TERMS AND CONDITIONS
FOR
AS PRO KAPITAL GRUPP
FIXED RATE NON-CONVERTIBLE BONDS ISSUE

Approved by the management board of AS Pro Kapital on 28 May 2020

The distribution of this document and the placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.

1. DEFINITIONS AND INTERPRETATION

1.1. For the purpose of the Issue Terms and other documents relating to the issue of the Bonds hereunder, the following definitions have the following meaning:

1.1.1. **Additional Subscription Date** means any date or dates after the Initial Subscription Date by which Existing Bondholders may subscribe for the Bonds to be issued in an additional Tranche in accordance with Section 4.7;

1.1.2. **Allocation Confirmation** means the confirmation by e-mail or in any other form reproducible in writing issued by the Issuer to the Investor confirming the acceptance of the Subscription Application, or the rejection thereof;

1.1.3. **Bond** means a debt security with ISIN code EE3300001676 representing the Issuer's debt obligation pursuant to the Issue Terms, which is held intangibly (only in book-entry form) on a securities' account in the Register opened (i) in the name of the Investor or (ii) on a nominee account;

1.1.4. **Business Day** means any day, except Saturday, Sunday, a national or a public holiday of the Republic of Estonia;

1.1.5. **Documents** mean the Issue Terms and the Resolutions;

1.1.6. **Early Redemption** means the Issuer's right to redeem the Bonds prior to the Redemption Date in accordance with Section 7.2;

1.1.7. **Existing Bondholder** means a certain holder of at least 3,575 Existing Bonds (in aggregate) in accordance with the terms and conditions of the Existing Bonds and applicable law to whom the possibility to subscribe for the Bonds shall be offered by private placement;

1.1.8. **Existing Bond** means any bond issued and not yet redeemed by the Issuer with the following ISIN codes: EE3300104033, EE3300106574, EE3300108711, EE3300109248, EE3300109917, EE3300110048 and EE3300109982;

1.1.9. **IFRS** means the international financial reporting standards within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time);

1.1.10. **Initial Subscription Date** means 7 July 2020;

1.1.11. **Initial Subscription Period** means the initial period of time for submitting the Subscription Applications, commencing on 29 May 2020 and ending on 7 July 2020;

1.1.12. **Investor** means (i) any person deemed to hold the title to the Bonds according to Section 3.8 or (ii) a person, who has submitted a Subscription Application and whose subscription for the Bonds has not been rejected by the Issuer;

1.1.13. **Investors' Resolution** means a resolution adopted in accordance with Section 10;

1.1.14. **Issue** means the issue of the Bonds under the Issue Terms and as approved by the Resolutions;

1.1.15. **Issue Terms** means this document with any amendments thereto;

1.1.16. **Issuer** means AS Pro Kapital Grupp (a public limited company incorporated in the Republic of Estonia, registry code 10278802 and registered address at Sõjakooli 11, Tallinn, 11316, Republic of Estonia);

1.1.17. **Payment Date** means the 10th (tenth) Business Day of January and July of each year when the Issuer shall make interest payments to the Investors in accordance with Sections 6 and 8;

1.1.18. **Redemption Date** means 31 October 2024, by which date the Issuer shall redeem all Bonds issued under the Issue Terms;

1.1.19. **Redemption Payment** means a payment equal to the denomination value of the Bonds made to redeem the Bonds;

1.1.20. **Register** means the Estonian Register of Securities which is maintained and operated by Nasdaq CSD SE Eesti filiaal (the Estonian branch of Nasdaq CSD SE incorporated in the Republic of Latvia, registry code of the Estonian branch 14306553 and registered address Maakri tn 19/1, 10145, Tallinn, Republic of Estonia);

1.1.21. **Resolution** means the resolution of the management board of the Issuer, *inter alia*, to approve the Documents and the Issue and the number of Bonds to be issued in each Tranche;

1.1.22. **Subscription Application** means an offer by the Investor in writing or in any other form accepted by the Issuer for the subscription of the Bonds submitted in accordance with the Issue Terms and in the format required by the Issuer;

1.1.23. **Tranche** means a portion of the Bonds issued pursuant to the Issue Terms and forming a single issue with the other Bonds subject to the Issue Terms;

1.1.24. **Value Date** means a Business Day stipulated in the Allocation Confirmation on which the Bonds are issued to the Investors in accordance with the Issue Terms.

1.2. The headings in the Issue Terms have been entered for convenience purposes only and shall have no impact on the interpretation of any provision of the Issue Terms.

1.3. Reference in these Issue Terms to any "Section" is a reference to a specific section or subsection of these Issue Terms. Any reference to a particular section includes a reference to the subsections of such section.

2. GENERAL PROVISIONS AND LIMITATIONS

2.1. The Issue Terms prescribe:

2.1.1. the rights and obligations of the Issuer and the Investors related to the Bonds issued in the Republic of Estonia under the Issue Terms;

2.1.2. the procedure for, and the terms and conditions of the allocation and redemption of the Bonds under the Issue Terms.

2.2. The Issue Terms shall be available to the Investors at the Issuer's office located at the address indicated in the Issue Terms.

2.3. The Bonds shall be issued by private placement and shall be offered exclusively to certain Existing Bondholders (as determined at the sole discretion of the Issuer) who hold at least 3,575 Existing Bonds (in aggregate) at the time of making an offer to subscribe for the Bonds to such Existing Bondholder.

2.4. The Issuer has not and shall not undertake any obligation to register the Issue and initial placement of the Bonds for public offer with any competent authority in any jurisdiction. The Issuer does not undertake any obligation to create or ensure liquidity for the Bonds. Nevertheless, within 12 months after the Bonds have been issued to the Existing Bondholders by private placement after the Initial Subscription Date, the Issuer shall submit an application for a prospectus regarding the Bonds to be registered with the Estonian Financial Supervision Authority and shall thereafter (if the prospectus is registered) submit an application for the listing of the Bonds on Nasdaq Tallinn bond list. The Bonds shall be listed on Nasdaq Tallinn bond list only in case (i) the Estonian Financial Supervision Authority decides to register the prospectus regarding the Bonds and (ii) Nasdaq Tallinn exchange approves the Bonds for listing. Each Investor acknowledges that the possible listing of the Bonds on Nasdaq Tallinn bond list depends on the discretionary decisions of the Estonian Financial Supervision Authority and the Nasdaq Tallinn Listing and Surveillance Committee. Therefore, the Issuer cannot ensure the listing of the Bonds and shall not be deemed to be in breach of the Issue Terms in case the Bonds are not listed.

2.5. Other than qualified investors, the Bonds shall be exclusively offered for subscription to (i) fewer than 150 natural or legal persons per each member state of the European Economic Area in accordance with Article 1(4)(b) of Regulation (EU) 2017/1129, (ii) natural or legal persons in Switzerland and (iii) natural or legal persons in the United Arab Emirates. Therefore, the Issue shall not qualify as a public offer of securities in accordance with Regulation (EU) 2017/1129 or other applicable law. Upon the Issue, the Bonds are not offered to and may not be subscribed by nor acquired by natural or legal persons located in the United States or in any other jurisdiction, other than the residents of the member states of the European Economic Area, Switzerland and the United Arab Emirates as set forth in this Section.

2.6. Each Investor acknowledges that the transfer of the Bonds 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 Bonds are (publicly) offered. Each Investor undertakes not to offer or transfer the Bonds 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 Bonds 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 Bonds, each Investor undertakes to consult with qualified legal advisers in order to prevent any secondary offer or transfer of the Bonds 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 Bonds does not fall under the definition of public offer under applicable law is the obligation and liability of the Investor.

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

3. BONDS

3.1. The Issuer shall issue the Bonds in accordance with and subject to the Issue Terms and the Resolutions.

3.2. The Bonds represent direct and legally binding debt obligations of the Issuer towards the Investors, constituted by the Issue Terms. The Bonds 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.

3.3. The Bonds shall be denominated in euros. The denomination value of each Bond shall be 2.8 (two point eight) euros. The maximum total denomination value of the Bonds which the Issuer may issue under the Issue Terms is 10,252,258.80 euros and the maximum amount of Bonds is 3,661,521.

3.4. The actual total denomination value of the Issue and the number of Bonds shall be determined by the Resolutions after the Initial Subscription Date and Additional Subscription Dates. The Issuer is entitled, at its sole discretion, to issue less Bonds than the maximum amount prescribed in Section 3.3. The Issuer is entitled (but not obligated), at its sole discretion, to decide not to carry out the Issue if the total denomination value of the Bonds which have been subscribed for is less than 5,000,000 euros by the date of such decision.

3.5. The Issue may be in several Tranches in case the Existing Bondholders do not subscribe for the maximum amount of Bonds prescribed in Section 3.3 by the Initial Subscription Date.

3.6. The Bonds are issued in dematerialised form and will not be numbered. The Bonds shall be registered in the Register in accordance with applicable laws and regulations. No certificate or other evidence of title will be issued to the Investors.

3.7. The rights and obligations arising from a Bond shall be created upon the issue of a Bond to an Investor. A Bond shall be deemed issued as of making an entry regarding the Bond

(i) on the securities account of the Investor in the Register or (ii) on a nominee account in the Register (where the Bonds are held on behalf of the Investor).

3.8. The ownership of a Bond 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 Bond as its rightful owner, unless specifically prescribed otherwise herein or by applicable law. If the Bond is held on a nominee account, the owner of the Bond is determined in accordance with applicable laws and regulations. In any case, the holder of a nominee account is entitled to exercise the Investor's rights arising from the Issue Terms (*inter alia*, to receive interest and Redemption Payment as well as vote on Investors' Resolutions) and is liable for performance of the obligations arising from the Issue Terms. The Issuer shall have the right (but not the obligation) to acquire and receive information about the owners of the Bonds from any third party, who holds the Bonds on behalf of the Investor (*inter alia*, a nominee), unless otherwise prescribed by applicable law. 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 Bond.

3.9. The Bonds are freely transferable and encumberable, provided that, until the prospectus regarding the Bonds 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 Bonds, any Investor wishing to transfer the Bonds must ensure that any offer related to such transfer of the Bonds shall not qualify as a public offer of securities under applicable law or require any other authorisation. The Register may temporarily block the Bonds on the securities account to ensure performance of corporate actions regarding the Bonds.

3.10. The Issuer or any person associated with the Issuer may, subject to applicable law, at any time and at any price purchase any or all of the Bonds from one or more of the Investors. The Bonds held by the Issuer or any person associated with the Issuer may, at the sole discretion of the holder, be retained, sold or, if held by the Issuer, cancelled.

3.11. The rights and obligations arising from the Bonds shall be terminated upon redemption in accordance with Section 7 or cancellation in accordance with Section 3.10.

4. SUBSCRIPTION

4.1. The contract for the subscription and thereby acquisition of the Bonds consists of the following documents:

4.1.1. the Issue Terms;

4.1.2. the Subscription Application;

4.1.3. the Allocation Confirmation.

4.2. The Bonds can only be subscribed for by the Existing Bondholders in exchange for the Existing Bonds held by such Existing Bondholder. The minimum amount of Bonds which can be subscribed for is 3,575 Bonds. Each Existing Bond shall be exchanged for 1 (one) Bond.

4.3. The Bonds can be subscribed for during the Initial Subscription Period by the Existing Bondholders specified in Section 2.3 by delivering the signed original Subscription Application to the Issuer or in any other form accepted by the Issuer not later than at 5 pm (current local time in Estonia) on the Initial Subscription Date. Without limiting the Existing Bondholder's right to subscribe for the Bonds directly, in case the Existing Bonds are held on a nominee account, the holder of the nominee account may subscribe for the Bonds on behalf of the Existing Bondholders specified in Section 2.3. In such case, the holder of the nominee account must submit a separate Subscription Application for each subscribing Existing Bondholder together with the Existing Bondholder's consent referred to in Section 4.6.6 and any other documents required by the Register or the Issuer.

4.4. The Subscription Application shall be in the form provided by the Issuer and it shall specify at least:

4.4.1. name, registration or identification code (or date of birth in the lack of an identification code), postal address and e-mail address of the person subscribing for the Bonds;

4.4.2. number of the securities account opened with the Register to which the Bonds shall be registered, together with the name of the account holder and account manager of the account;

4.4.3. date of submitting the Subscription Application;

4.4.4. amount of the Bonds subscribed for;

4.4.5. the aggregate amount of Existing Bonds to be transferred to the Issuer in case the Bonds are allocated to the Existing Bondholder. The aggregate amount of Existing Bonds to be transferred to the Issuer must be equal to all Existing Bonds belonging the Existing Bondholder.

4.5. By submitting the Subscription Application, the Existing Bondholder:

4.5.1. unconditionally and irrevocably undertakes to participate in the Issue and accept the Bonds allocated to it with the Allocation Confirmation;

4.5.2. unconditionally and irrevocably undertakes to transfer such number of the Existing Bonds to the Issuer which equals the number of the Bonds allocated to it with the Allocation Confirmation. The Existing Bonds shall be transferred to the Issuer prior to the Value Date without payment and free of any pledges, liens and other encumbrances;

4.5.3. confirms holding the title to all Existing Bonds referred to in the Subscription Application, the lack of any disputes concerning the title to the said Existing Bonds and its full authority to transfer the said Existing Bonds to the Issuer. The Existing Bondholder confirms that these representations are true at the time of submitting the Subscription Application as well as at the time of transferring the Existing Bonds to the Issuer;

4.5.4. confirms the representations in Section 9.2.

4.6. The Subscription Application shall become binding and valid only if and to the extent:

4.6.1. confirmed by the Existing Bondholder or its authorized representative(s) in the form required by the Issuer, and relevant documents proving such authority and/or necessary for identification are enclosed with the Subscription Application if required by the Issuer or the Register; and

4.6.2. the Existing Bondholder holds at least 3,575 Existing Bonds; and

4.6.3. the Existing Bondholder has committed to transferring such number of the Existing Bonds to the Issuer which equals the number of the Bonds allocated to it with the Allocation Confirmation. The Existing Bonds shall be transferred to the Issuer prior to the Value Date without payment and free of any pledges, liens and other encumbrances; and

4.6.4. the Existing Bondholder has subscribed for at least 3,575 Bonds; and

4.6.5. the Existing Bondholder has provided information of the securities account opened with the Register to which the Bonds can be registered; and

4.6.6. if the Bonds are to be held on a nominee account, the Existing Bondholder must complete, sign and deliver (in the form required by the Issuer) a confirmation to be submitted to the Register regarding the Existing Bondholder's consent to register the Bonds on a nominee account, as well as any other information or documents required by the Issuer;

4.6.7. if the Existing Bondholder is a legal person incorporated in any other jurisdiction except the Republic of Estonia, the Existing Bondholder must complete, sign and deliver the sanctions screening information request form required by the Register.

4.7. In case the Existing Bondholders do not subscribe for the maximum amount of Bonds prescribed in Section 3.3 by the Initial Subscription Date, the Issuer may (at its sole discretion by adopting such a Resolution) issue one or more additional Tranches of the Bonds until the Existing Bondholders have subscribed for the said maximum amount of Bonds. In case of an additional Tranche, the Issuer shall offer the option to subscribe for the Bonds only to the Existing Bondholders who have not yet subscribed for the Bonds in full (i.e. not yet exchanged all of their Existing Bonds for the Bonds) by sending a respective notice and determining the Additional Subscription Date. In all other aspects, Sections 2.3, 2.5 and 4.1 - 4.6 shall apply to the subscription for the Bonds to the issued in the additional Tranche.

5. ALLOCATION AND DELIVERY

5.1. The Issuer shall allocate the Bonds to the Existing Bondholder who has duly submitted the Subscription Application, provided that the Existing Bondholder shall transfer the equivalent amount of the Existing Bonds to the Issuer prior to the Value Date of the particular Tranche and all other conditions set forth in Section 4.6 are met. The Issuer shall

determine in the Allocation Confirmation the date on which the transfer of the Existing Bonds to the Issuer must be executed.

5.2. The contract for subscription for the Bonds is concluded when the Allocation Confirmation has been received by the Existing Bondholder. The Issuer shall provide the Allocation Confirmation within 5 (five) Business Days as from the Initial Subscription Date or the Additional Subscription Date.

5.3. The Issuer shall provide the Allocation Confirmation to the Existing Bondholder so that it is reproducible in writing and it shall specify at least:

5.3.1. the amount of the Bonds allocated to the Existing Bondholder;

5.3.2. the aggregate number of the Existing Bonds to be transferred by the Existing Bondholder to the Issuer without payment and the instructions for the transfer of the Existing Bonds, *inter alia*, the Issuer's securities account information and value date of the transfer of the Existing Bonds;

5.3.3. the Value Date of the Bonds issued in the particular Tranche.

5.4. With the Allocation Confirmation, the Issuer:

5.4.1. fully accepts or rejects the offer for subscription provided by the Existing Bondholder with the Subscription Application on terms and conditions stipulated in the Allocation Confirmation;

5.4.2. undertakes to issue and transfer the Bonds to the Existing Bondholder in accordance with the Issue Terms, provided any Bonds are allocated to the Existing Bondholder and the Existing Bondholder transfers the equivalent amount of the Existing Bonds to the Issuer on the date specified in the Allocation Confirmation.

5.5. The Bonds which have been allocated according to the Issue Terms shall be registered on the securities account opened with the Register and specified in the Subscription Application on the Value Date. The Bonds may initially also be registered on the securities account of the Issuer and thereafter transferred to the securities account specified in the Subscription Application or *another securities account opened in the name of the relevant Existing Bondholder*. For the sake of clarity, the latter option would only be used for technical reasons, i.e. to facilitate the registration of the Bonds on a securities account held by Clearstream Banking AG. In such case, (i) the Bonds would be held on the Issuer's securities account for up to 15 Business Days and only for the purpose of transferring the Bonds to the securities account held by Clearstream Banking AG as specified in the Subscription Application or *another securities account opened in the name of the relevant Existing Bondholder*, (ii) the Issuer shall not be deemed to provide any services in relation to holding the Bonds and (iii) the Existing Bondholder shall be deemed to have acquired the Bonds on the Value Date. In case the Bonds have not been transferred from the Issuer's securities account within 15 Business Days as of the Value Date, the Bonds shall be cancelled.

5.6. The Issuer shall compile the list of Investors as at the Value Date of the particular Tranche and submit it to the Register with the following data about the Existing Bondholders included therein:

5.6.1. the name, registration or identification code (or date of birth in the lack of an identification code), postal address and e-mail address; and

5.6.2. the number of the securities account opened with the Register to which the Bonds shall be registered, together with the name of the account holder and account manager of the account; and

5.6.3. if the Bonds are to be held on nominee accounts, the Investors' confirmations to the Register regarding their consent to register the Bonds on a nominee accounts; and

5.6.4. the number of Bonds allocated.

6. INTEREST

6.1. The Bonds shall bear a fixed interest at the rate of **8%** (eight per cent) per annum applied to the outstanding (i.e. unredeemed) denomination value of the Bonds from, but excluding, the Value Date of the particular Tranche up to and including the Redemption Date or the date of Early Redemption.

6.2. Interest shall be calculated on the basis of a 360-day year comprised of 12 (twelve) months of 30 (thirty) days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

6.3. Interest is calculated up to and including each Payment Date. The accrued interest is payable twice a year on the Payment Dates. The final interest payment shall be made on the Redemption Date or the date of Early Redemption in full.

7. REDEMPTION

7.1. The Issuer shall redeem the Bonds on the Redemption Date by making the Redemption Payment to each Investor holding the Bonds.

7.2. The Issuer may, at its sole discretion, redeem the Bonds fully or partially before the Redemption Date by notifying the Investors thereof at least 15 (fifteen) Business Days prior to the date of the Early Redemption, provided that the Issuer has fully redeemed the senior secured callable fixed rate bonds 2020/2024 (ISIN code SE0013801172) before the date of the Early Redemption or obtained a waiver from the holders of the said bonds. In case of Early Redemption, the Issuer shall make the Redemption Payment on the date of the Early Redemption to each Investor holding the Bonds. In case of partial Early Redemption, the Issuer shall redeem a portion of the denomination value of all the Bonds *pro rata*.

7.3. The Investors do not have the right to demand early redemption of the Bonds (i.e. before the Redemption Date).

7.4. The Bonds are considered redeemed upon due performance of the Issuer's payment obligations deriving from the Bonds in accordance with the Issue Terms, including Redemption Payments in accordance with Section 7 and interest payments in accordance with Section 6, both payments made in accordance with Section 8.

7.5. Once the Bonds are duly redeemed, they 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 Bonds, 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.

8. PAYMENTS

8.1. All payments to the Investors in connection with the Issue shall be made in euros to the current account linked to the securities account opened with the Register on which the Investor's Bonds are held.

8.2. The Issuer shall make all payments under these Issue Terms *pro rata* to the aggregate denomination value of the Bonds held by each Investor at 9.00 am (current local time in Estonia) on the Business Day preceding the relevant Payment Date, the Redemption Date or the date of the Early Redemption as is evident from the Register.

8.3. All payments from the Issuer to the Investors shall be deemed to have been made on the date the Issuer instructed its bank to execute the respective payment order. The costs of transferring the funds shall be borne by each Investor. In case the Issuer has appointed the Register to make any payments to the Investors under the Issue Terms, the payments are deemed to have been made on the date the Register instructed to execute the respective payment order and the costs of transferring the funds shall be borne by the Issuer. For the avoidance of doubt, interest is calculated up to and including the Payment Date and payable in such an amount, irrespective of the actual date when the interest is paid to the Investor.

8.4. If the Issuer fails to make the Redemption Payment on its due date, default interest shall accrue on the overdue amount at a rate equal to the interest rate specified in Section 6. No default interest shall accrue where the failure to make the Redemption Payment was solely attributable to the Register or the Investor (*inter alia*, if the current account data in the Register was incorrect).

8.5. The Issuer shall withhold income tax from interest payments in cases and to the extent required by the laws of the Republic of Estonia. Other than that, the Investors must declare and pay income tax or any other applicable tax themselves in accordance with applicable laws. For the avoidance of doubt, if any withholdings or deductions are made by the Issuer

in accordance with this Section, the withholdings or deductions shall be made on the account of the Investor with the Issuer having no obligation to compensate the withheld or deducted tax amounts to the Investor. Should an applicable treaty for the avoidance of double taxation set forth lower withholding rates than those otherwise applicable to the interest payment under the domestic laws of the Republic of Estonia, the respective Investor shall be requested to provide the documents necessary for application of the respective treaty (including, but not limited to, residence certificate issued or attested by the tax authority of the residence state of the Investor) at least 15 (fifteen) Business Days prior to the payment. If such documents are not presented to the Issuer, the Issuer shall be entitled to withhold tax at the rates set forth by the domestic laws of the Republic of Estonia.

9. REPRESENTATIONS

9.1. Upon submitting the Allocation Confirmation, the Issuer represents that:

9.1.1. it is a legal person, duly incorporated and validly existing under the laws of the Republic of Estonia;

9.1.2. it has the power to issue the Bonds, it shall be bound by the Issue Terms and the obligations assumed by it in connection with the issue of the Bonds are legal, valid, binding and enforceable obligations;

9.1.3. the issuance of the Bonds and performing the obligations related thereto do not and will not conflict with:

9.1.3.1. the constitutional documents of the Issuer, or

9.1.3.2. any agreement or instrument binding upon it or any of its assets.

9.1.4. it shall prepare its financial reports required under applicable law in accordance with the IFRS.

9.2. Upon submitting the Subscription Application and acquiring the Bonds, or upon acquiring the Bonds by any means after the initial issue of the Bonds, the Investor represents that:

9.2.1. it has the power to subscribe for and purchase the Bonds and it has taken all necessary action to authorize the subscription and purchase of the Bonds;

9.2.2. it is not (i) a U.S. Person (as defined in U.S. Regulation S of the Securities Act) and is not subscribing for and purchasing the Bonds in an offshore transaction pursuant to the Regulation S, nor (ii) a resident of any jurisdiction where the acquisition of the Bonds would be in breach of applicable laws;

9.2.3. it shall bear all of its costs related to the subscription for the Bonds, acquisition of the Bonds and any of other costs related to the Bonds, unless explicitly prescribed otherwise the Issue Terms;

9.2.4. the obligations assumed by it in connection with the subscription for or acquisition of the Bonds are legal, valid, binding and enforceable obligations;

9.2.5. the Issuer may acquire information about the owners of the Bonds from any third party, who has been notified as the holder of the Bonds on behalf of the Investor;

9.2.6. the Issuer has the irrevocable authority to act in the name of and on behalf of the Investor as set forth in Section 7.5;

9.2.7. the address, other contact details and information of the Investor or its nominee account holder as provided in the Register is correct and up to date at all times, and the Investor waives any claims arising from failure to receive a notice or a document, if such notice or document has been sent to the e-mail or mailing address registered in the Register;

9.2.8. the Investor has understood and consents to the Issue Terms, including without limitation its obligations under Section 2.6. The Investor is aware that the Issue Terms have been prepared by the attorneys of the Issuer and that, if deemed necessary, the Investor has used independent legal, tax and financial advice to examine the Issue Terms.

10. AMENDMENTS TO THE ISSUE TERMS

10.1. The Investors shall approve amendments to the Issue Terms by Investors' Resolutions adopted in written proceedings or proceedings which can be reproduced in writing. Such amendments may include, *inter alia*, changes to the interest rate of the Bonds, postponement of the Redemption Date or increasing the maximum total denomination value of the Bonds and the maximum amount of the Bonds over the limits prescribed in Section 3.3.

10.2. The Issuer shall send a request to the Investors to adopt an Investors' Resolution to approve an amendment to the Issue Terms. The request shall be sent at least by e-mail or via a similar medium. The request must contain a description of the possible amendment to the Issue Terms and the deadline for submitting the Investors' votes. The deadline may not be shorter than 15 (fifteen) Business Days as of the date the request is sent out to the Investors.

10.3. The Investors must execute their votes in the format instructed by the Issuer and send them to the Issuer by provided e-mail, registered mail or courier or using technical solutions provided by the Issuer. The Issuer may (but shall not be bound to) require evidence of the authority of any person who has executed the vote on behalf of the Investor. Any vote sent via e-mail or other mediums in response to the request to adopt an Investors' Resolution is deemed to be a declaration of intent of the Investor.

10.4. Each Bond held by the Investor shall give the Investor 1 (one) vote upon voting for an Investors' Resolution. The list of Investors entitled to vote shall include the Investor(s) who owned the Bonds at 9.00 am (current local time in Estonia) on the day the request specified in Section 10.2 is sent to the Investors. The list of Investors shall be determined

based on the Register. The Bonds held by the Issuer shall not provide the Issuer a right to vote for any Investors' Resolution.

10.5. The Investor shall be deemed not to have voted (i.e. the votes are considered invalid) if any of the following occurs:

10.5.1. the vote does not comply with all of the requirements of Section 10.3;

10.5.2. it is not possible to determine the identity of the person who submitted the vote;

10.5.3. the Issuer has not received the vote by the end of the voting deadline prescribed in the request specified in Section 10.2;

10.5.4. the intent of the Investor is not clear from the vote.

10.6. The Investors' Resolution is deemed to have been adopted and the respective amendment to the Issue Terms approved by the Investors on the last day of the voting deadline if at least 50% of all votes represented by the Bonds are in favour of such amendment.

10.7. The Issuer shall notify the Investors of the content of the adopted Investors' Resolution within 5 (five) Business Days as of the deadline for submitting the votes.

11. NOTICES

11.1. Unless the Issue Terms prescribe a specific format and/or communication method, any communication in relation to the Bonds must be in the English language, in the format which can be reproduced in writing (e.g. e-mail) and sent to the contact details of (i) the Issuer prescribed in Section 11.3, unless the Investors have been informed of other contact details, or (ii) the Investors registered in the Register (primarily such e-mail addresses of the Investors). In case the Bonds are listed on an exchange, notices to the Investors will be deemed to be validly given published through the information system of the exchange on which they are listed.

11.2. A written notice shall be deemed received by the addressee on the 5th (fifth) Business Day as of sending the notice if sent by registered mail or courier to the addressee's address in accordance with these Issue Terms. If a notice is sent by e-mail or any other similar format, such notice shall be deemed received by the addressee on the following Business Day as of sending the notice to the addressee.

11.3. Issuer's contacts:

Pro Kapital Grupp AS

Sõjakooli 11, 11316 Tallinn

Tel: +372 614 4920

E-mail: prokapital@prokapital.ee

12. FINAL PROVISIONS / GOVERNING LAW AND JURISDICTION

12.1. The rights and obligations of the Issuer and the Investors arising from the Issue Terms, the Subscription Application and the Allocation Confirmation shall be governed by and construed in accordance with the laws of the Republic Estonia.

12.2. Any dispute, controversy or claim arising out of or related to the Bonds, the issue of the Bonds, the Issue Terms or in connection thereto, or the existence, breach, termination or validity thereof, shall be settled by negotiations. If such dispute is not resolved with negotiations within 3 (three) months, such dispute shall be settled at Harju County Court in Estonia as the court of first instance.

12.3. If, at any time, any provision of the Issue Terms is declared by a competent authority to be illegal, invalid or unenforceable, it shall not influence the legality, validity or enforceability of the remaining provisions. Such illegal, invalid or unenforceable provision shall be replaced by a legal, valid and/or enforceable provision in accordance with Section 10.