



UAB EASY DEBT SERVICE (Lithuania)  
Reg. No: 304406834

## Terms of Notes issue programme in amount of up to EUR 8,000,000

ISIN:	Determined in Tranche Terms
Type of security:	Maximum first-ranking mortgage
Nominal value of a single security:	EUR 1,000
Nominal value of tranche	Determined in Tranche Terms
Annual coupon rate:	Determined in Tranche Terms
Maturity:	Determined in Tranche Terms

*These Terms of the Programme do not constitute an offer to sell or a solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.*

*Decision of the Issuer to organize the Issue has been passed in compliance with the Legal Acts of the Republic of Lithuania. The Issue, including the relationship between the Issuer and Investors or any third parties, and their respective rights and duties attached to the Notes are governed by the Legal Acts of the Republic of Latvia.*

*MiFID II product governance - solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that (i) the target market for the Notes is eligible counterparties, professional clients, and retail clients, each as defined in Directive 2014/65/EU; and (ii) all channels for distribution of the Notes to eligible counterparties, professional clients and respective retail clients are appropriate. Any person subsequently offering, selling or recommending the Notes 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 Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels. Before deciding to purchase the Notes, the Investors should carefully review and consider risk factors described by the Issuer. 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. Moreover, if any of the risks materialize, the market value of the Notes and the likelihood that the Issuer will be in a position to fulfil its payment obligations under the Notes may decrease, in which case the investors could lose all or part of their investments.*

*Any previous discussions or presentations provided to prospective investors were for information purposes only and Notes are issued in accordance with these Terms of the Programme. A prospective investor should not make an investment decision relying solely upon information provided in the prospective investor presentation or otherwise.*

29 October 2024

# Table of Contents

<b>Table of Contents .....</b>	<b>2</b>
<b>Terms and abbreviations used .....</b>	<b>3</b>
<b>1. Party responsible for the Terms of the Programme .....</b>	<b>6</b>
<b>2. Information on Notes.....</b>	<b>7</b>
<b>3. Special Conditions .....</b>	<b>14</b>
<b>4. Taxes .....</b>	<b>19</b>
<b>5. Terms of the Offering.....</b>	<b>19</b>
<b>6. Additional Information.....</b>	<b>21</b>

## Terms and abbreviations used

Accounting Principles	:	The international financial reporting standards (“IFRS”) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).
AML	:	Anti-money laundering and counter terrorism and proliferation financing.
Business Day	:	The day when the Nasdaq CSD system is open and operational.
Cash and Cash Equivalents	:	Cash and cash equivalents in accordance with the Accounting Principles.
Change of Control	:	Change of ownership of more than 50% of the shares of the Issuer (held directly or indirectly) in the time period starting from the Issue Date of the Notes until the full redemption thereof. Transfer of shares between the current shareholders does not constitute Change of Control.
Collateral	:	Collateral described in Section 2.2.15 “Collateral of the Notes” of the Terms of the Programme which serves as security for fulfilment of the obligations of the Issuer towards Investors according to the Terms of the Programme.
Collateral Agent	:	Grant Thornton Baltic UAB, a company duly established and operating under the laws of the Republic of Lithuania, with the registration code 300056169 as well as any other entity jointly nominated as such by the aforementioned company and the Issuer.
Collateral Agent Agreement	:	The service agreement between the Issuer, the Collateral Agent and respective other parties for the provision of the services of the Collateral Agent as set forth in the Terms of the Programme and the Collateral Agreements.
Collateral Agreement	:	Any pledge agreement establishing a pledge over the loan receivables in accordance with Section 2.2.15 “Collateral of the Notes” as well as an agreement (if any is entered into) for the establishment of any other collateral described in the second paragraph of Section 2.2.15 “Collateral of the Notes”.
Coupon	:	Interest on Notes calculated in accordance with the Section 2.2.6 “Coupon payments”.
Custodian	:	A credit institution or an investment firm that has obtained a respective licence from a national competent authority of an EU member state and is entitled to do business and to keep securities in accordance with the laws of the country where the service is provided.
EBITDA	:	<p>Consolidated net profit from ordinary activities for the Relevant Period covered by the most recent Financial Report:</p> <ul style="list-style-type: none"> <li>a) before deducting any amount of tax on profits, gains or income paid or payable by any Group company</li> <li>b) before payments of interest expenses;</li> <li>c) not including any accrued interest owing to any Group company;</li> <li>d) before amortisation, depreciation or depletion of assets</li> </ul> <p>The measurement period of EBITDA is a period of trailing twelve months, calculated from the most recent Financial Reports of four consecutive calendar quarters.</p>

LB	:	Latvijas Banka.
Equity	:	The aggregate book value of the Issuer's total equity on consolidated basis, according to the latest annual Financial Report.
Equity Cure	:	Has the meaning set forth in condition under Section 3.2.3 "Covenant cure".
EUR	:	Euro (single currency of the member states of the European Monetary System).
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 distress of either party, determined in good faith by the management board of the Issuer.
Finance Charges	:	For the Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other payments in respect of Financial Indebtedness whether paid, payable or capitalized by any Group entity according to the latest Financial Report (calculated on a consolidated basis) without taking into account any (a) costs related to Notes issue, (b) unrealized gains or losses on any derivative instruments other than any derivative instruments which are accounted for on a hedge accounting basis, (c) losses arising on foreign currency revaluations of intercompany balances.
Financial Indebtedness	:	Any indebtedness for the Issuer or a Group company, including: <ul style="list-style-type: none"> <li>a) money borrowed and debt balances at banks or other financial institutions;</li> <li>b) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Notes;</li> <li>c) the amount of any liability in respect of any finance lease;</li> <li>d) any other interest-bearing financial indebtedness;</li> <li>e) any amount under any transaction having the commercial effect of a borrowing, other form of financing or provision of liquidity, including, without limitation, forward sale, purchase, claim right assignment agreements with peer-peer marketplace lending platforms or investment firms (or special purpose vehicles associated with such platforms) and the buyback obligations arising therefrom;</li> <li>f) any counter-indemnity obligation issued by a bank or a financial institution.</li> </ul>
Financial Report	:	The annual audited consolidated financial statements of the Issuer prepared in accordance with the Accounting Principles.
First Settlement Date	:	The date when interest on the Notes issued in one tranche starts to accrue as indicated in the Tranche Terms.
Group	:	Group of the legal entities comprising of the Issuer and its direct or indirect subsidiaries.
Interest Coverage Ratio (ICR)	:	The ratio of EBITDA to Finance Charges.
Investor	:	A Note holder registered in the Nasdaq CSD or, where relevant, a person that has, according to the terms and conditions set out in these Terms of the Programme, expressed interest or is planning to purchase one or more Notes for its own account.

Issue Date	:	the First Settlement Date
Issue Registration Date	:	The date when Notes issued in relevant tranche will be credited to the Issuer's account by Nasdaq CSD, as indicated in the Tranche Terms.
Issuer	:	UAB EASY DEBT SERVICE, registry code: 304406834.
Issuer's Agent	:	A person authorized to represent the Issuer and to perform certain tasks.
Legal Acts	:	All laws, legal acts and other binding regulations, including LB, Nasdaq Riga and Nasdaq CSD regulations, which are in force in and applicable in Latvia at the relevant time.
Majority Investors	:	Investors other than the Issuer, its Related Parties and their employees, who hold more than 50% of outstanding Notes issued in all executed tranches other than Notes held by the Issuer, its Related Parties and their employees.
Maturity Date	:	Date when the Notes shall be redeemed in full by the Issuer in accordance with Section 2.2.7.
Minimum Settlement Unit	:	The minimum amount which can be held/traded by an Investor, which is equal to EUR 1,000.
Nasdaq CSD	:	Nasdaq CSD SE (registration number: 40003242879, legal address Valņu iela 1, LV-1050, Riga, Latvia).
Nasdaq Riga	:	Akciju sabiedrība "Nasdaq Riga" (registry code 40003167049, legal address: Valņu iela 1, LV-1050, Riga, Latvia).
Nominal	:	Nominal value of a single Note, which is EUR 1,000 (one thousand euro and 00 cents).
Note	:	Debt security that is issued by the Issuer according to its Tranche Terms and in line with the Terms of the Programme.
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 and its Subsidiaries are engaged on the Issue Date, and reasonable extensions, developments or expansions of such businesses, services or activities.
Pledge Coverage Ratio	:	Defined in the second paragraph of Section 2.2.15 "Collateral of the Notes".
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.
Register	:	The Latvian Register of Securities which is maintained and operated by Nasdaq CSD.
Related Parties	:	The direct and indirect shareholders, members of the management board and supervisory board (if relevant) of the Issuer and Subsidiaries and legal entities of which any of the foregoing persons or entities (either alone or in any combination) are direct or indirect majority shareholders or which are under their control.
Relevant Period	:	Each period of twelve (12) consecutive calendar months.
Sanctions	:	Restrictive measures, namely, international sanctions, restrictions or prohibitions imposed pursuant to international public law, including restrictive measures adopted by the United

		Nations Security Council (UN), the European Union (EU), Office for Foreign Assets Control (OFAC) and by the Republic of Latvia.
Settlement Unit Multiple	:	Multiple that defines that the settlement quantity or Nominal must be a multiple of the Minimum Settlement Unit.
Subsidiaries	:	Both direct and indirect subsidiaries of the Issuer defined in accordance with the IFRS.
Taxes	:	Any present or future taxes, duties, assessments or governmental charges of whatever nature.
Terms of the Programme	:	This document, which entitles the Issuer to execute the Notes programme and issue separate tranches as per Terms of the Programme.
Tranche Terms		Certain terms of each tranche which are determined by the Issuer before each relevant tranche by executing the form provided in Annex 4. The Tranche Terms shall be considered an integral part of the Terms of the Programme and shall apply to the Notes issued in the relevant tranche.
Total Assets		The sum of the book values of all assets owned by The Issuer and its Subsidiaries, published in the consolidated financial report.

## 1. Party responsible for the Terms of the Programme

### 1.1. Party responsible for the Terms of the Programme

UAB EASY DEBT SERVICE

Registration number: 304406834 Legal address: Antano Tumėno str. 4-1101, Vilnius, Lithuania

### 1.2. Representations and Warranties of the Issuer on the Issue Date

The Issuer shall, in accordance with these Terms of the Programme, issue Notes and perform the obligations arising from the Notes to the Investors.

The Issuer shall be liable to the Investors for due and complete fulfilment of its obligations deriving from the Notes.

The Issuer gives the following warranties to the Investors:

- (a) Issuer is a duly registered private limited liability company operating in compliance with the laws of Lithuania;
- (b) All the Issuer's obligations assumed under these Terms of the Programme, the Collateral Agent Agreement, the Collateral Agreements or the Notes are valid and legally binding to the Issuer and performance of these obligations is not contrary to the Issuer's Articles of Association, laws (including Legal Acts) or any agreement concluded by the Issuer;
- (c) The Issuer has all the rights and sufficient authorizations to issue the Notes and fulfil obligations arising from these Terms of the Programme and the Notes;
- (d) The Issuer has performed all the formalities required for issuing the Notes and fulfilling the obligations arising herefrom;
- (e) All information that is provided by the Issuer to the Investors is true, accurate, complete and correct as at the date of presenting the respective information and is not misleading in any respect;
- (f) The Issuer is solvent, able to pay its debts as they fall due, there are no liquidation or insolvency proceedings pending or initiated against the Issuer;

- (g) There are no legal or arbitration proceedings pending or initiated against the Issuer which may have, or have had significant effects on the Issuer's financial position or profitability;
- (h) There are no criminal or misdemeanour proceedings pending or initiated against the Issuer.

### **1.3. Assurance of the information provided in the Terms of the Programme**

The Issuer is responsible for the information contained in Terms of the Programme.

Hereby the Issuer certifies that, by paying sufficient attention to this purpose, the information included in the Terms of the Programme is true, in accordance with the facts, and no information which may affect its meaning is concealed therein.

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Rasa Butkuvienė  
Director

## **2. Information on Notes**

### **2.1. The use of the proceeds**

The total size of Notes programme is up to EUR 8,000,000 (eight million euro).

Funds that are raised as a result of the Notes issue will be used for the purposes provided in Tranche Terms.

### **2.2. Information on the offered Notes**

#### **2.2.1. General Information**

The Notes represent direct and legally binding debt obligations of the Issuer towards the Investors, constituted by the Terms of the Programme. The Notes are not convertible into the shares of the Issuer. The Investors shall not have the right to a share of the profit of the Issuer or to receive any equity right in the Issuer.

Any person or entity that holds the Notes in their securities account has the right to receive Coupon and the Nominal payments. The Notes shall be issued with nominal value of EUR 1,000 (one thousand euro) for one Note. The Notes shall be issued in tranches. The Issuer shall have the right to determine how many tranches will be carried out. The maximum total nominal value of Notes issued in all tranches is up to EUR 8,000,000 (eight million euros). The maximum number of Notes is 8,000. The Issuer is entitled, at its sole discretion, to issue fewer Notes than the maximum amount prescribed herein.

The actual number of Notes to be issued in one tranche shall be determined by the Issuer after the relevant tranche subscription date. The Issuer is entitled (but not obligated), at its sole discretion, to decide not to carry out the Issue if the total nominal value of the Notes which have been subscribed for in one tranche is smaller than the size of the tranche by the date of such decision.

Notes issue ISIN to be allocated by Nasdaq CSD is provided in the Tranche Terms in respect of each tranche separately.

The rights and obligations arising from a Note shall be created upon the issue of a Note to the Investor. A Note shall be deemed issued as of making an entry regarding the Note (i) on the securities account of the Investor in the Register or (ii) on a nominee account in the Register (where the Notes are held on behalf of the Investor).

The ownership of a Note shall be certified by an entry in the Register. The Issuer shall consider the Investor who is registered in the Register as the holder of the Note as its rightful owner, unless the Note is held on a nominee account. If the Note is held on a nominee account, the owner of the Note is determined in accordance with applicable laws and regulations (including Legal Acts). In any case, the holder of a nominee account is entitled to exercise the Investor's rights arising from the Terms of the Programme (inter alia, to receive Coupon and

Nominal payment as well as vote on Investors' resolutions) and is liable for performance of the obligations arising from the Terms of the Programme. The Issuer shall have the right (but not the obligation) to acquire and receive information about the owners of the Notes from any third party, who holds the Notes on behalf of the Investor (inter alia, a nominee). The Issuer shall have the right (but not the obligation) to require any documents (inter alia, powers of attorney) to identify and confirm the rightful owner of the Note.

The rights and obligations arising from the Notes shall be terminated upon full redemption in accordance with the Terms of the Programme.

Each Investor is bound by the Terms of the Programme without there being any further actions required to be taken or formalities to be complied with.

#### 2.2.2. Legal Acts that regulate the Notes issue

The Notes issue is a private placement arranged in compliance with article 1(4)(d) of the Prospectus Regulation. Minimum subscription size (total consideration) for the Notes per each Investor is EUR 125,000 (one hundred twenty five thousand euro) with minimum step of EUR 1,000 (one thousand euro). The Issuer will not accept subscription offers for less than the total consideration of EUR 125,000 (one hundred twenty five thousand euro).

The Issuer has not and shall not undertake any obligation to register the initial placement of the Notes for public offer with any competent authority in any jurisdiction. The Notes shall be exclusively offered for subscription in accordance with article 1(4)(d) of the Prospectus Regulation and only within the European Economic Area. The Issuer does not undertake any obligation to create or ensure liquidity for the Notes.

Each Investor acknowledges that the transfer of the Notes by the Investor might under certain conditions qualify as a public offer of securities or require an authorisation for relevant authorities, in which case the offer has to be registered with the competent authority in the jurisdiction where the Notes are (publicly) offered. Each Investor undertakes not to offer or transfer the Notes if this would constitute a public offer of securities or require an authorisation of any kind under applicable law, unless the offer or transfer of the Notes has been registered with the competent authorities, respective authorisation has been obtained or is subject to an exemption from the registration and any other authorisation. Therefore, prior to any offer or transfer of the Notes, each Investor undertakes to consult with qualified legal advisers in order to prevent any secondary offer or transfer of the Notes to qualify as a public offer of the securities or require any other authorisation, unless such authorisation has been obtained. Ensuring that any offer of the Notes does not fall under the definition of public offer under applicable law is the obligation and liability of the Investor.

All disputes between Investors and the Issuer shall be settled in courts of the Republic of Latvia in accordance with the Legal Acts in force. Terms of the Programme are drafted and signed in English and any translations of the Terms of the Programme into another language are unofficial and made exceptionally for the Investors' convenience. In case of any disputes' settlement, interpretation of the norms of the Terms of the Programme in English holds the priority against an interpretation in any other language.

#### 2.2.3. Form and accounting of the Notes

The Notes are issued in dematerialized form and will not be numbered. The Notes shall be registered in the Register in accordance with the Legal Acts. No certificate or other evidence of title will be issued to the Investors. Investors may hold Notes through Nasdaq CSD participants participating in the Latvian security-settlement system.

#### 2.2.4. Currency of the Notes

Currency of the Notes is EUR (euro).

#### 2.2.5. Rights and restrictions connected with the Notes issue

Any Investor has the right to receive Coupon and Nominal payments in accordance with the Section 2.2.6 "Coupon payments" and Section 2.2.7 "Procedure of Notes redemption", as well as exercise other rights fixed in the Terms of the Programme and Legal Acts.

The Issuer has the right to purchase Notes on the secondary market directly from Investors. The Notes that are purchased by the Issuer are held in Issuer's financial instruments' custody account and the Issuer has the rights to sell purchased Notes to Investors. The Issuer cannot cancel the purchased Notes held in the Issuer's financial instruments' custody account, therefore decreasing the size of Notes issued .



Notes owned by the Issuer, Subsidiaries and / or its Related Parties are not eligible to participate in the voting in accordance with Section 3.8 “Investors’ resolution”.

#### 2.2.6. Coupon payments

The Coupon rate for the Notes issued in one tranche is a certain percentage of the Nominal per annum (the “Percentage”) and is fixed until the redemption of the Notes. The Percentage is determined by the Issuer at its discretion in respect of each tranche separately before each respective tranche. The Percentage shall be provided in the Tranche Terms.

Coupon payments are made quarterly every 25 January, 25 April, 25 July, 25 October (as well as on the redemption day of the relevant Note if that day does not fall on a Coupon payment date and to the extent the Coupon has accrued by said redemption day from the immediately preceding Coupon payment date). Coupon shall accrue from previous Coupon payment date (included) until the next Coupon payment date (excluded).

The Coupon record date is the 3rd (third) Business Day prior to the Coupon payment day. At the end of the Coupon record date (at 11:59 pm Riga time) Investors list, who will be eligible for the Coupon payments, will be fixed.

Coupon payment shall be made to the Investors, as per Investors list, on each Coupon payment date for the preceding Coupon period.

The Issuer pays the Coupon through the intermediary of Nasdaq CSD and in accordance with applicable Nasdaq CSD regulations, which regulate the procedure for paying income from debt securities.

If the Coupon payment date is not a Business Day, the Issuer will make the relevant Coupon payment on the first Business Day after the Coupon payment date.

Coupon payments are determined according to the following formula:

$$CPN = F * C / 4 \text{ or } CPN\% = C/4, \text{ where}$$

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

F – Nominal value of one Note;

C – annual Coupon rate (%);

CPN% - the amount of Coupon payment % per Note.

The authority performing the calculation is not required to calculate the Coupon payment, since the annual rate of the Coupon for the Relevant Period is fixed in advance. The Issuer may delegate the execution of Coupon payments to Nasdaq CSD.

#### 2.2.7. Procedure of the Notes redemption

The Nominal of one Note is EUR 1,000 (one thousand euro) and the Issuer will repay the Nominal amount as a lump sum on the Maturity Date. The Maturity Date applicable to the Notes issued in relevant tranche shall be provided in the Tranche Issue.

The Issuer will repay the Nominal amount in accordance with Nasdaq CSD intermediary and applicable Nasdaq CSD regulations. The Nominal amount will be paid on the Maturity Date. Investors eligible to receive the Nominal will be fixed at the end of the Nominal record date (at 11:59 pm Riga time), which is the previous Business Day before the Maturity Date.

If the scheduled Maturity Date is not a Business Day, the Maturity Date will be deemed to occur on the first Business Day after the scheduled Maturity Date.

If the Issuer has failed to make Nominal amount payment in accordance with the deadlines specified in the Terms of the Programme, the Investors shall have the right to submit claims regarding the repayment of the Nominal amount not earlier than after 5 (five) Business Days following the payment day of the Nominal amount.

Once the Notes have been duly redeemed by fully repaying the Nominal amount and paying of all other amounts, which the Issuer must pay to the Investors pursuant to the Terms of the Programme, including the Coupon, any default interest or penalty, the Notes will be deleted from the Register based solely on the application submitted by the Issuer to the Register. Without prejudice to the foregoing, if any confirmation or action by the Investors is nevertheless required by the Register, the Investors undertake to immediately, but not later than within 3 (three) Business Days as of redemption of the Notes, facilitate such deletion (inter alia, to ensure that the owner

of the nominee account shall facilitate such deletion). Each Investor hereby irrevocably authorises the Issuer to sign and submit any documents on behalf of and in the name of the Investor to the Register to facilitate such deletion.

#### 2.2.8. Early redemption (call option)

The Issuer can carry out full early redemption (call option), on every Coupon payment date starting from 25 October 2025 by paying 101% (one hundred and one per cent) of the Nominal amount plus accrued interest on the redemption date. If the Issuer carries out full early redemption (call option) in period after 25 October 2026, the Issuer pays only the Nominal amount plus accrued interest on the redemption date. If the payment date under the call option is a holiday or a festive day, the Issuer will make the relevant Coupon payment and Nominal amount payment on the first Business Day after the holiday or festive day. If the payment date under the call option is a holiday or a festive day, the Issuer will compensate the accrued interest for days between payment date which is a holiday or a festive day (including) and actual payment date (excluding).

The Issuer may carry out full early redemption (call option) of the Notes issued in any one tranche by paying a certain percentage of the Nominal amount as provided in the Tranche Terms. The Issuer may exercise a call option only in respect of all the outstanding Notes issued in the relevant tranche. The Issuer may determine at its discretion in respect of which tranche(s) the call option will be exercised.

If the Issuer takes decision on the early redemption of Notes, the Issuer shall notify Investors holding the Notes issued in relevant tranche at least 30 (thirty) Business Days prior to the redemption date of Notes, with intermediation of Nasdaq CSD was sent to Nasdaq CSD participants, who hold the Notes in nominee accounts or are Investors, and the announcement of the decision has been published via Issuer's website.

If the Issuer takes a decision on the early redemption of Notes, the Issuer will pay redemption payment in accordance with Nasdaq CSD intermediary and applicable Nasdaq CSD regulations. Investors eligible to receive the redemption payment will be fixed at the end of the record date (at 11:59 pm Riga time), which will be the previous Business Day before the redemption date.

#### 2.2.9. Early redemption at the option of Investors (put option)

In case of a Change of Control or in case the Issuer breaches its obligation to carry out a vote among the Investors if so required in accordance with Section 3.8, each Investor will have the option (a "Change of Control Put Option"), within three months of the Issuer's notice regarding the Change of Control or of the Issuer's breach of Section 3.8, to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) all or part of its holding of Notes on the Put Date (as defined below) at a price equal to certain percentage of Nominal amount together with Coupon accrued to (but excluding) the Put Date. The certain percentage referred to above is to be provided in the Tranche Terms. The put date ("Put Date") shall be the 10<sup>th</sup> Business Day after the Investor has notified the Issuer of exercising the Put Option under this Section.

#### 2.2.10. Accrued interest calculation

The first Coupon with respect to the Notes issued in one tranche starts to accrue on the First Settlement Date of the Notes issue. The accrued Coupon is calculated presuming that there are 360 days in one year (day count convention - "European 30/360"). Accrued interest between Coupon payment dates shall be calculated as follows:

$$AI = F * C / 360 * D, \text{ where}$$

AI – accrued interest of one Note;

F – Nominal value of one Note;

C – annual Coupon rate (%);

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

#### 2.2.11. Representation of the Investors

Within the framework of the issue, it is not planned, yet not prohibited to create an organisation of authorised persons which would represent Investors. In case of the insolvency of the Issuer, every Investor has the right to represent his own interests in creditors' meetings. The Investors will have equal rights for satisfaction of their claims with other creditors in the same claims' group.

2.2.12. Decisions of the Issuer on the Notes issue

The management board of the Issuer shall approve the number of the Notes to be issued under the Terms of the Programme in accordance with Section 2.2.1.

2.2.13. The Issue Registration Date and the First Settlement Date of the Notes issue

The Coupon starts to accrue and Notes are sold to Investors on the First Settlement Date (Issue Date).

2.2.14. Restrictions on free circulation of the Notes

The Notes are freely transferable securities and can be pledged. However, the Notes cannot be offered, sold, resold, transferred or delivered in such countries or jurisdictions or otherwise in such circumstances in which it would be unlawful or require measures other than those required under the laws of the Republic of Latvia. For the sake of clarity, unless the prospectus regarding the Notes has been registered with the competent authority in the respective jurisdiction or any other relevant authorisation has been received for the public offer of the Notes, any Investor in any jurisdiction wishing to transfer the Notes must ensure that any offer related to such transfer of the Notes shall not qualify as a public offer of securities under applicable law or require any other authorisation.

Nasdaq CSD may temporarily block the Notes on the securities account to ensure performance of corporate actions regarding the Notes.

2.2.15. Collateral of the Notes

To secure the fulfilment of the obligation to redeem the Notes (as well as to pay the Coupon and make other payments), the Issuer will pledge the following assets by maximum first-ranking mortgage and by maximum first-ranking pledge for the common benefit of all of the holders of this issue of the Notes and the holders of any other previous and subsequent note issues (no later than on the day of signing of this Agreement): a) *maximum first-ranking pledge*: funds in all existing and future bank accounts held by the Issuer; b) *maximum first-ranking mortgage*: the company as immovable property (company mortgage), including without limitation the whole existing and future long-term and short-term assets, movable and immovable assets, property rights, funds and other assets.

The Issuer may grant any additional collateral or ensure that any additional collateral is otherwise granted to the holders of Notes, provided that said additional collateral is established in favour of the Collateral Agent on terms reasonably satisfactory to the latter and for the benefit of all holders of the Notes (and not some of them only).

Detailed terms and conditions relating to the Collateral are set forth in the Collateral Agreements and in case of any conflicts in relation thereto between the Terms of the Programme and the Collateral Agreements, the terms and conditions of the Collateral Agreements shall prevail.

If the Issuer fails to make the Coupon and / or Nominal payment in a timely manner, the Collateral Agent, acting on behalf of the Investors, will enforce the Collateral in accordance with the Terms of the Programme, the Collateral Agent Agreement and the Collateral Agreements.

The Investors shall not have any independent right to enforce the Collateral or to exercise any rights arising from the Collateral Agreements. The Investors can exercise their rights in relation to the Collateral only through the Collateral Agent pursuant to the Terms of the Programme and the Annexes thereof, the Collateral Agreements and Collateral Agent Agreement.

2.2.16. Parallel debt

Notwithstanding any other section of the Terms of the Programme, the Issuer irrevocably and unconditionally undertakes to pay to the Collateral Agent, as creditor in its own right and not as representative of the Investors, sums equal to and in the currency of each amount payable by the Issuer to each of the Investors (whether present or future and whether actual or contingent) under the other provisions of the Terms of the Programme as and when the amount falls due for payment under those provisions of the Terms of the Programme or would have fallen due but for any discharge resulting from failure of any Investor to take appropriate steps in insolvency proceedings affecting the Issuer, to preserve its entitlement to be paid that amount. For the avoidance of doubt, interest, fees and any other charges accruing on any obligations fulfilment of which is secured by the Collateral shall be included in the Parallel Debt (without double-counting).

The Parallel Debt constitutes undertakings, obligations and liabilities of the Issuer to the Collateral Agent separate and independent from the obligations (whether present or future and whether actual or contingent) of the Issuer to the Investors or any of them. The Parallel Debt represents the Collateral Agent's own separate and independent claim to receive payment of the Parallel Debt from the Issuer.

For the avoidance of doubt, the aggregate amount due by the Issuer under the Parallel Debt will be immediately and automatically decreased to the extent the Issuer has paid any amounts to the Investors under the other provisions of the Terms of the Programme, except to the extent such payment shall have been subsequently avoided or reduced by virtue of provisions or enactments relating to bankruptcy, insolvency, preference, liquidation or similar laws of general application.

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 Investors under the other provisions of the Terms of the Programme will be immediately and automatically decreased accordingly, except to the extent such payment shall have been subsequently avoided or reduced by virtue of provisions or enactments relating to bankruptcy, insolvency, preference, liquidation or similar laws of general application.

To the extent the Collateral Agent receives any amount in payment of the Parallel Debt, the Collateral Agent shall distribute such amount among the Investors in accordance with Section 2.2.18 hereof.

#### 2.2.17. Establishment and enforcement of the Collateral

For the purpose of constituting security for the due and punctual payment, discharge and performance of the Issuer's payment obligations owed to the Investors and the Collateral Agent under these Terms of the Programme and the Collateral Agent Agreement, the Collateral shall be established in favour of the Collateral Agent under the Collateral Agreements which, in legal terms, serve as a security for the Issuer's payment obligations under these Terms of the Programme towards the Collateral Agent.

Upon its conclusion, the Collateral Agreement must be in the form set out in Annex 1 to the Terms of the Programme. Upon its conclusion, any other Collateral Agreement must be in a form reasonably satisfactory to the Issuer and the Collateral Agent.

The Collateral in respect of any Note shall be first established, according to the terms and conditions of the relevant Collateral Agreement(s) concluded between the Issuer as the pledgor and the Collateral Agent as the pledgee, on its Issue Date at the latest.

The Collateral Agent shall take all actions that the Collateral Agent as the holder of the Collateral may reasonably take for the purpose of enforcing the Collateral according to the procedure provided for in the Collateral Agreements.

The Collateral Agent may assume that no violation of the Issuer's payment obligations under these Terms of the Programme has occurred, unless the Collateral Agent has received such notice from the Issuer or the Majority Investors notify the Collateral Agent that the Issuer is in delay of its payment obligation related to the redemption of the Notes in accordance with Section 2.2.7 or Section 3.3.2 by at least 5 (five) Business Days. The Collateral Agent may rely on the respective Majority Investors' notice regarding delay in the Issuer's redemption payment by at least 5 (five) Business Days and may immediately initiate enforcement of the Collateral in accordance with the Terms of the Programme, the Collateral Agreements, the Collateral Agent Agreement and the Legal Acts.

In accordance with the Collateral Agent Agreement, the Issuer shall be responsible for remunerating any and all fees and expenses of the Collateral Agent which have incurred in accordance with the Collateral Agent Agreement. Without prejudice to previous sentence, it is acknowledged that the Investors may at their discretion, but are not obliged to, always pay any due and payable amount hereunder instead of the Issuer in which case the relevant payment obligation shall be deemed to be duly performed in relation to the Agent. In case the Investors shall perform any such obligation instead of the Issuer, they will have an immediate and direct claim of recourse against the Issuer.

Subject to any limitations provided in the Terms of the Programme or in the Collateral Agent Agreement, the Collateral Agent may, at its discretion, use third party service providers for fulfilling of its obligations. The Issuer hereby also irrevocably authorises the Collateral Agent to make any inquiries to Nasdaq CSD regarding the Notes and the Investors, including, without limitation, to obtain the list of Investors, their contact and account information, etc.

Subject to the terms and conditions of the Terms of the Programme, the Collateral Agent Agreement and the Collateral Agreements, including compliance with all obligations specified therein, the Collateral Agent shall act as it reasonably believes to be in the best interest of the Investors. The Collateral Agent shall not be liable for acting (or refraining from acting) as described in this Section. The Collateral Agent shall not be liable for the outcome of the enforcement of the Collateral, except for a breach of its obligations by gross negligence or intentionally.

The Collateral Agent shall have the right to unilaterally suspend the performance of its obligations and terminate the Collateral Agent Agreement only if and when such rights have been specified in the Collateral Agent Agreement. If the Collateral Agent suspends the performance of its obligations and terminates the Collateral Agent Agreement, it shall notify the Investors thereof.

Notwithstanding the foregoing and anything else set forth in the Collateral Agent Agreement or the Collateral Agreements, if the Collateral Agent is insolvent or is likely to become insolvent or has materially breached its obligations, the Majority Investors have a right to replace the Collateral Agent by appointing a new Collateral Agent. If a new Collateral Agent is appointed, the Collateral Agreements, the Collateral and the rights and obligations of the previous Collateral Agent under or relating thereto (including its rights under the Parallel Debt) shall transfer to the new Collateral Agent as of the date of appointment of the new Collateral Agent. No financial institution engaged in the issue of loans of any kind in the course its professional or economic activities or any party which would be a Related Party of such financial institution (except that for the purposes of this sentence the words “the Issuer and Subsidiaries” in the definition of the term “Related Party” are replaced with the following words: “a person engaged in issue of loans of any kind”) may be appointed as the Collateral Agent. For the avoidance of doubt, law firms may in any case be appointed as the Collateral Agent.

#### 2.2.18. Application of proceeds from enforcement of collateral

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

(a) as a first priority - to the satisfaction and payment of all fees, costs and expenses and damages (including, without limitation, state duties and valuation costs and fees, costs and expenses of third parties engaged by the Collateral Agent) related to performance of its duties by, or otherwise payable to, the Collateral Agent under the Terms of the Programme, the Collateral Agent Agreement and the Collateral Agreements, which relate to the period until any of the following occurs: (1) the Maturity Date, (2) the date when the Investors require early redemption of the Notes pursuant to Sections 2.2.9 and / or 3.3.2;

(b) as a second priority - to the satisfaction and payment of all fees payable to the Collateral Agent in accordance with Sections 9.2.2 or 9.2.3(c) of the Collateral Agent Agreement and subject to the cap(s) provided therein, plus the compensation of costs, expenses and damages (including, without limitation, state duties and valuation costs and fees, costs and expenses of third parties engaged in by the Collateral Agent) related to performance of the duties of the Collateral Agent under the Terms of the Programme, the Collateral Agent Agreement and the Collateral Agreements, and which are not payable under Section 2.1.18(a) above;

(c) as a third priority (after the full satisfaction, payment and deduction of all claims and amounts set forth in Subsections (a) and (b) above) - in payment of the claims of the Investors arising under the Terms of the Programme of which the Issuer has informed the Collateral Agent in writing, including but not limited to the claims arising from the Notes. The proceeds shall be distributed by the Collateral Agent to all Investors pro rata in euros to the current account linked to the securities account opened with the Register on which the Investor holds the Notes. The Issuer shall provide the information necessary for making the payments to the Collateral Agent upon such request from the Collateral Agent; and

(d) as a fourth priority - to the satisfaction and payment of all fees, costs and expenses and damages (including, without limitation, state duties and valuation costs and fees, costs and expenses of third parties engaged in by the Collateral Agent) related to performance of its duties by, or otherwise payable to, the Collateral Agent under the Terms of the Programme, the Collateral Agent Agreement and the Collateral Agreements, which are not payable under Section (a) or (b) above.

The Collateral Agent shall not withhold or pay any Taxes in connection with payments to be made by the Collateral Agent hereunder and shall have no obligation whatsoever to withhold Taxes or any other duties. The Investors shall be liable to declare and pay any Taxes applicable to the amounts received from the Collateral Agent to the respective authorities.

In case the Collateral Agent is obligated, under applicable laws, to repay any amount received from the enforcement of the Collateral or in relation thereto and distributed to the Investors in accordance with the

Collateral Agent Agreement, the Investors, who received the distribution, shall reimburse such amount to the Collateral Agent pro rata to the amount received by them from such distribution.

#### 2.2.19. Obligations of the Collateral Agent

The Collateral Agent is required to perform its obligations in relation to the Collateral only if the relevant Material Subsidiary establishes the Collateral for the benefit of the Collateral Agent in accordance with the Terms of the Programme. The functions and obligations of the Collateral Agent are limited to those expressly specified in the Collateral Agent Agreement and these Terms of the Programme and, notwithstanding any other provisions of these Terms of the Programme, 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.

Upon the performance of its obligations and exercising its rights, the Collateral Agent shall act at its own discretion in the interests and on the account of the Investors without having any independent interests of its own and without any obligation to consider any interests or rights of a Subsidiary and without any right of a Subsidiary to give any instructions to the Collateral Agent. The Collateral Agent is under no circumstance liable for the performance of the obligations of the Issuer or any Subsidiary.

At the request of the Collateral Agent, the Investor shall provide the Collateral Agent with any information required by the latter for the purposes of identification of the Investor, proving ownership rights of the Notes and/or for the performance of other obligations arising from the Terms of the Programme and the Annexes thereof, applicable laws and regulations.

### 3. Special Conditions

#### 3.1. Event of default

Each of the events or circumstances set out in below shall constitute an event of default and grounds for demanding early redemption in accordance with Section 3.3:

##### 3.1.1. Non-payment

The Issuer fails to pay out any amount payable by it under the Terms of the Programme when such amount is due for payment, unless its failure to pay is caused by administrative or technical error in payment systems or the Nasdaq CSD and payment is made within 5 (five) Business Days following the original due date. The Investor shall have the right to submit claims regarding failure to pay amount due not earlier than 5 (five) Business Days following the date of the relevant payment.

##### 3.1.2. Breach of covenants

The Issuer has violated the conditions of (i) Section 3.4 “Financial covenants” and has failed to remedy such violation as according to Section 3.1.3 “Covenant cure” (in case such a covenant is curable in accordance with Section 3.1.3), (ii) Section 3.5 or (iii) Section 3.6.

Any other term or condition of the Terms of the Programme, the Collateral Agent Agreement or Collateral Agreements is not complied with by any person other than an Investor or the Collateral Agent, and such noncompliance has not been remedied within a reasonable time (which shall not, in any circumstances, last more than two weeks) after any Investor has notified the Issuer thereof.

##### 3.1.3. Covenant cure

The shareholders of the Issuer may cure or prevent a breach of the financial covenant in Section 3.5.3 (and any event of default arising as a result therefrom) if, prior to or within 180 (one hundred eighty) calendar days of the earlier of (i) the date on which the relevant Financial Report is to be published pursuant to the Terms of the Programme and (ii) the date that such Financial Report was in fact published pursuant to the Terms of the Programme for any measurement period in which such failure to comply was (or would have been) first evidenced, the Issuer received the cash proceeds of new shareholder injections from the shareholders of the Issuer (the “Equity Cure”), in an amount at least sufficient to ensure that the financial covenant set forth under Section 3.5.3 would be complied with if tested again as at the last date of the same measurement period on the basis that any Equity Cure so be provided shall be included for the measurement period as if provided immediately prior to the last day of such measurement period.

Any new equity so provided in respect of any Relevant Period shall be deemed to have been provided immediately prior to the last date of such Relevant Period and shall be included (without double counting) in all

relevant covenant calculations until the date it was deemed provided falls outside any subsequent Relevant Period.

If after the equity adjustment the requirement of the relevant financial covenant is met, then the requirement thereof shall be deemed to have been satisfied as at the relevant original date of determination of any default, event of default, occasioned thereby shall be deemed to have been remedied for the purposes of the Terms of the Programme.

#### 3.1.4. Cross default

If for the Issuer or any Subsidiary:

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

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (e) above exceeds a total of EUR 500 000 (five hundred thousand euro) (or the equivalent thereof in any other currency) and provided that it does not apply to any Financial Indebtedness owed to the Issuer or a Subsidiary.

#### 3.1.5. Insolvency

Any of the following occurs:

- a) the Issuer or a Subsidiary is declared insolvent or bankrupt by a court of competent jurisdictions or admits inability to pay its debts in case of lawful claims or by reason of actual or anticipated financial difficulties;
- b) the Issuer or a Subsidiary begins negotiations with any creditor for the rescheduling or restructuring of any of its indebtedness, save for with Related Parties, in the ordinary course of business or in respect of indebtedness not exceeding EUR 500 000 (five hundred thousand euro) (or the equivalent thereof in any other currency); or
- c) an application to initiate insolvency or legal protection proceedings or similar proceedings of the Issuer or any Subsidiary or any other proceedings for the settlement of the debt of the Issuer is submitted to the court by the Issuer or a Subsidiary in respect of the Issuer, unless such application is challenged in court in good faith or such application has been presented maliciously and without reasonable cause; or

#### 3.1.6. Security enforced

- i. Any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, or any Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person).

#### 3.1.7. Insufficient Collateral

- ii. The aggregate of the principal amounts of the pledged assets do not exceed 100 % of the outstanding aggregate Nominal amounts of the Notes or any other undertaking in respect to the Collateral under these Terms of the Programme or the Collateral Agreements has been breached by the Issuer or the Subsidiary.
- iii. The Collateral or any obligation or obligations of the Issuer under Sections 2.2.15 to 2.2.19, the Collateral Agent Agreement or any Collateral Agreements are not or cease to be legal, valid, binding or enforceable.

**3.1.8. Non-compliance with put option**

The Issuer has not complied with its obligation under Section 2.2.9.

**3.2. Early redemption due to an event of default**

3.2.1. If an event of default has occurred under Section 3.2, the Issuer is obliged to send the Investors and the Collateral Agent a written notification within 5 (five) Business Days after becoming aware of the occurrence of the event of default.

3.2.2. In case of an event of default, the Investors may require early redemption of the Notes, provided that (a) the Investors adopt an Investors resolution in accordance with Section 3.8 which requires early redemption, and/or (b) if an Event of Default set forth in Section 3.2.5 or 3.2.7 has occurred, the Majority Investors otherwise adopt a written resolution on the early redemption of the Notes. The Issuer shall redeem all Notes or, at the Issuer's option, purchase (or procure the purchase of) the Nominal value of all Notes along with the accrued Coupon and contractual penalty, in accordance with Section 3.4 "Contractual penalty", within 30 (thirty) calendar days after the Investors have approved the early redemption of the Notes in accordance with Section 3.8.

**3.3. Contractual penalty**

In the case of non-compliance or inadequate compliance with a payment obligation arising from the Notes, the Investor in question shall be entitled to require and the Issuer shall be obliged to pay contractual penalty upon the request of any Investor to all the Investors from the date (excluding), when the deadline has set in, to the actual payment date (including) in the amount of 0.02% (zero point zero two per cent) per day from the relevant overdue amount.

In the case of non-compliance with the conditions of (i) Section 3.4 "Financial covenants" and the Issuer has failed to remedy such non-compliance as according to Section 3.1.3 "Covenant cure" (in case such a covenant is curable in accordance with Section 3.1.3) – the Issuer has to pay to the Investor covenant breach penalty in amount of 1% from the total amount of the Notes purchased by the Investor.

If the Issuer has failed to make Coupon payments in accordance with the deadlines specified in the Terms of the Programme, the Investors shall have the right to submit claims regarding the payment of the Coupon not earlier than after 5 (five) Business Days following the payment date of the relevant Coupon.

If the Issuer has failed to make Nominal amount payment in accordance with the deadlines specified in the Terms of the Programme, Investors shall have the right to submit claims regarding the repayment of the Nominal amount not earlier than after 5 (five) Business Days following the payment day of the Nominal amount.

For the sake of clarity, payment of the contractual penalty does not substitute the payment obligation nor exclude the use of any other rights of the Investor under the Terms of the Programme or the Legal Acts.

**3.4. Financial covenants**

3.4.1. From the Issue Date of Notes to the date of repayment thereof, the Issuer together with the Subsidiaries shall undertake the following financial covenants:

3.4.2. To comply with the Pledge Coverage Ratio.

3.4.3. To maintain the Interest Coverage Ratio (ICR) of at least 1.0 (one point zero). ICR is calculated on a rolling twelve-month basis.

3.4.4. To maintain Financial Indebtedness /EBITDA <7 (seven), calculated on a rolling twelve-months basis.

3.4.5. The financial covenants set forth in Sections 3.4.2, 3.4.3 and 3.4.4 shall be calculated at the end of each year and covenants calculations and proof of compliance with covenants to be published in the consolidated annual Financial Reports.

3.4.6. The Issuer together with the Subsidiaries shall maintain IFRS accounting and auditing standards and other IFRS accounting concepts such as accruals and reconciliation of cash flow and profit and loss in the preparation of its management accounts

3.4.7. The audit firm appointed by the Issuer to examine the Group's annual financial statements must be reputable, locally well-recognized and approved by Investor.

**3.5. General covenants**



From the Issue Date to the date of full redemption of the Notes, the Issuer and its Subsidiaries shall undertake the following:

- 3.5.1. Not to commence reorganisation or liquidation of Subsidiaries, except if reorganisation or liquidation of the Subsidiary is necessary for the purpose of consolidating operations under the Issuer or any other Group entity;
- 3.5.2. To comply with all applicable laws, regulations and requirements that apply and/or may apply in the future in order to maintain and obtain the licences and permits required for the operations of the Issuer and its Subsidiaries;
- 3.5.3. Not to sell or otherwise dispose of shares in any Subsidiary to parties who are not Subsidiaries of the Group if it is not related to the regular course of business, the issuer shall inform Investors prior to particular transaction;
- 3.5.4. Not to issue any new shares in any Subsidiary to any person other than the Issuer or a Subsidiary, except in connection with (employee) stock options or similar participation plans offered to the employees, management board members and/or supervisory board members of said Subsidiaries and on the condition that the Issuer would remain the majority shareholder and in control of all Subsidiaries also after the options have been exercised in full;
- 3.5.5. Not to lend and ensure that no Subsidiary will lend (in the form of loans or otherwise) to the shareholders or Related Parties of the Issuer, otherwise than in the ordinary course of business;
- 3.5.6. Not to sell, present, change, rent, invest, or otherwise transfer into utilisation the right to use the trademarks of the Issuer and/or its Subsidiaries;
- 3.5.7. Not to obtain participation in other companies by investing funds, except if over 51% (fifty-one per cent) participation in this company shall be acquired by making an investment and the Issuer retains, directly or indirectly through the Subsidiaries, full control of a company; if inverted funds will be lower than 51% (fifty-one per cent) the Issuer shall inform Investors about such transaction in advance;
- 3.5.8. Any transactions with Related Persons shall be at Fair Market Value;
- 3.5.9. The Issuer shall not pay any dividend payments until Equity/Total Asset Ratio is equal or exceeds 15%. Equity/Total Assets Ratio is measured relying on the data of the balance sheet submitted to Investor for the previous annual. Equity, assets are valued according to the requirements of IFRS.

### **3.6. Reporting covenants**

- 3.6.1. From the Issue Date of Notes to the date of full redemption of the Notes, the Issuer and its Subsidiaries shall undertake the following reporting covenants:
- 3.6.2. To prepare and publish consolidated unaudited annual reports within 2 (two) months after the reporting period;
- 3.6.3. To prepare and publish audited consolidated annual reports as per Accounting Principles within 5 months after the reporting period. Every annual report shall include proof of compliance with the financial covenants.

### **3.7. Investors' resolution**

This Section 3.8 shall apply in the following cases:

- (a) The Issuer has the right to ask for the consent (waiver) of Investors to amend the conditions included in the Terms of the Programme or waive a breach of the Terms of the Programme (apply for the waiver). The amendment of the Terms of the Programme may include the amendment of any conditions, which is not restricted by such characteristics of Notes as currency, Coupon rate, Coupon calculation method, Coupon and Nominal payments, inclusion of Notes for trade in other regulated or alternative markets, Maturity Date, and other conditions, unless they contradict regulatory enactments in force in the Republic of Latvia;
- (b) The Collateral Agent may ask for instructions from the Investors in respect to the Collateral;
- (c) Investors representing at least 10% (ten per cent) of the outstanding Notes may require an Investors resolution regarding an audit by auditors or a law office to assure there are no other encumbrances on

the Collateral, however the audit may not take place more than twice a year and the expenses of the audit shall be borne by the Issuer only to the extent of EUR 3,000 per one year (this cap shall not apply to an audit, if the respective audit reveals that the Collateral does not comply with the Terms of the Programme and the Collateral Agreements and / or that there are any other encumbrance on the Collateral);

- (d) Investors representing at least 10% (ten per cent) of the outstanding Notes may require an Investors resolution regarding early redemption of the Notes in accordance with Section 3.3.2.

The Issuer can apply for the waiver or another Investors' resolution itself or through the intermediary of an authorised person ("Issuer's Agent"). To apply for the resolution, the Issuer or Issuer's Agent shall notify Investors by sending information via intermediation of Nasdaq CSD, who send this information to Nasdaq CSD participants, who hold the Notes in nominee accounts or are Investors, and the announcement of the waiver has been published via Issuer's website, specifying at the least the following information:

- a description of the resolution to be decided upon by the Investors;
- in case of applying for a waiver, a justification of the necessity of the changes applied for;
- the date when the list of Investors eligible vote will be fixed;
- the term within which an Investor can support or reject the offered resolution;
- instructions concerning notification about the support or rejection of the resolution and the procedure for filling in the voting questionnaire;
- notification that an Investor willing to approve the resolution shall notify the Issuer and Issuer's Agent within the term specified in the application, which is certified by a postal seal, signature on receipt or notification (letter or email) from Investor's Custodian. If the Investor does not notify the Issuer or Issuer's Agent about the approval of the resolution within the term specified in the application, an Investor shall be deemed as not having granted the approval;
- contact details of the Issuer and/ or the Issuer's Agent to be used for notifications (telephone number for inquiries, email or address for sending filled in and signed questionnaires, list of representative offices and/ or branches of the Issuer and/ or Issuer's Agent where Investors can submit the questionnaires in person);
- other information (including costs to Investors for approving the resolution) needed by Investors for deciding upon granting the approval for the resolution.

3.7.1. If the Issuer receives a notification from the Investors representing at least 10% (ten per cent) of the outstanding Notes requiring an Investors' resolution under Subsections (c) or (d) above, the Issuer shall immediately contact the Investors to vote on the required resolution within 14 (fourteen) to 20 (twenty) Business Days. The Investors shall send such notifications to the Issuer and the Collateral Agent. In case the Issuer has not sent a request for an Investors' resolution regarding early redemption of the Notes or audit regarding the Collateral to the Investors and published it on the Issuer's website within 5 (five) Business Days as of receiving the notification from the Investors, the Collateral Agent shall send the Investors the request to decide on such resolutions.

3.7.2. The list of Investors eligible to vote on any Investors' resolution shall be inquired from the Nasdaq CSD as of the date falling to the fifth Business Day after the information with intermediation of Nasdaq CSD was sent to Nasdaq CSD participants, **who hold the Notes in nominee accounts or are Investors, and the announcement of the waiver has been published via Issuer's website.**

3.7.3. The term allowed to Investors for deciding upon refusal to grant the waiver to the Issuer may not be shorter than 14 (fourteen) calendar days after the information with intermediation of Nasdaq CSD was sent to Nasdaq CSD participants, **who hold the Notes in nominee accounts or are Investors, and the announcement of the waiver has been published via Issuer's website.**

3.7.4. Investors shall submit signed questionnaires with their decision to the Issuer or Issuer's Agent by a deadline set in the application of the resolution.

- 3.7.5. The resolution on change of any of the terms of the Notes set out in the Tranche Terms (applicable to the Notes issued in relevant tranche) which apply only to Notes issued in one tranche but do not apply in other executed tranches, is deemed adopted, if (i) the Investors owning more than 50% (fifty per cent) of the outstanding Notes issued in the relevant tranche (excluding Notes owned by the Issuer, its Related Parties and / or its employees) have voted regarding the resolution (quorum) and (ii) Investors holding more than 50% (fifty per cent) of such Notes approved the resolution. In case not at least more than 50% (fifty per cent) of the Investors holding outstanding Notes issued in the relevant tranche participated in the voting, the Issuer shall organise a new vote within 14 (fourteen) to 20 (twenty) Business Days with the same questions in which case the quorum requirement shall not apply to such second vote.
- 3.7.6. Any resolution other than set out in section 3.8.5 above is deemed adopted, if (i) the Investors owning more than 50% (fifty per cent) of the outstanding Notes issued in all executed tranches (excluding Notes owned by the Issuer, its Related Parties and / or its employees) have voted regarding the resolution (quorum) and (ii) Investors holding more than 50% (fifty per cent) of such Notes approved the resolution. In case not at least more than 50% (fifty per cent) of the Investors holding outstanding Notes issued in all executed tranches participated in the voting, the Issuer shall organise a new vote within 14 (fourteen) to 20 (twenty) Business Days with the same questions in which case the quorum requirement shall not apply to such second vote. For the avoidance of doubt, no resolution set out in section 3.8.5 above can be adopted under this section 3.8.6.
- 3.7.7. The Issuer or Issuer's Agent shall sum up the received votes and notify Investors of the results of the voting within one Business Day after the deadline for submitting the questionnaires by publishing relevant announcements via Issuer's website.
- 3.7.8. If the accepted changes refer to specifications of the Notes and/ or Coupon calculation method, as well as procedure of Coupon payments and/ or repayment of the Nominal, the Issuer shall inform Nasdaq CSD on the mentioned changes according to the regulation determined in the Nasdaq CSD rules.
- 3.7.9. If the Issuer offers Investors a fee for approving the waiver and the waiver is granted, the Issuer transfers the fee amount to the account stated by an Investor in the questionnaire not later than ten Business Days after the waiver comes into force.
- 3.7.10. If the Issuer, the Issuer's Agent and the Collateral Agent do not comply with Section 3.8 and/or fail to provide the Investors with a proof of the compliance with Section 3.8, (i) the Investors owning more than 50% (fifty per cent) of the outstanding Notes issued in the relevant tranche with respect to the resolution set out in section 3.8.5 and (ii) the Investors owning more than 50% (fifty per cent) of the outstanding Notes issued in all executed tranches with respect to any other resolution under the Terms of the Programme, the Collateral Agent Agreement or the Collateral Agreements (including a consent, instruction etc.) have a right to adopt a resolution without observing the requirements set out in this Section 3.8 and such resolution shall be deemed to have been adopted in compliance with this Section 3.8 if the resolution is adopted by the relevant Investors in written form or electronic form.
- 3.7.11. The Notes owned by the Issuer, its Related Parties and / or its employees are not eligible to participate in any voting and shall not be taken into account.

## 4. Taxes

The Issuer shall only withhold income tax from interest payments in cases and to the extent provided by the law, i.e. from interest payments made to Investors who are natural persons residing in the Republic of Latvia (according to the data in the Register). All other Investors must declare and pay income tax themselves in accordance with applicable laws.

The Collateral Agent shall not withhold or pay any Taxes in connection with payments to be made by the Collateral Agent hereunder and shall have no obligation whatsoever to withhold Taxes or any other duties. The Investors shall be liable to declare and pay any Taxes applicable to the amounts received from the Collateral Agent to the respective authorities.

## 5. Terms of the Offering

### 5.1. Subscription to the Notes

#### 5.1.1. Tranches

The Notes shall be offered in tranches in accordance with the Terms of the Programme and the Tranche Terms. The number of tranches shall be determined by the Issuer.

5.1.2. Subscription period

The initial offering of each tranche shall take place during the period set out in the Tranche Terms.

5.1.3. Subscription terms

Subscription orders to the Notes can be submitted to the Issuing Agent every Business Day during normal working hours. More detailed information on the submission of the subscription orders is available by phone +370 618 38113 and or e-mail: info@eds.lt.

Subscription orders can also be submitted to other Custodians, which in turn shall submit orders to the Issuing Agent. The form of such subscription orders are regulated by contracts between Investors and Custodians and by the applicable Legal acts.

The total Nominal value of subscribed Notes in a single tranche should be stated in the subscription order. Investors have the right to submit several subscription orders in a single tranche during the Subscription period established in respect of the relevant tranche in the Tranche Terms. Subscription orders to the Notes are irrevocable. The Issuing Agent will register all submitted subscription orders of its clients according to legal requirements and internal procedures.

By submitting the subscription order the Investor confirms that it (i) has read and understands the Terms of the Programme (including its annexes), (ii) agrees and commits to adhere to the Terms of the Programme (including its annexes to the extent applicable), (iii) belongs to one or several of the following groups:

- (a) licensed and/or otherwise supervised entities operating on financial markets, i.e. credit institutions, financial brokerage firms, other financial institutions licensed and/or supervised in the member states of the European Union and in third countries, insurance undertakings, collective investment undertakings and their management companies, pension funds and their management companies, companies trading in commodities and commodity derivatives, and other institutional investors;
- (b) large enterprises that meet at least two of the following criteria: the value of the assets shown in the balance sheet is not less than EUR 20 million; net sales revenue of at least EUR 40 million; own funds of at least EUR 2 million;
- (c) national governments and regional authorities, public debt management entities, central banks, the World Bank, the International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international and cross-border institutions;
- (d) other institutional investors whose main activity is investment in financial instruments, including entities engaged in the securitisation of assets or in other financing transaction;
- (e) investors possessing the requisite knowledge and expertise in financial instruments, enabling them to make independent, informed, and competent investment decisions while fully assessing the associated risks.

Minimum subscription size for Notes is EUR 125,000 (one hundred twenty five thousand euro) with minimum step of EUR 1,000 (one thousand euro). Subscription size should adhere to Settlement Unit Multiple.

5.1.4. Notes price

Notes purchase price can be equal to 100% (one hundred per cent) or the purchase price can be higher or lower than the Nominal, meaning that Notes can be sold with discount or at a premium, plus accrued interest as per Section 4.2.11 "Accrued interest calculation".

5.1.5. Allocation of the Notes to investors

The Notes are allocated to Investors in the amount not larger than the amount specified in the subscription order and not less than the minimum size as described in the Tranche Terms.

The Issuer at its sole discretion has a right to refuse to allocate all or part of the subscribed Notes to any Investor due to AML and Sanctions regulations compliance risk.

In case the total number of the Notes issued subscribed for during the subscription period of a tranche is larger than the number of the Notes available, the Issuer at its sole discretion has a right to refuse to allocate all or part of the subscribed Notes to any Investor in the tranche. The decision on the final allocation of Notes to Investors is made by the Issuer.

**5.1.6. Subscription by the Issuer**

Issuer will subscribe for the full amount of the Notes issued in one tranche and receive the Notes on the Issuer’s securities account on the Issue Registration Date for the purpose of selling the Notes to Investors on the Issue Date based on subscription results. The Issuer shall not be required to make a payment for the Notes received on the Issue Registration Date. The Notes shall be registered in Nasdaq CSD on the securities account of the Issuer on the Issue Registration Date. For the avoidance of doubt, the Notes so subscribed by the Issuer shall not provide the Issuer with any Investor’s rights deriving from the Notes other than the right to sell the Notes to the Investors based on the subscription results. The Notes will be sold for a price as per Section 5.1.3 “Notes price” and after being transferred to the Investors other than the Issuer, shall give the acquiring Investors all Investors’ rights from the moment of transferring the Notes to the securities account of the respective Investor. The Notes issued in one tranche held by the Issuer which have not been sold to Investors within 2 (two) weeks as of the Issue Date, shall be cancelled and deleted from Nasdaq CSD.

**5.2. Settlement and delivery of the Notes**

All subscription orders that were aggregated during the subscription period in one tranche with the First Settlement Date will be delivered without accrued interest.

The settlement date for the Notes can be any Business Day which is not earlier than the second Business Day and not later than the 20<sup>th</sup> Business Day after subscription order is duly submitted to the Issuing Agent.

Settlement of the Notes will be executed through the Nasdaq CSD as DVP (delivery versus payment) transactions according to the applicable Nasdaq CSD rules and Operating Manual. The Custodians execute payments for the Notes based on the results of the subscription provided by the Issuing Agent. The Notes will be transferred to Investors’ financial instrument accounts on the First Settlement Date.

Settlement for the Notes can be executed according to other procedure, which is agreed to by the Issuing Agent and Investor.

**5.3. Pre-emptive rights**

None of Investors has the rights of pre-emption in respect to acquisition of any of the Notes.

**6. Additional Information**

**6.4. Advisors involved in the Issue**

The Issuer has concluded an agreement with the Issuing Agent to organise the Notes Issue, to communicate with the Nasdaq CSD, and conduct settlement during the subscription period. The Issuing Agent may provide other services to the Issuer in the future and receive remuneration for it. The Issuing Agent may invest its own funds in the Notes.

**6.5. The external audit of the information included in the Terms of the Programme**

The auditors have not verified the information included in the Terms of the Programme.

**6.6. Statements or reports included in the Terms of the Programme**

The securities description does not contain any expert statements or reports.

**6.7. Credit ratings**

There is no credit rating assigned to the Issuer or to the Notes issue.

**Annex 1 – Collateral Agent Agreement**

**Annex 2 – Collateral Agreements**

**Annex 3 – Loan Subordination Agreement**

**Annex 4 – Tranche Terms**

## Annex 4 – Tranche Terms



UAB EASY DEBT SERVICE (Lithuania)  
 Reg. No: 304406834  
 [insert date of issue terms] Terms of the Notes Issue  
 Tranche Terms

Tranche no.	
Date of Tranche Terms	
Tranche minimum size (EUR)	
ISIN	
Tranche maximum size (EUR)	
Annual coupon rate	
Issue Registration Date	
First Settlement Date (Issue Date)	
Maturity Date	
Initial offering period	
Interest Coverage Ratio (ICR)	
Pledge Coverage Ratio	
Purpose of using funds	
Call option % if the redemption date is more than 12 months before the Maturity Date	101%
Call option % if the redemption date is less than 12 months from the Maturity Date	100%
Put option %	

This is annex 4 to the Terms of the Notes Issue and shall be considered an integral part of the Terms of the Notes Issue.

\_\_\_\_\_  
 [name]  
 Director of UAB EASY DEBT SERVICE



UAB EASY DEBT SERVICE (Lithuania)  
Reg. No: 304406834  
14 November 2024 Terms of the Notes Issue  
Tranche Terms

Tranche no.	20241114-1
Date of Tranche Terms	2024-11-14
Tranche minimum size (EUR)	EUR 500 000
ISIN	LT0000411209
Tranche maximum size (EUR)	EUR 500 000
Annual coupon rate	13%
Issue Registration Date	2024-11-15
First Settlement Date (Issue Date)	2024-12-03
Maturity Date	2027-12-03
Initial offering period	2024-11-15 – 2024-12-02
Interest Coverage Ratio (ICR)	at least 1.0 (one point zero)
Pledge Coverage Ratio	do not exceed 100%
Purpose of using funds	general corporate purposes
Call option % if the redemption date is more than 12 months before the Maturity Date	101%
Call option % if the redemption date is less than 12 months from the Maturity Date	100%
Put option %	100%

This is annex 4 to the Terms of the Notes Issue and shall be considered an integral part of the Terms of the Notes Issue.

UAB EASY DEBT SERVICE director  
Rasa Butkuvienė