



Supplement No.1



AS “APF Holdings”

incorporated and registered in Latvia, with registration number 50203047991

SUPPLEMENT NO. 1 TO THE PROSPECTUS ON PUBLIC OFFERING, LISTING AND ADMISSION OF SHARES TO TRADING APPROVED ON 4 OCTOBER 2023

This supplement No. 1 (the “**Supplement**”) to the Prospectus (as defined below) is prepared in relation to AS “APF Holdings” offering of up to 1 027 930 shares (which may be increased by up to 103 000 shares pursuant to an over-allotment option, if exercised) to be listed and admitted to trading on Nasdaq Riga First North and is supplemental to, and should be read in conjunction with the Prospectus on the Public Offering, Listing and Admission of Shares to Trading, dated 4 October 2023 (the “**Original Prospectus**”).

This Supplement is a supplement within the meaning of Article 23(1) of 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 (the “**Prospectus Regulation**”). Request to the Bank of Latvia has been made with respect to notifying the Estonian Financial Supervision Authority and the Bank of Lithuania of a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Regulation.

Unless otherwise stated or the context otherwise requires, terms defined in the Original Prospectus have the same meaning when used in this Supplement. As used herein, “Prospectus” means the Original Prospectus as supplemented by this Supplement.

Investment in shares entails risks. While every care has been taken to ensure that Prospectus presents a fair and complete overview of the risks related to the Company, the operations of the Company and its Group Subsidiaries, and the Offer Shares, the value of investment in the Offer Shares may be significantly affected by circumstances that are either not evident at the date of approval of the Prospectus or not reflected in the Prospectus. Investment in the Offer Shares must be based on this Prospectus as a whole. Hence, we ask you to study the Prospectus with care.

MIFID II product governance. Solely for the purposes of each manufacturer’s product approval process under EU Directive 2014/65/EU on markets in financial instruments, as amended (“MIFID II”), the target market assessment in respect of the Offer Shares has led to the conclusion that: (i) the target market for the Offer Shares is (i) retail investors, professional clients and eligible counterparties, each as defined in MIFID II (“Positive Target Market”), and (ii) all channels of distribution of the Shares are appropriate (“Appropriate Distribution Channels”). The investors should have basic knowledge and experience to be able to (alone or with the help of an appropriate financial or other adviser) understand the risks and benefits of investment in such an instrument. The Shares offer no guaranteed income or capital protection, and the price of the Shares may decline and investors can lose all or part of their investment. Thus, the Shares are not suitable for investors who need a fully guaranteed income or full capital protection, or have no risk tolerance (“Negative Target Market”). For the avoidance of doubt, the target market assessment does not constitute an assessment of suitability or appropriateness for the purposes of MIFID II or an advice to any investor to take any action with respect to the Offer Shares. Each distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Shares, by either adopting or refining the manufacturer’s target market assessment, and determining appropriate distribution channels.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy the Offer Shares in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The Retail Offering is directed to all retail investors in Latvia, Estonia and Lithuania. The Institutional Offering is directed to qualified investors in Latvia and in certain selected countries of the European Economic Area which have implemented the Prospectus Regulation, as well as to certain selected investors in accordance with other exemptions available under the laws of respective jurisdictions. Persons who offer, sell or recommend Shares (the Distributors) are independently responsible for the evaluation of the target market and appropriate distribution channels and must guarantee that these are in conformity with the provisions of this Prospectus.

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



TABLE OF CONTENTS

1	INTRODUCTORY INFORMATION	4
2	SUPPLEMENTARY INFORMATION TO THE PROSPECTUS	5
2.1	Supplement to the Section 16.12. “Agreements related to the Offering” of the Prospectus.....	5
2.2	Amendments and supplements to Section 3 “REASONS FOR OFFERING AND USE OF PROCEEDS” ...	5
2.3	Amendment and restatement to the timing within “Offer Period” definition of the Prospectus.....	5
2.4	Amendment and restatement to the timing within Section 16.2. “Offer Period”	5

1 INTRODUCTORY INFORMATION

The purpose of preparing this Supplement is to incorporate information concerning Agreements related to the Offering and, in particular, the agreement concluded by the Issuer and Sales Agent (as defined further in this Supplement) concerning Retail Offering in Estonia after the date of the Prospectus and before this Supplement, as well as its related expenses in context with the Use of Proceeds. Furthermore, the purpose of this Supplement is also to specify the precise timing for the termination of the Offer Period on 30 October 2023 at a local time in Latvia, Estonia and Lithuania, subject to the closing of auction system of Nasdaq Riga.

With effect from the date of this Supplement, the information appearing in, or incorporated by reference into the Prospectus shall be amended and / or supplemented in the manner described below. References to page numbers are to the pages of the Prospectus.

The Company and the Management Board accepts responsibility for the information contained in this Supplement. The Company and the Management Board accepts responsibility for the correctness and accuracy of the information contained in this Supplement. Having taken all reasonable care, the Company and the Management Board believes that the information in this Supplement is, to the best of the Company's and the Management Board's knowledge, in conformity with the facts and excludes no information likely to affect the meaning of this Supplement. Since the publication of the Prospectus there have been no significant new factors, material mistakes or inaccuracies relating to the information contained in the Prospectus, save as disclosed in this Supplement.

signed with a safe electronic signature

Chairman of the Management Board
Juris Adamovičs

signed with a safe electronic signature

Member of the Management Board
Mihails Keziks

signed with a safe electronic signature

Member of the Management Board
Hermanis Dovgijis

Without prejudice to the above, the persons responsible for the information provided in this Supplement are not liable solely on the basis of the summary of this Prospectus, unless the information given in the summary is misleading or inaccurate together with this Prospectus or does not provide the material information needed for a decision on the investment in Offer Shares together with other parts of the Prospectus.

2 SUPPLEMENTARY INFORMATION TO THE PROSPECTUS

New information (as provided by the Article 23(1) of the Prospectus Regulation) concerning the Issuer's Agreements related to the Offering has become available. Therefore, the following supplements are made to the Prospectus.

2.1 Supplement to the Section 16.12. "Agreements related to the Offering" of the Prospectus

Due to the concluded agreement between the Issuer and Sales Agent (as defined below), regarding the Retail Offering in Estonia, the Issuer hereby supplements Section 16.12. "Agreements related to the Offering" as follows:

"Sales Agent agreement

The Issuer has appointed AS LHV Pank, a credit institution in Estonia with registered address at Tartu mnt 2, Tallinn, Estonia and registry code 10539549 (hereinafter – "Sales Agent"), to act as a Sales Agent in relation to the Retail Offering in Estonia. According to the Sales Agent agreement the Sales Agent shall act as a distributor and offer the Retail Offer Shares in Estonia, including assisting the Issuer with relevant investor and marketing materials and approaching the Retail investor base in Estonia concerning the Retail Offering of the Issuer."

2.2 Amendments and supplements to Section 3 "REASONS FOR OFFERING AND USE OF PROCEEDS"

Due to concluded agreement between the Issuer and Sales Agent regarding the Retail Offering in Estonia, the expenses related to the Offering incurred by the Issuer will include, amongst others, fees to be paid to Global Lead Manager for the organization of the Offering, as well as fees to be paid to the Sales Agent for attracting the Retail investors in Estonia. The overall total expenses and taxes directly related to the Offering and Admission of Shares to Trading payable by the Issuer indicated in Prospectus will not increase. In view to the above, the Issuer hereby supplements and restates Section 3 "REASONS FOR OFFERING AND USE OF PROCEEDS" as follows:

"The expected amount of gross proceeds of the Offering is up to EUR 7 701 633 (provided that all Offer Shares, including the Over-allotment Shares, are subscribed for and issued). The total expenses and taxes directly related to the Offering and Admission of Shares to Trading payable by the Issuer are estimated to be up to EUR 520 500, which include fees to be paid to the Global Lead Manager for the organization of the Offering as well as to Sales Agent for attracting the Retail investors in Estonia, assuming that all Offer Shares (including the Over-allotment Shares) are subscribed for by investors attracted by the Global Lead Manager and the Sales Agent, respectively. Therefore, after deduction of costs, the net proceeds of the Offering are expected to be up to EUR 7 181 133."

2.3 Amendment and restatement to the timing within "Offer Period" definition of the Prospectus

The Offer Period is a period during which persons who have a right to participate in the Retail Offering and the Institutional Offering may submit Subscription Undertakings for the Shares. In order to reflect precise and correct timing for the termination of the Offer Period on 30 October 2023 at local time in Latvia, Estonia and Lithuania, subject to the closing of auction system of Nasdaq Riga, the following amendments and restatements are made to the to the timing within "Offer Period" definition (page 2):

"The Offer Period of the Offer Shares commences on 13 October 2023 at 10:00 and terminates 30 October 2023 at 15:30 (the "Offer Period") in accordance with the terms and conditions set out in this Prospectus."

2.4 Amendment and restatement to the timing within Section 16.2. "Offer Period"

In line with the above-referred amendment and restatement to the timing within "Offer Period" definition of the Prospectus, the following amendments and restatements are made respectively to the timing within Section 16.2 "Offer Period":

"The Offer Period is a period during which persons who have a right to participate in the Retail Offering and the Institutional Offering may submit Subscription Undertakings for the Shares. The Offer Period commences on 13 October 2023 at 10:00 local time in Latvia and terminates on 30 October 2023 at 15:30 local time in Latvia, Estonia and Lithuania unless it is shortened or extended (described in more detail in the Section 16.13 "Change to the Offer Price and Offer Period" of this Prospectus).



The time of the termination of the Offer Period on 30 October 2023 at 15:30 local time in Latvia, Estonia and Lithuania has been indicated subject to the closing of auction system of Nasdaq Riga through which each financial institution that is a member of Nasdaq Riga will register the received Subscription Undertakings.

It cannot be guaranteed that each financial institution that is a member of Nasdaq will provide the possibility to submit the Subscription Undertakings until 15:30 local time in Latvia, Estonia, and Lithuania as the timetable of closing the respective systems may vary. Investors are recommended to contact the financial institutions that are members of Nasdaq for more details with respect of the deadline of submission of Subscription Undertakings on 30 October 2023 at 15:30 local time in Latvia, Estonia and Lithuania.”



**THIS DOCUMENT IS ELECTRONICALLY SIGNED
WITH A SECURE ELECTRONIC SIGNATURE AND
CONTAINS A TIME STAMP**