

AS INDEXO BANKA

BASE PROSPECTUS

Up to EUR 10,000,000

Tier 2 Subordinated Bond Issuance Programme

Issuer: AS INDEXO Banka

Registration No.: 40203448611

Legal entity identifier (LEI code): 875500LY35QI0UMK4S27

Address: Roberta Hirša iela 1, Riga, LV-1045, Republic of Latvia

BIC/SWIFT: IDXOLV22

Website: www.indexo.lv

Date of Prospectus: 16 April 2026

This Base Prospectus (the “Base Prospectus” or the “Prospectus”) was prepared for the programme (the “Tier 2 Subordinated Bond Issuance Programme”, the “Programme”) for the offering of non-convertible unsecured and unguaranteed subordinated bonds (the “Bonds”) of AS INDEXO Banka, incorporated in, and operating under the laws of the Republic of Latvia (the “Issuer”, the “Company”) in the amount of up to EUR 10,000,000 (the “Offering”) and admission thereof to trading on the official bond list of Nasdaq Riga - Baltic Bond List.

Under this Base Prospectus the Issuer may issue and offer to the public from time to time one or more series of Bonds (the “Series”) as specified in the relevant final terms (the “Final Terms”) (a form of which is contained herein).

This Base Prospectus has been approved by the Bank of Latvia (Latvijas Banka) as competent authority under Regulation (EU) 2017/1129 . The Bank of Latvia has notified the approval of the Base Prospectus to the competent authority Estonia (the Estonian Financial Supervision Authority (in Estonian – Finantsinspekcijai)) and in Lithuania (the Bank of Lithuania (in Lithuanian – Lietuvos Bankas)). The Bank of Latvia only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Approval by the Bank of Latvia should not be understood as an endorsement of the Issuer nor as an endorsement of the quality of any Bonds that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

INVESTING IN THE BONDS INVOLVES SIGNIFICANT RISKS, INCLUDING THE POSSIBLE LOSS OF THE ENTIRE AMOUNT INVESTED. PROSPECTIVE INVESTORS SHOULD CAREFULLY ACQUAINT THEMSELVES WITH SUCH RISKS BEFORE MAKING A DECISION TO INVEST IN THE BONDS. SEE SECTION 3 (RISK FACTORS) BELOW.

IMPORTANT NOTICES

Responsibility Statement. The Issuer accepts responsibility for the information contained in this Prospectus. Having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Company's knowledge, in accordance with the facts and contains no omission likely to affect its import. The Company accepts responsibility accordingly.

Nature of this Document. This Prospectus has been drawn up in accordance with 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**) and Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 (the **Delegated Regulation**). This Prospectus constitutes a base prospectus pursuant to Article 8 of the Prospectus Regulation.

Notice to Investors. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in any jurisdiction in which such offer or solicitation is unlawful. The Bonds have not been and will not be registered under the laws of any jurisdiction other than the Republic of Latvia (and, to the extent the public offering is passported, the Republic of Estonia and the Republic of Lithuania) and may not be offered or sold except pursuant to an applicable exemption from registration requirements.

United States. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold only outside the United States in reliance on Regulation S.

EEA. In relation to each Member State of the European Economic Area (each, a "Relevant Member State") other than Latvia (and, where the Prospectus has been passported, Estonia and Lithuania), no offer of Bonds to the public will be made in that Relevant Member State, except that an offer of Bonds may be made in that Relevant Member State at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined in Article 2(e) of the Prospectus Regulation;
 - (b) to fewer than 150 natural or legal persons (other than qualified investors); or
 - (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,
- provided that no such offer shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.

Sanctions. The Bonds shall not be offered, sold, transferred or delivered, directly or indirectly, to any Russian national or natural person residing in Russia, or to any legal person established in Russia. The latter shall not apply to nationals of a Member State of the European Union, of a country member of the European Economic Area or of Switzerland, or to natural persons having a temporary or permanent residence permit in a Member State of the European Union, in a country member of the European Economic Area or in Switzerland.

The Bonds shall not be offered, sold, transferred or delivered, directly or indirectly, to any Belarusian national or natural person residing in Belarus or any legal person, entity or body established in

Belarus. The latter shall not apply to nationals of a Member State of the European Union or to natural persons having a temporary or permanent residence permit in a Member State of the European Union.

The Bonds shall not be offered, sold, transferred or delivered, directly or indirectly, to any person to whom such action is restricted or prohibited by any applicable EU, UN or other international sanctions.

Forward-Looking Statements. This Prospectus contains forward-looking statements including statements relating to the Company's business strategy, plans, objectives and expected financial performance. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results or performance to differ materially from those expressed or implied by such statements. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

No Advice. Nothing in this Prospectus constitutes financial, legal, tax or investment advice. Prospective investors should consult their own independent advisers as to the legal, tax, financial, accounting and related aspects of an investment in the Bonds. Investing in the Bonds involves risks and may not be suitable for all investors. In particular, retail investors should be aware that they may lose the entire amount invested.

Availability. This Prospectus, together with any supplements thereto, will be made available in electronic form on the website of the Company (<https://indexo.lv/en/for-investors/>), on the website of Nasdaq Riga (<https://www.nasdaqbaltic.com>) and on the website of the Bank of Latvia (<https://www.bank.lv>).

Final Terms relating to the Bonds and other information required to be disclosed under applicable laws and regulations will be published in electronic form on the website of the Company and on the website of Nasdaq Riga.

The Prospectus, any supplements thereto and Final Terms will be made available on the website of Nasdaq Riga after listing and admission of the Bonds to trading on the Baltic Bond List of Nasdaq Riga.

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1. INTRODUCTORY INFORMATION

1.1. Applicable Law and Jurisdiction

This Prospectus has been and the Final Terms will be drawn up in accordance with the Prospectus Regulation, the Financial Instruments Market Law (in Latvian – *Finanšu instrumentu tirgus likums*) and Delegated Regulation, as supplemented or amended from time to time. The Prospectus has been prepared as a base prospectus pursuant to Article 8 of the Prospectus Regulation and in accordance with Annex 6 (Registration document for retail non-equity securities), Annex 14 (Securities note for retail non-equity securities) and Annex 28 (List of additional information in the final terms) of the Delegated Regulation.

This Prospectus and any non-contractual obligations arising out of or in relation to it shall be governed by and construed in accordance with the laws of the Republic of Latvia. Any dispute arising in connection with this Prospectus shall be submitted to the exclusive jurisdiction of the courts of the Republic of Latvia. The investor may be required under national law to bear the costs of translation before legal proceedings can be initiated.

1.2. Persons Responsible for the Information Given in the Prospectus

The Issuer is solely responsible for all information contained in this Prospectus.

Company (Issuer)	AS INDEKO Banka, Roberta Hirša iela 1, Riga, LV-1045, Republic of Latvia, registration No. 40203448611
Declaration	Having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Issuer's knowledge, in accordance with the facts and contains no omission likely to affect its import.

The following members of the Management Board of AS INDEKO Banka sign this declaration on behalf of the Issuer:

Name	Position
Valdis Siksnis	Chairman of the Management Board
Ivīta Asare	Member of the Management Board
Jānis Mūrnieks	Member of the Management Board
Ieva Bauma	Member of the Management Board
Gints Ozoliņš	Member of the Management Board

Evija Stürmane	Member of the Management Board
Toms Grīnbergs	Member of the Management Board

1.3. Presentation of Information

Final Terms and the Prospectus. The Bonds will be issued in one or more separate Series. Each Series is governed by the Final Terms, a form of which is annexed to this Prospectus as the Annex. This Prospectus should be read and construed together with any supplement hereto and, in relation to any Series, together with the relevant Final Terms. In the event of any inconsistency between this Prospectus and the Final Terms relating to any Series, the Final Terms shall prevail in respect of that Series.

Date of Information. This Base Prospectus is drawn up based on information as of the date of the Prospectus. If information has been provided as of any other date than the date of this Prospectus, it is indicated with reference to the specific date.

Currency. Unless otherwise indicated, all financial information in this Prospectus is presented in euros (EUR), the official currency of the EU Member States participating in Economic and Monetary Union, including Latvia.

Approximation of numbers. Numerical and quantitative values in this Prospectus (e.g., monetary values, percentage values) are presented with such precision that the Issuer deems necessary to provide adequate and sufficient information on the relevant matter while avoiding an excessive level of detail. In some cases, quantitative values have been rounded up to the nearest decimal place or whole number to avoid an excessive level of detail. As a result, certain values may not necessarily add up to the respective totals due to the effects of the approximation. Exact numbers can be examined and derived from the Audited Financial Statements to the extent that the relevant information is reflected therein.

Third-Party Information. Certain information in this Prospectus may have been sourced from third parties. Such information is accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where information has been sourced from third parties, a reference to the respective source has been provided. Certain information with respect to the markets in which the Issuer operates is based on the best assessment made by the Issuer. Investors are encouraged to conduct their own investigation of the relevant markets or employ a professional consultant.

No Incorporation of Information from Websites. Except as expressly stated in Section 1.4, no information from the websites referred to in this Prospectus is incorporated by reference into this Prospectus. Such websites and the information they contain are not part of this Prospectus.

Updates. The Issuer will only update the information contained in this Base Prospectus to such extent, with the regularity, and by such means as required by the applicable law or considered necessary and appropriate by the Management Board. The Issuer is under no obligation to modify or update the forward-looking statements included in this Base Prospectus (please see Section 1.5 “Forward-Looking Statements”).

Definitions of Terms. In this Base Prospectus, capitalised terms have the meaning given to them in Section 12 “Glossary” unless the context evidently requires the contrary, whereas the singular includes plural and vice versa. Other terms may be defined elsewhere in the Prospectus.

1.4. Information Incorporated by Reference

The following documents, which have previously been published or are published simultaneously with this Prospectus, are incorporated by reference into this Prospectus and form part of it:

1) INDEXO Banka audited annual report for the financial year ended 31 December 2025 and the independent auditor’s report, available at: <https://indexo.lv/wp-content/uploads/2026/02/AS-INDEXO-Banka-annual-report-2025-with-auditor-report.pdf>;

2) INDEXO Banka audited annual report for the financial year ended 31 December 2024 and the independent auditor’s report, available at: <https://indexo.lv/wp-content/uploads/2025/02/AS-INDEXO-Banka-annual-report-2024-with-auditor-report.pdf>;

3) INDEXO Banka Articles of Association, available on INDEXO Banka corporate website: https://indexo.lv/wp-content/uploads/2026/04/INDEXO-Banka_Statutu-jauna-redakcija.pdf

The Audited Financial Statements and related auditor’s report included in this Prospectus have been extracted without material adjustment from the annual report published at the date indicated in the auditor’s report. References in the auditor’s report to “other information” are references to other information in the annual report. Such other information does not form part of this Prospectus.

During the validity period of this Prospectus the aforementioned documents are accessible on the website of INDEXO Banka (<https://indexo.lv>) and are available for inspection at the registered address of the Company (Roberta Hirša iela 1, Riga, LV-1045, Latvia) during normal business hours on each Business Day.

There has been no significant change in the financial position of the Company since 31 December 2025 other than as disclosed in Section 9.6 (Post-Balance Sheet Events) of this Prospectus.

1.5. Forward-Looking Statements

This Prospectus contains certain forward-looking statements and information relating to the financial condition, results of operations, business and prospects of AS INDEXO Banka. These statements can be identified by the use of terminology such as 'anticipate', 'believe', 'could', 'estimate', 'expect', 'intend', 'may', 'plan', 'potential', 'should', 'strategy', 'will' or similar expressions and negatives of those expressions.

Forward-looking statements are based on beliefs and assumptions of the Company’s Management Board, using information currently available. They are inherently subject to significant uncertainties and contingencies, many of which are beyond the Company’s control. Actual results, performance or achievements could differ materially from those anticipated in such forward-looking statements as a result of the risks described in Section 3 (Risk Factors), as well as other factors not currently known to the Company or not currently considered to be material.

The Company undertakes no obligation to publicly update or revise any forward-looking statements contained in this Prospectus, whether as a result of new information, future events or otherwise. All forward-looking statements in this Prospectus are made only as of the date of this Prospectus.

1.6. Use of this Prospectus

This Prospectus is prepared solely for the purposes of: (i) the public offering of the Bonds in the Republic of Latvia and, to the extent passported, in the Republic of Estonia and the Republic of Lithuania; and (ii) the listing and admission of the Bonds to trading on the Baltic Bond List of Nasdaq Riga. This Prospectus is valid for a period of twelve (12) months from the date of its approval. During this validity period, it may be used for the issue of one or more Series of Bonds under the Programme, subject to the publication of the applicable Final Terms.

If a new material factor, material mistake or material inaccuracy arises that may affect the assessment of the Bonds before the end of the Subscription Period for a particular Series, a supplement to this Prospectus will be published in accordance with Article 23 of the Prospectus Regulation. Investors who have already agreed to purchase the Bonds before the supplement is published will have the right to withdraw their acceptances within three working days after the supplement is published.

1.7. Auditors

The financial statements of AS INDEXO Banka for the year ended 31 December 2025 have been audited by SIA BDO Assurance, a certified audit company registered in the Republic of Latvia (unified registration number 42403042353, Mihaila Tala iela 1, LV-1045, Riga). The responsible sworn auditor is Raivis Jānis Jaunkalns (auditor's certificate No. 237). SIA BDO Assurance was appointed as auditor by the extraordinary meeting of shareholders of AS INDEXO Banka held on 7 November 2025, for the financial year 2025.

The financial statements of AS INDEXO Banka for the year ended 31 December 2024, and for the year ended 31 December 2023 were audited by PricewaterhouseCoopers SIA, a certified audit company registered in the Republic of Latvia (unified registration number 40003142793, Marijas iela 2A, LV-1015, Riga).

Both audit firms are members of the Latvian Association of Certified Auditors.

The financial statements for financial years 2024 - 2025 received unqualified audit opinions.

1.8. Accounting Principles

The Audited Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. In addition, requirements set by the Bank of Latvia (in Latvian: Latvijas Banka) have been met with respect to preparation of the Audited Financial Statements.

1.9. Availability of the Prospectus and Final Terms

The Prospectus is available in electronic format on the website of the Issuer (<https://indexo.lv/en/for-investors/>) and will be published in electronic format on the website of the Bank of Latvia (in Latvian: Latvijas Banka) (<https://www.bank.lv/>) and, after listing and admission of the Bonds to trading on the Baltic Bond List of Nasdaq Riga, on the website of Nasdaq Riga (www.nasdaqbaltic.com).

Any interested party may download the above documents from the INDEXO website free of charge or request delivery of electronic copies of the documents from INDEXO.

The Company will publish any supplement to this Prospectus in the same manner as this Prospectus is published. The Final Terms of each Series of Bonds will be published on the website of Nasdaq Riga and on the Company's website no later than the commencement of the relevant Subscription Period.

1.10. MIFID II Product Governance

The Issuer, acting as the manufacturer of the Bonds for the purposes of Directive 2014/65/EU (MiFID II), is required to undertake a product approval process in order to identify the appropriate target market for the Bonds. For these purposes only, the Issuer has determined that the target market comprises retail clients, professional clients and eligible counterparties, each as defined in MiFID II.

The Issuer has further concluded that all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. In respect of retail clients, distribution should be conducted only through appropriate channels, including investment advice, portfolio management or non-advised sales, and in each case subject to the distributor's obligations relating to suitability and/or appropriateness under MiFID II, as applicable.

Any person subsequently offering, selling or recommending the Bonds should take into account the Issuer's target market determination. However, any distributor subject to MiFID II remains responsible for carrying out its own target market assessment in respect of the Bonds (whether by adopting or refining the Issuer's assessment) and for identifying suitable distribution channels.

For the avoidance of doubt, the target market determination does not constitute an assessment of suitability or appropriateness for the purposes of MiFID II and should not be regarded as a recommendation to any investor, or category of investors, to subscribe for, purchase or otherwise deal in the Bonds.

1.11. Interest of Natural and Legal Persons Involved in the Offering

So far as the Issuer is aware, no person involved in the offering of the Bonds has an interest material to the offering, save as disclosed below.

The Issuer may appoint one or more financial intermediaries (including investment firms, credit institutions) acting as issuing agents or placement agents (together, the "Agents") in connection with the offering and placement of the Bonds. Such Agents may receive fees, commissions and/or other remuneration from the Issuer in connection with their services, which may include placement fees calculated as a percentage of the aggregate nominal amount of the Bonds placed or allocated to investors referred by such Agents.

As a result of the remuneration received, such Agents may have a financial interest in the successful placement of the Bonds, which may give rise to potential conflicts of interest. Investors should take this into account when considering any advice received from such persons.

Information on the issuing agent and placement agents (if any) will be specified in the Final Terms of the respective Series of Bonds.

2. GENERAL DESCRIPTION OF THE PROGRAMME

2.1. Summary of Key Programme Terms

Programme	EUR 10,000,000 Tier 2 Subordinated Bond Issuance Programme
Issuer	AS INDEKO Banka
Registration No	40203448611
Legal Entity Identifier (LEI):	875500LY35QI0UMK4S27
Programme size	up to EUR 10,000,000 in aggregate nominal amount of Bonds outstanding at any one time
Type of Bonds	non-convertible unsecured and unguaranteed subordinated bonds intended to qualify as Tier 2 capital instruments within the meaning of Article 63 of CRR
Nominal Value of the Bond	the nominal value of each Bond will be specified in the Final Terms.
Currency	EUR
Interest	the Bonds will bear interest from (and including) the Issue Date to (but excluding) the Maturity Date or the Early Redemption Date at a fixed interest rate that will be specified in the Final Terms
Issue Date	the Issue Date for each series of Bonds will be specified in the Final Terms
Issue Price	the Issue Price of the Bond will be specified in the Final Terms and will be expressed as a percentage of the Nominal Value of the Bond
Maturity	10 years from the Issue Date of each Series. The Maturity Date for each series of Bonds will be specified in the Final Terms
Call Option (Optional Redemption)	the Issuer may redeem the Bonds after five years from the Issue Date, subject to prior regulatory approval, as well as at any time upon the occurrence of a Capital Disqualification

	Event or a Tax Event, in each case subject to prior regulatory approval.
Status / Ranking	unsecured, unguaranteed and subordinated obligations of the Issuer ranking pari passu without any preference among each other and with all other unsecured, unguaranteed and unsubordinated indebtedness of the Issuer, qualifying as Tier 2 capital, senior to AT1 instruments and share capital and junior to all unsubordinated indebtedness of the Issuer.
Bail-in	subject to Bail-in and other Resolution Powers of the Resolution Authority
Listing	Baltic Bond List of Nasdaq Riga
Risk Factors	investing in Bonds issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Bonds and the risks related to the Bonds are discussed in Section “Risk Factors” below
Method of Issue	the Bonds shall be issued in Series. Each Series will have its own specific terms and conditions, including, without limitation, the Issue Date, Issue Price, Nominal Value of the Bond, Maturity Date, Interest Rate. For the avoidance of doubt, each Series constitutes a single, distinct issuance of Bonds under the Programme
Form of the Bonds	the Bonds will be issued in dematerialized book-entry form and recorded in Nasdaq CSD
Governing law	Laws of the Republic of Latvia
Prospectus validity	12 months from the date of approval
Programme approval	The Programme has been approved by resolution of the Management Board of the Company dated 7 April 2026. The decision to issue each individual Series of Bonds and the Final Terms therefore will be resolved separately by the Management Board of the Company.

2.2. Type and Class of Bonds

The Bonds are freely transferable non-convertible unsecured and unguaranteed subordinated fixed-rate bonds of AS INDEKO Banka, denominated in EUR.

2.3. Size of the Programme

The total size of the Programme is up to EUR 10,000,000 in aggregate nominal amount outstanding at any time (the **Programme Size**).

2.4. Issue Date, Issue Price and Yield

The Issue Date of each Series will be specified in the Final Terms.

The Bonds may be issued at an Issue Price equal to, above or below their Nominal Value (at par, at a premium or at a discount). The Issue Price of each Series of Bonds will be specified in the applicable Final Terms and will be expressed as a percentage of the Nominal Value of the Bond.

The yield of each Series will be specified in the Final Terms and will be calculated as of the relevant Issue Date on an annual basis using the relevant Issue Price. It is not an indication of future yield.

2.5. Form and Registration of Bonds

The Bonds are issued and maintained in dematerialised, uncertificated book-entry form. Physical certificates will not be issued.

The Bonds will be registered within the securities settlement system governed by Latvian law maintained by Nasdaq CSD. The Bonds will be transferable in accordance with the rules and procedures of Nasdaq CSD and the applicable rules of the Nasdaq Riga Stock Exchange. The Issuer organises the deletion of the Bonds from Nasdaq CSD upon their redemption.

Bondholders may hold Bonds through Nasdaq CSD participants participating in the Latvian securities settlement system. Rights of Bondholders with respect to the Bonds are exercised through the account-managing institutions that maintain Bondholders' securities accounts.

The Bonds will be issued in one or more separate Series under the Programme. The ISIN code of each Series will be specified in the relevant Final Terms. Each Series of Bonds will be fungible with other Bonds of the same Series but will not be fungible with Bonds of a different Series.

2.6. Ranking and Subordination

Each Bond constitutes a direct, unsecured, unguaranteed and subordinated debt obligation of the Issuer, intended to qualify as a Tier 2 capital instrument within the meaning of Article 63 of the Capital Requirements Regulation, as supplemented by applicable EU technical standards and guidelines of the European Banking Authority (EBA) on own funds instruments.

In the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, the rights of Bondholders to payments on or in respect of the Bonds shall rank:

- i. **Junior to:** all present or future (A) unsubordinated and unsecured claims of creditors of the Issuer, and (B) any present or future subordinated obligations of the Issuer that rank, or are expressed to rank, senior to the Bonds;
- ii. **Pari passu:** with all other present or future Tier 2 capital instruments of the Issuer and any other subordinated claims that rank, or are expressed to rank, equally with the Bonds;

- iii. **(iii) Senior to:** all present or future claims of holders of Additional Tier 1 instruments of the Issuer and, in each case, claims of holders of all classes of share capital of the Issuer.

The subordination of the Bonds means that, in the liquidation or bankruptcy of the Issuer, claims arising from the Bonds shall rank equally with other claims of the same rank and shall be satisfied only after the full satisfaction of all unsubordinated recognised claims against the Issuer. Any right of set-off by a Bondholder against the Issuer in respect of amounts due under the Bonds is excluded.

Furthermore, any amounts outstanding under the Bonds may be subject to reduction or conversion into equity instruments pursuant to the exercise of Bail-in and other Resolution Powers by the Resolution Authority (see Section 2.13 (Bail-in Powers) and Risk Factors 3.5.2).

2.7. Currency and Denomination

The Bonds are denominated and all payments of principal and interest in respect of the Bonds will be made in Euro (EUR), the lawful currency of the Republic of Latvia and the official currency of the Eurozone. The Nominal Value of each Bond shall be specified in respective Final Terms.

2.8. Interest Rate and Interest Payment

The Bonds bear a fixed annual interest rate as specified in the relevant Final Terms. Interest accrues from and including the Issue Date of each Series to (but excluding) the Maturity date or Early Redemption Date, whichever occurs first, and is payable semi-annually in arrears on each Interest Payment Date specified in the relevant Final Terms. Interest will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each (30/360 day count convention).

If an Interest Payment Date falls on a day that is not a Business Day, the Interest Payment Date will be postponed to the next day which is a Business Day (Following Business Day Convention). No additional interest shall accrue in respect of any such postponement or advancement.

Interest on the Bonds shall be paid through Nasdaq CSD in accordance with the applicable rules of Nasdaq CSD. The Bondholders entitled to receive interest on the Bonds shall be determined as of the close of business on the fifth Business Day prior to the relevant Interest Payment Date (Record Date).

All interest payments are subject to applicable withholding taxes under Latvian tax law. See Section 11 (Taxation) for further details.

2.9. Maturity and Redemption

Unless previously redeemed or purchased and cancelled, the Bonds of each Series will be redeemed at their nominal value (100% of par) on the Maturity Date specified in the relevant Final Terms, which will be the date falling 10 (ten) years from the Issue Date of that Series. The Bonds do not provide for any instalment or amortising redemption prior to the Maturity Date.

Payment due on Final Redemption of the Bonds (Final Redemption amount) will be made to the persons who were registered as the Bondholders at the close of business on the Business Day preceding the due date for such payment. Payment of amounts due on the Final Redemption of the

Bonds will be made simultaneously with deletion of the Bonds. If the due date for payment of the Final Redemption amount of the Bonds is not a Business Day, the payment of the Final Redemption amount will be postponed to the next following Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with respective Final Terms.

If the Company fails to transfer Final Redemption amount on the relevant due date, interest shall accrue on the overdue amount from (and including) the due date until the date of actual payment at the same rate as the interest rate applicable to the Bonds, as specified in the Final Terms.

2.10. Call Option (Optional Redemption)

The Issuer may, at its option, redeem all (but not some only) of the outstanding Bonds of a Series, on not less than 30 calendar days' notice, at their nominal value (100% of par) together with accrued interest to (but excluding) the date of redemption, on the date falling 5 (five) years from the Issue Date of that Series (the Early Redemption Date, Call Date) and on any Interest Payment Date thereafter, subject to the prior permission of Bank of Latvia in accordance with Articles 77 and 78 of the Capital Requirements Regulation (CRR).

Upon the occurrence of a Capital Disqualification Event (being an event as a result of which the Bonds cease, or are likely to cease, in whole or in part, to qualify as Tier 2 capital under the CRR or applicable law), the Issuer may, at its option, redeem all (but not some only) of the outstanding Bonds at their nominal value together with accrued interest, at any time (Early Redemption Date, Call Date), subject to the prior permission of the Bank of Latvia.

Upon the occurrence of a Tax Event, the Issuer may, at its option, redeem all (but not some only) of the outstanding Bonds at their nominal value together with accrued interest, at any time (Early Redemption Date, Call Date), subject to the prior permission of the Bank of Latvia. Tax Event means any change in, or amendment to, the laws or regulations of the Republic of Latvia, or any change in the application or official interpretation thereof, becoming effective on or after the Issue Date, which results in, and following confirmation to the satisfaction of the Bank of Latvia, the Issuer being subject to a materially adverse tax consequence in respect of the Bonds or any payments thereunder, which was not reasonably foreseeable as at the Issue Date.

The Issuer shall notify the Bondholders of any early redemption by publication on the website of Nasdaq Riga and on the website of the Issuer not less than 30 calendar days prior to the Early Redemption Date. Notice of early redemption shall be given to Nasdaq CSD in accordance with the rules and procedures of Nasdaq CSD.

The Bondholders shall have no right to require early redemption of the Bonds.

2.11. Rights Attached to the Bonds

The Bonds confer on Bondholders the following rights: (i) the right to receive interest payments at the rate and on the dates specified in the Final Terms; (ii) the right to receive repayment of the principal amount of the Bonds at par on the Maturity Date or on the applicable Early Redemption Date, subject to the subordination provisions; and (iii) the right to participate in Meetings of Bondholders and to vote on resolutions to modify the Terms of the Bonds in accordance with Section 2.15 (Meetings of the Bondholders).

The Bonds do not confer any voting rights in the general meeting of shareholders of the Issuer, nor any rights to participate in the profits or in the net assets of the Issuer upon liquidation other than the rights of Bondholders to payments on or in respect of the Bonds as described in Section 2.6. (Ranking and Subordination). The Bonds do not carry any conversion rights into shares or other equity instruments of the Issuer, except as may arise from the exercise of Bail-in Powers by the Resolution Authority.

2.12. Transferability and Listing

The Bonds are freely transferable in accordance with applicable law. There are no contractual restrictions on the transfer of the Bonds beyond those imposed by applicable laws and regulations, including applicable sanctions legislation.

The Issuer shall apply for the listing and admission of all Bonds issued under the Programme to trading on the official bond list (Baltic Bond List) of Nasdaq Riga Stock Exchange according to the requirements of Nasdaq Riga. The Issuer will take appropriate actions to ensure that the Bonds of the relevant Series are admitted to listing and trading on Baltic Bond List as soon as practically possible however in each case such time period shall not exceed 3 (three) months after the Issue Date of the respective Series. The Issuer shall use its best efforts to ensure that the respective Series remains listed in the official bond list of Nasdaq Riga. While every effort will be made to ensure listing, the Issuer cannot guarantee that all Bonds will be or will remain listed.

2.13. Bail-in Powers

Any amounts outstanding under the Bonds may be subject to the exercise of write-down and conversion powers (the Bail-in Powers) by the Bank of Latvia (in its capacity as the national Resolution Authority), the Single Resolution Board (SRB) or any other applicable Resolution Authority in accordance with Directive 2014/59/EU (the Bank Recovery and Resolution Directive, *BRRD*), as implemented in Latvia by the Law on Recovery of Credit Institutions and Investment Firms (in Latvian: *Kredītiestāžu un ieguldījumu brokeru sabiedrību darbības atjaunošanas un noregulējuma likums*).

If the Issuer is determined by the Resolution Authority to be failing or likely to fail and the Bail-in Powers are exercised, the Resolution Authority may, without the consent of the Bondholders:

- (a) reduce the outstanding principal amount of the Bonds (including to zero);
- (b) convert all or part of the Bonds into ordinary shares or other instruments of ownership of the Issuer or another entity;
- (c) cancel the Bonds; and/or
- (d) amend the Terms of the Bonds as necessary to give effect to the exercise of such powers.

The exercise of the Bail-in Powers may result in material losses or the complete loss of investment for the Bondholders. Any financial public support from governmental or European Union sources will be provided only as a last resort and only after the Bail-in tool has been applied, in accordance with the BRRD.

By subscribing for the Bonds, each Bondholder acknowledges, accepts and agrees to be bound by the application of the Bail-in Powers and the effects thereof, including any write-down or conversion of the Bonds.

2.14. Ratings

The Bonds have not been rated by any credit agencies.

2.15. Meetings of Bondholders

The Issuer may, and if so requested in writing by Bondholders representing at least 10 per cent. of the aggregate nominal amount of the outstanding Bonds of the relevant Series shall convene a Meeting of Bondholders or initiate a procedure for taking Bondholders' decisions in writing without convening a meeting (the "Written Procedure") to consider any matter affecting the Bondholders' interests.

Meetings of Bondholders shall be convened by publication on the website of Nasdaq Riga and on the website of the Issuer not less than 15 calendar days prior to the date of the meeting. Such notice shall include (i) the date and place of the meeting; (ii) the proposed resolution; (iii) the reasons for the proposal; (iv) the procedure for voting; and (v) requirements for powers of attorney. A Written Procedure shall be initiated by publication on the website of Nasdaq Riga and on the website of the Issuer not less than 15 calendar days prior to the commencement of the Written Procedure. Such notice shall include (i) the proposed resolution; (ii) the reasons for the proposal; (iii) the procedure for voting and the duration of the Written Procedure; and (iv) requirements for powers of attorney. Notice of the convening of the Meeting of Bondholders shall be given to Nasdaq CSD in accordance with the rules and procedures of Nasdaq CSD.

The Bondholders entitled to participate in a Meeting of Bondholders shall be determined as of the close of business on the fifth Business Day prior to the date of the meeting (the "Record Date"). The Bondholders entitled to participate in the Written Procedure shall be determined as of the close of business on the fifth Business Day prior to the commencement of the Written Procedure (the "Record Date").

Bondholders may exercise their voting rights at a Meeting of Bondholders in person or by proxy, or by submitting their votes in advance in electronic or paper form in accordance with the instructions set out in the notice. Each Bond entitles the Bondholder to one vote at any Meeting of Bondholders or in a Written Procedure.

A quorum shall be present at a Meeting of Bondholders or in a Written Procedure if Bondholders representing at least 50 per cent. of the aggregate nominal amount of the outstanding Bonds of the relevant Series are present, represented or have submitted votes. Unless otherwise specified, resolutions shall be passed by a simple majority of the votes cast.

Bonds held by or on behalf of the Issuer or any member of the INDEXO Group shall not carry voting rights and shall not be taken into account when determining the aggregate nominal amount of outstanding Bonds for the purposes of this Section.

Resolutions to amend any of the following provisions of this Prospectus or the applicable Final Terms shall require the affirmative vote of not less than 75 per cent. of the aggregate nominal amount of the

outstanding Bonds of the relevant Series: (i) the Interest Rate; (ii) the Maturity Date; (iii) the specified denomination of the Bonds; (iv) redemption amounts; (v) the currency of payment; and (vi) this Section 2.15.

No resolution may validly amend the Prospectus, Final Terms or the rights of the Bondholders in a manner contrary to applicable law or mandatory provisions of regulation, and any such amendment shall be null and void to the extent of such inconsistency.

Resolutions duly passed at a Meeting of Bondholders or in a Written Procedure shall be binding on all Bondholders of the relevant Series, whether or not they were present or participated. The Issuer shall notify the Bondholders of any such resolution by publication on the website of Nasdaq Riga and on the website of the Issuer.

All costs and expenses incurred in connection with the convening and holding of a Meeting of Bondholders or the organisation of a Written Procedure shall be borne by the Issuer.

2.16. Representation of the Bondholders

This Prospectus does not provide for the appointment or authorization of any organization or person to represent the interests of all or a portion of the Bondholders, without prejudice to the provisions of Section 2.15 (Meetings of Bondholders). However, the Bondholders are not prevented from establishing or appointing such representative(s) at their own initiative. Any costs and expenses related to such representation shall be borne solely by the Bondholders.

2.17. Notices

All notices in respect of the Bonds shall be given by publication on the website of Nasdaq Riga (<https://www.nasdaqbaltic.com/lv/>) and simultaneously on the website of the Issuer (<https://indexo.lv/en/for-investors/>). Notices shall be deemed to have been given on the date of their publication and shall be deemed to have been received by the Bondholders on such date.

2.18. Time Limit on the Validity of the Claims

Claims against the Company in respect of the Bonds will expire in accordance with the statutory terms of Latvian law.

2.19. Purchases

The Company and the companies of INDEXO Group may, subject to compliance with applicable laws and regulations, including the Capital Requirements Regulation (CRR) and any applicable regulatory technical standards, at any time purchase Bonds in the open market or otherwise, including for market-making or other purposes.

Any such purchase shall, where required, be subject to the prior permission of the competent authority in accordance with the CRR, including Commission Delegated Regulation (EU) No 241/2014, and any other applicable banking regulations.

2.20. Taxation

Prospective investors should note that the tax legislation of the investor's Member State and of the country of incorporation of the Issuer (the Republic of Latvia) may have an impact on the income received from the Bonds.

Payments in respect of the Bonds (including principal and interest) may be subject to withholding or deduction of taxes or duties in accordance with applicable Latvian laws or international agreements. Any such amounts shall be withheld or deducted by the Issuer at the expense of the Bondholders, and the Issuer shall not be obliged to pay any additional amounts in respect thereof. Where a double taxation treaty provides for a reduced withholding tax rate, the Bondholder may be required to submit appropriate documentation (such as a tax residence certificate) in order to benefit from such relief.

Investors should consult their own tax advisers regarding the tax consequences of an investment in the Bonds. See Section 11 (Taxation) for further details.

2.21. Applicable Law and Jurisdiction

The Bonds, the Terms of the Bonds and rights and obligations related to the Bonds are governed by and construed in accordance with the laws of the Republic of Latvia. Any dispute arising out of or in connection with the Bonds or the Terms of the Bonds shall be submitted to the exclusive jurisdiction of the courts of the Republic of Latvia. To the extent permitted by law, the parties exclude the application of any conflict of laws rules that would otherwise apply.

2.22. Miscellaneous

If any provision of this Prospectus or the Final Terms is held to be invalid, unlawful or unenforceable to any extent under any applicable law, such provision shall to that extent be severed from the remaining Terms, which shall continue to be valid and enforceable to the fullest extent permitted by law.

The Prospectus and the Final Terms may be amended by the Issuer with the consent of the Bondholders in accordance with Section 2.15. (Meetings of Bondholders).

Notwithstanding the foregoing, the Issuer may, without the consent of the Bondholders, make minor, technical or administrative amendments, as well as amendments to correct a manifest error or to comply with mandatory provisions of applicable law, including changes relating to technical procedures in respect of payments or other similar matters, provided that such amendments are not materially prejudicial to the interests of the Bondholders.

Any such amendments shall be notified to the Bondholders by publication on the website of Nasdaq Riga and on the website of the Issuer.

3. RISK FACTORS

3.1. Introduction to Risk Factors

Prospective investors should carefully consider the risks described below, together with all other information contained in this Prospectus, before making an investment decision. The risks described below are those which the Company's Management Board currently considers to be material as of the date of this Prospectus. The risks are categorised as follows:

- Section 3.2: Risks related to the business and operations of the Company;
- Section 3.3: Legal and regulatory risks;
- Section 3.4: Macroeconomic and geopolitical risks; and
- Section 3.5: Risks related to the Bonds and the securities market.

Within each category, the risks are presented in order of estimated materiality, taking into account the probability of occurrence and the expected magnitude of their negative impact on the Issuer and/or the Bondholders. This ordering is the Company's assessment as of the date of this Prospectus and may change over time. The risks described below are not exhaustive. Additional risks not currently known to the Company, or that the Company currently considers immaterial, may also impair its operations and adversely affect the value of the Bonds. An investment in the Bonds involves a significant degree of risk and may not be appropriate for all investors. Investors may lose all or part of their investment.

3.2. Risks Related to the Business and Operations of the Company

3.2.1. Early-Stage Operation, Accumulated Losses and Dependence on Capital Support

AS INDEKO Banka is a newly established credit institution. The Company received its banking license on 16 May 2024 and commenced banking operations on 28 August 2024. It completed its first full year of operations in 2025. At the end of 2025, the Bank's customer base reached 49.7 thousand (21.1 thousand at the end of 2024) with total deposits of EUR 73.8 million (EUR 33.1 million at the end of 2024), while the loan portfolio before expected credit losses exceeded EUR 55.2 million (EUR 1.1 million at the end of 2024).

Considering that the Bank's operations have started relatively recently, its income is not yet sufficient to cover all operating expenses. At the same time, INDEKO Bank continues to make significant investments in IT infrastructure to enhance and develop an increasing range of its services and products. Therefore, for the financial year ended 31 December 2025, the Company recorded a net loss of EUR 9,245 thousand (2024: EUR 6,163 thousand). The accumulated deficit as of 31 December 2025 amounted to EUR 18,078 thousand.

During 2025, IPAS INDEKO increased the Bank's capital by EUR 10 million, and the Bank additionally raised EUR 1.8 million in subordinated borrowings. At the end of 2025, the Bank's capital adequacy ratio stood at 21.26%, compared to 54.17% in 2024, exceeding the regulatory guideline recommendation of 20%. The liquidity coverage ratio at the end of the reporting period was 529.67%, compared to 1 273.49% in 2024, which was significantly above regulatory requirement.

In January 2026, the INDEKO Group successfully completed the acquisition of AS DelfinGroup, with

IPAS INDEXO increasing its ownership to 71.52%. Given DelfinGroup's stable and highly profitable operations, the transaction resulted in the INDEXO Group becoming profitable from the first day following the business combination. In April 2026, IPAS INDEXO acquired additional shares in AS DelfinGroup through an over-the-counter transaction, increasing its shareholding in the company's share capital to 72.07%. The Bank's management expects that the profit generating INDEXO Group companies will help to cover INDEXO Bank's development expenses in 2026, until INDEXO Bank itself reaches positive profitability. With the current revenue and expense structure, INDEXO Bank standalone plans to reach the break-even point (before expected credit losses) in December 2026.

At the same time, the Management of the Bank recognises that additional external capital will be required to achieve the Bank's strategic targets in 2026 – continuing to expand the Bank's loan portfolio and overall income base, and to successfully introduce additional planned products, including home equity loans, consumer loan consolidation products, family accounts and SME services.

The ability of IPAS INDEXO to continue supporting INDEXO Banka through capital injections depends on IPAS INDEXO's own financial resources, including the profitability of its pension management business, the contribution of AS DelfinGroup (majority-owned since January 2026) to group revenues, and its ability to raise additional equity from its shareholders. If IPAS INDEXO is unable to provide capital support to INDEXO Banka in the amounts and on the timescales required, INDEXO Banka may not be able to maintain its regulatory capital requirements, which could result in supervisory intervention, restrictions on business activities, or, in extreme cases, revocation of its banking licence. Any such event would materially adversely affect INDEXO Banka's ability to repay the Bonds.

3.2.2. Credit Risk – Rapid Loan Portfolio Growth and Limited Historical Data

Credit risk is the risk of financial loss arising from a borrower failing to meet its contractual payment obligations. As at 31 December 2025, the Company's gross loan portfolio amounted to EUR 56,149 thousand, consisting of consumer loans (EUR 32,505 thousand, 57.9%), mortgage loans (EUR 23,599 thousand, 42.0%) and current account overdrafts (EUR 45 thousand, 0.1%). The loan portfolio grew from EUR 1.1 million to EUR 54.9 million (net) during 2025, representing approximately 50-fold growth in twelve months.

The Company uses automated credit scoring models based on external data sources - primarily the Creditinformation Bureau and benchmark data published by the European Banking Authority (EBA Risk Dashboard) - because it does not yet have sufficient internal historical loan performance data to calibrate proprietary PD (probability of default) and LGD (loss given default) models. This reliance on external benchmarks creates model risk: the actual default rates and loss severities in the Company's specific loan portfolio may differ materially from those assumed in its ECL models. As the portfolio ages and macroeconomic conditions change, actual credit losses could be significantly higher than currently provisioned.

Because the Company has less than 18 months of loan performance history, these models are not yet calibrated on the Company's own portfolio data. The models may systematically overestimate or underestimate default rates or loss severities for the Company's specific customer segment, leading to inappropriate credit decisions, mispriced loans, or under-provisioned credit losses. The Company plans to replace external benchmark parameters with proprietary data during 2026 as the portfolio matures.

The Company's ECL provision as of 31 December 2025 was EUR 1,220 thousand (provision coverage ratio of 2.17% of gross loans). Given the portfolio's extremely rapid growth and early vintage,

the ECL provision may prove insufficient if economic conditions deteriorate or borrower behaviour differs from external benchmarks. Significant credit losses would adversely affect the Company's financial results, capital ratios, and ability to service its obligations under the Bonds.

3.2.3. Concentration Risk – Single Market, Single Product Category

The Company's loan portfolio is currently concentrated exclusively in the Latvian retail market and in two product types: consumer loans (unsecured personal loans) and residential mortgage loans. The Company has no corporate, SME or foreign lending and no geographic diversification outside Latvia. This concentration means that adverse developments in the Latvian economy - such as a significant rise in unemployment, a sharp decline in residential property values, or a widespread deterioration in household financial health - could cause simultaneous stress across both the consumer and mortgage portfolios, resulting in credit losses that cannot be offset by high diversification at exposure and customer level.

Furthermore, the deposit base is concentrated in individual retail customers in Latvia, predominantly attracted through the mobile banking application and the INDEXO brand. This creates a risk that a negative perception event (such as a technology failure, a regulatory sanction, or adverse media coverage) could trigger a rapid outflow of deposits. While the Company's LCR of 529.67% as at 31 December 2025 provides a substantial liquidity cushion, this buffer may be consumed quickly in a stress scenario given the largely short-term, on-demand nature of its liabilities.

3.2.4. Liquidity Risk and Deposit Maturity Mismatch

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. As of 31 December 2025, the Company's deposit base of EUR 73,786 thousand comprised: current accounts (EUR 13,667 thousand, 18%), savings accounts (EUR 33,123 thousand, 45%) and term deposits (EUR 26,996 thousand, 37%). Approximately 63% of the deposit base was contractually withdrawable on demand or at short notice.

In contrast, the loan portfolio has a weighted average remaining maturity of approximately 4.1 years (consumer loans) and 24.3 years (mortgage loans). This structural maturity mismatch is inherent to retail banking but creates sensitivity to sudden deposit outflows. The Company holds a portfolio of highly liquid assets (primarily balances at the Bank of Latvia and government bonds) to mitigate this risk. The Liquidity Coverage Ratio (LCR) of 529.67% substantially exceeded the regulatory minimum of 100% as of 31 December 2025, providing significant buffer. However, if the Company were to experience large-scale deposit withdrawals in a period of market stress, it might be forced to sell assets at adverse prices, reducing its ability to meet obligations.

3.2.5. Interest Rate Risk

Interest rate risk is the risk of a reduction in the Company's net interest income (NII) or in the economic value of its equity (EVE) resulting from adverse movements in interest rates. The Company's interest rate exposure arises from the repricing mismatch between assets and liabilities. Assets mainly consist of fixed-rate consumer loans (at an average rate of 12.49% p.a. with weighted average maturity of 4.1 years) and variable-rate mortgage loans (EURIBOR-based). Liabilities consist of non-maturing deposits and fixed rate term deposits repriced on relatively short timescales. At the end of 2025 weighted average maturity of term deposits were 1.5 years.

As of 31 December 2025, the interest rate sensitivity analysis indicates: a parallel upward shift of 200 basis points in all EUR interest rates would increase net interest income over 12 months by approximately EUR 99 thousand; a parallel downward shift of 200 basis points would reduce net interest income by approximately EUR 149 thousand. The Company's fixed-rate consumer loan portfolio creates sensitivity to rising rates on the funding side, while falling rates would reduce income from variable-rate mortgage assets and liquid asset holdings.

3.2.6. Operational and IT Risk

INDEXO Banka operates as a fully digital bank with no physical branch network. All customer-facing services - account opening, payments, lending, savings - are delivered exclusively through the INDEXO mobile application. The Company is consequently highly dependent on the reliability, security and continuous availability of its IT systems and third-party service providers. The core banking platform is provided by Mambu B.V. (Netherlands) under a cloud-based SaaS agreement. Payments infrastructure uses Mambu Payments, integrated with SEPA Instant Credit Transfers and TARGET2.

A prolonged outage of the core banking platform, the mobile application, payment infrastructure or key third-party services could prevent customers from accessing their accounts and making payments, leading to reputational damage, regulatory sanctions, customer attrition and potential liability claims. Cybersecurity risks - including data breaches, ransomware attacks, distributed denial of service attacks, and fraud - are heightened in the digital banking sector and in the current geopolitical environment. Total IT investment to date has reached EUR 7.5 million, primarily in the mobile banking application and core banking system.

The Company maintains a business continuity plan and disaster recovery procedures but cannot guarantee that these will be sufficient to prevent material disruption in all scenarios. Third-party service provider failures, particularly Mambu, could be outside the Company's control and ability to remedy quickly.

3.2.7. Regulatory Capital Adequacy and Risk of Capital Breach

The Company is subject to minimum regulatory capital requirements under the CRR, CRD IV and applicable Latvian banking law. As at 31 December 2025, the Company's capital ratios were: CET1 ratio: 17.06%; Tier 1 ratio: 17.06%; Total Capital Ratio: 21.26%.

As the loan portfolio grows, risk-weighted assets (RWA) will increase rapidly, while the Company's CET1 capital base is being eroded by ongoing net losses. Without further capital injections, the capital ratios are projected to decline toward minimum requirements over the 12–18 months following the date of this Prospectus. If minimum capital ratios are breached, the Company would be required to take immediate corrective action (including suspending all discretionary distributions), and the supervisory authority could impose additional restrictions or measures. In the most severe scenario, the Company could be subject to resolution proceedings, which could result in the write-down or conversion of the Bonds.

3.3. Legal and Regulatory Risks

3.3.1. Changes in Applicable Law and Regulation

The Company operates in a heavily regulated environment and is subject to extensive EU and Latvian banking legislation, including the CRR, CRD IV, BRRD, the Deposit Guarantee Schemes Directive, the Payment Services Directive 2, the EU anti-money laundering package, the Consumer Credit Directive, General Data Protection Regulation, applicable national laws and Bank of Latvia regulations and guidelines. Any changes to applicable law or regulation - including increases in capital requirements, changes to deposit guarantee thresholds, tightening of consumer lending regulations, or new AML/CFT/CPF and sanctions requirements - could require significant operational or structural changes, increase the Company's compliance costs, restrict its product offerings, or adversely affect its profitability.

3.3.2. Supervisory and Regulatory Risk

AS INDEKO Banka is licensed and regulated by the Bank of Latvia as the national competent authority, and indirectly by the European Central Bank (ECB) as part of the Single Supervisory Mechanism (SSM). The Bank of Latvia conducts regular supervisory reviews (Supervisory Review and Evaluation Process, SREP) and may impose additional capital requirements (Pillar 2 requirements and Pillar 2 guidance) above the minimum CRR requirements. It may also restrict the Company's activities, require changes to its business model, impose fines, or, in extreme cases, revoke the Company's banking licence.

The Company, as a newly licensed institution, is subject to intensified supervisory attention during its early years of operation. Pursuant to the Law on Credit Institutions, Regulation (EU) No. 575/2013 and the outcomes of the Supervisory Review and Evaluation Process (SREP), the Bank of Latvia may impose additional capital requirements or other prudential restrictions on INDEKO Banka, which could adversely affect the Company's growth and financial results.

Furthermore, prior regulatory approval of the Bank of Latvia is required for the optional early redemption of the Bonds at the Call Date. There is no assurance that such approval will be granted. If regulatory approval is not obtained, the Issuer will not be able to exercise the Call Option even if it would otherwise be in investors' interests.

3.3.3. AML/CFT/CPF and Sanctions Risk

Latvia's financial sector has previously been subject to heightened international scrutiny in the area of anti-money laundering and countering the financing of terrorism and proliferation (AML/CFT/CPF). However, according to the most recent international assessment conducted by MONEYVAL, Latvia has substantially strengthened its AML/CFT/CPF framework and has been recognised as a jurisdiction with an efficient, transparent and resilient financial system.

Notwithstanding the significant progress achieved and the strengthened regulatory and institutional framework, AML/CFT/CPF and sanctions related risks cannot be entirely eliminated. INDEKO Banka is fully subject to the requirements of AML/CFT/CPF laws and regulations of the European Union and the Republic of Latvia, as well as to international sanctions regimes, including those imposed by the European Union, the United Nations and the United States of America. This underscores the ongoing need to develop and maintain an effective, proportionate and risk-based AML/CFT/CPF system.

The Bank has implemented an internal control system designed to mitigate money laundering, terrorist financing, proliferation financing and sanctions risks, including customer due diligence (KYC) procedures, transaction monitoring mechanisms, sanctions screening processes and internal

governance arrangements. Nevertheless, deficiencies in AML/CFT/CPF controls - whether arising from human error, limitations or failures of information technology systems, incomplete or inaccurate data, or deliberate attempts by customers or third parties to circumvent applicable laws and regulations - may result in INDEKO Banka being used for money laundering, terrorist or proliferation financing, or the circumvention of sanctions. Such events could expose INDEKO Banka to supervisory investigations, administrative or criminal penalties, significant financial sanctions, operational restrictions and reputational damage.

In view of the above, although INDEKO Banka operates within an improved and internationally positively assessed AML/CFT/CPF framework, there can be no assurance that systemic risks, regulatory changes or individual control weaknesses will not adversely affect its future operations, financial position or reputation.

3.3.4. Legal Proceedings Risk

As of the date of this Prospectus, the Company is not party to any legal, arbitration or administrative proceedings that are material or likely to have a material impact on its financial condition. The Company cannot guarantee that it will not become subject to legal proceedings in the future, including proceedings by customers, regulators, employees or third parties.

3.4. Macroeconomic and Geopolitical Risks

3.4.1. Latvian and Baltic Macroeconomic Conditions

AS INDEKO Banka derives all of its revenues from Latvian residents it is entirely dependent on the performance of the Latvian economy. Latvia is a small, open economy of approximately 1.85 million people with a GDP of approximately EUR 43 billion (2025). The Latvian economy grew by approximately 2.1% in real terms in 2025 (preliminary estimate). Unemployment at the end of 2025 was approximately 5.0%. A material deterioration in Latvian economic conditions - triggered by, for example, a global recession, a sharp rise in energy prices, a decline in external demand for Latvian exports, a collapse in real estate prices, or a rapid increase in unemployment - could reduce demand for credit, increase credit losses in the Company's loan portfolio, reduce deposit inflows, and adversely affect the Company's revenues and ability to service the Bonds.

Latvia's open economy also exposes it to trade policy risks, including the potential impact of US tariffs on European export markets. Furthermore, the ongoing military conflict in Ukraine and broader geopolitical instability in the region - including the risk of escalation involving Iran or other actors - create macroeconomic uncertainty, may disrupt energy markets and investor confidence, and could adversely affect economic conditions in Latvia and across the eurozone.

Latvia's household mortgage debt remains among the lowest in the EU as a proportion of GDP - at approximately 13% of GDP compared to a eurozone average of 35% - reflecting a decade of household deleveraging following the 2008 financial crisis. However, rising household borrowing since 2024 and a gradually expanding credit portfolio increase the sensitivity of the loan book to adverse economic developments.

3.4.2. Geopolitical Risks

Latvia shares a border with Russia and Belarus and is geographically proximate to the ongoing armed conflict in Ukraine, which began with Russia's full-scale invasion in February 2022. The conflict has continued throughout 2024 and 2025 with no clear resolution timeline. Escalation of the conflict - including any direct military threat to NATO member states including Latvia - could trigger emergency measures, capital controls, sanctions extensions, or infrastructure disruptions that could materially adversely affect the Latvian economy, financial system, and INDEKO Banka's operations.

Latvia has significantly increased its defence spending and hosts a multinational battlegroup under NATO Enhanced Forward Presence. While the Company believes NATO membership substantially reduces the risk of direct military attack, increased military spending may crowd out other public investment, affect business confidence and contribute to fiscal pressures.

The energy dependence of the Baltic states has also been materially reduced through the disconnection from the BRELL power ring (Belarus, Russia, Estonia, Latvia, Lithuania grid system) and synchronisation with the European continental power grid, completed in 2025, which reduces, but does not eliminate, energy supply risks.

3.4.3. Inflation and ECB Monetary Policy

Latvia is a Eurozone member and the Company's interest rate environment is determined by ECB monetary policy. Following a period of elevated inflation in 2022-2023 and subsequent ECB rate hikes, which brought the deposit facility rate to a peak of 4.00%, the ECB commenced a rate-cutting cycle in June 2024. By the end of 2025, the deposit facility rate had been reduced to 2.00% across eight consecutive cuts, and the ECB has held rates at this level since June 2025. The current rate environment is broadly considered neutral - neither restrictive nor stimulative.

Looking ahead, the interest rate outlook has become more uncertain. While the ECB's December 2025 projections pointed to inflation stabilising near the 2% medium-term target, new inflationary pressures have emerged in early 2026, primarily driven by rising energy prices linked to the escalating conflict in the Middle East. At its March 2026 meeting, the ECB revised its 2026 inflation forecast upward to 2.6% and downgraded its growth outlook, while keeping rates unchanged.

The Company's net interest margin benefits from the current rate environment. A rapid further decline in interest rates could compress net interest margins, particularly on the mortgage portfolio (EURIBOR-linked). Conversely, prolonged elevated rates could increase defaults in the consumer loan portfolio. ECB policy decisions are outside the control of the Company and create ongoing interest rate risk.

3.4.4. Real Estate Market Risk

Approximately 42% of the Company's gross loan portfolio (EUR 23.6 million) as at 31 December 2025 consists of mortgage loans secured by residential real estate in Latvia. The value of these assets - and consequently the Company's loss given default on mortgage loans - is directly linked to Latvian residential real estate prices. Latvia's residential property market has been buoyant in 2023–2025, supported by low housing supply and increasing household incomes, but prices in Riga and other major centres are at historically high levels relative to household incomes. A significant correction in Latvian residential property prices would increase LGD on the mortgage portfolio and could result in credit losses materially in excess of current ECL provisions.

3.5. Risks Related to the Bonds

3.5.1. Subordination – Bondholders Rank Behind All Unsubordinated Creditors

The Bonds are subordinated obligations of the Issuer. In the event of the insolvency, liquidation or bankruptcy of the Issuer, the claims of Bondholders will rank junior to the claims of all unsubordinated creditors of the Issuer, including depositors, trade creditors, and senior secured or unsecured creditors, in each case in accordance with applicable laws. As a result of such subordination, in the event that the Issuer's assets are insufficient to satisfy all unsubordinated claims in full, Bondholders may receive no payment at all in respect of the Bonds. Even where some recovery is available, Bondholders may recover only a limited portion of their investment. The subordinated nature of the Bonds exposes investors to a higher risk of loss than unsubordinated obligations of the Issuer and represents a material credit risk that prospective investors should carefully consider.

3.5.2. Bail-in Risk – Bonds May Be Written Down or Converted into Equity

As described in Section 2.13, the Bonds are subject to the Bail-in Powers of the Resolution Authority. If the Issuer meets the conditions for resolution under the BRRD (as implemented in Latvian law), the Resolution Authority may, without the consent of the Bondholders, reduce the outstanding principal amount of the Bonds (including to zero), convert all or part of the Bonds into equity instruments (shares) of the Issuer or another entity, and/or make other amendments to the Terms of the Bonds necessary to give effect to the exercise of such powers. The exercise of Bail-in Powers is likely to result in material losses or a total loss for Bondholders. Importantly, the conditions for resolution may be satisfied before the Issuer becomes insolvent under national insolvency law, meaning that Bondholders may suffer losses that would not have occurred in a standard insolvency proceeding.

3.5.3. No Guarantee and No Deposit Protection

The Bonds are unsecured obligations of the Issuer only. They are not guaranteed by IPAS INDEKO or any other entity. The Bonds do not constitute deposits and are not protected by the Latvian Deposit Guarantee Fund or any other deposit protection or investor compensation scheme. If the Issuer becomes insolvent, investors in the Bonds will not receive any compensation from a guarantee scheme.

3.5.4. Liquidity Risk – Limited Secondary Market

Although the Issuer intends to apply for listing of the Bonds on the Baltic Bond List of Nasdaq Riga, there can be no assurance that a liquid secondary market for the Bonds will develop or, if it does, that it will be maintained throughout the life of the Bonds. The total size of the Programme (EUR 10 million) is relatively small by Baltic capital market standards, and there is no commitment by the Issuer, any placement agent, or any other person to make a market in the Bonds or to provide liquidity support.

Baltic bond markets - particularly for unrated, smaller issues by credit institutions in early stages of development - can be illiquid. Accordingly, Bondholders who wish to sell their Bonds prior to maturity may be unable to do so or may only be able to do so at a price below the price paid (or otherwise at a price that is not acceptable to them). Price discovery may be limited, and bid-ask spreads in the secondary market may be wide. Prospective investors should therefore be prepared to hold the Bonds until maturity and should only invest funds they can afford to have committed for the full 10-year term.

3.5.5. Interest Rate Risk for Bondholders – Fixed Rate

The Bonds bear a fixed interest rate per annum throughout their life. The market value of the Bonds in the secondary market will fluctuate with changes in prevailing market interest rates and credit spreads. If market interest rates or required credit spreads for comparable instruments increase materially, the market price of the Bonds will fall below their nominal value. An investor who sells the Bonds in the secondary market before maturity may incur a capital loss. Conversely, if interest rates decline, the market price of the Bonds may rise above par, but investors who hold the Bonds to maturity will receive only the nominal value regardless of prevailing market rates.

3.5.6. No Credit Rating

The Bonds have not been assigned a credit rating by Moody's, S&P Global Ratings, Fitch Ratings, or any other credit rating agency. The Issuer itself does not have a public credit rating. The absence of an external credit rating makes independent assessment of the credit quality of the Bonds and the Issuer more difficult for investors. Prospective investors should therefore make their own assessment of the Issuer's creditworthiness and the risks described in this Prospectus.

3.5.7. Early Redemption Risk – Call Option Benefits Issuer

The Bonds include a Call Option (Optional Redemption) provision, in favour of the Issuer, giving the Issuer a right to redeem the Bonds prior to their scheduled maturity, after five (5) years from the Issue Date, subject to prior regulatory approval, and at any time upon the occurrence of a Tax Event or a Capital Disqualification Event, subject to prior regulatory approval, as set out in this Prospectus.

If the Issuer exercises the Call Option, investors will receive principal repayment earlier than the Maturity Date and will face reinvestment risk: they may only be able to reinvest the redemption proceeds in instruments with lower yields than the yield provided by the Bonds. Conversely, if market conditions or regulatory constraints prevent the Issuer from exercising the Call Option (for example, if regulatory approval is withheld), investors will continue to hold the Bonds but will not receive early repayment, even if they would prefer to exit their investment.

There is no investor put option. Bondholders have no right to require early redemption of the Bonds at any time prior to the Maturity Date.

3.5.8. Tax Risk

Tax laws applicable to the Bonds may change during the life of the Bonds. Under current Latvian law, interest income on the Bonds paid to Latvian resident individual investors is subject to capital gains tax withheld at source by the Issuer. Changes in Latvian tax law, double taxation treaties, or applicable EU tax directives could increase the tax burden on Bondholders, reduce the after-tax return on the Bonds, or impose additional reporting or withholding obligations. The Company will not gross up payments to Bondholders in respect of any taxes withheld.

4. TERMS AND CONDITIONS OF THE OFFERING

4.1. Overview of the Offering

The Issuer may issue Bonds up to an aggregate nominal amount of EUR 10,000,000. The Bonds will be issued and offered in one or more Series.

The terms and conditions applicable to each Series of Bonds shall consist of (i) the provisions set out in this Base Prospectus and (ii) the applicable Final Terms.

The Bonds of each Series will be subject to a common set of terms, except that certain terms may differ between Series, as specified in the applicable Final Terms, including, but not limited to, the Issue Date, the aggregate nominal amount of the Bonds, the specified denomination, the Issue Price, the Maturity Date, the Interest Rate and any other terms specified in the applicable Final Terms. The Issuer may decrease and increase the aggregate nominal amount of a Series, as set out in the applicable Final Terms, during the Subscription Period for that Series.

4.2. Right to Participate in the Offering

The Bonds will be publicly offered to retail and institutional investors in the Republic of Latvia and, subject to completion of the notification (passporting) procedure, in the Republic of Estonia and the Republic of Lithuania. No public offer of the Bonds is made in any other jurisdiction.

In relation to each Member State of the European Economic Area (each, a “Relevant Member State”) other than the Republic of Latvia (and, where the Prospectus has been passported, the Republic of Estonia and the Republic of Lithuania), no offer of Bonds to the public will be made in that Relevant Member State, except that an offer of Bonds may be made in that Relevant Member State at any time under the following exemptions under the Prospectus Regulation: (a) to any legal entity that is a qualified investor as defined in Article 2(e) of the Prospectus Regulation; (b) to fewer than 150 natural or legal persons (other than qualified investors); or (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.

The offering of the Bonds is not addressed to any of the following persons:

- **Persons resident in or nationals of the United States of America.** The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold only outside the United States in reliance on Regulation S.
- **Russian or Belarusian nationals or persons resident in Russia or Belarus.** The Bonds shall not be offered, sold, transferred or delivered, directly or indirectly, to any Russian national or natural person residing in Russia, or to any legal person established in Russia. This restriction does not apply to nationals of a Member State of the European Union, of a country member of the European Economic Area or of Switzerland, or to natural persons having a temporary or permanent residence permit in a Member State of the European Union, in a country member of the European Economic Area or in Switzerland. The Bonds shall not be offered, sold, transferred or delivered, directly or indirectly, to any Belarusian national or

natural person residing in Belarus or any legal person, entity or body established in Belarus. This restriction does not apply to nationals of a Member State of the European Union or to natural persons having a temporary or permanent residence permit in a Member State of the European Union.

- **Any person to whom the offer or sale of the Bonds is prohibited by applicable sanctions legislation.**
- **Any person to whom the offer or sale of the Bonds would constitute a violation of applicable securities laws of their jurisdiction of residence.**

The Issuer reserves the right to reject any subscription in whole or in part if, in the Issuer's sole discretion, accepting such a subscription would violate applicable law or regulations, including AML/CFT/CPF requirements and applicable sanctions.

4.3. Subscription Period

The subscription period for each Series of Bonds (the Subscription Period) will be specified in the relevant Final Terms.

The Issuer reserves the right to extend or shorten the Subscription Period, provided that the Subscription Period does not exceed the validity period of this Prospectus. Any extension or shortening of the Subscription Period will be communicated on the website of Nasdaq Riga (<https://nasdaqbaltic.com/>) and on the Company's website (<https://indexo.lv/en/for-investors/>) no later than the Business Day preceding the new end date.

4.4. Subscription Procedure

To subscribe for the Bonds, an investor, during the Subscription Period, must submit a subscription order (subscription undertaking) to the account-managing institution (a bank or investment firm) that holds the investor's securities account and is a participant of Nasdaq CSD Latvian securities settlement system or have relevant arrangements with a participant of Nasdaq CSD Latvian securities settlement system. The investor may use any method that that investor's account-managing institution offers to submit the subscription order (e.g., physically at the client service venue of the account operator, via internet bank or by other means). An investor may submit a subscription order either personally or through a representative whom the investor has authorised to submit the subscription order.

Subscription orders must specify the number of Bonds to be subscribed for. The total amount of the Bonds to be acquired and indicated in each subscription order shall be for at least Minimum Investment Amount as specified in the Final Terms.

By placing the subscription order, each investor makes a binding instruction for depositing the Bonds in a securities account maintained in its name and opened with the account-managing institution of their choice which is licensed to provide such services.

A subscription order is deemed submitted from the moment Nasdaq Riga receives a duly completed transaction instruction from the financial institution managing an investor's securities account.

By submitting a subscription order, the investor: (i) authorises the account-managing institution to block the full subscription amount (number of Bonds subscribed x Issue Price x Nominal Value of the Bond) on the investor's current account with immediate effect; (ii) confirms that the investor has read this Prospectus and the Final Terms and understands the risks of investing in the Bonds; and (iii)

confirms that the investor is not a person subject to any restrictions on subscribing for the Bonds (including under applicable laws) and that the subscription is made in compliance with all applicable laws.

By submitting the subscription order the investor authorizes Nasdaq Riga, Nasdaq CSD, the account-managing institution of the investor and the Issuer to process, forward and exchange information about the investor and the contents of respective investor's subscription order during and after the Subscription Period. The information so exchanged may contain information about investor's (natural person) name, surname date of birth, country of residence; for legal person: legal name, registration number, registered address and country of incorporation, as well as other relevant information the Issuer may reasonably request.

An investor shall ensure that all information contained in the subscription order is correct, complete and legible. The Issuer reserves the right to reject any subscription order that is incomplete, incorrect, unclear or ineligible or that has not been supported by the necessary information on the investor requested by the Issuer. Any consequences arising from a subscription order for the Bonds being incorrectly completed or not completed in accordance with the required instructions, including failure to provide the requested information, shall be borne by the investor.

The procedure for submission of subscription orders may be further specified in the Final Terms if additional information on the subscription process is required.

Subscription Orders for the Bonds of a given Series may be withdrawn (and new orders submitted) during the Subscription Period of such Series, in accordance with the procedures of the relevant account-managing institution and subject to the time limitations and cut-off times set forth by such account-managing institution. After the end of the Subscription Period, subscription orders are irrevocable.

An investor will be liable for the payment of all fees and costs charged by the account-managing institution in connection with the submission, withdrawal or amendment of the subscription order.

Furthermore, an investor may withdraw a subscription for the Bonds after the start of the Subscription Period if a supplement to this Prospectus is published in respect of a significant new factor, material mistake or material inaccuracy occurring before the allocation of the Bonds, of which the Issuer became aware before the allocation. An investor who has subscribed for the Bonds before the publication of such supplement may withdraw the subscription order within 3 (three) Business Days from the date of publication of the supplement.

4.5. Payment

Upon submission of a subscription order, the account-managing institution maintaining the investor's cash account linked to the investor's securities account shall have a right to block the full subscription amount on such cash account. The blocked funds shall remain unavailable until payment for the allotted Bonds has been completed or until the funds are released in accordance with this Base Prospectus. The amount to be blocked shall equal the number of Bonds subscribed multiplied by the Issue Price multiplied by the Nominal Value of Bond. A subscription order may only be submitted if sufficient funds are available on the relevant cash account. Where the funds blocked are insufficient, the subscription order shall be invalid to the extent of such insufficiency.

If the offering of the Bonds (or any part thereof) is cancelled in accordance with the terms and conditions described in this Prospectus, if, as a result of the allocation, the investor does not receive

any Bond or the investor's subscription order is only partially satisfied, or if the investor withdraws the subscription order, the blocked funds shall be released in accordance with the procedures and instructions of the account-managing institution through which the subscription order was submitted. Any release of funds shall normally occur no later than 5 (five) Business Days after the end of the Subscription Period, as applicable, or, in the case of an investor's valid exercise of a withdrawal right, after such withdrawal right is exercised.

Regardless of the reason for the release of funds, the Issuer shall not be liable for the release of such funds or for the payment of any interest on such funds for the period during which they were blocked. Any funds released or amounts returned or shall be made without compensation for any costs incurred by investors in connection with the subscription for the Bonds.

On the Issue Date: (i) an amount equal to the number of Bonds allocated multiplied by the Issue Price multiplied by the Nominal Value of the Bond shall be transferred to the Issuer; and (ii) the corresponding allocated Bonds shall be credited to the investors' securities accounts. All payments shall be made in EUR.

4.6. Allocation

The allocation of the Bonds will be determined by the Issuer in its sole discretion, taking into account the level of demand for the Bonds and the qualitative composition of the investor base. The Issuer may, but is not obliged to, consult with any placement agent(s) in connection with the allocation. The Issuer reserves the right to accept or reject any subscription order, in whole or in part, including in connection with compliance with applicable anti-money laundering, sanctions or other regulatory requirements.

In the event of oversubscription, the Issuer may allocate the Bonds in such manner as it deems appropriate, including, without limitation, by applying pro rata allocation, rounding principles, minimum or maximum allocation thresholds, or by giving preference to certain investors or categories of investors. The specific allocation principles applicable to a Series may be further specified in the relevant Final Terms.

If the total number of Bonds subscribed for is less than the number of Bonds intended to be issued, the Issuer may reduce the size of the issue or cancel the offering in accordance with this Base Prospectus.

The Issuer may increase the aggregate nominal amount of a Series during the Subscription Period, subject to the terms set out in the relevant Final Terms. The final aggregate nominal amount of the Series will be determined upon completion of the allocation.

Information on the results of the Offering and the allocation of the Bonds will be published on the website of the Issuer and on the website of Nasdaq Riga.

4.7. Settlement

The settlement for the offering of the Bonds will be carried out in accordance with the delivery-versus-payment principle pursuant to applicable rules of Nasdaq CSD. The Bonds allocated to the investors shall be transferred to their securities accounts simultaneously with the transfer of payment for such Bonds.

The title to the Bonds shall pass to the relevant investors upon transfer of the Bonds to their securities accounts. If an investor has submitted several subscription orders through several securities

accounts, the Bonds allocated to such investor shall be transferred to all such securities accounts proportionally to the number of the Bonds indicated in the subscription orders submitted for each account.

The settlement of the offering of the Bonds will be carried out in accordance with the delivery-versus-payment principle pursuant to applicable rules of Nasdaq CSD shall take place on the Issue Date. All paid up Bonds shall be treated as issued.

4.8. Cancellation of the Offering

The Issuer reserves the right to cancel the offering of any Series at any time prior to the Issue Date, in its sole discretion, including in the following circumstances:

- the total valid subscription orders received during the Subscription Period are below the number of Bonds specified in the Final Terms;
- a material adverse change in the financial condition, business, results of operations or prospects of the Company has occurred or is reasonably expected to occur;
- a material adverse change in financial market conditions has occurred that, in the reasonable opinion of the Management Board, makes the offering inadvisable;
- a supplement to the Prospectus is required and investors exercise their withdrawal rights, resulting in total subscriptions falling below the minimum threshold; or
- any applicable regulatory approval required for the offering is not obtained or is revoked.

Cancellation will be announced no later than of the following Business Day of the decision by publishing notification on the website of the Issuer and on the website of Nasdaq Riga.

4.9. Underwriting

None of the Bonds will be underwritten.

5. REASONS FOR THE OFFERING AND USE OF PROCEEDS

The net proceeds of the Bonds issued under the Programme will be used by the Issuer for the following purposes, in approximate order of priority:

- **Tier 2 Capital Strengthening (primary purpose):** The Bonds are intended to qualify as Tier 2 capital instruments within the meaning of Article 63 of the CRR. The proceeds of the issuance will be used to strengthen the Issuer's regulatory capital position by increasing the Total Capital Ratio and providing an additional capital buffer above minimum regulatory requirements to support the planned growth of the loan portfolio. In addition, the proceeds may be used, in accordance with applicable regulatory requirements, to absorb and cover ongoing losses arising in the ordinary course of the Issuer's business. The strengthening of the Issuer's regulatory capital base remains the primary purpose of the issuance.
- **IT Infrastructure and Service Development:** A portion of the proceeds may be used to fund continued investment in the Company's mobile banking application, core banking system enhancements, and the development of new banking products and services.
- **General Banking Purposes:** The remaining proceeds will be used for general corporate and banking purposes.

The expenses of each series of Bonds will depend on a number of factors, including the size of the respective series and distribution method. Such expenses may include, inter alia, fees payable to issuing agent, placement agents, legal and advisory fees, listing and trading fees, and settlement-related costs. The estimated total expenses of a particular series of Bonds and the estimated net proceeds will be specified in the applicable Final Terms.

Investors should note that there is no guarantee that the Company will be able to deploy the proceeds of the Bonds for the stated purposes in accordance with its current plans. See Section 3 (Risk Factors) for risks that may adversely affect the Company's ability to execute its business strategy.

6. GENERAL CORPORATE INFORMATION

6.1. General Information

Full legal name	AS INDEXO Banka
Trade name / Brand	INDEXO Banka
Legal form	Joint-stock company (akciju sabiedrība) incorporated and operating under the laws of the Republic of Latvia
Country of incorporation	Republic of Latvia
Date of incorporation	19 December 2022 (originally incorporated as AS IDX1R; name changed to AS INDEXO Banka on 20 May 2024)
Unified registration number	40203448611
Registered address	Roberta Hirša iela 1, Riga, LV-1045, Republic of Latvia
Actual business address	Roberta Hirša iela 1, Riga, LV-1045, Republic of Latvia
Telephone	+371 20 006 088
E-mail	info@indexo.lv
Website	www.indexo.lv
BIC / SWIFT code	IDXOLV22
LEI code	875500LY35QI0UMK4S27
Banking licence number	27-55/2024/2
Banking licence issued by	Bank of Latvia (Latvijas Banka), following authorisation by the European Central Bank
Date banking licence effective	16 May 2024
Regulatory supervisory authority	Bank of Latvia (Latvijas Banka) as national competent authority; European Central Bank (ECB) relating to the prudential supervision of credit institutions of European Union.

Financial year	1 January to 31 December
Auditor (2025 financial year)	SIA BDO Assurance, registration No. 42403042353, Mihaila Tala iela 1, LV-1045, Riga. Responsible auditor: Raivis Jānis Jaunkalns (certificate No. 237).
Auditor (2023 and 2024 financial year)	PricewaterhouseCoopers SIA, registration No. 40003142793, Marijas iela 2A, LV-1015, Riga.

6.2. History and Background

INDEXO Banka is a credit institution and wholly-owned subsidiary of IPAS INDEXO, a Latvian investment management company and pension fund manager. IPAS INDEXO was founded in 2017 by a group of Latvian entrepreneurs and financial professionals, with the stated mission to improve the financial environment in Latvia by offering modern, low-cost and transparent financial services.

IPAS INDEXO grew rapidly in its core pension management business, attracting over 100,000 pension clients within several years of founding. Building on this brand and client base, IPAS INDEXO decided to establish a bank in order to offer its clients a comprehensive range of financial services - banking, payments, savings and lending.

The Company was incorporated as AS IDX1R on 19 December 2022. The banking licence application was submitted to the Bank of Latvia and the European Central Bank in 2023. Following a thorough assessment process, the ECB authorised the grant of a credit institution licence, which was issued by the Bank of Latvia on 16 May 2024.

INDEXO Banka is the first new credit institution to receive a banking licence in Latvia since Latvia joined the Eurozone in 2014. The licence was granted following the ECB's assessment of the Company's business model, initial capital base, governance structures, risk management framework, and IT infrastructure. This was a historically significant event in the Latvian banking sector.

INDEXO Banka has completed now its first full year of operations, and in reviewing achievements, Company is pleased with the range of products and services developed for private individuals. The Company positioned itself as a distinctive player in the Latvian financial market through ease of use and innovative products, offering customers new opportunities and more favourable terms.

The launch of operations is always associated with overcoming significant challenges. Throughout 2025, the Company worked on the introduction of several products, which in many cases required more time and resources than initially planned. Although the launch of the AS INDEXO Banka was a significant milestone, the INDEXO brand continues to be primarily associated with pension management rather than banking services. Moreover, despite several substantial advantages, changes in customers' financial service habits occur gradually and over time.

As a result of the above factors, the Company's results for the first half of 2025 fell short of plan. However, by adhering to the Company's strategic plan, rapid growth in the loan portfolio was achieved and, correspondingly, in revenues during the second half of the 2025.

INDEXO Banka commenced operations by offering core daily banking services to private individuals – payments, cards, savings products (term deposits and savings accounts), and consumer lending through a convenient and modern mobile application. Company also provides customers with more

favourable pricing terms, including being the only credit institution in Latvia that appropriately remunerates customers for balances held in current accounts. Although the initial product offering was modern, convenient and competitively priced for customers, there remains a need to expand and further enhance it.

6.3. Articles of Association

The Articles of Association (Statūti) of AS INDEXO Banka were registered in the Latvian Commercial Register on 19th of December 2022 and were last amended on 25th of March 2026. The Articles of Association comply with the requirements of the Commercial Law and the Law on Credit Institution of the Republic of Latvia. The Company's object is to provide banking and financial services in accordance with the credit institution licence issued by the Bank of Latvia. The Company is established for an indefinite period.

7. SHARE CAPITAL, SHARES AND OWNERSHIP STRUCTURE

7.1. Share Capital

As of the date of this Prospectus, the registered and fully paid-up share capital of INDEKO Banka amounted to EUR 30,275,002 (thirty million two hundred seventy-five thousand and two euros), divided into 30,275,002 ordinary shares with equal voting rights, each with a nominal value of EUR 1.00. All shares are of a single class, and no preference or special-right shares have been issued. The share capital has been increased on multiple occasions since the Company's incorporation to fund operating losses and support the capital adequacy requirements of the Bank while growing its loan portfolio:

Time period	Increase (EUR)	Cumulative capital (EUR)	Purpose
December 2022	2,000,000	2,000,000	Initial capital – banking licence application
2023	3,000,000	5,000,000	Continued pre-launch investment
2024	12,309,445	17,309,445	Launch capital – operations commencement
2025	10,015,557	27,325,002	Capital support for growth and operating losses
Early 2026 (to date)	2,950,000	30,275,002	Continued capital support

The share capital increases have been funded exclusively by IPAS INDEKO as the sole shareholder, using proceeds from IPAS INDEKO's own equity capital raises (public offerings of IPAS INDEKO shares on Nasdaq Riga) and operating cash flows.

7.2. Shareholders

INDEKO Banka is a wholly owned subsidiary of IPAS INDEKO. As of the date of this Prospectus, the shareholder structure of INDEKO Banka is as follows:

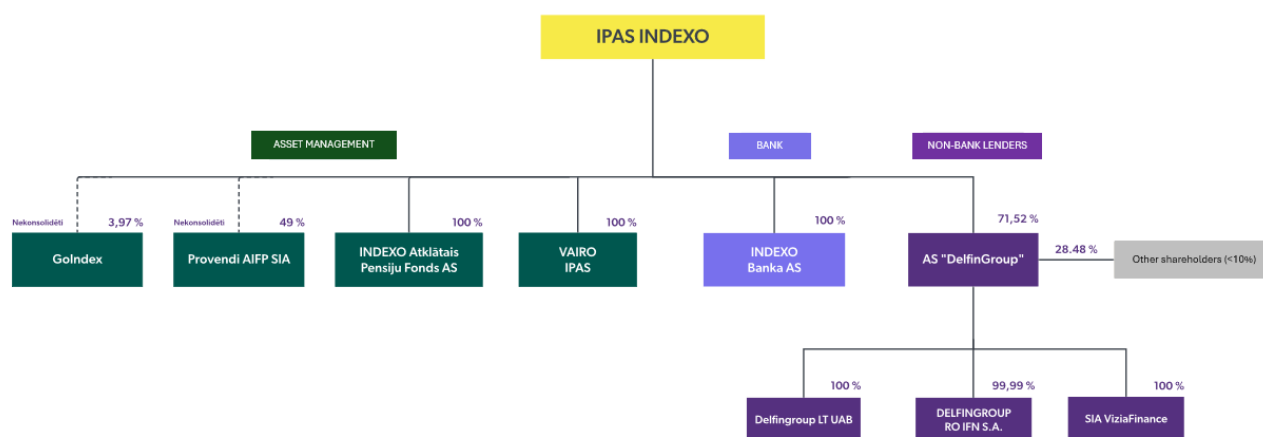
Shareholder	Paid-up share capital (EUR)	% of total
IPAS INDEKO (reg. No. 40203042988)	30,275,002	100%
TOTAL	30,275,002	100%

IPAS INDEXO is a public joint-stock company listed on the Nasdaq Riga Stock Exchange (ISIN LV0000101863, ticker IDX1R). As at the date of this Prospectus, the significant (with a holding reaching or exceeding 5% or more of voting rights) indirect (through IPAS INDEXO) shareholders of INDEXO Banka are AS Alppes Capital, registration No. 52103097551, holding 29.68% of IPAS INDEXO's share capital, and EC Finance, registration No. 40103950614, holding 6,61% of IPAS INDEXO's share capital.

There are no shareholders of INDEXO Banka other than IPAS INDEXO, no shareholder agreements that the Company is aware of that restrict the transfer of shares or could result in a change of control, and no pending transactions that would alter the shareholder structure.

7.3. Group Structure

INDEXO Banka, the Issuer, is part of the INDEXO Group and is a wholly owned subsidiary of IPAS INDEXO, as illustrated in the group structure below.



The table below sets out the principal business activities of the main companies comprising the INDEXO Group, including their ownership relationships.

:

Entity	Ownership	Principal Activity
IPAS INDEXO (parent company)	Listed; ~7,600 shareholders	Investment management; 2nd and 3rd pillar pension plans (≥140,000 clients; AUM >EUR 1.5bn).
AS INDEXO Banka	100% IPAS INDEXO	Credit institution; retail banking services in Latvia.
AS Indexo Atklātais Pensiju Fonds	100% IPAS INDEXO	Open pension fund.
AS DelfinGroup	72,07% IPAS INDEXO	Non-bank lending (consumer and business loans). Listed on Nasdaq Riga. Acquisition completed in January 2026.
VAIRO IPAS	100% IPAS INDEXO	Investment management, 2 nd pillar pension plans.. Acquired in September 2025.

Pursuant to Section 33³, Paragraph 3 of the Credit Institution Law of the Republic of Latvia, INDEXO Banka has been designated as the responsible undertaking within the INDEXO Group and is responsible for ensuring, on a consolidated basis, the Group's compliance with the prudential requirements set out in the Credit Institution Law and the Capital Requirements Regulation (CRR). The companies within the INDEXO Group have entered into an intra-group governance agreement, pursuant to which INDEXO Group companies have agreed that AS INDEXO Banka shall act as the leading undertaking of the INDEXO Group and be responsible for the coordination of the Group's strategy and operations, including, inter alia, business planning, financial management, risk management, asset and liability management and the development of internal regulations at the Group level.

8. MANAGEMENT

8.1. Governance Structure

INDEXO Banka is managed through a dual-tier governance structure in accordance with the Commercial Law of the Republic of Latvia and the Law on Credit Institutions: a Supervisory Board (Padome) and a Management Board (Valde). The Supervisory Board oversees the work of the Management Board, while the Management Board handles the Bank's daily operations.

The Supervisory Board is elected by the sole shareholder (IPAS INDEXO) at a general meeting of shareholders. The Management Board is appointed and dismissed by the Supervisory Board, subject to approval of individual members by the Bank of Latvia in accordance with the requirements of the Law on Credit Institutions. Management Board members must individually satisfy the 'fit and proper' requirements of the CRD IV and applicable Bank of Latvia regulations regarding professional experience, reputation and independence.

8.2. Management Board

As of the date of this Prospectus, the Management Board of INDEXO Banka comprises seven members:

Members of the Management Board				
Name	Position	Appointment date	Authority term	Primary responsibility
Valdis Siksnis	Chairman	30.05.2023	29.05.2028	Overall strategy and management; business development; investor relations
Ivita Asare	Member	03.07.2024	02.07.2029	Finance and financial reporting function
Jānis Mūrnieks	Member	04.07.2025	03.07.2030	Retail / private individuals segment management; product development function
Ieva Bauma	Member	21.05.2024	20.05.2029	Marketing, communications, public relationship function
Gints Ozoliņš	Member	30.05.2023	29.05.2028	Information technology function
Evija Stūrmane	Member	01.04.2025	31.03.2030	Compliance, AML/CFT/CPF; financial crime prevention function
Toms Grīnbergs	Member	15.08.2025	14.08.2030	Risk management function

The business address of all Management Board members is Roberta Hirša iela 1, Rīga, LV-1045, Republic of Latvia.

Valdis Siksnis, Chairman of the Management Board (CEO).

Valdis Siksniņš has over 20 years of experience in the financial sector, including ten years as Head of Nordea Bank's Latvian branch. V. Siksniņš completed his studies in Computer Science at the University of Latvia in 1994. In 2000, he obtained an Executive MBA from Helsinki School of Economics (now Aalto University). In 2017, he co-founded IPAS INDEXO. He also acts as a consultant at Callidus Capital. Over the course of his career, he has served on the boards of several organizations, including Nordea Bank Polska, SIA Latvijas Pienas, the Latvian Commercial Banks Association, the American Chamber of Commerce in Latvia, and the Swedish Chamber of Commerce in Latvia. He is currently also a member of the board of the Latvian Basketball Association.

Ivita Asare, Member of the Management Board (CFO).

Ivita Asare has more than twenty years of experience in financial management within the banking sector. From 2001 to 2019, she held senior roles overseeing finance, control, and business planning at Nordea Bank's Latvian branch and later within the Luminor banking group. From 2017, she also served as a Member of the Management Board of Luminor Bank in Latvia. She has been involved in the INDEXO Banka project since 2019, working alongside its founders from the early stages. In addition to her financial sector career, she spent three years teaching entrepreneurship and economics at Dobele State Gymnasium. She holds business education from the Stockholm School of Economics in Riga and RTU Business Institute.

Jānis Mūrnieks, Member of the Management Board.

Jānis Mūrnieks served as Head of Retail Banking at AS Citadele Banka from 2021 until early 2025. Prior to that, he held various senior leadership roles within the UniCredit financial group, including Head of UniCredit Leasing in Latvia and Chairman of the Board at UniCredit Insurance Broker. He also gained international experience within the UniCredit Group in Milan, Italy. He holds a Master's degree in Business Administration from RTU Riga Business School and a Bachelor's degree with a specialization in banking.

Ieva Bauma, Member of the Management Board.

Ieva Bauma has over six years of professional experience in marketing and communications. Her areas of responsibility include brand management, marketing, and public and investor relations. She holds a Master's degree in Business Administration and Management from Riga Technical University (RTU), as well as a Bachelor's degree in Financial Engineering from RTU.

Gints Ozoliņš, Member of the Management Board.

Gints Ozoliņš has over 17 years of experience in IT management. Since 2018, he has served as IT Service Delivery Director at the Swedish branch of Cognizant Technology Solutions, where he led teams of several hundred technology specialists. Prior to that, he worked at Tele2 AB managing IT functions and transformation programmes. He began his career at Nordea Bank as a systems analyst and project manager. He holds a Master's degree in Computer Science from the University of Latvia and has completed additional professional training, including programmes at the Massachusetts Institute of Technology (MIT) and courses by Microsoft, Amazon, and Google.

Evija Stūrmane, Member of the Management Board.

Evija Stūrmane is an experienced manager with more than 20 years of professional experience in the financial sector. She is a Certified Anti-Money Laundering Specialist (CAMS). Since 2020, she has held various senior positions related to anti-money laundering and the prevention of terrorism and

proliferation financing at Swedbank. Prior to that, she gained significant management and business experience at Luminor and Citadele Banks. E.Stūrmaniene holds a Bachelor's degree in Business Administration from Liepājas Universitāte (2009–2014), with a focus on business management.

Toms Grīnbergs, Member of the Management Board.

Toms Grīnbergs built his career at Danske Bank's Latvian branch, where from 2008 to 2020 he held various roles in lending and risk management. In 2020, he joined Industra Bank as Chief Risk Officer, serving until August 2024. He later worked as a consultant on financial projects, including initiatives related to the European Union's InvestEU programme. He holds a Master's degree in Economics and Business from Erasmus University Rotterdam and a Bachelor's degree in Economics from the University of Latvia.

8.3. Supervisory Board

As of the date of this Prospectus, the Supervisory Board of INDEXO Banka comprises five members:

Members of the Supervisory Board

Name	Position	Appointment date	Authority term
Valdis Vancovičs	Chairman of the Supervisory Board	17.02.2026	16.02.2029
Svens Dinsdorfs	Deputy Chairman of the Supervisory Board	17.02.2026	16.02.2029
Renāts Lokomets	Member of the Supervisory Board	17.02.2026	16.02.2029
Mārtiņš Jaunarājs	Member of the Supervisory Board	17.02.2026	16.02.2029
Zlata Elksniņa-Zaščirinska	Member of the Supervisory Board	17.02.2026	16.02.2029

Valdis Vancovičs, Chairman of the Supervisory Board.

Valdis Vancovičs is a business management professional with extensive experience in the telecommunications industry. V. Vancovičs obtained a Master of Science (M.Sc.) degree in Engineering (Telecommunications) from Riga Technical University. In 2003, graduated with distinction from IEDC Bled School of Management in Slovenia, earning an International MBA in Executive Management.

V. Vancovičs held a position of Chair of the Management Board of SIA Tele2 from 2010 till 2025. He has accumulated significant supervisory and executive experience, including serving as a member of the Management Board of SIA Tele2 Holdings (2010–2017) and a member of the Supervisory Board of SIA Tele2 Shared Service Center (2014–2017).

Svens Dinsdorfs, Deputy Chairman of the Supervisory Board.

Svens Dinsdorfs is a finance professional with extensive experience in financial management. He graduated from the Stockholm School of Economics in Riga, holding both Bachelor's and Master's degrees in Finance and Economics.

He is a member of the Management Board of AS ELKO GRUPA (since 2006) and a member of the Management Board of SIA Lendorf.

Renāts Lokomets, Member of the Supervisory Board.

Renāts Lokomets is a professional with extensive experience in the banking and investment sector. He holds a Bachelor's degree in Economics, Journalism, and Communication, as well as a Master's degree in Finance and IT from the Hebrew University of Jerusalem. He also holds a Master's degree in Law (Law and Finance) from the Riga Graduate School of Law.

Currently, he is a member of the Management Board of SIA HALOM HOLDING and is associated with Summus Capital, a real estate investment holding group established in Estonia. In addition, he indirectly owns SIA Venture Capital and is a partner at RAW Ventures Limited.

Mārtiņš Jaunarājs, Member of the Supervisory Board.

Mārtiņš Jaunarājs has nearly 30 years of experience in senior roles across the Latvian financial and technology sectors, including commercial banking and private equity. He holds a Master's degree in Business Administration from the University of Latvia and the Chartered Financial Analyst (CFA) designation.

In addition to his role at INDEXO, he is a shareholder and Board Member of SIA Agenda Capital and Chairman of the Supervisory Board of SIA Pure Chocolate (since 2017). Previously, he served as Chairman of the Supervisory Board at SIA Blue Bridge Technologies (2013–2022), SIA Vendon (2012–2022), and SIA AGroup (2013–2022). From 2010 to 2023, he was an Investment Director at BaltCap, overseeing investments, board-level governance, and exit processes for multiple Latvian companies.

Zlata Elksniņa-Zaščirinska, Member of the Supervisory Board.

Zlata Elksniņa-Zaščirinska is a senior executive with more than 20 years of professional experience in tax, legal, regulatory, business, and financial advisory.

She led PwC Latvia for over a decade and served as Vice-Chair of the PwC Central and Eastern Europe Partners Council. Her experience includes regional governance, investment in innovation, IT and cybersecurity, as well as risk and compliance oversight.

From 2016 to 2025, she was Chair of the Foreign Investors' Council in Latvia (FICIL), and since 2025 she has served as its Vice-Chair. She holds a Master's degree in Economics from the University of Latvia, has completed board member training at the Baltic Institute of Corporate Governance, and holds the FCCA qualification.

8.4. Committees

Audit Committee. The Supervisory Board has established an Audit Committee as a permanent collegial and independent body responsible for overseeing the integrity of the Company's internal control framework and the performance of the second line of defence functions, including anti-money laundering, risk management, and compliance, as well as the third line of defence function, namely internal audit. The Audit Committee operates pursuant to its charter approved by the Supervisory Board.

Remuneration and Nomination Committee. The Remuneration and Nomination Committee evaluates the Company's remuneration policy and practices and provides recommendations to the Supervisory Board to ensure alignment with sound risk management, sustainable performance, and applicable regulatory requirements. It also oversees decisions regarding the remuneration of senior executives, ensuring that the remuneration framework does not encourage excessive risk-taking.

Credit Committee. The Management Board has established a Credit Committee as a permanent collegial body responsible for reviewing credit risk-bearing activities of the Bank and making or approving lending decisions above specified thresholds. The Credit Committee meets weekly and operates pursuant to the Credit Committee charter approved by the Supervisory Board.

Asset and Liability Committee (ALCO). The Management Board has established an Asset and Liability Committee which:

- Determines the Liquidity Management Strategy;
- Oversees the Bank's capital adequacy, defines principles for the use of capital, and provides guidance for effective capital management;
- Assesses and makes decisions related to the management of liquidity risk and interest rate risk, ensuring compliance with applicable regulatory requirements;
- Optimizes the structure of assets and liabilities in line with the Bank's risk appetite, ensuring adequate pricing and returns on assets and liabilities;
- Evaluates and provides opinions on funding and lending strategies (including deposit attraction strategy, capital raising strategy, and lending pricing principles).

AML/CFT/CPF Committee. The Management Board has established an AML/CFT/CPF Committee with the objective, within the scope of its competence, to manage money laundering, terrorist financing, proliferation financing and sanctions risks, as well as to ensure effective monitoring of the Bank's customers' activities in order to prevent, to the greatest extent possible, the Bank's involvement in money laundering, terrorism and/or proliferation financing, and/or sanctions violations.

8.5. Conflicts of Interest

INDEXO Group has set in place and follows internal policy for prevention and management of the conflicts of interest pursuant to the regulatory requirements applicable to the credit institutions, investment management companies and private pension funds. The policy considers various types of potential conflicts between the interests of INDEXO Group entities, the persons related thereto, employees, INDEXO Group customers and other third parties (suppliers, etc.).

INDEXO Group implements all necessary measures to manage the conflicts of interest, including:

- establishing an appropriate organisational structure;
- recording keeping and reporting;
- applying conflict of interest management procedures, systems and controls;
- disclosing conflict of interest to customers;
- avoiding transaction or action that gives rise to the conflict of interest where the conflict of interest cannot be prevented or effectively managed by other means.

Restrictions on Personal Transactions. Persons connected with INDEXO Group shall not enter into personal transactions based on inside information, recommend such transactions to a third party, or disclose their views or information based on inside information that could be used by a third party to enter into a transaction.

Absence of the conflicts of interest. To the best of members' of the Management Board knowledge and as of the date of this Prospectus no actual or potential conflicts of interest exist between the duties performed by any member of the Management Board or Supervisory Board towards INDEXO Banka and their private interests and/or other duties.

8.6. Related Party Transactions

Related parties are considered to be shareholders who have significant influence over the Issuer, members of the Council and the Board, and other related parties, i.e., key management personnel, their close relatives, and companies controlled by them, as well as associated companies.

Information on material transactions with related parties is set out in the notes to the Audited Financial Statements of the Issuer (note 27 of the financial statements for the year 2025, available at <https://indexo.lv/wp-content/uploads/2026/02/AS-INDEXO-Banka-annual-report-2025-with-auditor-report.pdf>; note 29 of the financial statements for the year 2024, available at <https://indexo.lv/wp-content/uploads/2025/02/AS-INDEXO-Banka-annual-report-2024-with-auditor-report.pdf>).

8.7. Remuneration

The total remuneration paid to the members of the Management Board of AS INDEXO Banka for the financial year ended 31 December 2025 amounted to EUR 649 120 (2024: EUR 641 095). The total remuneration paid to the members of the Supervisory Board for the financial year ended 31 December 2025 amounted to EUR 6 000 (2024: EUR 0). Detailed remuneration disclosures are set out in the notes to the Audited Financial Statements.

9. BUSINESS OVERVIEW

9.1. Overview of the Business

AS INDEKO Banka is the banking subsidiary of IPAS INDEKO, a Nasdaq Riga-listed Latvian financial services group established with the mission to improve the financial environment in Latvia. The Group combines pension asset management, retail banking and consumer lending. Through its pension business, IPAS INDEKO has established one of Latvia's most recognised financial brands, managing more than EUR 1.5 billion in assets under management across almost 160,000 client accounts and operating as the third-largest pension asset manager in the country. This foundation provides the Bank with a differentiated starting position: direct access to a large, trusted retail client base, established digital infrastructure, and a group capable of generating meaningful capital to support the Bank's growth. The Group's consumer lending subsidiary, AS DelfinGroup, is a profitable, dividend-paying business, providing the Group with an additional source of internal capital to support the Bank's development.

AS INDEKO Banka received its banking licence on 16 May 2024 and commenced operations on 28 August 2024, becoming the first new credit institution licensed in Latvia since the country joined the eurozone. The Bank operates a fully digital model, serving retail customers through a mobile-first platform with a single customer support centre in Riga.

INDEKO's mission regarding the bank development is to reignite the competition in Latvian banking sector by offering modern banking solutions and better access to financing for private customers and later also corporate customers. The Bank's strategy is to offer Latvian retail customers a transparent and competitive alternative in everyday banking services - free of monthly fees, savings with market-leading interest rates, lending products accessible through a fast and user friendly mobile application, supported by seamless digital onboarding. Its current product offering spans payments, cards, savings products, consumer lending, mortgage refinancing and home equity.

Since launching in August 2024, the Bank has grown rapidly. By 31 December 2025 - its first full year of operations - INDEKO Banka had attracted 49,700 clients, built a net loan portfolio of EUR 54.9 million, accumulated EUR 73.8 million in deposits and reached total assets of EUR 87.8 million. By 31 March 2026, the most recent operational date as at the date of this Prospectus, client numbers had grown to 57,100, deposits to EUR 90.5 million and the net loan portfolio to EUR 76.7 million.

The Bank has established a notable early position in two segments: approximately 10-15% market share in new consumer loan contracts among peer banks, and an estimated 63-70% share of mortgage refinancing transactions switching between banks in Q3-Q4 2025 - confirming both the relevance of the Bank's pricing proposition and the latent demand for a competitive alternative.

Looking ahead, the Bank's operations are organised around several strategic priorities: building out its custodian bank capabilities by generating fee income from asset custody services (AS INDEKO Banka is expected to commence providing custody services to IPAS INDEKO in the second quarter of 2026) and enabling retail investors to access and trade securities directly through the Bank; significantly expanding the loan portfolio in a disciplined manner, supported by prudent risk management and capital planning; deepening customer value and daily banking relevance to increase the retail deposits; leveraging Group synergies across IPAS INDEKO, its pension fund and the recently acquired DelfinGroup (72.07% as of the date of this Prospectus); and strengthening product development capacity.

With a proven digital model, a growing customer base and a structurally underserved market, INDEXO Banka is well-positioned to become a meaningful force in Latvian retail banking.

9.2. The Latvian Banking Market

Latvia has a concentrated banking market dominated by four large foreign-owned commercial banks: Swedbank AS (Swedish ownership), SEB banka AS (Swedish ownership), Luminor Bank AS (US private equity / Nordic ownership via merger), and AS Citadele banka (US private equity ownership). As of 30 September 2025, these four banks collectively held approximately:

Metric	Top 4 banks combined	INDEXO Banka
Share of total banking assets	~83.1%	~0.28%
Share of total lending to residents	~82.5%	growing
Share of resident deposits	~85.4%	growing
Total assets (EUR bn)	~EUR 25.8bn	EUR 0.088bn
Metric	All banks combined	
Total banking sector assets (EUR bn)	~EUR 31.1bn	
Total banking sector loans (EUR bn)	~EUR 17.8bn	
Total banking sector deposits (EUR bn)	~EUR 24.4bn	

Latvian household mortgage penetration - approximately 13% of GDP - is among the lowest in the EU, indicating significant untapped demand for mortgage lending, particularly from younger households forming families and seeking home ownership. This structural gap in credit supply represents a long-term growth runway that is not dependent on market share gains alone, but on the gradual deepening of an underleveraged economy.

The Latvian mortgage market is highly concentrated, with the four largest banks consistently accounting for nearly 90% of newly issued residential mortgage lending in recent years. Mortgage rates in Latvia have been among the highest in the Eurozone, reflecting the oligopolistic pricing environment. INDEXO Banka has targeted this market as a key growth driver, entering with competitive EURIBOR-based pricing - and has already captured an estimated 63-70% share of mortgage refinancing transactions between banks in Q3-Q4 2025, demonstrating that Latvian borrowers are responsive to pricing competition when a credible alternative exists.

The funding side presents an equally compelling dynamic. Latvian households hold approximately EUR 11.5 billion in deposits, of which around EUR 9.2 billion or 80% are current account deposits and earn no interest - compared to a eurozone average of 56%. Incumbent banks have shown limited appetite to remunerate these balances, creating a clear opening for a deposit-gathering challenger offering transparent, market-leading rates. For INDEXO Banka, this represents both a customer acquisition channel and a scalable, retail-funded lending model - the foundation upon which the Bank's growth strategy and the subordinated debt issued under this Prospectus are premised.

9.3. Products and Services

All INDEXO Banka products are accessible exclusively through the INDEXO mobile application (available on iOS and Android) and, for selected services, through the customer service centre in Riga. The Bank's product suite as at the date of this Prospectus is as follows:

9.3.1. Current Accounts and Payments

INDEXO Banka offers current accounts remunerated at 1.00% per annum on account balances - a rate uniquely offered in the Latvian retail banking market. Account opening is fully digital and takes on average less than 5 minutes. The account includes a VISA card combining debit card and credit card functionality (physical and digital) and full SEPA payment functionality, including SEPA Credit Transfers and SEPA Instant Credit Transfers (IPR compliant). Google Pay and Apple Pay were launched in April 2025. The Bank supports the Instant Payments Regulation requirements effective January 2025. The Bank's product roadmap for 2026 includes the introduction of a premium card product and Platinum plan, junior accounts, and a web interface - intended to deepen daily banking engagement.

9.3.2. Savings Products

INDEXO Banka offers two savings products: (i) a savings account (Vaults product) paying 2.00% per annum on balances freely withdrawable at any time without penalty; and (ii) term deposits ranging from 3 months to 5 years at competitive fixed rates that typically exceed those of Latvian government savings bonds and the dominant incumbent banks. The Bank is consistently ranked among the top-paying deposit institutions in Latvia. As of 31 December 2025, the weighted average rate on term deposits was 3.11% per annum. To support funding diversification, the Bank is currently assessing potential options for attracting deposits through deposit platforms. Subject to the outcome of this assessment, the Bank intends to apply for the relevant regulatory approvals from the Bank of Latvia. Any use of deposit platforms would be implemented, as a tactical funding channel subject to strict concentration, maturity and pricing limits.

9.3.3. Consumer Lending

INDEXO Banka offers fully digital unsecured consumer loans of up to EUR 25,000 with maturities of up to 7 years. Loan applications are processed and disbursed in under 5 minutes through the mobile application, using an automated credit scoring system based on Creditinformation Bureau data. The weighted average interest rate on consumer loans as of 31 December 2025 was 12.49% per annum. The consumer loan portfolio as of 31 December 2025 amounted to EUR 32.5 million (gross). The Company launched consumer loan additional amount functionality during 2025. The Bank's 2026 priorities include the development of an in-house credit scoring model to replace reliance on external providers, reducing both cost and decision turnaround time, as well as the introduction of an overdraft product and a consumer loan consolidation product.

9.3.4. Mortgage Lending

INDEXO Banka launched mortgage refinancing products in May 2025, becoming one of the most competitive providers in the Latvian mortgage refinancing market. The Bank achieved a 60-70% share of the Latvian mortgage refinancing segment in the months following launch, reflecting strong demand for its competitive pricing (3.89% weighted average rate incl. EURIBOR). Home equity loans (secured

loans against residential property equity) were launched in February 2026. New-purchase mortgage origination is planned for later in 2026.

As of 31 December 2025, the gross mortgage loan portfolio amounted to EUR 23.6 million (representing a weighted average LTV of approximately 60% at origination, based on independent property valuations). All mortgaged properties are located in Latvia.

9.3.5. Retirement Planner

INDEXO Banka has integrated a “Retirement Planner” tool in its mobile application that enables all Latvian residents to view their 2nd pillar pension savings, contributions and earnings through the State Social Insurance Agency API. This was the first such integration in a Latvian banking application (launched February 2025) and provides significant cross-selling opportunity by encouraging INDEXO pension clients to also bank with INDEXO Banka. The Bank's 2026 product roadmap further envisages unified onboarding flows across IPAS INDEXO pension and banking products.

9.4. Technology and IT Infrastructure

INDEXO Banka operates a cloud-native, API-first technology stack built on the Mambu core banking platform (developed by Mambu B.V., Netherlands), which provides the deposit engine, loan engine and account management capabilities. The Bank's payment infrastructure uses Mambu Payments, integrated with SEPA Instant Credit Transfers and TARGET2, with a migration to Mambu Payments completed in 2025. The front-end mobile application is developed internally. The Bank's technology architecture is designed for scalability and rapid product deployment - enabling continuous iteration and data-driven decision-making across lending, deposits and customer engagement. In 2025, two internal development teams were established as part of a deliberate insourcing strategy aimed at strengthening in-house capabilities and reducing third-party delivery costs over time.

Total cumulative IT investments since inception have reached EUR 7.5 million as of 31 December 2025, of which EUR 4.4 million is capitalised as intangible assets in the balance sheet (mobile application and core banking systems, depreciated over 5 years). The Bank employed 84 FTE as at 31 December 2025, of whom approximately 20% are in technology roles.

9.5. Competitive Position

INDEXO Banka's competitive advantages include: (i) the INDEXO brand and existing trust relationship with almost 160,000 pension clients' accounts; (ii) a customer acquisition cost advantage arising from the ability to cross-sell banking products to IPAS INDEXO and AS DelfinGroup clients; (iii) a modern and agile technology platform, which the Bank believes, over the long term, has the potential to support efficient product development and scalable operations compared to more complex legacy systems; (iv) competitive deposit rates that attract price-sensitive savers; (v) a simple, transparent pricing model with no hidden fees; and (vi) its status as a truly local bank - locally owned, locally managed and locally governed, with strategic decisions taken in Latvia, in contrast to the four dominant incumbents whose ownership and strategic direction sit outside the country.

Key competitive challenges include: (i) the small scale of the Company relative to incumbent banks, limiting its ability to spread fixed costs; (ii) the early-stage loan portfolio that generates limited net interest income relative to expenses; (iii) reliance on a single distribution channel (mobile application)

that excludes less digitally literate customers; (iv) the capital-intensive nature of rapidly growing a loan portfolio from a standing start; and (v) a structural funding cost disadvantage relative to incumbent banks, which benefit from large captive current account deposit bases accumulated over decades - meaning that INDEXO Banka must offer higher deposit rates to attract retail funding, which compresses net interest margin relative to peers, particularly in the mortgage segment where pricing has tightened significantly since mid-2025.

9.6. Post-Balance Sheet Events

The following material events occurred after 31 December 2025 (the reporting date of the most recent Audited Financial Statements):

- **Home equity loans:** On 6 February 2026, the Bank launched home equity loans - a mortgage product allowing existing homeowners to borrow against the equity in their property. This is a new product category in Latvia and represents a significant expansion of the mortgage offering.
- **Capital increase:** as of the date of prospectus the Bank's share capital had been increased by a further EUR 2,950,000, bringing total share capital to EUR 30,275,002. An additional EUR 750,000 of subordinated deposits were raised.
- **DelfinGroup acquisition completion:** In January 2026, IPAS INDEXO completed its acquisition of a 71.52% majority stake in AS DelfinGroup, a publicly listed Latvian non-bank lending company. In April 2026, IPAS INDEXO acquired additional shares in AS DelfinGroup through an over-the-counter transaction, increasing its shareholding in the company's share capital to 72.07%. This makes INDEXO Group a more diversified financial services group and creates additional profitability at the group level that could, over time, support continued capital injections into INDEXO Banka in the form of AS DelfinGroup dividends.

Supervisory Board change: On 12 February 2026, Ramona Miglāne resigned as a Member of the Supervisory Board. Zlata Elksniņa-Zaščirinska was appointed as a replacement, following approval by the Bank of Latvia. The new composition was registered in the Commercial Register on 17 February 2026.

Profitability milestone: The INDEXO Group achieved profitability in January 2026 as a result of the consolidation of AS DelfinGroup's financial results.

Save as disclosed in this Prospectus, there has been no recent event particular to the Issuer which is to a material extent relevant to the evaluation of the Issuer's insolvency.

9.7. Trend Information and Prospects

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements. Since the end of the last financial period for which financial information has been published, the INDEXO Group achieved profitability in January 2026 as a result of the consolidation of AS DelfinGroup's financial results. Save as disclosed above, there has been no significant change in the financial performance of the Group.

The Management Board of INDEXO Banka is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for the remainder of the current financial year (2026), other than as described in this Prospectus and in the risk factors in Section 3.

As INDEXO Group continues to develop, we remain committed to driving further growth and achieving new milestones in our journey. By leveraging innovative financial solutions and a customer-centric approach, INDEXO Banka will experience rapid growth and product expansion while INDEXO pension business aims to considerably grow 3rd pillar AUM and customer number by developing better tools for financial planning and retirement savings.

The key trends as at the date of this Prospectus that are expected to affect the Company's performance in 2026 include: (i) continued rapid growth in the loan portfolio, particularly in mortgage lending following the launch of home equity loans; (ii) a gradual improvement in net interest margin as the higher-yielding consumer loan portfolio matures; (iii) a moderation in operating expense growth as the initial technology and team-build investment phase concludes; (iv) an expected decline in the Total Capital Ratio toward minimum requirements as the loan portfolio grows, requiring additional capital support; (v) AS INDEXO Banka is expected to commence providing custody services to IPAS INDEXO in the second quarter of 2026, generating fee income from asset safekeeping and enabling retail investors to hold and trade securities directly through the Bank in the future.

The Bank plans to reach break-even (excluding ECL provisions) by December 2026, based on the current revenue trajectory and cost base. Full-year net profitability is not expected until 2027 at the earliest, subject to credit loss performance and capital-raising success.

At the beginning of the September 2025 Indexo Group's has published long term financial targets and strategic goals for the combined group through 2028, assuming the acquisition of 65% of DelfinGroup shares. Full INDEXO Group financial projections for 2025-2028 is available at: https://indexo.lv/wp-content/uploads/2025/09/INDEXO_financial_projections_2025-2028.pdf

9.8. Material Contracts

All material agreements entered into by INDEXO Banka are within its ordinary course of business and the material agreements do not include any provision that could result in INDEXO Group member being under an obligation or an entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds.

9.9. Legal and Arbitration Proceedings

As of the date of this Prospectus, the Company is not party to any legal, arbitration or administrative proceedings that are material or likely to have, or that have had in the recent past, a significant effect on the Company's financial position or results of operations.

10. FINANCIAL INFORMATION

10.1. Introduction

The following financial information has been extracted from the Audited Financial Statements of AS INDE XO Banka for the years ended 31 December 2025 and 31 December 2024, prepared in accordance with IFRS as adopted by the European Union. The Audited Financial Statements are incorporated by reference into this Prospectus (see Section 1.4). The following tables present key selected financial data. Investors should read these tables in conjunction with the full Audited Financial Statements and the auditor's reports, which are available at the locations specified in Section 1.4.

Audit opinions. The 2025 financial statements were audited by SIA BDO Assurance (responsible auditor: Raivis Jānis Jaunkalns, certificate No. 237). The 2024 financial statements were audited by PricewaterhouseCoopers SIA. Both auditors issued unqualified (clean) opinions.

10.2. Statement of Comprehensive Income

EUR '000, except where noted. Source: Audited financial statements of AS INDE XO Banka.

Item	FY 2025	FY 2024
Interest income (effective interest rate method)	2,806	430
Interest expense	(1,416)	(480)
Net interest income / (expense)	1,390	(50)
Commission income	494	30
Commission expense	(563)	(123)
Net commission income / (expense)	(69)	(93)
Net foreign exchange difference	-	(1)
Profit or (-) loss on financial assets and liabilities not measured at fair value through profit or loss	19	-
Other operating income	472	185
Other operating expenses	(628)	(380)
Administrative expenses	(7,433)	(5,140)
Depreciation and amortisation	(1,844)	(594)
Allowances for expected credit losses (ECL)	(1,148)	(88)
Loss before corporate income tax	(9,241)	(6,161)
Corporate income tax	(4)	(2)
Net loss for the period	(9,245)	(6,163)

Total comprehensive loss for the period	(9,245)	(6,163)
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10.3. Statement of Financial Position

EUR`000. Source: Audited Financial Statements of AS INDEXO Banka.

ASSETS	31.12.2025	31.12.2024
Cash and cash equivalents	19,734	35,374
Demand balances with credit institutions	1	9
Investment securities (government bonds)	3,397	-
Gross loans and advances to customers	54,929	987
Prepayments and other assets	1,050	713
Deferred tax asset	4	-
Intangible assets	5,803	4,446
Property, plant and equipment	703	590
Right-of-use assets	1,472	1,900
Other assets	699	534
TOTAL ASSETS	87,792	44,553
LIABILITIES AND EQUITY		
Total customer deposits	73,786	33,098
Subordinated deposits	1,802	-
Other liabilities	2,957	2,978
TOTAL LIABILITIES	78,545	36,076
Share capital	27,325	17,310
Accumulated deficit	(8,833)	(2,670)
Loss for the reporting period	(9,245)	(6,163)
TOTAL EQUITY	9,247	8,477
TOTAL LIABILITIES AND EQUITY	87,792	44,553

Note: Balance sheet figures for 2025 are sourced from the 2025 audited annual report.

10.4. Capital Adequacy Information

Source: AS INDEKO Banka 2025 annual financial statements and regulatory disclosures.

Capital Adequacy Metric	31.12.2025	31.12.2024
Common Equity Tier 1 (CET1) capital (EUR)	7,452,878	7,240,644
Additional Tier 1 (AT1) capital (EUR)	-	-
Tier 1 capital (EUR)	7,452,878	7,240,644
Tier 2 capital (EUR)	1,790,000	-
Total Own Funds / Total Capital (EUR)	9,242,878	7,240,644
Risk-Weighted Assets (RWA) (EUR)	43,466,507	13,398,788
CET1 ratio	17.15%	54.04%
Tier 1 ratio	17.15%	54.04%
Total Capital Ratio	21.26%	54.04%
Liquidity Coverage Ratio (LCR)	529.67%	1,273.49%
Net Stable Funding Ratio (NSFR)	181.71%	433.88%
Leverage Ratio	8.43%	16.75%

As of 31 December 2025, the Company met all applicable regulatory capital requirements. The Total Capital Ratio of 21.26% is supported by EUR 1.79 million of Tier 2 capital (consisting of subordinated deposits raised in 2025 that qualify as Tier 2 instruments).

The Company's RWA increased from EUR 13.4 million to EUR 43.5 million during 2025, reflecting the rapid growth of the loan portfolio. The RWA density (RWA as a percentage of total assets) was approximately 49.5% as of 31 December 2025. Consumer loans are risk-weighted at 75% (under the standardised approach for retail exposures) and mortgage loans at 20% (for LTV ratios below 55%). The Company uses the Standardised Approach for credit risk and operational risk.

10.5. Statement of Changes in Equity

EUR	Share capital	Accumulated deficit	Total equity
At 31.12.2023	5,000	(2,670)	2,330
Share capital increase (2024)	12,310	-	12,310
Total comprehensive loss (2024)	-	(6,163)	(6,163)
At 31.12.2024	17,310	(8,833)	8,477
Share capital increase (2025)	10,015	-	10,015

Total comprehensive loss (2025)	-	(9,245)	(9,245)
At 31.12.2025	27,325	(18,078)	9,247

EUR`000. Source: Audited Financial Statements of AS INDEXO Banka.

11. TAXATION

The following Section contains a general summary of certain tax considerations relating to the Bonds in Latvia, based on the laws and regulations of Latvia in force as at the date of this Prospectus. The summary is of a general nature and is not intended to be a comprehensive or definitive analysis of all tax aspects that may be relevant to a particular investor. The summary does not consider or discuss the tax implications of any country other than Latvia.

Tax laws are complex and subject to change. Changes in tax treatment could affect the after-tax return on the Bonds. The Company will not gross up payments in respect of taxes withheld. Investors should consult their own independent tax advisers with respect to the specific tax consequences of subscribing for, holding and disposing of the Bonds, given their individual circumstances, tax residency, and applicable law. The tax summary in this Section shall not be treated as legal or tax advice.

Latvia has entered a number of tax conventions on elimination of the double taxation, which may provide more favourable taxation regime. Therefore, if there is a valid tax convention with the country of a non-resident Bondholder, it should be also examined. The procedures for application of tax conventions are provided in the Republic of Latvia Cabinet of Ministers' Regulations No. 178 "Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion" of 30 April 2001.

11.1. Latvian Resident Individuals

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

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

Under the Personal Income Tax Law of the Republic of Latvia (PIT Law), capital gains (ienākums no kapitāla) - including interest income received from bonds issued by Latvian companies and capital gains from the sale of the Bonds is subject to personal income tax (iedzīvotāju ienākuma nodoklis). As of 1 January 2025, the personal income tax rate on income from capital gains is 25.5%.

The Issuer is required to withhold 25.5% of each interest payment made to a Latvian resident individual Bondholder and remit this amount to the Latvian State Revenue Service (VID) on the Bondholder's behalf. In case of sale of the Bonds, 25.5% tax on the capital gains shall be payable by the individual him/herself.

Should the total taxable income, as defined under the PIT Law, of an individual resident of Latvia exceed EUR 200,000 in a year, additional tax rate of 3% will be applicable to the portion of income exceeding EUR 200,000.

For information regarding investment account regime, please refer to subsection 11.4 below.

11.2. Latvian Resident Legal Entities

An entity will be considered as a resident of Latvia for tax purposes if it is or should have been established and registered in the Republic of Latvia in accordance with the legislative acts of the Republic of Latvia. This also include permanent establishments of foreign entities in Latvia.

Under the Corporate Income Tax Law of the Republic of Latvia, effective from 1 January 2018, corporate income tax (*uzņēmumu ienākuma nodoklis*) is applied under a distributed profits model. Corporate income tax is levied at a rate of 20% of the grossed-up distributed amount (i.e. 20/80 of the net distribution, corresponding to an effective tax burden of approximately 25%) upon the distribution of profits or upon deemed distributions.

Interest income from Bonds and capital gains from the sale of the Bonds received by a Latvian resident entity is not subject to corporate income tax at the time of receipt. Such income is effectively taxed only when it forms part of profits that are distributed or deemed to be distributed in accordance with the Corporate Income Tax Law of the Republic of Latvia.

Latvian resident entities are required to maintain proper accounting records in accordance with applicable laws and to comply with corporate income tax reporting obligations.

11.3. Non-Resident Investors

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

In general, interest income as well as gains from the sale of the publicly circulated Bonds received by the non-resident individuals are not subject to tax in Latvia.

Interest income and gains from the sale of the Bonds received by non-resident legal entities are generally not subject to withholding tax in Latvia.

Payments (including interest payments) to non-residents located, registered or incorporated in a no-tax or low-tax country or territory as defined in the Regulations of the Cabinet of Ministers No.333 "List of Low Tax or No-Tax Countries and Territories" are generally subject to withholding tax of 20 per-cent if the payer is a Latvian legal entity or 25.5 per-cent if the payer is a Latvian individual resident having obligation to withhold tax. However, payments by Latvian legal entities to the residents of no-tax or low-tax country or territory for securities publicly circulated in the EU or EEA are exempt from withholding tax if made at the market price.

11.4. Investment Account Regime

Individuals who hold the Bonds through a qualifying investment account (*ieguldījumu konts*) registered with the State Revenue Service (VID) are eligible to tax deferral regime under which income derived from financial instruments (including interest income and capital gains from the sale of the bonds) is not subject to taxation at the time of receipt. Instead, personal income tax at a rate of 25.5% is applied to the net amount of funds withdrawn from the investment account (i.e., when funds withdrawn from the investment account exceed the amount contributed to the investment account), in accordance with the PIT Law. Where the Bonds are held through a qualifying investment account registered with the State Revenue Service (VID), interest income credited to such account and gains resulted from the sale of the Bonds at such account is generally not subject to withholding tax at source, and the applicable tax is instead levied upon withdrawals from the investment account. The application of this regime is determined by the account-managing institution.

11.5. Transfer Taxes and Stamp Duties

Under current Latvian law, there are no stamp duties, transfer taxes or capital duties payable in Latvia in respect of the issue, subscription, delivery, holding or transfer of the Bonds.

12. GLOSSARY

Additional Tier 1 (AT1): Additional Tier 1 capital instruments as defined in Article 52 of the CRR, including perpetual subordinated instruments with mandatory write-down or conversion features.

AML/CFT/CPF: Anti-money laundering, countering the financing of terrorism and countering proliferation financing.

Audited Financial Statements: Audited financial statements of INDEKO Banka pertaining to the financial years which ended on 31 December 2025 and, 31 December 2024.

Bail-in Powers: The statutory powers of a Resolution Authority under BRRD, as implemented in applicable national law, to write down, cancel, modify or convert into equity all or part of the credit institution's liabilities (including the Bonds) in order to absorb losses and recapitalise the credit institution where it is failing or likely to fail.

Baltic Bond List: The official list of debt securities maintained and operated by Nasdaq Riga for the admission to trading and listing of bonds in the Baltic markets.

Bank of Latvia / Latvijas Banka: The central bank and competent authority for financial market supervision in the Republic of Latvia, acting as the competent authority under the Prospectus Regulation for approving this Prospectus. Following the merger of the Financial and Capital Market Commission (FKTK) into the Bank of Latvia on 1 January 2023, the Bank of Latvia assumed responsibility for the supervision of credit institutions, investment firms and other financial market participants in Latvia.

Bonds: The Tier 2 subordinated bonds issued or to be issued by INDEKO Banka under the Programme from time to time, as described in this Prospectus.

Business Day: a day when the Nasdaq CSD system is open and operational.

BRRD: Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended (Bank Recovery and Resolution Directive), as implemented in Latvian law.

Call Date / Early Redemption Date: The date on which the Issuer may redeem the Bonds at its option in accordance with this Base Prospectus, subject to regulatory consent.

Call Option / Optional Redemption: The right of the Issuer, subject to regulatory approval, to redeem the Bonds prior to their scheduled maturity, including after five (5) years from the Issue Date and upon the occurrence of a Tax Event or a Capital Disqualification Event, as set out in this Prospectus.

Capital Disqualification Event: An event as a result of which the Bonds cease, or are likely to cease, in whole or in part, to qualify as Tier 2 capital under the CRR or applicable law, where the competent authority considers such a change to be sufficiently certain and the Issuer demonstrates to the satisfaction of the competent authority that the regulatory reclassification of those instruments was not reasonably foreseeable at the time of their issuance.

Capital Requirements Regulation / CRR: Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as supplemented or amended.

CET1: Common Equity Tier 1 capital as defined in Article 50 of the CRR, consisting primarily of ordinary shares, retained earnings (net of accumulated losses), and other comprehensive income items.

Company / Issuer / INDEKO Banka / AS INDEKO Banka: AS INDEKO Banka, registration number 40203448611, a public limited liability company incorporated under the laws of the Republic of Latvia, and the issuer of the Bonds.

CRD IV: Directive 2013/36/EU of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended.

Creditinformation Bureau: AS "Kredītinformācijas Birojs", registration number 40103673493, incorporated under the laws of the Republic of Latvia, a licensed credit information bureau operating credit registers/databases and providing credit history/creditworthiness information on borrowers in Latvia.

Delegated Regulation: Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129, as amended.

EBA: European Banking Authority.

ECB: European Central Bank, which authorised the grant of a credit institution licence to INDEKO Banka and which, together with the Bank of Latvia, supervises the INDEKO Group as part of the Single Supervisory Mechanism.

ECL: Expected Credit Loss - the probability-weighted estimate of credit losses calculated in accordance with IFRS 9 Financial Instruments, incorporating forward-looking macroeconomic information.

EEA: The European Economic Area.

EUR / Euro: The official currency of the Eurozone, including Latvia (since 1 January 2014), Estonia (since 1 January 2011) and Lithuania (since 1 January 2015).

Final Redemption: The redemption of all remaining outstanding Bonds of particular Series.

Final Terms: A document specifying the final terms of a particular Series of Bonds issued under the Programme.

IFRS: International Financial Reporting Standards, as adopted by the European Union.

INDEKO Group: IPAS INDEKO and its subsidiaries.

IPAS INDEKO: IPAS INDEKO, registration number 40203042988, registered address Roberta Hirša iela 1, Riga, LV-1045, Republic of Latvia, the sole shareholder of INDEKO Banka and the parent holding company of the INDEKO Group, listed on the Nasdaq Riga Stock Exchange (ticker IDX1R, ISIN LV0000101863).

Issue Date: The date on which Bonds are issued and delivered to investors, as specified in the Final Terms.

LCR: Liquidity Coverage Ratio - the ratio of high-quality liquid assets to net cash outflows over a 30-day stress period, as defined in Commission Delegated Regulation (EU) 2015/61. The regulatory minimum is 100%.

LGD: Loss Given Default - the estimated percentage of exposure that would be lost in the event of a borrower's default.

Maturity Date: The date on which the principal amount of the Bonds becomes due and payable, being 10 years from the Issue Date of the relevant Series.

Meeting of Bondholders: meeting of Bondholders of respective Bond Series.

Nasdaq CSD: Nasdaq CSD SE, registration number 40003242879, registered address Valnu iela 1, LV-1050, Riga, Latvia, central securities depository acting as the operator of the Latvian securities settlement system.

Nasdaq Riga / Nasdaq Riga Stock Exchange: Nasdaq Riga AS, registration number 40003167049, registered address at Valnu iela 1, LV-1050, Riga, Latvia.

Offering: The public offering of a Series of Bonds under the Programme to investors in Latvia (and, to the extent passported, Estonia and Lithuania).

Subscription Period: The subscription period for each Series of Bonds, as specified in the relevant Final Terms.

PD: Probability of Default - the estimated probability that a borrower will default on its obligations within a specified time horizon.

Programme: The EUR 10,000,000 Tier 2 Subordinated Bond Issuance Programme described in this Prospectus.

Prospectus / Base Prospectus: This base prospectus (including any supplements published during its validity period) and, in relation to any Series, the applicable Final Terms.

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, as amended.

Resolution Authority: The Bank of Latvia (in its capacity as national resolution authority) and/or the Single Resolution Board (SRB), as applicable.

Resolution Powers: The statutory powers granted to a Resolution Authority under the BRRD and applicable national law to manage the failure of a credit institution or investment firm, including the application of resolution tools and measures such as bail-in, transfer of assets or liabilities, sale of business, establishment of a bridge institution, suspension of payments, or other actions taken to achieve the resolution objectives.

RWA: Risk-Weighted Assets - the total of an institution's assets and off-balance-sheet exposures, each weighted according to its risk profile in accordance with the CRR.

Series: Each separate issuance of Bonds under the Programme, as described in the applicable Final Terms.

SRB: The Single Resolution Board - the EU-level resolution authority for significant credit institutions in participating Member States.

SSM: Single Supervisory Mechanism - the system for the prudential supervision of credit institutions in the Eurozone and other participating EU Member States, operated by the ECB in cooperation with national competent authorities.

Tax Event: Any change in, or amendment to, the laws or regulations of the Republic of Latvia, or any change in the application or official interpretation thereof, becoming effective on or after the Issue Date, which results in, and following confirmation to the satisfaction of the Bank of Latvia, the Issuer being subject to a materially adverse tax consequence in respect of the Bonds or any payments thereunder, which was not reasonably foreseeable as at the Issue Date.

Terms of the Bonds: The Terms and Conditions of the Tier 2 Subordinated Bonds, as set out in this Prospectus and respective Final Terms, governing the rights and obligations of Bondholders.

Tier 2 (T2): Tier 2 capital instruments as defined in Article 63 of the CRR, including subordinated debt instruments with a minimum original maturity of 5 years and without investor put options or incentives to redeem before maturity.

ANNEX - FORM OF THE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Bonds issued under the Base Prospectus.

Final Terms dated [●]

AS INDEXO Banka

Legal entity identifier (LEI): 875500LY35QI0UMK4S27

Issue of EUR [●] Series No. [●] of Bonds due [●]

under the Programme for the Issuance of Bonds

in the total amount of up to EUR 10,000,000

The terms used herein shall be deemed to be defined as such for the purposes of the Base Prospectus of the offering Programme of non-convertible unsecured and unguaranteed subordinated bonds (the “Bonds”) of AS INDEXO Banka in the total amount of up to EUR 10,000,000 and admission thereof to trading on the Baltic Bond List of Nasdaq Riga, dated 16 April 2026 [as supplemented by supplement(s) to it dated [●] and [●]] (the “Base Prospectus”), which constitutes a base prospectus for the purposes of Regulation 2017/1129 as may be amended from time to time (the “Prospectus Regulation”).

This document constitutes the Final Terms of Series No. [●] of the Bonds described herein for the purposes of Article 8(4) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the Offering of the Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus. A summary of this Series of Bonds is annexed to these Final Terms.

The Base Prospectus has been published on the website of the Company (<https://indexo.lv/en/for-investors/>), and on the website of Nasdaq Riga (<https://www.nasdaqbaltic.com>).

- | | | |
|----|---|--|
| 1. | Issuer: | AS INDEXO Banka |
| 2. | Series number: | [●] |
| 3. | ISIN code: | [●] |
| 4. | Currency: | EUR |
| 5. | Aggregate Nominal Amount of the Series: | EUR [●] [in addition to [●]].
The Issuer may decrease and increase the aggregate nominal amount of the Series during the Subscription Period of the Series. The final aggregate nominal amount of the Series will be specified in the notification regarding allocation of Bonds to the |

investors, which will be published on the websites of the Company and Nasdaq Riga.

- | | | |
|-----|---|--|
| 6. | Issue Price | [●] per cent. of the Nominal Value of the Bond |
| 7. | Nominal Value of the Bond: | [●] EUR |
| 8. | Subscription Period: | [●] |
| 9. | Interest Rate: | [●] per annum |
| 10. | Interest Payment Dates: | [●] |
| 11. | Maturity Date: | [●] |
| 12. | Issue Date | [●] |
| 13. | Yield: | [●] |
| 14. | Minimum Investment Amount: | [●] |
| 15. | Total Expenses of the Series and the Estimated Net Proceeds of the Series | [●] |
| 16. | Issuing Agent | [●] |
| 17. | Placement Agent [-s] | [if applicable] |
| 18. | Procedure for Submission of the Subscription Orders | [if any additional information will be provided with regard to the respective Series of the Bonds] |
| 19. | Procedure for allocation of the Bonds: | [if any additional information will be provided with regard to the respective Series of the Bonds] |

These Final Terms have been approved by the Management Board of the Company at its meeting on [date] [month] [year] [and, if necessary, will be updated after allocation of the Bonds to the investors] / [and have been updated on [date] [month] [year] after allocation of the Bonds to the investors].

Riga, [date]

Annex – Issue Specific Summary

On behalf of AS INDEXO Banka: