the corporate income tax return filed for the relevant taxation period, which may be a month or year.

Profit distributions are taxed at the rate of 20% of the gross amount of the distributions. The tax base is the grossed-up amount of distributed profits, calculated by dividing the amount of distributed profits by 0.8, with corporate income tax then applied at the rate of 20%).

Resident entities whose shareholders consist exclusively of individuals may elect to apply an alternative tax regime under which:

- ·profit distributions at the level of legal entity are subject to corporate income tax at the rate of 15%. The taxable amount is a grossed-up amount of distributed profits, which is determined by dividing the amount of distributed profits by a coefficient of 0.85; and
- ·dividends received by an individual are subject to personal income tax at the rate of 6% on the amount of such dividends.

Where the alternative tax regime applies, personal income tax paid in Latvia may be available as credit against the individual's tax liability in the country of residence, subject to the laws of that country.

9.2.2 Non-resident entities

An entity will be considered as a non-resident of Latvia if the entity does not qualify as a resident entity under Latvian laws.

In accordance with the Corporate Income Tax Law of Latvia (in Latvian: *Uzņēmumu ienākuma nodokļa likums*), interest (coupon) income and income from the alienation of the Bonds for non-resident entities (without a permanent establishment in Latvia) will not be taxable in Latvia.

The interest income from the Bonds attributable to a non-resident entity's permanent establishment in Latvia is not subject to withholding tax in Latvia. However, corporate income tax is levied upon the distribution of the permanent establishment's profits or deemed profits to its head office.

Each non-resident entity should seek professional advice and determine, in each individual case, whether any tax or reporting obligations apply under the domestic law of his or her country of residence.

9.3 Payments to no-tax or low-tax jurisdictions

Any payments (including interest payments) to non-residents located, registered or incorporated in a no-tax or low-tax country or territory, as prescribed by Regulations of the Cabinet of Ministers No. 333 of 27 June 2023 *"List of Low-Tax or No-Tax Countries and Territories"* ("Low-Tax Non-Latvian Residents"), are subject to withholding tax of 20% if the payer is a Latvian legal entity, or 25.5% if the payer is a Latvian individual resident having obligation to withhold tax. The Latvian list of no-tax or low-tax countries and territories corresponds to the EU list of non-cooperative jurisdictions for tax purposes, as endorsed by the European Council conclusions of December 5, 2017 (Annex I), as updated from time to time.

10. BUSINESS AND FUTURE OUTLOOK OF THE ISSUER

10.1 Business of the Issuer

Overview

The Issuer is AS Hipocredit, a joint stock company (in Latvian: *akciju sabiedrība*) incorporated in the Republic of Latvia and a licensed non-bank lender operating in the Latvian market since 2014. The Issuer specialises in financing secured by real estate, providing mortgage-backed loans to both private individuals and legal entities, the majority of whom are residents of the Republic of Latvia. Its loans are in all cases secured by a pledge over real estate, predominantly residential apartments and houses.

The Issuer targets employed private individuals and small and medium-sized enterprises and pursues a simple, fast and transparent lending process, reviewing applications online and typically issuing an initial offer within a couple of hours. It seeks to contain credit risk through conservative loan-to-value limits, verification of borrowers' stable income and thorough due diligence. Over its twelve years of operations the Issuer has cumulatively issued more than EUR 30 million in loans while maintaining the quality of its portfolio.

Acquisition

In July 2026, SIA Hipocredit Group (the Existing Shareholder) acquired 100% of the shares in the Issuer from the Issuer's previous shareholder, UAB Hipotekiniai Kreditai (the Acquisition). The Existing Shareholder is ultimately owned by Aigars Kesenfelds.

The issue of the Bonds is undertaken in connection with the Acquisition and the integration of the Issuer into the Group headed by the Existing Shareholder. The net proceeds of the Bonds will be applied to refinance the Issuer's existing indebtedness — including the Bridge Group Debt provided by the Existing Shareholder and the debt provided by the previous shareholder — as described in Section 5 (*Purpose of the Offering and Use of Proceeds*) and in the "Financing structure of the Issuer" section below.

Products and loan terms

The Issuer provides loans secured by real estate to both private individuals and legal entities. Loans are typically used to purchase a residential apartment or house, to renovate a property, to finance business needs, to refinance other liabilities or to finance another significant purchase, and are in all cases secured by a pledge over real estate (predominantly residential apartments and houses).

Loan amounts range from EUR 2,000.00 to EUR 500,000.00, with a median loan of approximately EUR 18,000.00. Loan maturities range from 12 to 240 months, averaging 135 months. The weighted average interest rate of the Issuer's loan portfolio is 13.6% per annum. The Issuer's target customers are employed private individuals and small and medium-sized enterprises.

Loan application and underwriting

Loan applications are submitted either through the Issuer's online web profile, at its branch office or through intermediaries. The underwriting process comprises the following principal steps: (i) the borrower's application for a financing product; (ii) registration and identification of the borrower; (iii) assessment and scoring of the borrower's solvency, together with valuation of the pledged property; (iv) the credit decision; (v) signing of the pledge-registration agreement and the agreement on credit terms and conditions; and (vi) issuance of the financing product.

Customer identification is carried out in accordance with applicable Latvian regulation and may involve both manual and automated procedures. As part of the assessment, the Issuer performs preliminary fraud and blacklist checks, analyses the borrower's income and evaluates the borrower's existing indebtedness. The real estate offered as collateral is valued on the basis of an independent external valuation, which is typically validated using the comparison method in order to determine the value used for the loan-to-value calculation. The Issuer applies an internally developed scoring tool, calibrated to the local market and compliant with local regulatory requirements, which produces a score supporting an informed credit decision. The Issuer seeks to contain credit risk by lending at loan-to-value ratios of 50% on average and by verifying borrowers' stable income.

Loan issuance and disbursement

Following a positive credit decision, the loan documentation is signed within 14 days of the date on which the term sheet for the loan agreement is issued to the customer, either in person or electronically by means of an online video call with a notary where necessary. Once the borrower has signed the loan and collateral documents and the collateral registration documents have been received, the loan is disbursed to the borrower's bank account. Repayments are likewise made by the borrower through partner banks.

Debt recovery

The Issuer operates an in-house debt-collection process, working closely with lawyers, notaries, sworn bailiffs and the Land Registry. Before formal recovery is commenced, the Issuer seeks to agree voluntary repayment with the borrower: where a payment is 1–30 days overdue, the Issuer sends reminders by SMS and email and, if necessary, contacts the borrower by telephone; where a payment is more than 30 days overdue, the Issuer contacts the borrower to negotiate the terms and timing of repayment.

If the borrower fails to comply with an agreed repayment arrangement or does not respond, the Issuer issues a notice of termination of the loan agreement. Where a payment is more than 60 days overdue and the borrower does not engage, the Issuer is entitled to terminate the loan agreement. Following termination, the borrower receives a notice of termination and an invoice for the full outstanding balance, payable within 14 days. If the balance remains unpaid, the Issuer prepares documentation for legal recovery, a loan default notice is issued and, once a court ruling takes effect, the recovery documents are transferred to a sworn bailiff to initiate the sale of the pledged property by auction. The debt-recovery process typically takes between 4 and 24 months, with an average duration of approximately 10 months.

10.2 Key Strengths of the Issuer

The following constitute the key strengths of the Issuer:

- Established track record. The Issuer has operated in the Latvian market since 2014 and has cumulatively issued more than EUR 30 million in loans, increasing its issuance each year while maintaining the quality of its portfolio.
- Fully collateralised lending. All of the Issuer's loans are secured by a pledge over real estate, predominantly residential apartments and houses, providing tangible security for the portfolio.
- Prudent underwriting and credit risk management. The Issuer lends at conservative loan-to-value ratios of 50% on average, verifies borrowers' stable income, and applies an internally developed scoring tool together with independent collateral valuations and thorough due diligence to contain credit risk.
- Efficient, customer-focused process. The Issuer offers a simple, fast and transparent lending process, reviewing applications online and typically issuing an initial offer within a couple of hours.

10.3 Established debt-recovery capability.

The Issuer operates an in-house debt-collection process supported by close cooperation with lawyers, notaries, sworn bailiffs and the Land Registry.

10.4 Financing structure of the Issuer

Following the issue of the Bonds, the Issuer's financing will be built around four principal sources: the Bonds, the Issuer's credit line from the Bank, the funding raised through the Mintos platform, as well as the Subordinated Bonds. The Bank's credit line and the Mintos funding will remain in place after the issue of the Bonds.

As at July 21st, 2026, the Issuer finances its operations through a combination of the following sources:

- Loans from revious Shareholder of EUR 6,000,000.00 (six million euros) provided by UAB Hipotekiniai kreditai (the "Previous Shareholder");
- A credit line from the Bank with an outstanding amount of EUR 1,653,994.00, secured by the Bank's Collateral;
- Funding raised through the Mintos platform in the amount of EUR 6,031,971.23, secured by the Mintos Collateral No. 1 and the Mintos Collateral No. 2.

Not later than on the Issue Date, the outstanding amount under the Bank (Signet) facility will have be reduced from EUR 1,653,994.00 to EUR 1,000,000.00, funded by Bridge Group Debt provided to the Issuer by its Existing Shareholder. The net proceeds of the Bonds will then be applied to repay that Bridge Group Debt and to refinance EUR 5,244,000.00 of the Issuer's loans from Previous Shareholder (leaving EUR 756,000.00 outstanding). The remaining proceeds will be used for general corporate purposes, which may include a further reduction of the Bank facility under the Bank Loan Agreement and funding the Issuer's loan portfolio growth. The Mintos funding will remain in place.

Each source of secured financing is secured by a separate and distinct pool of the Issuer's loan receivables. The Collateral securing the Bonds does not include the loan portfolios pledged under the Bank's Collateral, the Mintos Collateral No. 1 or the Mintos Collateral No. 2, and conversely those portfolios do not secure the Bonds. Accordingly, these secured creditors are secured over different assets and do not compete for the same collateral. The Loans from Previous Shareholder are unsecured.

As at June 30th, 2026, the Issuer had a EUR 2,000,000.00 loan from the European Investment Fund which was refinanced at the start of July 2026 by issuing a new Loan from Previous Shareholder of EUR 2,100,000.00, with the additional EUR 100,000.00 used for general corporate purposes.

In parallel with the issue of the Bonds, the Issuer is issuing Subordinated Bonds in an aggregate amount of up to EUR 10,000,000. The Subordinated Bonds are unsecured and are being issued alongside the Bonds in order to support the Issuer's capital structure and its compliance with the Financial Covenants.

10.5 Loans from Previous Shareholder

The Issuer has loans provided by its Previous Shareholder UAB Hipotekiniai kreditai. As at the date of this Information Document the outstanding amount of the debt to UAB Hipotekiniai kreditai amounts to EUR 6,000,000.00 (six million euros).

EUR 3,900,000.00 (three million nine hundred thousand euros) of the loans from UAB Hipotekiniai kreditai bear interest at the rate of 9.5% (nine point five percent) per annum, while EUR 2,100,000.00 (two million one hundred thousand euros) bear interest at the rate of 10.0%.

Following the issuance of the Bonds, as part of the Acquisition, EUR 5,244,000.00 (five million two hundred forty four thousand euros) will be repaid from the proceeds of that issuance, while the remaining EUR 756,000.00 (seven hundred fifty six thousand euros) will be repaid from the Issuer's own funds following a contractual obligation by UAB Hipotekiniai kreditai being fulfilled.

10.6 Mintos funding

The Issuer raises funding through the Mintos platform, a marketplace operated by Mintos through which the Issuer obtains financing against portfolios of the Issuer's loan receivables. As at 21st July 2026, the outstanding amount of the Issuer's funding raised through the platform is EUR 6,031,971.23. The outstanding amount of such funding frequently changes as the Issuer recovers principal of loans financed through Mintos.

The Mintos funding is secured by commercial pledges over specific portfolios of the Issuer's loan receivables, namely the Mintos Collateral No. 1 and the Mintos Collateral No. 2. These portfolios are separate and distinct from the loan receivables that form the Collateral securing the Bonds; accordingly, the Mintos funding and the Bonds are secured over different assets and do not compete for the same collateral. The Issuer expects the Mintos funding to remain in place following completion of the Acquisition and the issue of the Bonds.

10.7 Bank Loan

As at the date of this Information Document, the Issuer has entered into a loan agreement with the Bank (the "Bank Loan Agreement") with the following key terms:

- Lender: Signet Bank AS
- Principal amount: EUR 2,100,000.00
- Outstanding amount: EUR 1,653,994.00
- Interest rate: 6M EURIBOR + 5% per annum
- Term of the loan: 5 years, with the possibility to extend the loan maturity by another 4 years subject to fulfilment of specific conditions

The Bank Loan Agreement is secured by first-ranking security over the Bank's Collateral.

The Bank Loan Agreement is expected to include covenants restricting the disposal, transfer or replacement of assets forming part of the Collateral, except in accordance with agreed conditions, including, inter alia, replacement of assets or application of proceeds.

Prior to the Issue Date, the outstanding amount under the Bank Loan Agreement will be reduced to EUR 1,000,000.00 (one million euros), funded by Bridge Group Debt provided to the Issuer by the Existing Shareholder. Following the issue of the Bonds, the Issuer expects to reduce the Bank facility further, using part of the net proceeds of the Bonds.

10.8 Bridge Group Debt

Prior to the Issue Date, the Issuer's Existing Shareholder will provide Bridge Group Debt of EUR 653,994.00 to the Issuer. The Bridge Group Debt will be applied to reduce the Bank (Signet) facility to EUR 1,000,000.00 and will be repaid from the net proceeds of the Bonds. The Bridge Group Debt is unsecured. As it is provided by the Existing Shareholder, it constitutes a related party transaction (see Section 12.4 (*Transactions with the Related Parties and the Group Companies*)).

10.9 Market overview and competition

The Issuer operates in the Latvian non-bank lending market, providing loans secured by real estate to private individuals and legal entities. Lending in Latvia has traditionally been dominated by banks: according to Latvijas Banka data, the total portfolio of bank housing loans amounted to approximately EUR 5.5 billion as at the end of 2025, and new bank mortgage lending in 2025 reached approximately EUR 1.25 billion, an increase of around 40% compared to 2024. Banks therefore account for the overwhelming majority of mortgage-secured lending in Latvia, while non-bank lenders such as the Issuer serve a complementary segment of the market, typically addressing borrowers or financing needs that fall outside standard bank lending criteria. The Issuer competes both with banks offering mortgage products and with other non-bank lenders, principally on the speed, simplicity and flexibility of its lending process and on its territorial coverage. The Issuer's two largest direct competitors in non-bank mortgage lending are West Kredit, with a loan portfolio of EUR 62.3 million, and Grand Credit, with a loan portfolio of EUR 31.9 million (in each case according to the respective company's annual report for 2025). Having operated in the market since 2014, the Issuer considers that it has established a stable position and aims to provide the widest territorial coverage among its competitors. Its borrowers are predominantly residents of Latvia and are typically middle-income employees, small-business owners and self-employed persons.

10.10 Issuer's share capital and equity securities

As at the date of this Information Document, the Issuer's share capital amounts to EUR 500,000.00 (five hundred thousand euros) and is divided into 500,000 (five hundred thousand) shares, each with a nominal value of EUR 1.00 (one euro).

All shares of the Issuer are of the same class and have been fully paid up. There are no unpaid share capital contributions.

Each share carries equal rights, including the right to participate in the distribution of profits (dividends), the right to receive a share of assets upon liquidation, and the right to vote at the General Meeting.

The Issuer has not issued any other classes or categories of equity securities.

For further information on the Shareholders of the Issuer, please see Section 12.3 (*Shareholders of the Issuer*).

10.11 Distribution of profits and other benefits

The Issuer or the Subsidiaries have not adopted any share-based incentive schemes, option programmes or similar employee participation arrangements. Any distribution of profits, including dividend payments, is decided by the General Meeting of the Issuer in accordance with Applicable Law and the Articles of Association of the Issuer. The Issuer's management and the Group's employees receive remuneration in the ordinary course of business.

10.12 Information on litigation, insolvency and regulatory proceedings involving the Issuer

As at the date of this Information Document, the Issuer is not aware of any governmental, legal, arbitration, insolvency or regulatory proceedings involving the Issuer, its Subsidiaries, or members of their management bodies which may have, or have had during the last 5 (five) years, a material adverse effect on the Issuer's financial condition or profitability, other than as disclosed in this Information Document.

10.13 Material changes in the financial position of the Issuer

Since the date of the most recent Financial Report, there has been no material adverse change in the financial position or performance of the Issuer. The Issuer is not aware of any factors, claims, obligations or events which could have a material adverse effect on the financial position or performance of the Issuer.

10.14 Material agreements

Except as disclosed in this Information Document, the Issuer is not aware of any material agreements outside the ordinary course of business which may materially affect the Issuer's ability to fulfil its obligations under the Bonds. For transactions with related parties, please see Section 12.4 (*Transactions with the Related Parties and the Group Companies*).

10.15 Significant recent trends and known future developments

As at the date of this Information Document, the Issuer is not aware of any other known trends or uncertainties that have had, or are reasonably expected to have, a material adverse effect on the Group's operations since the last published audited financial statements, other than as disclosed in this Information Document.

11. FINANCIAL INFORMATION AND AUDIT OF ANNUAL FINANCIAL STATEMENTS

11.1 Accounting standards applied and financial reporting frequency

The Issuer’s financial statements for the years 2023, 2024 and 2025 have been prepared in accordance with Latvian Accounting Principles, as set forth in Law on Annual Statements and Consolidated Annual Statements of the Republic of Latvia and have been audited by AS “RSM Latvia”, registration number: 40003858822 (licence No. 134), a member of the Latvian Association of Sworn Auditors (in Latvian: *Latvijas Zvērinātu revidentu asociācija*).

The Issuer prepares and publishes consolidated condensed unaudited quarterly reports, together with management commentary, in accordance with the Accounting Principles within two months following the end of each respective quarter. Proof of compliance with the Financial Covenants is included in each quarterly report.

The Issuer prepares and publishes audited consolidated annual reports in accordance with the Accounting Principles within 6 (six) months after the end of each financial year.

The Issuer publishes financial reports, non-financial reports, notices and any other information to Bondholders as required under this Information Document and Applicable Law on the Communication Channels.

The audited annual report of the Issuer for the financial year ended 31 December 2025, including the management report and the independent auditor’s report, is available on the Issuer's website at https://www.hipocredit.site and on the Nasdaq Riga website. Selected financial information of the Issuer is set out in Section 11.2 below.

11.2 Financial information for the previous year and reference to audited financial statements

The Issuer’s audited Financial Report for the financial year ended 31 December 2025, including the management report and the independent auditor’s report, is available on the Issuer’s website and via the Nasdaq Riga website.

The tables below present key selected financial information of the Issuer, derived from its audited Financial Reports as at the end of and for the financial years ended 31 December 2025 and 31 December 2024, and for the 6 month periods ended 30 June 2025 and 30 June 2026.

Audited statement of income data of the Issuer (in EUR, thousands)

	Audited 12M period ended 31 Dec 2024	**Audited 12M period ended 31 Dec 2025**	**Unaudited 6M period ended 30 Jun 2025**	**Unaudited 6M period ended 30 Jun 2026**
Interest revenue	2,407.0	2,280.6	1,000.0	1,114.4
Operating expense	(570.9)	(779.8)	(238.7)	(252.5)
Other income and expense	9.8	0.9	-	(9.2)
EBIT	**1,845.9**	**1,501.8**	**761.3**	**852.7**
Interest expense	(1,185.3)	(1,189.6)	(605.1)	(580.0)
Profit before tax	**660.6**	**312.3**	**156.3**	**272.7**
Tax	(113.8)	(109.4)	(54.7)	(20.3)
Net Profit	**546.8**	**202.9**	**101.6**	**252.4**

Audited statement of Financial Position of the Issuer (in EUR, thousands)

	Audited as at Dec 2024	Audited as at Dec 2025	Unaudited as at Jun 2025	Unaudited as at Jun 2026
Assets				
Intangible assets	-	4.1	-	3.6
Property and equipment	0.5	0.8	1.1	0.5
Total non-current assets	**0.5**	**4.9**	**1.1**	**4.1**
Property for sale	-	524.5	-	524.5
Loans and receivables	17,151.9	15,836.9	16,363.8	15,911.8
Other receivables	56.7	225.7	31.7	86.8
Cash and cash equivalents	624.9	620.2	221.4	158.3
Total current assets	**17,833.5**	**17,207.3**	**16,616.8**	**16,681.4**
TOTAL ASSETS	**17,834.0**	**17,212.1**	**16,618.0**	**16,685.5**
Shareholder's equity				
Share capital	500.0	500.0	500.0	500.0
Retained earnings	1,795.4	1,998.3	1897.0	2,250.7
Total equity	**2,295.4**	**2,498.3**	**2,397.0**	**2,750.7**
Liabilities				
Loans and borrowings	14,979.3	14,585.1	14,052.0	13,769.6
Other liabilities	559.2	128.7	169.0	165.2
Total liabilities	**15,538.5**	**14,713.8**	**14,221.0**	**13,934.8**
TOTAL EQUITY AND LIABILITIES	**17,834.0**	**17,212.1**	**16,618.0**	**16,685.5**

11.3 Important financial information regarding the Issuer, key financial indicators and alternative performance measures

The shareholder's equity of the Group as of 30 June 2026 is EUR 2,750,741.00 (two million seven hundred fifty thousand seven hundred forty-one euros), while the Adjusted Equity of the Group is EUR 8,650,741.00 (eight million six hundred fifty seven hundred forty-one euros).

The Issuer's Funding Structure as of 30 June 2026 (in EUR, thousands)

	Unaudited as at Jun 2026
Total equity	2,750.7
Loans from Previous Shareholder	3,900.0
Adjusted Equity	**6,450.7**
Bank Debt	1,654.0
EIF loan*	2,000.0
Mintos Debt	6,155.4

* The EIF loan has been refinanced at the start of July using loans from Previous Shareholder

Key financial ratios calculated based on the Issuer's data

The following key financial ratios have been calculated based on the Issuer's financial data. The Issuer believes that such key financial ratios are a useful way of understanding trends in the performance of the business of the Issuer over time.

	As at Jun 2026
Capitalization Ratio*	41.8%
Interest Coverage Ratio	1.4x
Portfolio Coverage Ratio*	n/a

* Capitalization Ratio calculation historically includes loans from Previous Shareholder

* Portfolio Coverage Ratio cannot be calculated before the Bonds are issued, as the Bonds form part of the calculation.

11.4 Working capital statement

In the opinion of the Issuer, subject to the successful completion of the Offering, the working capital available to the Issuer will be sufficient for the Issuer's present requirements, that is, for at least 12 months from the end of the Subscription Period of the Bonds. This assessment is based on the Issuer's current business plan and available financing sources.

12. MANAGEMENT AND SUPERVISORY BODIES OF THE ISSUER, ADVISORS AND AUDITORS

12.1 The Management Board of the Issuer

The Management Board of AS Hipocredit is responsible for the day-to-day management of the Group's operations. Further, according to the Latvian Commercial Law (In Latvian: *Komerclikums*), it is the obligation of the Management Board to draft the annual reports and submit the reports to the Supervisory Board for review and to the General Meeting for approval. The Management Board is accountable to the Supervisory Board and must adhere to its lawful instructions.

On the date of this Information Document the composition of the Management Board of the Issuer is as follows:

Name	Position	Starting from	Term until
Pēteris Burbergs	Member of the Management Board	31.07.2026.	Undefined period or until revoked
Robijs Lūkass Mālnieks	Member of the Management Board	29.07.2026.	Undefined period or until revoked

Pēteris Burbergs

Pēteris Burbergs has served as Member of the Management Board of the Issuer since 31st July 2026 (as at the issue of the Bonds, this may not yet be reflected in public records). He has more than ten years of experience in the Latvian non-bank lending sector, with a particular focus on real estate-backed and mortgage lending, having held senior roles at SIA "Biznesa Izaugsmes Fonds", AS "Grand Credit" and SIA "Sefinance Credit", including establishing a new lending business line and heading a real estate lending division. His expertise covers credit underwriting and risk assessment, the development of new lending products, financial analysis and management of the lending process. As Chief Executive Officer he will be responsible for the day-to-day operations, strategic development and risk management of the Issuer.

Robijs Lūkass Mālnieks

Robijs Lūkass Mālnieks has served as Member of the Management board since 16th July 2026. He has experience as a board member at Hipocredit Group, and is responsible for the Bond issuance and integration of the Issuer in Hipocredit Group.

12.2 The Supervisory Board of the Issuer

In accordance with the Commercial Law (In Latvian: *Komerclikums*), the Supervisory Board of the Issuer is responsible for the strategic planning of the business activities of the Issuer and supervising the activities of the Management Board. The Supervisory Board is accountable to the Shareholders of the Issuer (acting through the General Meeting). The Issuer is supervised by a supervisory board consisting of 3 (three) supervisory board members, which has the right to supervise the Management Board. As at the date of this Information Document, the Supervisory Board of the Issuer consists of:

Name	Position	Starting from	Term until
Laila Hartmane	Chairwoman of the Supervisory Board	29.07.2026.	Undefined period or until revoked
Mikus Janvars	Deputy chairman of the Supervisory Board	29.07.2026.	Undefined period or until revoked
Mārtiņš Baumanis	Member of the Supervisory Board	29.07.2026.	Undefined period or until revoked

Laila Hartmane

Laila Hartmane has served as Chairwoman of the Supervisory Board of the Issuer since 16.07.2026. She has experience serving on boards of other fintech companies and is Chief of Staff at Merito Partners.

Mikus Janvars

Mikus Janvars has served as Deputy Chairman of the Supervisory Board of the Issuer since 16.07.2026. He is a partner at Merito Partners and a member of the Supervisory Board of Mintos.

Mārtiņš Baumanis

Mārtiņš Baumanis has served as Member of the Supervisory Board of the Issuer since 16.07.2026. He is a partner at Merito Partners and has previously served as Chief Financial Officer and Chief Commercial Officer at 4finance.

12.3 Shareholders of the Issuer

The Issuer is owned by the Existing Shareholder, holding 100% of the shares. The ultimate beneficial owner of the Existing Shareholder is Aigars Kesenfelds, who does not hold shares in the Existing Shareholder directly but owns it indirectly. His ultimate beneficial interest in the Existing Shareholder is 77.7677%.

12.4 Transactions with the Related Parties and the Group companies

The Issuer enters into related party transactions in the ordinary course of business. In particular, on or about 31 July 2026 the Existing Shareholder, SIA Hipocredit Group, will provide Bridge Group Debt of EUR 653,994.00 to the Issuer, which will be applied to reduce the Bank (Signet) facility to EUR 1,000,000.00 and which will be repaid from the net proceeds of the Bonds. The Existing Shareholder may also from time to time provide further Bridge Group Debt to the Issuer.

The Issuer is not aware of any other material related party transactions outside the ordinary course of business which may materially affect the Issuer's ability to fulfil its obligations under the Bonds.

12.5 Decisions of the Issuer on the Bonds Issue

On 31 July 2026, the General Meeting of the Shareholders of the Issuer passed a resolution to issue the Bonds and authorised the Management Board to prepare, approve and sign this Information Document and other documents required for the offering, registration and admission to trading of the Bonds, and to take all other actions necessary in connection with the issuance of the Bonds.

On 31 July 2026, the Management Board of the Issuer approved the issuance of the Bonds and the signing of this Information Document and resolved to execute all documents and take all actions related to the offering, registration and admission to trading of the Bonds.

12.6 Persons responsible for Offering of the Bonds

The Issuer, represented by the member of its Management Board, accepts responsibility for the information contained in this Information Document. For further details, please see Section 6 (*Responsibility Statement*).

12.7 Auditor

The financial auditor of the Group for the year 2025 is AS "RSM Latvia", registration number: 40003858822, legal address: Rīga, Mihaila Tāla iela 1, LV-1045 (licence No. 134), a member of the Latvian Association of Sworn Auditors (in Latvian: *Latvijas Zvērinātu revidentu asociācija*).

12.8 Advisors involved in the issue of the Bonds

12.8.1 Arranger

The Issuer has concluded an agreement with the Arranger to organise the Issue, to communicate with Nasdaq CSD, market the 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 may receive remuneration for such services. The arranger may also invest in the Bonds.

12.8.2 Certified Adviser

The Issuer has engaged Signet Bank AS, registration No. 40003043232 as the Certified Adviser in connection with the admission of the Bonds to trading on Nasdaq First North.

12.8.3 Collateral Agent

The Issuer has engaged the Collateral Agent, which will hold the Collateral on behalf of the Bondholders. The Collateral Agent is authorized to act with the Collateral in favour of all the Bondholders in accordance with this Information Document, Collateral Agreement and the Collateral Agent Agreement. The Collateral Agent may provide other services to the Issuer in the future and receive remuneration for it.

12.8.4 Legal Adviser

Legal advice to the Issuer in respect of the Bonds issue has been provided by Sorainen ZAB SIA, a law firm registered with the Latvian Bar Association and registered with the Commercial Register of Latvia under registration No. 50203349641, with its registered address at Antonijas iela 21, Riga, LV- 1010, Latvia.

12.8.5 Disclaimer of Liability

The Arranger, the Certified Adviser, the Collateral Agent and the Legal Adviser expressly disclaim any liability in relation to the information contained in this Information Document or any part thereof and shall not accept any responsibility for the accuracy, completeness or relevance of such information.

No information contained in this Information Document or otherwise disseminated by the Issuer in connection with the Issue or the admission to trading shall be construed as a warranty or representation, whether express or implied, made by the Arranger, the Certified Adviser, the Collateral Agent or the Legal Adviser.

12.9 Conflicts of Interest

Certain Advisors involved in the Bonds issue may provide other services to the Issuer in the ordinary course of their business and receive remuneration for such services. In particular, the Arranger is also acting as the lender under the Bank Loan Agreement. Such advisors may also invest in the Bonds.

13. ADDITIONAL INFORMATION

13.1 Information on whether the Issuer applies a corporate governance code

The Issuer does not apply any corporate governance code.

13.2 Information on the Group's AML/CTPF and Sanctions compliance measures

The Group applies customer onboarding and compliance procedures aimed at ensuring compliance with applicable AML/CTPF and Sanctions requirements. Prior to establishing cooperation with a customer, the Group's administration personnel (customer service personnel) verify whether the customer or its shareholders are subject to Sanctions by using publicly available databases and information sources, including Firmas.lv and Lursoft.

13.3 External audit of the information included in this Information Document

The information contained in this Information Document has not been verified by auditors.

13.4 Statements or reports included in this Information Document

This Information Document does not contain any expert statements or reports.

13.5 Credit Ratings

Neither the Issuer nor the Bonds have been assigned a credit rating.

13.6 Amendments to the Information Document

If, after the publication of this Information Document but prior to the end of the Subscription Period or the commencement of trading on First North operated by the Nasdaq Riga, the Issuer becomes aware of any material new factor, mistake or inaccuracy relating to the information included in this Information Document which is capable of affecting the assessment of the Bonds, the Issuer shall prepare a supplement or amendments to this Information Document.

The Issuer shall also amend the summary of this Information Document as necessary to reflect such changes.

The Issuer shall amend or supplement this Information Document in accordance with Applicable Law.

Any amendments or supplements to this Information Document shall be published in the same manner as this Information Document and shall form an integral part thereof. Any such amendments or supplements will be published on the Communication Channels.

If, at any time after the Issue Date, the threshold below which an offer of securities to the public is exempt from the obligation to publish a prospectus under the applicable laws and regulations of the Republic of Latvia is increased to an amount of at least EUR 12,000,000 (twelve million euros), the Issuer shall be entitled, by way of an amendment to this Information Document, to increase the maximum aggregate Nominal Value of the Bonds that may be issued under this Information Document up to EUR 12,000,000 (twelve million euros), provided that the aggregate consideration of the offer to the public, calculated over any relevant 12-month period, does not exceed the then-applicable exemption threshold.

Any amendment made pursuant to the preceding paragraph shall become effective upon publication by the Issuer and shall not require the consent, approval or confirmation of any Bondholder, the Majority Bondholders, the Collateral Agent or any other person.

ANNEXES

Annex 1 – Outstanding creditors of the Issuer as at 21st July 2026 (Existing Loan Lenders, Existing Loans and Existing Loan Agreements)

Existing Loan Lender	Existing Loan Agreement	Outstanding amount (EUR)	To be repaid from Bond proceeds (EUR)	Outstanding amount after the repayment from Bond proceeds (EUR)
UAB Hipotekiniai kreditai	Line of credit agreement No 01012018	3,900,000	3,900,000	-
UAB Hipotekiniai kreditai	Credit agreement No 20260714	2,100,000	1,344,000	756,000
Signet Bank AS	loan agreement No. 4.1-11.7/2025/63KR of 1 October 2025	1,653,994	653,994*	1,000,000*
AS Mintos Marketplace, registration number 40103903643, and SIA Mintos Finance No. 7, registration number 40203387660	Cooperation agreement No. LVMM/06-07-2022-53 of 26 April 2022	5,310,046.82	-	5,310,046.82
SIA Mintos Finance, registration number 40203022549	Cooperation agreement on issuance of loans No. MF – HC 2016/1 SL of 9 November 2016	721,924.40	-	721,924.40

*Prior to the Issue Date, the outstanding amount under the Bank (Signet) facility will be reduced from EUR 1,653,994.00 to EUR 1,000,000.00, funded by Bridge Group Debt of EUR 653,994.00 provided to the Issuer by its Existing Shareholder. The net proceeds of the Bonds will then be applied to repay that Bridge Group Debt.