

General requirements for the Information document

General provisions of the public offering document (Information document)

The present Rules establish the requirements for publishing information related to public offers of securities, including requirements for the content of the information, and additional requirements for the notification of such offers. The basis of these Rules is Article 3(2) of EU Regulation (EU) 2017/1129, allowing an EU Member State to decide to exempt offers of securities to the public from the obligation to publish a prospectus provided that:

- (a) such offers are not subject to notification in accordance with Article 25; and
- (b) the total aggregated consideration in the Union for the securities offered is less than EUR 12 000 000 per issuer or offeror calculated over a period of 12 months.

The Rules are applied to public offers of securities with a total aggregated consideration of at least EUR 1 000 000 but less than EUR 12 000 000 per issuer or offeror calculated for the securities offered over a period of 12 months.

Duty to prepare an Information document

For offers of securities with a total aggregated consideration of at least EUR 1 000 000 but less than 12 000 000 calculated in a 12-month period, the Issuer shall draft an Information document.

The requirements to draw an Information document shall not apply:

- a) to securities and offers specified in Art. 1(2) and Art. 1(4) of Regulation (EU) No 2017/1129 of the European Parliament and of the Council;
- b) if a prospectus for the purposes of Regulation (EU) No 2017/1129 of the European Parliament and of the Council for the offer of securities has been drafted;
- c) if key investment information sheet for the purposes of Article 23 of Regulation (EU) No 2020/1503 of European Parliament and of the Council for the offer of securities (on crowdfunding) has been drafted.

These Rules are not applicable for the offering of asset-backed securities in Latvia.

General requirements

The Information document is valid for 12 months from its publication, on the condition that the Information document has been updated with relevant information related to significant changes or recent developments that may affect the assessment of investors.

The person or persons liable for the information published in the Information document shall be indicated. The person or persons liable shall either be the Issuer or the management, administrative, or supervisory body of the Issuer or the offeror of securities.

The person or persons specified as responsible for the information shall compensate the owner of the security for damage sustained due to the significant difference between the actual circumstances and the information included in the Information document, provided that the person liable for the accuracy of the information was or should have been aware of such difference. The aforementioned shall also apply if the information published in the Information document or its supplements is significantly incomplete.

An investor who has suffered damage due to incorrect or incomplete information provided in the Information document has the right, in accordance with the procedure established by law, to claim compensation for damages from the responsible persons.

General requirements for drafting and publishing the Information document

The Information document shall be drafted in compliance with the content and structure requirements set out in Annex 1. The Information document may additionally contain important information other than that required to be disclosed in the Annex if the Issuer considers it important for the acquisition of securities or the evaluation of the Issuer's business prospects, or if disclosure is required by other legislation.

The Information document should be prepared as a short document that is easy to read and understand. The information published in compliance with Annex 1 shall be concise, clear, and not misleading. To the extent necessary for information comprehensibility, formulas, concepts, and other necessary explanations may be provided and information sources indicated. Any conclusions or confirmations of external experts shall specify the experts drafting such conclusions.

The Information document containing the information set out in Annex 1 shall be published in the national language [Estonian / Latvian / Lithuanian] if the public offer of securities takes place only in [Estonia / Latvia / Lithuania], and in English if the public offer of securities also takes place in another jurisdiction. In addition, at the discretion of the Issuer, the Information document may be translated in another language(s).

The Information document shall be published, at a minimum, on the website of the Issuer or the person offering the securities, by no later than the starting date of the offer.

Amending the Information document

If the Issuer becomes aware of any significant circumstances, mistakes, or inaccuracies in the information published in the Information document that may affect the assessment for the offer which become evident after the publication of the Information document but before the final closing of the offer or before the securities have begun trading on a trading venue, the Issuer shall draft a supplement to the Information document. If necessary, the Issuer shall also amend the relevant translations of the Information document.

The supplements to the Information document shall be published at least in the same manner as the Information document that is supplemented with the relevant supplement. The supplement of the Information document is an integral part of the Information document.

CONTENT

1. Introduction

1.1. Key information related to the issuer and the securities being offered that is essential to the investors.

1.2. Warnings:

1) regarding the risks associated with the specific offer of securities, the issuer, the field of economic activity of the issuer, and the securities being offered *which are currently known to the Issuer and which it believes are the most essential for taking an informed investment decision*. The warning indicates that by investing in the securities the investor assumes the risks referred to in the Information document and that, *if any such risk occurs, the price of the securities may decline and investors could lose all or part of the invested capital*;

2) that any decision to invest in the securities should be based on a consideration of the Information document as a whole by the investor;

3) that this Information document is not a prospectus within the meaning of Regulation (EU) 2017/1129 and the information therein has not been verified or approved by the national competent authority designated by each Member State in accordance with that Regulation or another supervisory authority.

1.3. The date and validity period of the Information document, and the conditions for amending it.

2. Issuer's information (LEI code, if applicable), legal form, country of incorporation, date of registration and registration number, registered address and contact e-mail, established term of activity (if fixed-term), main laws regulating the activities of the issuer, and a reference to issuer's website where the Information document and its supplements (if any), Articles of Association, financial statements, auditor report (if any), and other documents relevant for investors has been/will be published.

3. Risks associated with the issuer and securities to be issued

3.1. A brief description of the main risks ranked in order of importance and probability (not more than 15 in total):

1) associated with the issuer and investing, including an overview of risks relating to the issuer's economic results, markets, products, unaudited financial statements and (or) a negative auditor's opinion, operational risks and restrictions, as well as legal proceedings that have affected or might affect the operation of the issuer in the future;

2) associated with securities to be offered.

4. The aim of raising funds

4.1. Type of securities issued and the total amount of proceeds that the issuer is seeking to raise.

4.2. Description of the aim of raising proceeds, intended target group(s) of investors, and target countries of the offer.

4.3. The estimated net amount of the proceeds broken into each principal intended use (excluding the estimated costs of raising). If the issuer is aware that the anticipated proceeds will not be sufficient to fund all the proposed uses, then state the amount and sources of other funds needed.

5. Description of the securities being offered and the terms and conditions of the offer

5.1. Regarding the securities being offered, the following information shall be included:

- 1) description of the securities being offered, type and total number of securities, their nominal value, international securities identification number (ISIN), if applicable, and other characteristics;
- 2) price per security or the mechanism for the determination thereof;
- 3) expected timetable of the offer, actions required to apply for the offer;
- 4) the conditions for paying for the issued securities and the conditions for transferring securities to investors or holding securities in the name of investors;
- 5) consequences for over- and undersubscription and distribution plan;
- 6) any restrictions on the transferability of the securities, if applicable;
- 7) if the capital raised is covered by a guarantee, then the conditions of the guarantee. If the capital raised is not guaranteed, a relevant note shall be added;
- 8) name of the central securities depository where the securities are registered. If the securities are not registered in a central securities depository, then the name and description of the registrar and the relevant register;
- 9) the conditions for withholding income tax from distributions and other fees relating to the securities, if applicable.

5.2. For equity securities, the following additional information shall be included:

- 1) rights attributed to holders of equity securities, including the procedure for the receipt of dividends (if any is provided), voting rights, the right to participate in the distribution of profits, the investor's rights concerning the distribution of the assets of the issuer if the issuer is liquidated, and all restrictions of rights, in case of preferred shares, and dividends on preferred shares.

5.3. For debt securities, the following additional information shall be included:

- 1) sale (issue) price and redemption price of the securities;
- 2) if applicable, the rate of interest paid and the dates and conditions of paying interest, the redemption date, and the conditions for redemption, conversion (in case of convertible bonds), and other rights attributed to holders of debt securities;
- 3) conditions for early redemption;
- 4) when applicable, information on a pledge and information about the agreement with the bondholders' trustee;
- 5) seniority of the securities in the issuer's capital structure and, where applicable, information on the level of subordination of the securities.

5.4. Information related to whether, when, and how the securities will be admitted to trading on a trading venue.

5.5. If applicable, regarding technology and technology-based solutions (for example, if the issuer uses the option to issue securities using Distributed Ledger Technology – DLT), the following information shall be included:

- 1) a brief description of the technology, specifying how the securities are represented in electronic format and how they are digitally transferable, preservable, or tradable and registered in a DLT or another system based on similar technology which allows the raising of capital and the transferring of the securities to investors, as well as other relevant specific information if available.
- 2) in case the issuer is raising capital directly from investors, then a description of the technical solutions being implemented shall be included, including the conditions for verifying a person's identity and their right of withdrawal from the agreement.

6. Description of the issuer's principal activity

6.1. At a minimum, the following information shall be submitted regarding the prior and current activity of the issuer:

- 1) where applicable, a description of the structure of the issuer's consolidation group and information on the group of companies which the issuer belongs to;
- 2) the issuer's business model and business organisation, an overview of the issuer's main activity, the services provided or goods sold, a description of the principal markets in which the issuer operates, and information on key events having an impact on the operation of the issuer during the previous and current reporting years and (or) which, to the best of the issuer's knowledge, may have a significant impact on its future activities;
- 3) if the issuer publishes a forecast regarding the financial results for the next reporting period or periods, the Issuer shall provide an explanation of the forecast, indicating the circumstances and assumptions upon which the forecast is based.

6.2. Regarding the share capital, equity and other securities issued by the issuer, the following information shall be included:

- 1) share capital of the issuer and types of equity securities: the amount of share capital, the number, type and nominal value of the shares (parts) or other equity securities, as well as the amount of unpaid part.
- 2) debt and (or) other securities issued: type, number, nominal value, interest rate, maturity date and (or) other characteristics applicable to them.
- 3) General policy of distribution of profits and other benefits to investors, and benefits paid or allocated to managers and employees of the issuer.

6.3. A list of the shareholders, whose holdings in the issuer exceed 5% of the voting share capital, and, in case of legal person, the ultimate beneficial owners of such shareholders, and the number of shares held by said persons and their shareholding as a percentage. The voting rights shall be determined based on Art 10 of Directive 2004/109/EC (on Transparency).

6.4. Information about historical or on-going information regarding any legal proceedings against the issuer, any insolvency applications, instituted insolvency proceedings, as well as any legal proceedings in connection with fraud, other financial crime, or other economic violations in which the issuer or any person of the executive body or supervisory body has been or is involved. The information shall cover at least previous and ongoing reporting periods.

6.5. A summary of each material contract/patent etc., other than contracts entered in the ordinary course of business, to which the issuer or any member of the group is a party, for the ongoing and previous reporting period immediately preceding the publication of the Information document.

7. Financial information and auditing of annual financial statements

7.1. Information on accounting standards applicable to the issuer's financial statements and the periodicity applied to the preparation of the financial statements.

7.2. Annual financial information of the issuer for the last year. A reference to the website containing at least the issuer's audited annual financial information (financial statements covering the latest financial year with comparative data, the annual management report, and the auditor's report). If the issuer prepares both separate and consolidated financial statements, provide a reference to both. If the applicable legal acts do not impose an obligation on the issuer to audit annual financial statements, an explanation on this fact and related associated risk factor shall be provided.

7.3. If the Information document is dated more than 9 months after the end of the last audited financial year, it shall contain interim financial information covering at least the first 6 months of the financial year, including comparative data, as applicable. If the 6-month statement (or other interim financial statements) was audited or the review of financial statements has been

conducted, this information shall be made public together with the auditor's report or the conclusion of the review.

7.4. If the issuer is unable to provide a reference to the annual financial report of the last year, due to the short duration of its economic activities, a reference to the financial statements of a shorter (interim or other) period of the issuer's activity (if any) shall be provided with an additional warning regarding the short duration of the issuer's economic activities and thereby the additional level of risk associated with such investment.

7.5. At the issuer's choice, the description of the most significant financial indicators from the issuer's financial statements showing its financial condition, such as assets, non-current and current liabilities, equity, etc., and the performance indicators (or alternative performance measures – APM) that best reflect the issuer's performance, calculated based on the data presented in the financial statements (provide an explanation of the use and calculation of such APM) at end of the last accounting period.

8. Management and supervisory bodies of the issuer, its advisors and auditors

8.1. Structure of the executive body and supervisory body of the issuer, specifying the name and surname of the officials of such bodies, the position held by them in the issuer, and their relevant management or field experience. Head of administration of the issuer.

8.2. The issuer's statutory auditor(s) or auditing firm, if applicable.

8.3. The persons responsible for the offer, including at least the following information:

1) identification of the persons liable for the information in the Information document (their names and functions or, in the case of legal persons, their names and registered offices);

2) a confirmation made by the person(s) responsible for the information included in the Information document, claiming that to the best of their knowledge the information provided in the Information document is correct, and that no circumstances that may affect the content of the Information document have been omitted.

8.4. The persons participating in the offer, including paying agents, offerors, guarantors, and other relevant parties. If the securities are not offered by the issuer itself, provide the name of the securities offeror, its contact information, and disclose mutual relations.

8.5. A description of any interest, including a conflict of interest that is material to the issue/offer, detailing the persons involved and the nature of the interest.