

**SIA "Baltic Terra Capital"
BASE PROSPECTUS**



28 November 2025

**"SIA "Baltic Terra Capital"
BASE PROSPECTUS**

registration number in Latvia: 40203653737
legal entity identifier (LEI): 8945004T25NPO5T6DM66
EUR 80,000,000 NOTES PROGRAMME

This Base Prospectus ("**Base Prospectus**") was prepared for the programme ("**Programme**") for the offerings of notes ("**Notes**") of SIA "Baltic Terra Capital" a limited liability company, incorporated in, and operating under the laws of the Republic of Latvia, and registered in the Commercial Register of Latvia maintained by the Enterprise Register under the registration number: 40203653737, legal address: Skanstes iela 25, Riga, LV-1013, Latvia ("**Issuer**") in the amount of up to EUR 80,000,000 ("**Offering**").

This Base Prospectus should be read and construed together with any supplements hereto (if any), any other documents attached herein and, in relation to any tranche of the Notes issue ("**Tranche**") of any series of the Notes issue ("**Series**"), with the Final Terms of the relevant Tranche ("**Final Terms**"), as applicable. The issue-specific summary shall be annexed to the Final Terms of each of the Tranche and shall be announced in the same order as the Base Prospectus and provided to the Bank of Latvia (in Latvian: *Latvijas Banka*) ("**Bank of Latvia**") together with the Final Terms.

This Base Prospectus has been prepared and each respective Final Terms will be prepared by the Issuer in accordance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council, as may be amended from time to time Prospectus Regulation ("**Prospectus Regulation**"), Commission Delegated Regulation (EU) 2019/980, as may be amended from time to time ("**Delegated Regulation**") and the Financial Instrument Market Law of the Republic of Latvia, as amended from time to time ("**Financial Instrument Market Law**").

This Base Prospectus has been approved as a base prospectus by the Bank of Latvia, as a competent authority under the Prospectus Regulation. The Bank of Latvia has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the appropriateness and suitability of investing in the Notes.

The Bank of Latvia in its capacity as the competent authority in Latvia under the Prospectus Regulation has approved this document and has notified the approval of the Base Prospectus to the Federal Financial Supervisory Authority of the Federal Republic of Germany (in German: *Bundesanstalt für Finanzdienstleistungsaufsicht*) ("**BaFin**"). This offer is being made in Latvia and Germany under this Base Prospectus.

This Base Prospectus will be valid for a period of up to 12 months after its approval by the Bank of Latvia. The Issuer will prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake, or inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of any Notes, for use in connection with any subsequent issue of the Notes. The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake, or inaccuracy will cease to apply upon the expiry of the period of validity of this Base Prospectus.

The principal risk factors which may affect the Issuer's ability to perform its obligations under the Notes are described in the Section 4.

Capitalised terms used in this Base Prospectus have the meaning given to them in the Section 'GLOSSARY'.

1. TABLE OF CONTENTS

1.	TABLE OF CONTENTS.....	3
2.	GLOSSARY.....	8
3.	GENERAL DESCRIPTION	11
3.1.	What are Notes?.....	11
3.2.	The flow of funds for repayment	11
3.3.	The flow of funds for investment.....	11
4.	RISK FACTORS.....	12
4.1.	Risks related to the economic and regulatory environment.....	12
4.1.1.	Exposure to geopolitical events.....	12
4.1.2.	Macroeconomic risk	12
4.1.3.	Negative economic developments in the countries in which the Issuer and its investments operate may affect the Issuer's operations	13
4.1.4.	Regulatory risk.....	13
4.1.5.	Risk of fluctuations in agricultural land values and agricultural commodity prices	14
4.1.6.	Taxation risk.....	14
4.1.7.	Financial leverage risk.....	14
4.2.	Risks related to business operations	14
4.2.1.	Risks related to limited liquidity of the Issuer's investments.....	14
4.2.2.	Agricultural yield and market-related risks	15
4.2.3.	Risks related to EU agricultural subsidies.....	15
4.2.4.	Interest rate risk.....	15
4.2.5.	Risks related to dependency on senior management team and other key personnel	15
4.2.6.	Financing risk.....	16
4.2.7.	Flood risk.....	16
4.2.8.	Pest and Disease Risk.....	16
4.2.9.	Risk of natural disasters and other business disruption	17
4.2.10.	Difficulties in assessing the value and legal status of real estates.....	17
4.2.11.	Competition risks.....	17
4.2.12.	Beneficiaries interest risk.....	17
4.3.	Risks related to the Notes	18
4.3.1.	Notes repayment risk.....	18
4.3.2.	Credit risk.....	18
4.3.3.	Refinancing risk.....	18
4.3.4.	Fixed interest rate and inflation	18
4.3.5.	No listing or admission.....	19
4.3.6.	Exchange rate risk	19
4.3.7.	No limit for additional Financial Indebtedness	19
4.3.8.	No assurance on change of laws or practices	19

4.3.9.	Risk of investors resolution.....	19
4.3.10.	Risk of unsuitable type of investment.....	19
4.3.11.	Legal investment considerations may restrict certain investments.....	20
4.3.12.	No ownership and voting rights	20
4.3.13.	Early redemption.....	20
4.3.14.	Risk of investors resolution	20
4.4.	Risks related to the Collateral	20
4.4.1.	Risks associated with the Collateral Agent Agreement	20
4.4.2.	Risks associated with the value of the Collateral	21
4.4.3.	The Collateral does not include mortgage over the Land Portfolio.....	21
4.4.4.	The Collateral will be subject to certain limitation on enforcement and may be limited by the applicable law or subject to certain defences that may limit its validity and enforceability .	21
4.4.5.	The enforcement of the Collateral will be subject to the procedures and limitations set out in the Collateral Agent Agreement and this Base Prospectus	21
4.4.6.	The rights of the Noteholders depend on the Collateral Issuer's actions and financial standing.....	22
4.5.	Risks specific to Debitum Investments	22
4.5.1.	Inability to continue operations	22
4.5.2.	Non-compliance leading to revocation of licence	22
4.5.3.	Failure of IT systems or a security breach	22
4.5.4.	Debitum Investments bank accounts could be frozen or closed and banks, where the Noteholders funds are held, can become insolvent	23
4.5.5.	Significant problem or termination of the agreement with a Debitum Investments partner may affect the provision of services to the clients.....	23
4.5.6.	Certain situations or actions may raise conflicts of interests.....	23
5.	RESPONSIBILITY STATEMENT.....	24
6.	OVERVIEW OF THE PROGRAMME	25
7.	GENERAL INFORMATION	27
7.1.	Important notices.....	27
7.2.	Final Terms.....	27
7.3.	Other relevant information	27
7.4.	Unauthorised information.....	27
7.5.	Restrictions on distribution.....	27
7.6.	Reasons for the offer and use of proceeds	28
7.7.	Programme limit.....	28
7.8.	Language	28
7.9.	Ratings	28
7.10.	Currency.....	28
7.11.	Interests of persons in the Notes offer	28
7.12.	Third-party information and market information	28
7.13.	Information incorporated by reference	29

7.14.	No incorporation of website information.....	29
8.	TRANSACTION OVERVIEW	30
8.1.	The Description of the transactions in relation to the Notes.....	30
8.1.1.	The Issuer, Debitum Investments and the Collateral Agent.....	30
8.1.2.	Issue of the Notes.....	30
8.1.3.	Payments under the NOTES	31
8.1.4.	No credit enhancement.....	31
8.2.	TRANSACTIONS DOCUMENTS.....	31
8.2.1.	Cooperation Agreement.....	31
8.2.2.	Collateral Agent Agreement	31
8.2.3.	Asset Pledge Agreement	32
8.2.4.	Share Pledge Agreement.....	32
9.	ISSUER.....	33
9.1.	General.....	33
9.2.	Statutory Auditors.....	33
9.3.	History and Development of the Issuer	34
9.4.	Activities.....	34
9.4.1.	Land Portfolio.....	34
9.4.2.	Lease of Agricultural Land	35
9.4.3.	Ancillary services.....	35
9.5.	Principal Markets	35
9.6.	Group Structure	35
9.8.	Corporate Governance	36
9.9.	Employees	36
9.10.	Related Part Transactions.....	36
9.11.	Material Contracts.....	36
9.12.	Authorisation	36
9.13.	Material Changes in the Solvency of the Issuer	37
9.14.	Significant or Material Change.....	37
9.15.	Investments	37
9.16.	Financing of the Activities	37
9.17.	Litigation.....	37
10.	DEBITUM INVESTMENTS	38
10.1.	Debitum Investments and its shareholders	38
10.2.	Key activities performed by Debitum Investments with respect to the Notes.....	39
11.	TERMS AND CONDITIONS OF THE NOTES	40
11.1.	Definitions.....	40
11.2.	PRINCIPAL AMOUNT AND ISSUANCE OF THE NOTES.....	41
11.3.	THE USE OF PROCEEDS.....	41
11.4.	STATUS.....	41

11.5.	FORM	42
11.6.	REGISTER, TITLE AND TRANSFERS.....	42
11.7.	CURRENCY	42
11.8.	ISSUE PRICE AND YIELD.....	42
11.9.	UNDERWRITING.....	42
11.10.	INTEREST.....	42
11.11.	Late Interest.....	43
11.12.	Accrual of Interest	43
11.13.	PRINCIPAL REDEMPTION.....	43
11.13.1.	Redemption at maturity	43
11.13.2.	Early Redemption by the Issuer (call option)	43
11.13.3.	Early Redemption (Event of Default).....	43
11.13.4.	Early Redemption at the request of the Noteholder	43
11.14.	INTEREST AND PRINCIPAL DETERMINATION.....	44
11.15.	PAYMENTS	44
11.15.1.	Payments of Interest and principal.....	44
11.15.2.	Payments to the Noteholders.....	44
11.15.3.	Taxes	44
11.15.4.	Payments on Business Days.....	45
11.16.	UNDERTAKINGS OF THE ISSUER.....	45
11.16.1.	Authorisations and compliance with laws	45
11.16.2.	General covenants.....	45
11.16.3.	Negative covenants.....	45
11.16.4.	Financial covenants.....	45
11.16.5.	Financial reporting.....	46
11.17.	ISSUE OF NOTES.....	46
11.18.	PRIORITY OF PAYMENTS	46
11.19.	PURCHASE	46
11.20.	CANCELLATION	47
11.21.	PRESCRIPTION	47
11.22.	FURTHER ISSUES.....	47
11.23.	EVENTS OF DEFAULT	47
11.24.	MEETING OF NOTEHOLDERS.....	48
11.24.1.	General provisions.....	48
11.24.2.	Resolutions of the Meeting.....	48
11.24.3.	Information on holding a Meeting	49
11.24.4.	Quorum at a Meeting	49
11.24.5.	Voting ballots.....	49
11.24.6.	Counting.....	50
11.25.	NOTICES AND PROVISION OF INFORMATION.....	50

11.26.	ESTABLISHMENT OF THE COLLATERAL.....	50
11.27.	CHANGES TO THE SECURITY	51
11.28.	APPLICATION OF THE PROCEEDS FROM ENFORCEMENT OF THE COLLATERAL	51
11.29.	AGENTS.....	52
11.30.	REPRESENTATION OF NOTEHOLDERS.....	52
11.31.	FORCE MAJEURE.....	52
11.32.	GOVERNING LAW AND JURISDICTION.....	53
11.33.	AMENDMENTS AND MODIFICATIONS.....	53
11.34.	LIMITATION OF LIABILITY, AND REPRESENTATION AND WARRANTIES OF THE NOTEHOLDER.....	53
11.35.	Interests of Persons	53
12.	SELECTED FINANCIAL INFORMATION.....	54
12.1.	Financial Statements.....	54
12.2.	Selected Historical Financial Information	54
13.	TAXATION.....	57
13.1.	Taxation of the Issuer	57
13.2.	Taxation of the Noteholders' individuals	57
13.3.	Taxation of the Noteholders' legal entities.....	58
14.	APPLICABLE FINAL TERMS.....	59

2. GLOSSARY

Asset Pledge Agreement	the Latvian law governed commercial pledge agreement securing the monetary obligations arising out of the Notes establishing commercial pledge over all assets of the Issuer as an aggregation of things at the time of the pledging as well future components of such aggregation of things executed between the Collateral Agent on behalf of the Noteholders and the Issuer for the benefit of the Noteholders.
BaFin	Federal Financial Supervisory Authority (in German: Bundesanstalt für Finanzdienstleistungsaufsicht), a competent authority in the Federal Republic of Germany under the Prospectus Regulation (https://www.bafin.de/EN/Homepage/homepage_node.html).
Bank of Latvia	Latvijas Banka, a competent authority in the Republic of Latvia under the Prospectus Regulation (www.bank.lv/en/).
Base Prospectus	this base prospectus of the Issuer, including any documents attached hereto or incorporated herein by reference, as it may be amended, updated, and supplemented from time to time.
Collateral	shall mean commercial pledge: <ul style="list-style-type: none"> • over all assets of the Issuer as an aggregation of things at the time of the pledging, as well as future components of such aggregation of things registered with the Commercial Pledge Register of the Republic of Latvia; • over all shares of the Issuer to be registered with the Commercial Pledge Register of the Republic of Latvia.
Collateral Agent	SIA DN Trustee, a limited liability company (in the Latvian: <i>sabiedrība ar ierobežotu atbildību</i>) registered under the registration number 40203587465 in the Commercial Registry of Latvia (in the Latvian: <i>Komercreģistrs</i>) on 10 September 2024.
Collateral Agent Agreement	shall mean an agreement between the Issuer and the Collateral Agent, regulating the role of the Collateral Agent in respect of the Notes, Collateral and the obligations of the Issuer as provided for in this Base Prospectus and the referred agreement.
Collateral Agreement	shall mean the Asset Pledge Agreement and the Share Pledge Agreement.
Cooperation Agreement	the cooperation agreement between the Issuer and Debitum Investments in relation to the Notes.
Debitum Investments	SIA DN Operator, a limited liability company (in the Latvian: <i>sabiedrība ar ierobežotu atbildību</i>) registered under the registration number 42103092209 in the Commercial Registry of Latvia (in the Latvian: <i>Komercreģistrs</i>) on 9 April 2019, an investment firm (in the Latvian: <i>ieguldījumu brokeru sabiedrība</i>) licensed by the Bank of Latvia, which provides investment and related services to the Investors through the Platform.
Final Terms	any duly completed final terms in the form set out in the Section 14 'APPLICABLE FINAL TERMS' :

**Financial
Indebtedness**

any indebtedness, excluding Subordinated Loans, in respect of:

- monies borrowed or raised (including any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities);
- the amount of any liability in respect of any finance leases, to the extent the arrangement is or would have been treated as a finance or a capital lease;
- receivables sold or discounted (on a recourse basis);
- any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- receivables sold or discounted (on a recourse basis); and
- (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the Items above.

**Investment
Account**

the Investor's separate account with Debitum Investments.

Investor

a person registered on the Platform and accepted by Debitum Investments as an investor.

Issuer

SIA "Baltic Terra Capital", a limited liability company (in the Latvian: *sabiedrība ar ierobežotu atbildību*) registered under the registration number 40203653737 in the Commercial Registry of Latvia (in the Latvian: *Komercreģistrs*) on 4 June 2025, legal entity identifier: 8945004T25NP05T6DM66, registered address: Skanstes iela 25, Riga, LV-1013, Latvia.

Issuer's website

<https://balticterra.eu/en/home/>

Junior Series

means the subordinated series to the Senior Series and which are the first series to bear losses incurred on the Notes.

Land Portfolio

the aggregation of real property owned by the Issuer, at the date of this Base Prospectus consisting of 25 real estate property with total area in excess of 196 ha.

Noteholder

a holder for the time being of any Note.

Notes

a debt security issued or to be issued by the Issuer under this Programme.

Permitted Security

shall mean security interests in relation to:

- securing Notes;
- any Financial Indebtedness if such Security (i) is junior to the Collateral, and (ii) does not impact Collaterals, enforceability, quality, or status thereof
- any netting or set-off arrangement entered into by the Issuer in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;

- any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by the Issuer for the purpose of: (i) hedging any risk to which the Issuer is exposed in its ordinary course of its business; or (ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for nonspeculative purposes on; excluding, in each case, any Security under a credit support arrangement in relation to a hedging transaction;
- any Security arising under the sale and leaseback of assets owned by the Issuer;
- arising by operation of law or in the ordinary course of business.

Platform	the sites created and managed by Debitum Investments, under the domain name www.debitum.investments , which allows their users to use the services provided by Debitum Investments.
Programme	this EUR 80,000,000 (eighty million euro) Notes programme of the Issuer.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC and includes any commission delegated regulation under the Prospectus Regulation.
Securities Act	the United States Securities Act of 1933, as amended.
Senior Series	means the prioritised series of the Notes to the Junior Series.
Series	a series of the Notes.
Share Pledge Agreement	the Latvian law governed commercial pledge agreement securing the monetary obligations arising out of the Notes establishing commercial pledge over all shares of the Issuer executed between the Collateral Agent on behalf of the Noteholders and the Shareholder for the benefit of the Noteholders.
Shareholder	Jānis Lezdiņš, date of birth 15 September 1985.
Subordinated Loans	shall mean debt obligations of the Issuer under the agreements and towards the respective parties that are subordinated to any claims under the Notes including any interest, penalty fees, late interests and principal.
Tranche	a tranche of one Series of the Notes.
Transaction Documents	the Cooperation Agreement, the Collateral Agent Agreement and the Collateral Agreements.

3. GENERAL DESCRIPTION

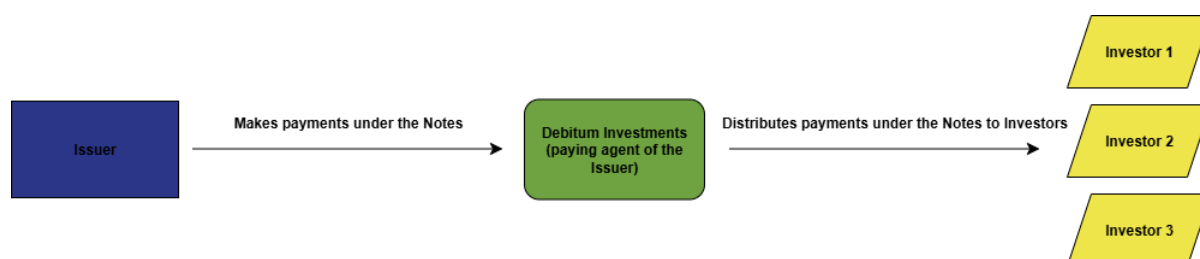
3.1. What are Notes?

The Notes are debt financial instruments through which an Investor in essence lends money to the Issuer for a specified period of time at a specified interest rate. The Issuer by means of Platform offer Notes to the Investors.

See the Section 9 'ISSUER' for more information on the Issuer and Section 11 'TERMS AND CONDITIONS OF THE NOTES' for more information on the terms and conditions of the Notes.

3.2. The flow of funds for repayment

Each time the Issuer makes payments (transfers the funds) to Debitum Investments as the paying agent of the Issuer, which in turn makes repayments under the relevant Series of the Notes to the relevant Investor via Platform. The repayments are received into the relevant Investment Account of the relevant Investor.



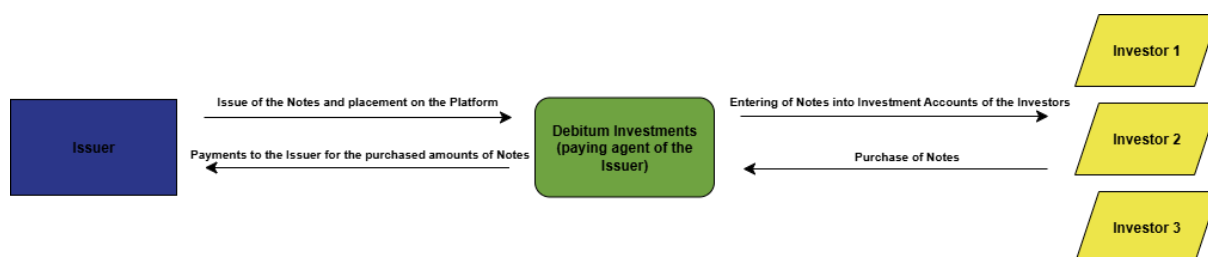
This means that if the Issuer makes:

- the repayments to Debitum Investments later than scheduled, the repayments to the Investor (the Noteholder) will also be correspondingly delayed;
- no repayments at all and the Security Agent is not able to recover anything from the Issuer no repayments will be received by the Investor (the Noteholder).

There are no buyback or similar obligations.

3.3. The flow of funds for investment

The Issuer issues a Series of the Notes to Investors via Debitum Investments. When an Investor purchases any Notes of the Series, the Investment Accounts are immediately debited with the purchase price of the Notes and are credited with the Notes with the next day. The purchase price of the Notes is further transferred by Debitum Investments as the paying agent of the Issuer.



4. RISK FACTORS

Prospective investors are advised to carefully consider the risk factors and other information provided in this Base Prospectus. Investing in the Notes involves certain risks including but not limited to the risks described herein.

The Issuer believes that if one or more of the risk factors described herein emerges, it could have a negative effect on the Issuer's business operations, financial position and/or business results and, thereby, the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. If these risks were to lead to a decline in the market price of the Notes, prospective investors could lose all or part of their investment.

Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, the potential significance of the risks or the scope of any potential negative impact to the Issuer's business, financial condition, results of operations and prospects. The Issuer may face a number of these risks described below simultaneously. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.

The Issuer believes that the factors described below represent the material risks inherent to investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the statements below regarding the risks of investing in any Notes are not exhaustive. Other risks, events, facts or circumstances not included in this Base Prospectus, not presently known to the Issuer, or that the Issuer at the date of this Base Prospectus deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Issuer's business, financial condition, results of operations and prospects. Any investors should carefully review the entire Base Prospectus and the Final Terms and should form their own views before making an investment decision with respect to the Notes.

Before making an investment decision with respect to any Notes, prospective investors should consult their own lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the relevant investor's personal circumstances.

4.1. Risks related to the economic and regulatory environment

4.1.1. Exposure to geopolitical events

On 24 February 2022, Russia launched a military assault on Ukraine. This has led to significant volatility in the global credit markets and on the global economy.

There is speculation that the Baltics may become targets of Russian military action, especially given the region is bordering with both Russia and Belarus.

Although the Issuer has not owned any assets and does not perform any operations in Ukraine, Russia, and Belarus, the war in Ukraine and the potential risk of a military conflict in the Baltic region reduce the investment appeal of the region, which may adversely affect the value and liquidity of owned and managed assets and the attraction of investor capital, as the most of assets are from the Baltic region.

An additional impact on the Issuer's operations and financial results could be caused by the general deterioration of the economic situation due to such geopolitical risks. There is also a risk, that due to the rapidly changing environment other aspects related to geopolitical events may arise that are not currently identified but may affect the Issuer's business.

4.1.2. Macroeconomic risk

The Issuer's core business is the acquisition, management, and sale of agricultural land in Latvia. Accordingly, its operations are closely tied to the overall economic environment in Latvia and, more broadly, across the European Union (EU). Macroeconomic conditions directly affect real estate market dynamics, including transaction volumes, land values, and demand for agricultural assets.

In periods of economic slowdown, demand for agricultural land may decline as private individuals and companies reduce or postpone investments. A downturn in the broader economy could therefore negatively impact supply and demand in the land market, which may have a material adverse effect on the Issuer's business operations, financial condition, results of operations, and cash flows.

Latvia is closely integrated with the Baltic region, the wider EU, and the European Monetary System. As a result, regional or global economic fluctuations, such as reduced growth, inflationary pressures, or instability in financial markets, can directly influence Latvia's economic performance. Any slowdown within the EU may have a negative spill-over effect on the Baltic economies, including Latvia, and consequently on the Issuer's activities.

Although the Baltic economies and the EU have recently shown signs of stabilization and a modest growth outlook following the 2024 recession, global challenges continue to create uncertainty. Actual economic growth may turn out weaker, and inflation may be higher than currently projected. Such developments could reduce demand for agricultural land or increase the Issuer's cost base, thereby adversely affecting its business and financial performance.

4.1.3. Negative economic developments in the countries in which the Issuer and its investments operate may affect the Issuer's operations

An economic slowdown, recession, or other negative economic developments in the countries where the Issuer operates may affect the Issuer's business in several ways, including the income, wealth, liquidity, business activity, and financial position of both the Issuer and the assets in which it has invested. In addition, the Issuer may be unable to take advantage of opportunities arising from economic fluctuations or adapt effectively to a prolonged period of economic stagnation.

Although the Issuer's net asset value has increased over time, it remains exposed to uncertainties in both the global and local economies, with particular concentration in Latvia. While the Issuer's management believes that its capital structure and access to potential external funding should provide sufficient liquidity, there can be no assurance that its liquidity and access to financing will not be adversely affected by developments in the global and/or local economy, or that its capital resources will at all times be sufficient to satisfy its liquidity needs.

If these risks materialise, they could negatively affect the value of the Issuer's assets, increase the future cost of debt, and limit access to bank or capital market financing. This, in turn, could have a material adverse effect on the Issuer's business, financial condition, results of operations, and future prospects, as well as on its ability to meet obligations under the Notes and on the market price and value of the Notes.

4.1.4. Regulatory risk

The Issuer is subject to national Latvian laws and regulations, as well as European Union legislation that governs areas such as real estate transactions, land ownership, consumer rights, personal data protection, and other aspects relevant to its business activities. Changes in laws or regulations, or uncertainty regarding future regulatory developments, may delay or prevent the achievement of the Issuer's strategic objectives or increase the cost of implementing them.

In particular, the Issuer's operations may be affected by restrictions on land ownership and use, since Latvian legislation sets rules on the acquisition of agricultural land, including limitations for foreign investors, minimum requirements for agricultural use, and measures designed to prevent excessive concentration of ownership. The Issuer may also be exposed to risks arising from zoning and land use regulations, as agricultural land is subject to specific planning requirements, and any amendments to these rules could limit flexibility in property management or impose additional compliance obligations. Furthermore, EU and national policies increasingly emphasise sustainable land use, biodiversity protection, and soil quality preservation, which may lead to new environmental or sustainability requirements. These may necessitate further investments into compliance, for example restrictions on chemical use or requirements for ecological focus areas, thereby increasing the Issuer's operating costs. The Issuer may also be adversely impacted by taxation changes, as amendments to real estate tax, land tax, or other property-related levies could negatively affect profitability.

As of the date of this Base Prospectus, the Issuer complies with all applicable legislation and regulations. However, legal and regulatory frameworks may change, and the Issuer's management cannot guarantee that it would be able to comply immediately with such changes without implementing additional measures and incurring expenses. Adapting operations to revised requirements may result in costs that are difficult to predict, which could in turn have a material adverse effect on the Issuer's business operations, financial condition, and results of operations.

4.1.5. Risk of fluctuations in agricultural land values and agricultural commodity prices

The value of agricultural land and its attractiveness as an investment are influenced by broader developments in the agricultural sector, including fluctuations in the prices of key agricultural commodities. Such fluctuations may result from changes in supply and demand dynamics, international trade patterns, environmental and sustainability regulations, climate conditions, and geopolitical events. Declines in agricultural commodity prices can reduce the profitability of farming operations, which may in turn lower demand for agricultural land or reduce the willingness of tenants to pay competitive rental rates.

Volatility in the agricultural sector may also affect the broader operating environment, including financing conditions for farmers, land use strategies, and competition among market participants. Prolonged periods of instability could reduce transaction volumes, put downward pressure on land values, and necessitate adjustments in the Issuer's strategy. These developments could have a material adverse effect on the Issuer's business operations, financial condition, results of operations, and future prospects.

4.1.6. Taxation risk

The Issuer's business is subject to local and European Union tax regimes, and any changes to applicable tax laws, regulations, or administrative practices could have a material adverse effect on its operations, financial condition, results of operations, or cash flows. Amendments to property-related taxation, such as real estate tax or land tax, could directly impact the profitability of the Issuer's investments in agricultural land.

In addition, certain tax positions adopted by the Issuer rely on the interpretation of existing tax legislation and the professional judgement of its management. There is a risk that such interpretations could be challenged by the tax authorities, which may result in additional tax liabilities, penalties, or interest charges. Any of these developments could adversely affect the Issuer's business, financial performance, and ability to execute its strategic objectives.

4.1.7. Financial leverage risk

The financial leverage of the Issuer will increase as a result of the issue of the Notes and may increase further if the Issuer obtains additional external financing in the future. Higher leverage could result in negative consequences for the Issuer's business operations, including the need to dedicate a substantial portion of its cash flows to servicing debt, increased vulnerability to a downturn in the Issuer's business operations or general economic conditions, a competitive disadvantage relative to peers with lower leverage, and reduced flexibility in responding to competition or changes in the business environment.

Any of these developments could have a material adverse effect on the Issuer's financial position, business operations, ability to satisfy its obligations under the Notes, and ultimately on the market price and value of the Notes.

4.2. Risks related to business operations

4.2.1. Risks related to limited liquidity of the Issuer's investments

The Issuer's investments in agricultural land may be relatively illiquid, which means that planned disposals may not occur at the time or on the terms intended by the Issuer's management. The sale of agricultural land can take longer than expected, may yield lower profits than anticipated, or in some

cases may even result in losses if demand is insufficient or if market conditions are unfavourable. To maximise the value of its portfolio, the Issuer develops sales strategies adapted to the specific characteristics of each investment; however, the timing and outcome of exit opportunities remain uncertain and beyond the Issuer's full control.

The liquidity of agricultural land is influenced by both internal qualities of a given property such as soil quality, size, and location, and external factors, including the broader economic environment and industry-specific developments. For example, changes in agricultural policy or subsidy regimes may reduce the attractiveness of agricultural land for potential buyers, thereby limiting the Issuer's ability to sell its assets on favourable terms. Any such developments could adversely affect the Issuer's ability to realise the expected value of its Land Portfolio, which in turn could have a material adverse effect on its business operations, financial condition, and results of operations.

4.2.2. Agricultural yield and market-related risks

The Issuer's operations are indirectly exposed to the performance of local agricultural producers, who constitute a significant part of its tenant base and counterparties in land transactions. Adverse agricultural conditions, such as poor harvests caused by drought, excessive rainfall, wind, cold weather, or pest infestations, may negatively affect farmers' ability to meet their obligations. While such events are usually regional in nature and rarely affect the whole territory of Latvia, they may lead to delays in rent payments or difficulties in completing land purchase agreements. At the same time, these circumstances may also create opportunities for the Issuer, as financially constrained farmers may be more willing to sell land, enabling the Issuer to expand its portfolio at more favourable prices.

The Issuer is also affected by fluctuations in global agricultural commodity prices. Significant declines in crop prices may reduce farmers' income and impair their capacity to make timely payments under lease agreements or already concluded purchase agreements. Conversely, high commodity prices can strengthen farmers' purchasing power and potentially increase demand for agricultural land, affecting the Issuer's acquisition strategy.

4.2.3. Risks related to EU agricultural subsidies

The profitability of agricultural land in Latvia is influenced by the system of EU area payments (subsidies), which support farmers' incomes and indirectly affect rental levels and land values. The rules governing these payments are reviewed every five years, with the next revision scheduled for 2028. Changes in the structure, eligibility criteria, or amounts of subsidies could influence farmers' ability to pay rent or purchase land. Depending on the direction of the reform, this may affect the Issuer both positively and negatively. Historically, however, no significant decline in Latvian agricultural land prices has been observed as a direct result of changes to the EU subsidy regime.

4.2.4. Interest rate risk

Fluctuations in interest rates, in particular increases in EURIBOR, can reduce both investors' and farmers' willingness and ability to purchase agricultural land or portfolios. Higher borrowing costs increase financing expenses, which may constrain demand for land and affect the Issuer's ability to sell properties on favourable terms. At the same time, higher rates can create opportunities for the Issuer to acquire land at lower prices, as some market participants may be forced to divest assets or postpone expansion plans. Prolonged periods of high interest rates, however, could have a material adverse effect on the Issuer's business operations, financial condition, and future prospects.

4.2.5. Risks related to dependency on senior management team and other key personnel

The Issuer's success and its ability to execute its growth strategy depend significantly on the experience and expertise of its senior management team and other key personnel. These individuals possess in-depth knowledge of the agricultural land market, the Issuer's business processes, and established relationships with local partners. The loss of one or more members of the senior management team or other key personnel could disrupt operations and have a material adverse effect on the Issuer's business, financial condition, results of operations, and prospects.

As the Issuer expands its Land Portfolio and operations, its future performance will also depend on the ability to attract and retain additional qualified professionals with the necessary technical, industry-specific, and local expertise. The successful acquisition, management, and eventual sale of agricultural land requires personnel capable of accurately assessing transactions and executing them in a timely manner. Difficulties in retaining or recruiting such personnel could limit the Issuer's capacity to pursue its investment strategy and may adversely affect its operational and financial performance.

4.2.6. Financing risk

The Issuer's business model relies on access to external financing to support the acquisition, management, and development of its agricultural land portfolio. Uncertainty in financial markets may lead to higher borrowing costs or reduced availability of financing, which could limit the Issuer's ability to implement its strategy. At any given time, the Issuer may encounter difficulties in raising sufficient funds or may be unable to access the liquidity required to operate effectively.

There can be no assurance that the Issuer will always be able to meet its financial covenants or maintain access to capital on acceptable terms. If financing becomes more expensive or less available, this could constrain growth, delay transactions, or increase the Issuer's cost base. Should any of these risks materialise, they could have a material adverse effect on the Issuer's business operations, financial position, results of operations, and future prospects, as well as on its ability to meet obligations under the Notes and on the market price and value of the Notes.

4.2.7. Flood risk

The Issuer's Land Portfolio is exposed to risks associated with flooding. Floods may occur due to natural factors such as heavy rainfall, rising river levels, or snowmelt, as well as from human activities including poor land management, inadequate drainage, or infrastructure failures. Regardless of the cause, flooding poses a significant threat to agricultural land by damaging soil quality, reducing fertility, and disrupting the productive use of land.

The immediate impacts of flooding can include waterlogging, erosion, and nutrient depletion, which may reduce crop yields and lower the agricultural potential of the land. Prolonged or repeated flooding can also degrade soil structure, increase restoration costs, and decrease the overall value and attractiveness of the affected properties to tenants or future buyers.

Climate change is expected to increase the frequency and intensity of extreme weather events, including heavy rainfall and storms, which may heighten the risk of flooding. The recurrence of severe floods could have a material adverse effect on the value of the Issuer's Land Portfolio and, in turn, on its business, financial position, results of operations, and future prospects. Such risks may also negatively impact the Issuer's ability to meet its obligations under the Notes.

4.2.8. Pest and Disease Risk

The Issuer's Land Portfolio is exposed to risks associated with agricultural pests and plant diseases. These threats may arise from natural factors, such as the migration of invasive species or changing climate conditions, or from human influences, including trade, tourism, and the introduction of non-native plants or pathogens. Regardless of the cause, pests and diseases can severely affect the productivity and value of agricultural land by reducing crop yields, degrading soil quality, and increasing the costs of land management.

The immediate impact of pest infestations or disease outbreaks can include lower harvests, reduced fertility, and, in some cases, the temporary or long-term loss of cultivable land. Such developments may necessitate costly restoration efforts, soil treatment, or fallow periods, which reduce profitability and delay the Issuer's investment strategy. Prolonged or widespread infestations could further impair demand for affected land, limit tenant interest, and lower the attractiveness of the Issuer's portfolio for potential buyers.

As climate change alters ecosystems and increases the frequency of extreme weather events, the risks of pest proliferation and disease outbreaks are expected to rise. If such risks materialise, they could

have a material adverse effect on the Issuer's business operations, financial condition, results of operations, and future prospects, as well as on its ability to meet obligations under the Notes.

4.2.9. Risk of natural disasters and other business disruption

The Issuer's operations are exposed to the risk of disruption from natural disasters and other unexpected events. Severe weather conditions, storms, droughts, earthquakes, or other natural hazards could damage agricultural land, reduce its productivity, or impair its long-term value. While the Issuer maintains business continuity planning, the impact of such events may not be fully mitigated, and available insurance coverage may be insufficient to compensate for losses incurred.

In addition to natural disasters, the Issuer may face business disruptions caused by power outages, telecommunication failures, cyber incidents, human error, or external threats such as terrorism, war, or civil unrest. These events could interrupt operations, reduce market activity, or weaken overall economic conditions. Any such occurrences may adversely affect the Issuer's ability to manage and monetise its Land Portfolio and could have a material adverse effect on its business operations, financial condition, results of operations, and cash flows.

4.2.10. Difficulties in assessing the value and legal status of real estates

The Issuer's business depends on its ability to accurately assess the current and future value of agricultural land and to verify the legal status of each property acquired. Although the Issuer uses valuation models and relies on information from external sources, including sellers, such information may be incomplete, inaccurate, or misleading. As a result, there is a risk that the Issuer may overestimate the quality, productivity, or long-term value of specific land plots, leading to less profitable or loss-making investments.

In addition to valuation risks, inaccuracies or gaps in legal due diligence could result in unforeseen encumbrances, ownership disputes, zoning restrictions, or other legal limitations affecting the land. Any failure to properly assess either the value or the legal status of agricultural land could have a material adverse effect on the Issuer's business operations, financial condition, results of operations, cash flows, and future prospects.

4.2.11. Competition risks

The market for agricultural land in Latvia is competitive, with various investors, local farmers, and other land management companies seeking to acquire attractive properties. To maintain the competitiveness of its operations, the Issuer must respond effectively to changes in the market environment. This may require offering higher purchase prices to land sellers, accepting lower sales prices when disposing of assets, adjusting rental terms, or increasing promotion and marketing activities.

Such measures, while necessary to compete, may result in additional and unforeseen expenses or reduced margins. Intense competition could therefore limit the Issuer's ability to acquire land on favourable terms, reduce profitability, or slow the growth of its Land Portfolio. These developments may have a material adverse effect on the Issuer's business, financial condition, cash flows, and future prospects.

4.2.12. Beneficiaries interest risk

The Issuer is ultimately managed for the benefit of its beneficiaries, whose interests may not always align with those of the Noteholders. In particular, if the Issuer experiences financial difficulties or is unable to meet its obligations as they fall due, beneficiaries may favour measures that protect or enhance their own investment in the Issuer. Such measures could include raising additional financing, incurring new indebtedness senior to the Notes, or disposing of assets under terms that prioritise the beneficiaries' interests.

These actions, while potentially beneficial to the beneficiaries, may reduce the Issuer's ability to service its obligations under the Notes, impair the value of the Land Portfolio, or increase the overall level of indebtedness. Any such conflicts of interest between the beneficiaries and the Noteholders

could have a material adverse effect on the Issuer's financial position, repayment capacity, and ultimately on the market price and value of the Notes.

4.3. Risks related to the Notes

4.3.1. Notes repayment risk

The Senior Series of Notes will rank *pari passu* with the Issuer's other senior secured Financial Indebtedness. In the event of the Issuer's insolvency, Noteholders of the Senior Series will have the same rights to repayment as other secured creditors of the Issuer in accordance with applicable local legislation. There are no contractual arrangements or transaction documents in place that would subordinate the claims of Senior Series Noteholders to other secured obligations of the Issuer.

The Junior Series of Notes will rank below the Senior Series as a result, Noteholders of the Junior Series face a higher risk of reduced or no repayment in a distressed scenario, depending on the value of the secured assets and the amounts outstanding under senior-ranking indebtedness.

While the Issuer is not restricted from incurring additional Financial Indebtedness, such indebtedness cannot rank higher than the Senior Series of Notes. Nevertheless, the assumption of additional *pari passu* indebtedness could increase the Issuer's overall debt burden, thereby reducing recovery prospects for Noteholders in a distressed scenario.

4.3.2. Credit risk

By investing in the Notes, the Investors become creditors of the Issuer, hence they are subject to the credit risk. The Issuer is solely responsible for making the payments arising from the Notes. However, the Issuer may fail to make such payments to the investors in full or in part in a due and timely manner. The ability of the Issuer to execute the payments to the Investors arising from the Notes depends on the financial position and the results of operations of the Issuer. The inability of the Issuer to make such payments may be caused or intensified by other risk factors set out in this Base Prospectus or factors not included in the Base Prospectus.

In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations arising out of the Notes when they fall due actually has not decreased, market participants might nevertheless be of that opinion. Market participants may in particular be of such opinion if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the relevant industry sectors adversely changes. If any of these risks occur, third parties may only be willing to purchase the Notes for a lower price than before materialization of said risk. The market value of the Notes may therefore decrease.

4.3.3. Refinancing risk

At maturity of the Notes, the Issuer may be required to refinance debt or sell the assets of the Issuer. The Issuer's ability to successfully refinance such debt or sale is dependent on the conditions of the financial markets in general at such time. As a result, the Issuer's access to financing sources at a particular time may not be available on favourable terms, or at all. The Issuer's inability to refinance its debt obligations or sell the assets on favourable terms could have a material adverse effect on the Issuer's business, financial condition and results of operations and on the Investor's recovery under the Notes.

4.3.4. Fixed interest rate and inflation

The Notes will bear interest on their outstanding principal at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the price of such a security could fall as a result of changes in the market interest rate. Market interest rates follow the changes in general economic conditions, and are affected by, among many other things, demand and supply for money, liquidity, inflation rate, economic growth, central banks' benchmark rates, and changes and expectations related thereto.

While the nominal compensation rate of a security with a fixed interest rate is fixed during the term of such security or during a certain period of time, market interest rates typically change continuously. In case market interest rates increase, the market price of such a security typically falls, until the yield of such security provides competitive risk-adjusted return. If market interest rates fall, the price of a security with a fixed interest rate typically increases, until the yield of such a security provides competitive risk-adjusted return. Consequently, the Noteholders should be aware that movements of market interest rates may result in a material decline in the market price of the Notes and can result in losses for the Noteholders if they sell the Notes. Furthermore, past performance of the Notes is not an indication of their future performance.

4.3.5. No listing or admission

The Issuer is not and there is no plan or undertaking to list or admit the Notes on regulated market or multilateral trading facility meaning that the Notes will have very limited market if any. Meaning that Noteholders may be limited to hold the Notes until maturity.

4.3.6. Exchange rate risk

The Notes are denominated in EUR currency. If the Investor measures the payments related to the Notes in another currency, the Investor faces risk that the actual payments received may be lower than expected due to the depreciation of EUR currency against the currency of the reference used by the Investor.

4.3.7. No limit for additional Financial Indebtedness

This Base Prospectus does not prescribe limitation for the Issuer to acquire additional Financial Indebtedness if such Financial Indebtedness is from third persons and such Financial Indebtedness is not given priority over the Notes.

4.3.8. No assurance on change of laws or practices

The Notes are governed by the laws of the Republic of Latvia. Latvian laws (including but not limited to tax laws) and regulations governing the Notes may change during the life of the Notes, and new judicial decisions can be issued and/or new administrative practices be adopted. No assurance can be given as to the impact of any of such possible changes of laws or regulations, or new judicial decisions or administrative practices taking place after the date of this Base Prospectus. Hence, such a change may have a material adverse effect on the Issuer's business, financial condition, results of operations and/or future prospects and, thereby, the Issuer's ability to fulfil its obligations under the Notes, as well as taxation of the Notes, and the market price of the Notes. Such events may also result in material financial losses or damage to the Noteholders.

4.3.9. Risk of investors resolution

According to the Base Prospectus, some of the terms of the Notes may be amended with a decision of the Investors. A resolution of the Investors is approved by the majority Noteholders. Upon approval, such a resolution shall be binding on all the Investors, including the Investors who did not participate in the meeting or who voted against the decision taken. Hence, the Investor faces a risk that certain rights in relation to the Notes may be amended, decreased, or cancelled without his or her consent or against its will.

4.3.10. Risk of unsuitable type of investment

The investment in the Notes may not be a suitable investment for all Investors therefore, each potential investor should evaluate the suitability of such investment in the Notes to his or her own particular circumstances. Each investor considering investing in the Notes must have sufficient knowledge and experience to be able to do a proper assessment of the possible consequences of such an investment in the Notes, including a proper evaluation of the potential risks and likelihood of the expected benefits. The investor must understand in detail all the information provided in this Base Prospectus. The investor must be able to assess and understand what impact the investment in the Notes will have on his/her overall investment portfolio and how such investment may further affect his/her financial situation and liquidity. The investor must be prepared and have sufficient financial resources to bear

the risks and sustain the possible losses related to the Notes. Some investors, in particular regulated entities, may be subject to certain restrictions or regulations on investments, therefore, each investor should verify whether the investor is permitted to invest in the Notes.

4.3.11. Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Potential investors should consult their legal advisors to determine whether and to what extent (i) the Notes are a legal investment for them and (ii) other restrictions apply to their purchase of the Notes. Financial institutions should consult their legal advisors or appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk based capital or similar regulations.

4.3.12. No ownership and voting rights

The Notes are not equity securities, they do not confer any legal or beneficial ownership interest to the Noteholders and do not carry any rights similar to those arising out of equity securities. The Noteholders are not entitled to receive dividends. The Notes are a debt instrument and give the Noteholders as debtors the claim rights only to the outstanding payments arising from the Notes according to the Base Prospectus and the Final Terms of the Notes.

By investing in the Notes, the Noteholders shall not acquire voting rights in the General Meetings of the Issuer and will not be able to participate in any way in the decision-making of the shareholders of the Issuer or to influence such decisions in any way. The Noteholder should be aware that the General Meeting may take decisions that may negatively affect the market price or liquidity of the Notes.

4.3.13. Early redemption

The Issuer has the right to redeem the Notes before the Maturity Date (Call Option). If the Issuer exercises this right, the return on investment for the Notes may be lower than expected, as Noteholders may be unable to reinvest the redemption proceeds in securities with a comparable interest rate or risk profile. Furthermore, the Issuer's early redemption right may adversely affect the market value and liquidity of the Notes.

The Final Terms may provide that a Noteholder may propose (but not require) early redemption of all or part of the Notes it holds (Early Redemption at the request of the Noteholder). Any such proposal constitutes a request only and is not binding on the Issuer. The Issuer has the option, at its absolute discretion, to accept or reject any request based on factors it considers relevant, at its sole and exclusive discretion, including market conditions, funding requirements, or other considerations. The Noteholders should therefore not rely on being able to redeem their Notes prior to maturity. If the Issuer does not accept a request for early redemption, Noteholders will be required to continue holding the Notes until maturity (or until any earlier redemption at the option of the Issuer). This may adversely affect a Noteholders liquidity position, as there may be no secondary market for the Notes, and Noteholders may be unable to sell their Notes at a desired price or at all.

4.3.14. Risk of investors resolution

According to the Base Prospectus, some of the terms of the Notes may be amended with a decision of the Investors. A resolution of the Investors is approved by the majority Noteholders. Upon approval, such a resolution shall be binding on all the Investors, including the Investors who did not participate in the meeting or who voted against the decision taken. Hence, the Investor faces a risk that certain rights in relation to the Notes may be amended, decreased, or cancelled without his or her consent or against its will.

4.4. Risks related to the Collateral

4.4.1. Risks associated with the Collateral Agent Agreement

The Noteholders are represented by the Collateral Agent in all matters relating to the Collateral. There is a risk that the Collateral Agent, or anyone appointed by it, does not properly fulfil its obligations in

terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the Collateral. Subject to the terms of the Collateral Agent Agreement, the Collateral Agent is entitled to enter into agreements with a third-party or take any other actions necessary for the purpose of maintaining, releasing or enforcing the Collateral or for the purpose of settling, among others, the Noteholders rights to the Collateral.

4.4.2. Risks associated with the value of the Collateral

The value of the Collateral is not fixed and is subject to changes in several factors, primarily the demand and supply conditions for agricultural land, which at times can be unpredictable and are out of the Issuer's control. Thus, the value of the Collateral might decline if unfavourable market conditions in the agricultural land segment would result in a decline in prices of agricultural land. Additionally, if a sudden necessity to sell the Collateral were to arise, the Issuer might be forced to sell the Collateral at a discount to its market value and derive less value than expected from it.

Moreover, the Collateral structure could change over time due to changes in the Issuer's inventory and overall asset structure. Additionally, the Collateral is subject to damage defects, and the risk of theft. The movable assets can get damaged which could affect the resale value, if such a necessity were to arise. Any of these risks related to the Collateral can negatively affect the value of the Collateral and the Issuer's ability to meet its obligations under the Notes.

Considering the Collateral Agent does not supervise the quality of the Collateral during the duration of the Issuer's obligations and the Collateral Agent has no liability to the Noteholders in this regard, there is a risk the Collateral may be taken over, but the realisation of the Collateral may be insufficient to fully satisfy the Noteholders' claims.

4.4.3. The Collateral does not include mortgage over the Land Portfolio

The Collateral does not include the Land Portfolio, meaning that the Notes are not secured with the Land Portfolio, and in case of enforcement of the Collateral or in case of insolvency of the Issuer in respect to the Land Portfolio, the Noteholders would be regarded as unsecured creditors.

4.4.4. The Collateral will be subject to certain limitation on enforcement and may be limited by the applicable law or subject to certain defences that may limit its validity and enforceability

The Collateral provide to the Collateral Agent, acting for the benefit of the Noteholders, with a claim against the Issuer. However, the Collateral will be limited to the maximum amount and the enforcement of each Collateral may be subject to certain generally available defences.

The Notes will be secured by a first-ranking commercial pledge as Collateral in accordance with the Collateral Agreement. In addition to the Collateral, there are no other third-party collaterals that would secure the claims of the Noteholders in accordance with this Base Prospectus and the Final Terms. The Collateral is (i) a commercial pledge on all of the Issuer's property as an aggregation of things at the time of pledging, as well as on future components of such set of property registered in the Commercial Pledge Register of the Republic of Latvia; and (ii) a commercial pledge on all of the Issuer's capital shares registered in the Commercial Pledge Register of the Republic of Latvia. Such a commercial pledge does not cover items subject to registration under applicable laws, such as cars, vehicles, intellectual property, or real estate.

4.4.5. The enforcement of the Collateral will be subject to the procedures and limitations set out in the Collateral Agent Agreement and this Base Prospectus

Even when the Collateral is enforceable, the enforcement is subject to the procedures and limitations agreed in the Collateral Agent Agreement and this Base Prospectus. There can be no assurance as to the ability of the Noteholders to instruct the Collateral Agent to initiate any enforcement procedures. Furthermore, any enforcement of security may be delayed due to the provisions of the Collateral Agent Agreement and this Base Prospectus.

4.4.6. The rights of the Noteholders depend on the Collateral Issuer's actions and financial standing

By subscribing for, or accepting the assignment of, any Note, each of the Noteholders will accept the appointment of the Collateral Agent as the agent and representative of the Noteholders, to represent and act for such secured creditors, i.e., Noteholders, in relation to the Collateral.

Only the Collateral Agent is entitled to exercise the rights under the Collateral and enforce the same. Any failure by an agent to perform its duties and obligations properly, or at all, may adversely affect the enforcement of the rights of the Noteholders due to, for example, inability to enforce the security and/or receive any or all amounts payable from the security in a timely and effective manner.

4.5. Risks specific to Debitum Investments

4.5.1. Inability to continue operations

Various events and failures could cause situations where Debitum Investments and the Platform is not able to continue operations.

Debitum Investments operates in a complex and dynamic regulatory and competitive environment and various events and failures could lead to Debitum Investments narrowing or terminating the provisioning of services, including the operations of the Platform. These events include but are not limited to revocation of licence, weak financial performance, negative reputation, noncompliance events, dramatic changes in the applicable regulations impacting Debitum Investments operating model or an economic downturn. If Debitum Investments narrows or ceases operations, this could significantly impact the Noteholder's ability to receive repayment on time under the Notes.

If Debitum Investments goes into liquidation or bankruptcy, as a regulated and supervised entity, the process will be supervised by the Bank of Latvia. The appointed liquidator or administrator will take over the functions of the management board. Debitum Investments will continue servicing its clients and the Investment Accounts, and relevant financial instruments portfolios in line with what Debitum Investments is permitted to do according to the applicable insolvency and liquidation rules. The process from the moment of the appointment would be led by the appointed administrator or liquidator. In some cases, the Investors' Protection Law may apply. Such proceedings may have a significant impact on the timing of the redemption of the investments and add complexity to the redemption of the Notes.

In addition, Debitum Investments could for any reason suddenly cease to meet its obligations under the existing agreements, resulting in delayed payments or a partial or total loss of the amount invested in the Notes by the Noteholders.

4.5.2. Non-compliance leading to revocation of licence

To provide services to the Investors, Debitum Investments, as the operator of the Platform, has received an investment firm (in the Latvian: *ieguldījumu brokeru sabiedrība*) license from the Bank of Latvia. The licence could be suspended or revoked due to non-compliance with regulations by Debitum Investments. Loss of licence by Debitum Investments could lead to delayed payments or partial or full loss of invested amount under the Notes.

4.5.3. Failure of IT systems or a security breach

The technology that Debitum Investments has developed over the years is a corner stone of Debitum Investments future success. The satisfactory performance, reliability and availability of the Platform is critical to its operations, customer service and reputation.

While Debitum Investments has taken steps to protect confidential information, the techniques used to obtain unauthorised, improper or illegal access to systems, data, or customer data, or to disable or degrade services are constantly evolving and may not be detected quickly.

As a result, Debitum Investments and its third-party vendor security measures might be breached, and these security breaches could result in confidential client information being stolen. Breaches of

security measures because of third-party action, employee error, third-party vendor error, design flaws in the software, or interruptions in Debitum Investments systems and services could adversely impact our relationships with Debitum Investments clients, harm Debitum Investments reputation and expose Debitum Investments to significant liability.

Furthermore, in the event of damage or interruption, existing insurance policies may not adequately compensate Debitum Investments and Debitum Investments clients for any losses that may have been incurred. Nevertheless, as IT systems are crucial to Debitum Investments operations, a substantial amount of resources are devoted to ensuring the stable and uninterrupted performance of the IT systems.

4.5.4. Debitum Investments bank accounts could be frozen or closed and banks, where the Noteholders funds are held, can become insolvent

Debitum Investments clients' funds, including the fund being deposited on behalf of the Issuer for settlement under the Notes, are kept segregated from Debitum Investments own funds in several bank accounts marked as client funds accounts.

One or several of those bank accounts that Debitum Investments uses might be blocked, seized or closed for a number of reasons, including insolvency of the banks, resulting in interruptions of fund transfers.

4.5.5. Significant problem or termination of the agreement with a Debitum Investments partner may affect the provision of services to the clients

While providing its services, Debitum Investments relies on several carefully selected partners, and any problems with the service providers could impact Debitum Investments ability to provide services to the Noteholder. Debitum Investments has taken several steps to reduce the likelihood and impact of such occurrences, such as having backup service providers where feasible, there is still a risk that the Noteholder may not be able to access the Platform or receive services.

4.5.6. Certain situations or actions may raise conflicts of interests

While the rights and the responsibilities of Debitum Investments, the Issuer, the Collateral Agent are detailed in the Transaction Documents and this Base Prospectus, and Debitum Investments has established policies and procedures to mitigate the risk, it is not possible to fully avoid the possibility of a conflict of interests between the parties that could impact the interests of the Noteholder. Debitum Investments provides placement services to the Issuer with respect to the Notes. Debitum Investments receives fees from the Issuer for placement services. Debitum Investments has carefully set up the fees in a compliant manner and so that it would not violate the conflict of interest management rules. Such placement fees might qualify as inducements and Debitum Investments would disclose information on these inducements to the Noteholder. In addition to inducement disclosures, Debitum Investments has set up internal procedures to identify and manage conflicts of interest. Some conflicts of interest require disclosure and those are disclosed.

5. RESPONSIBILITY STATEMENT

The person responsible for the information given in this Base Prospectus is the Issuer, represented by the members of the Issuer's Management Board, representing the Issuer. The Issuer, represented by the members of its Management Board, accepts responsibility for the fullness and correctness of the information contained in this Base Prospectus as of the date hereof. Having taken all reasonable care to ensure that such is the case, the Issuer believes that the information contained in this Base Prospectus is, to the best of the Issuer's knowledge, in accordance with the facts, and contains no omission likely to affect its import.

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

Jānis Lezdiņš
Member of the Management Board
SIA "Baltic Terra Capital"

Without prejudice to the above, no responsibility is accepted by the persons responsible for the information given in this Base Prospectus solely on the basis of the summary of this Base Prospectus, which will be annexed to the Final Terms of each of the Tranche, unless such summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in such securities.

Furthermore, Debitum Investment and the Collateral Agent expressly disclaim any liability based on the information contained in this Base Prospectus, the summary of this Base Prospectus or individual parts hereof and will not accept any responsibility for the correctness, completeness or import of such information. No information contained in this Base Prospectus or disseminated by the Issuer in connection with the Offering may be construed to constitute a warranty or representation, whether express or implied, made by Debitum Investment or the Collateral Agent to any party.

Neither the Issuer, Debitum nor the Collateral Agent will accept any responsibility for the information pertaining to the Offering, the Issuer or its operations, where such information is disseminated or otherwise made public by third parties either in connection with this Offering or otherwise.

By participating in the Offering, Investors agree that they are relying on their own examination and analysis of this Base Prospectus (including the financial statements of the Issuer which form an indispensable part of this Base Prospectus) and any information on the Issuer that is available in the public domain. Investors must also acknowledge the risk factors that may affect the outcome of such an investment decision (as presented in Section 4 (RISK FACTORS)).

Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

6. OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the General Terms and Conditions of any particular Tranche of Notes, the applicable Final Terms. This overview must be read as an introduction in conjunction with the other parts of the Base Prospectus (including any documents incorporated therein). Any decision to invest in the Notes should be based on a consideration by the investor of the Base Prospectus as a whole.

Words and expressions defined in the General Terms and Conditions of the Notes below or elsewhere in this Base Prospectus have the same meanings in this overview.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of the Delegated Regulation.

Issuer:	SIA "Baltic Terra Capital"
Legal Entity Identifier (LEI):	8945004T25NP05T6DM66
Programme Limit:	Up to EUR 80,000,000 aggregate nominal amount of Notes outstanding at any one time.
Risk Factors:	Investing in Notes 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 Notes are discussed in Section 4 "RISK FACTORS" above.
Method of Issue	The Notes shall be issued in Series. Each Series may comprise one or more Tranches of Notes. The Notes of each Tranche will all be subject to identical terms, except that the Issue Dates and the Issue Prices thereof may be different in respect of different Tranches.
Form of the Notes:	The Notes are issued by the Issuer in registered form which are deposited and held as book entry with Debitum Investments.
Status and Security:	<p>The Notes constitute direct obligations of the Issuer. The Senior Series of Notes are secured and rank pari passu, without any preference among themselves, and equally with all other unsubordinated indebtedness of the Issuer secured by the same rank of security, save for such obligations as may be mandatorily preferred by law.</p> <p>The Junior Series of Notes rank below the Senior Series and will be secured by the same ranking collateral as the Senior Series. Consequently, the rights of Junior Series Noteholders to payments and recoveries are structurally subordinated to those of the Senior Series.</p>
Currency:	EUR

Denomination:		The nominal amount of each Note shall be specified in the Final Terms.
Issue Price:		The Notes may be issued at their nominal amount or at a discount or a premium to their nominal amount.
Minimum Amount:	Investment	The Notes will be offered for subscription for a minimum investment amount that will be specified in the Final Terms.
Interest:		The Notes will bear interest at a fixed annual interest rate as specified in the Final Terms.
Maturity:		The Notes shall be repaid in full at their nominal amount on the date which will be specified in the Final Terms. Each Series of Notes may have a maturity up to 5 (five) years.
Listing:		There will be no application made to Nasdaq Riga or any other venue for admitting each Series or Tranche to listing and/or trading on a regulated market or multilateral trading facility.
Taxation:		The Issuer shall make payment after the withholding or deduction has been made and shall account to the relevant authorities in accordance with the applicable laws for the amount so required to be withheld or deducted. The Issuer shall not be obligated to make any additional compensation to the Noteholders in respect of such withholding or deduction.
Rating:		Neither the Issuer, nor the Notes have been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.
Governing Law:		Latvian law.
Dispute Resolution:		Any disputes relating to or arising in relation to the Notes shall be settled solely by the courts of the Republic of Latvia of competent jurisdiction.
Selling Restrictions:		For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of the Base Prospectus, see Section "Distribution of the Base Prospectus and Selling Restrictions".

7. GENERAL INFORMATION

7.1. Important notices

THIS BASE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED OTHER THAN AS PROVIDED BELOW AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THIS BASE PROSPECTUS MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES TO PERSONS THAT ARE NOT U.S. PERSONS AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS BASE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

NOTHING IN THIS BASE PROSPECTUS CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION. THE SECURITIES DESCRIBED IN THIS BASE PROSPECTUS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION 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.

Any materials relating to any potential offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. Under no circumstances will this Base Prospectus constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction other than provided on page 1 of this Base Prospectus.

7.2. Final Terms

Each Series of the Notes will be issued on the terms and conditions set out in the Section 11 'TERMS AND CONDITIONS OF THE NOTES' as completed by the applicable Final Terms. The Final Terms will be published on the Platform (www.debitum.investments). A form of applicable Final Terms is set out under the Section 14 'APPLICABLE FINAL TERMS

;

7.3. Other relevant information

This Base Prospectus must be read and construed together with any supplements to this Base Prospectus and with any information incorporated by reference in this Base Prospectus and, concerning any Series of the Notes, must be read and construed together with the relevant applicable Final Terms.

7.4. Unauthorised information

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into concerning the Programme, any information supplied by the Issuer, or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer.

Debitum Investments has not authorised the whole or any part of this Base Prospectus and does not make any representation or warranty, or accept any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any responsibility for the acts or omissions of the Issuer or any other person in connection with the issue and offering of the Notes, nor does Debitum Investments or any of its shareholders, directors, affiliates, advisers or agents take any responsibility for the acts or omissions of the Issuer or any other person in connection with the issue, offering and sale of the Notes.

7.5. Restrictions on distribution

The distribution of this Base Prospectus and any Final Terms, and the offer, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base

Prospectus or any Final Terms comes are required by the Issuer and Debitum Investments to inform themselves about and to observe any such restrictions. In particular, the Notes have not been and will not be registered under the Securities Act. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Base Prospectus nor any Final Terms constitute an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, Debitum Investments or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms will be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer. Debitum Investments has not provided any financial or taxation advice in connection with the Programme or the Notes.

It is prohibited to offer, purchase or transfer the Notes to residents of the Russian Federation or the Republic of Belarus.

7.6. Reasons for the offer and use of proceeds

The Issuer expects that net proceeds of any Series of the Notes will equal the Aggregate Nominal Amount of the relevant Series minus the commission of the Debitum Investment, which equals up to 4% of the total Aggregate Nominal Amount. Issuance of the Notes and receipt of financial means when selling these Notes to the Investors is with the aim to (i) finance the acquisition of new agricultural land to grow the Land Portfolio; and (ii) finance working capital of the Issuer.

If in respect of any particular Tranche or Series of the Notes, there is another particular identified use of proceeds, this will be stated in the relevant Final Terms applicable to the particular Tranche or Series of the Notes.

7.7. Programme limit

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed EUR 80,000,000 (eighty million euro).

7.8. Language

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language so that the correct technical meaning may be ascribed to them under applicable law.

7.9. Ratings

No Series of the Notes issued under the Programme will be rated by any credit rating agency.

7.10. Currency

The financial information contained in this Base Prospectus has been expressed in euro. The Issuer's functional currency is euro, and the Issuer prepares its financial statements in euro.

7.11. Interests of persons in the Notes offer

In so far as Issuer and Debitum Investments are aware, no person involved in this Notes offer has an interest material to the offer except possible conflicting interests that might arise between the Issuer and Debitum Investments. These conflict-of-interest situations are mitigated by clear division of roles of Issuer and Debitum Investments in the Transaction Documents and in Debitum Investments internal procedures on mitigation of conflicts of interest.

7.12. Third-party information and market information

Certain information contained in this Prospectus has been obtained from third parties. Such information is accurately reproduced and, as far as the Issuer is aware and can ascertain from the information published by the third parties, no facts have been omitted which would render the

reproduced information inaccurate or misleading. Statistical information included in this Base Prospectus has been derived from official public sources, including the statistical releases. All such statistical information may differ from that stated in other sources for a variety of reasons, including the use of different definitions and cut-off times. This data may subsequently be revised as new data becomes available and any such revised data will not be circulated by the Issuer to Investors who have purchased the Notes. In some cases, independently determined industry data is not available. In these cases, any market share data included in this Base Prospectus is referred to as having been estimated. All such estimates have been made by either the Issuer using its information and other publicly available market information. Prospective investors are encouraged to conduct their own analysis of the relevant areas of activity or employ a professional consultant.

7.13. Information incorporated by reference

The following information is incorporated in this Base Prospectus by reference in accordance with Article 19 of the Prospectus Regulation:

- the Issuer's audited financial statement for the period from 4 June 2025 until 31 October 2025 (balance sheet, income statement, and cash flow statement) (<https://balticterra.eu/wp-content/uploads/2025/11/financial-statement-31.10.-BTC-ENG.pdf>) together with the independent auditor's report (<https://balticterra.eu/wp-content/uploads/2025/11/auditors-report-BTC-ENG.pdf>).

7.14. No incorporation of website information

Unless specifically incorporated by reference into this Base Prospectus, information on the website (www.debitum.investments) or any other website mentioned in this Base Prospectus or any website directly or indirectly linked to these websites has not been verified, is not incorporated by reference into, and does not form part of, this Base Prospectus, and Investors should not rely on it.

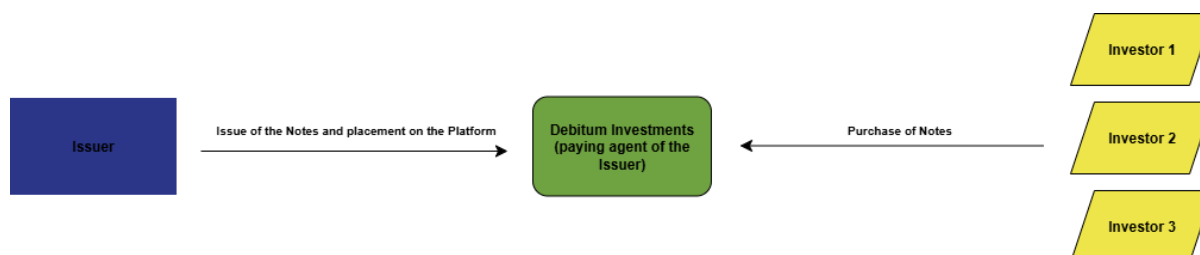
8. TRANSACTION OVERVIEW

8.1. The Description of the transactions in relation to the Notes

8.1.1. The Issuer, Debitum Investments and the Collateral Agent

The Issuer, Debitum Investments and the Collateral Agent have entered into the Transaction Documents for the issue and sale of the Notes as described in this Base Prospectus.

8.1.2. Issue of the Notes



The Issuer and Debitum Investments agree that Debitum Investments will act as the paying agent for the Issuer under the Transaction Documents i.e. the Issuer will make payments directly to Debitum Investments and Debitum Investments will make payments directly to the Noteholders.

Once the Issuer intends to issue new tranche or Series of the Notes, the Issuer instructs Debitum Investments to publish the Final Terms for the relevant tranche or Series of the Notes on the Platform on behalf of the Issuer. This process is automated and takes place in real-time. As of the Issue Date, the particular Notes are publicly offered by the Issuer through the Platform. Investors can purchase the Notes from the Issue Date until the Maturity Date of the Notes provided in the Final Terms or until the time when the Notes are fully sold to Investors by the Issuer, whichever occurs earlier.

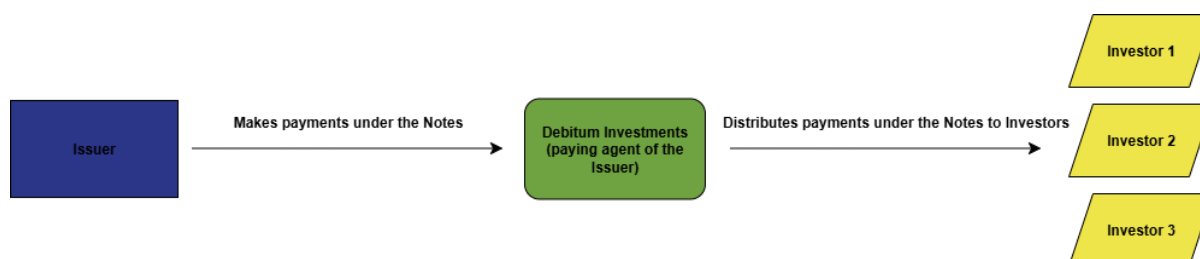
Information about the offer results of the Notes is published on the Platform (www.debitum.investments) in real-time starting from the Issue Date of the Notes. Subscriptions will not be reduced, which means refund of amounts paid in excess does not apply. The Issuer does not expect any conditions to which offer of the Notes would be subject. To purchase Notes from the Issuer, the Investor registered on the Platform submits a Notes subscription order by pressing “Invest” or “Subscribe” button or similar button in the “Invest” section of the Platform, indicating the amount of money that the Investor wishes to invest in particular Notes. When the Investor’s Notes subscription order is accepted by the Platform, Debitum Investments debits immediately cash funds from the Investor’s cash account with Debitum Investments and Debitum Investments no later than at the end of the day (until 00:00 GMT+2) facilitates Notes, and all Investor’s Notes subscriptions collected from the Investors during that day are closed and the Investor’s purchased Notes are transferred to Investor’s financial instrument account with Debitum Investments. Since the Issuer and Debitum Investments provide financial services the price of which depends on fluctuations in the financial market, which the service provider is not able to control and which may occur during the withdrawal period for services related to transferable securities, the Investor’s Notes subscriptions are executed immediately without providing the so called “period of reflection” to Investors during which Investors are entitled to recall the Notes subscriptions.

Minimum subscription amount are 1’000 (one thousand) Notes. Maximum subscription amount is up to the Aggregate Nominal Amount for the relevant Tranche of the Notes, but subject to the nominal amount of the Notes being available for purchase from the Issuer as at execution time of the Notes subscription order at Debitum Investments.

No expenses are expected to be charged to the Investor by the Issuer when purchasing the Notes. Currently there is no financial transaction tax to be applied by the Issuer and/or Debitum Investments to the Investor in subscribing or purchasing any Notes.

The Issuer expects that net proceeds of any Series of the Notes will equal the Aggregate Nominal Amount of the relevant Series minus fee payable to the Debitum Investments.

8.1.3. Payments under the NOTES



Interest specified in the Final Terms will begin to be calculated and accrue from (and including) the first day when the Investor has acquired the Notes from the Issuer and the Notes are recorded by Debitum Investments in the Investor's financial instruments account with Debitum Investments.

The Notes are interest-only financial instruments, which means that only interest is paid daily or monthly during the term of the Notes, while the principal amount outstanding of the Notes is paid at maturity of the Notes.

8.1.4. No credit enhancement

The Notes have no credit enhancements and no liquidity support in relation to payment of interest or principal. The Issuer has obligation to make payment on the Notes, the Debitum Investments as paying agent has no obligation to make payment on the Notes unless sufficient funds have been received from the Issuer.

8.2. TRANSACTIONS DOCUMENTS

The information in this Section is a summary of certain features of the Transaction Documents provided for information purposes only.

8.2.1. Cooperation Agreement

General

The Cooperation Agreement contains the agreement between the Issuer and Debitum Investments on the matters outlined in the above section entitled 'THE DESCRIPTION OF THE TRANSACTIONS IN RELATION TO THE NOTES'.

This Base Prospectus as submitted to the Bank of Latvia for approval is not a schedule to the Cooperation Agreement but is agreed on in writing by the same parties as those of the Cooperation Agreement no later than on or about the date of submission of this Base Prospectus to the Bank of Latvia for approval.

Debitum Investments

Debitum Investments acts as an arranger, placement agent, calculation agent, transfer agent and paying agent of the Issuer in relation to the Notes.

Governing law

The Cooperation Agreement and any non-contractual obligations arising out of, or in connection with, it is governed by and will be construed in accordance with the laws of the Republic of Latvia.

8.2.2. Collateral Agent Agreement

General

The Collateral Agent Agreement contains the agreement between the Issuer and Debitum Investments on the matters related to the rights and obligations of the Collateral Agent in relation to the establishment, maintenance, and enforcement of the Collateral as described in this Base Prospectus. The Collateral Agent Agreement is available upon request from the Issuer.

Collateral Agent

Collateral Agent acts as a representative of the Noteholders in relation to the to the establishment, maintenance, and enforcement of the Collateral.

Governing law

The Collateral Agent Agreement and any non-contractual obligations arising out of, or in connection with, it is governed by and will be construed in accordance with the laws of the Republic of Latvia.

8.2.3. Asset Pledge Agreement

General

The Asset Pledge Agreement contains the agreement between the Issuer and Collateral Agent on establishment of commercial pledge over all assets of the Issuer as an aggregation of things at the time of pledging as well as future components of such aggregation of things.

Maximum secured amount

At any time, maximum secured amount under the Asset Pledge Agreement and respective commercial pledge shall be at least 150% of all issued and purchased Notes at the time.

Collateral Agent

Collateral Agent acts as a representative of the Noteholders in relation to the to the establishment, maintenance, and enforcement of the Collateral.

Governing law

The Asset Pledge Agreement and any non-contractual obligations arising out of, or in connection with, it is governed by and will be construed in accordance with the laws of the Republic of Latvia.

8.2.4. Share Pledge Agreement

General

The Share Pledge Agreement contains the agreement between the Shareholder and Collateral Agent on establishment of commercial pledge over all shares of the Issuer.

Maximum secured amount

At any time, maximum secured amount under the Asset Pledge Agreement and respective commercial pledge shall be at least 150% of all issued and purchased Notes at the time.

Collateral Agent

Collateral Agent acts as a representative of the Noteholders in relation to the to the establishment, maintenance, and enforcement of the Collateral.

Governing law

The Share Pledge Agreement and any non-contractual obligations arising out of, or in connection with, it is governed by and will be construed in accordance with the laws of the Republic of Latvia.

9. ISSUER

9.1. General

The Issuer is incorporated as a limited liability company (in the Latvian: *sabiedrība ar ierobežotu atbildību*) and registered in the Commercial Registry of Latvia (in the Latvian: *Komercreģistrs*) on 4 June 2025 under the name SIA "Baltic Terra Capital" with registration number 40203653737. It operates under the laws of the Republic of Latvia and has its registered office at Skanstes iela 25, Riga, LV-1013, Latvia. The Legal Entity Identifier (LEI) of the Issuer is: 8945004T25NPO5T6DM66. The Issuer was established and is operating without a specific aim or purpose, and thus such aim or purpose is not included in the articles of association of the Issuer.

The registered and paid-up share capital of the Issuer is EUR 20,000, consisting of 200 shares each having a nominal value of EUR 100. Each share is entitled to one vote. The sole shareholder of the Issuer is Jānis Lezdiņš, date of birth 15 September 1985, who also is the sole member of the Management Board of the Issuer.

The Issuer has no subsidiaries and does not own any shares or equity.

The Issuer is managed by the Management Board, the members being appointed by the shareholder of the Issuer. The Management Board of the Issuer comprises from one board member – Jānis Lezdiņš.

For so long as the Notes of any Series remain outstanding or the Notes may be issued under the Programme, the articles of association of the Issuer and all further reports, and other documents, historical financial information etc., can and will be accessed on the Issuer's website (<https://balticterra.eu/en/documents/>). Articles of association (their translation to English) are available at: <https://balticterra.eu/wp-content/uploads/2025/11/articles-of-association-BTC-ENG.pdf>.

Legal and commercial name of the Issuer	SIA "Baltic Terra Capital"
Legal form	Limited liability company (in the Latvian: <i>sabiedrība ar ierobežotu atbildību</i>)
Legal address	Skanstes iela 25, Riga, LV-1013, Latvia
Country of registration	Republic of Latvia
Registration number	40203653737
LEI code	8945004T25NPO5T6DM66
Legislation under which the Issuer operates	Republic of Latvia
Date of incorporation	4 June 2025
Operating period	Indefinite
Phone number	+371 29499906
E-mail	info@balticterra.eu
Website	https://balticterra.eu/en/home/

9.2. Statutory Auditors

At the date of this Base Prospectus, the Issuer is a newly established undertaking (registered on 4 June 2025), and accordingly, no annual financial statements have been prepared. The annual financial statements will be prepared in accordance with the Latvian Generally Accepted Accounting Principles (GAAP).

The auditors of the Issuer for the financial year ending on 31 December 2025 will be appointed, and financial reports for the year ending 31 December 2025 will be submitted to the State Revenue Service of the Republic of Latvia not later than five months after the end of the reporting year, that is, until 31 May 2026.

For purposes of this Base Prospectus and intended Offering, the Issuer has prepared operational financial report covering time period from the establishment (4 June 2025) until 31 October 2025. Operational financial reports have been prepared in accordance with the Latvian Generally Accepted Accounting Principles (GAAP). The operational financial report has been audited by the Komandītsabiedrība "S.VILCĀNES AUDITS", registered in the Commercial Register of Latvia maintained by the Enterprise Register under the registration number 40003192915, legal address Pulkveža Brieža iela 15, Rīga, LV-1010, Latvia, a member of the Latvian Association of Sworn Auditors with license no. 88. Auditors reports for operational financial report for period from 4 June 2025 until 31 October 2025 have been prepared as a limited review of the financial statements in accordance with the Article 92 of the Law on Annual Statements and Consolidated Annual Statements.

9.3. History and Development of the Issuer

September 2025 - the Issuer entered into a sale and purchase agreement for the disposal of these 25 properties for a total consideration of EUR 749,630, generating gross profit of EUR 291,630.

August 2025 - the Issuer undertook active work with the acquired properties to arrange and complete all documentation and to prepare the property portfolio for offering to potential investors.

July 2025 - the Issuer expanded its team by hiring two sales representatives and an accountant, increasing the total staff to four employees; during the same month the Issuer acquired 25 properties with a total area of 198 ha, consisting of both agricultural and forest land, for a total consideration of EUR 458,000 at an average price of EUR 2,313 per ha.

June 2025 - the Issuer was established on 4 June 2025 with an aim to purchase agricultural land for purposes of establishing and developing the Land Portfolio consisting agricultural land located in Latvia.

9.4. Activities

9.4.1. Land Portfolio

The Issuer is a company engaged in the acquisition, management, and development of agricultural land in Latvia, with a strategic focus on creating a consolidated and professionally managed Land Portfolio. The Issuer's primary objective is to acquire high-potential farmland, particularly in the Latgale and Vidzeme regions, where land prices are currently lower than in other parts of Latvia, and uncultivated land, to increase the long-term value of these assets through cultivation of previously uncultivated land, consolidation, and effective management.

The Issuer specializes in identifying and acquiring small and medium-sized agricultural land plots with growth potential and merging them into larger, unified blocks. This consolidation strategy enhances both the efficiency of land use and the attractiveness of the portfolio for potential buyers. The Issuer's strategic objective is to sell the Land Portfolio, either as a whole or in separate parts, depending on market conditions, to institutional investors, investment funds, or local farmers.

The Issuer's management team consists of experienced professionals with more than five years of practical experience in the acquisition and management of agricultural land.

The Issuer's core activities can be divided into three main stages. The first stage is land acquisition, where the Issuer actively seeks to purchase agricultural land with value-add potential, leveraging its expertise in valuation and negotiations. The second stage is management and consolidation, during which the Issuer improves land quality, merges adjacent plots, and ensures proper use either through direct management or lease arrangements. The final stage is alienation, where the Issuer seeks opportunities to sell its Land Portfolio or individual properties to maximize investor returns.

9.4.2. Lease of Agricultural Land

Since the Issuer's Land Portfolio consists mainly of agricultural land, one of its principal activities is leasing farmland to local farmers and agricultural companies. Lease agreements provide a stable and predictable income stream, while also reducing the Issuer's expenses, and real estate tax payments. In addition, lease arrangements ensure that land is cultivated and maintained, which protects from tax penalties, increases its long-term value and attractiveness for future sale.

Through such leasing activities, the Issuer ensures both stable income and the ongoing improvement of its Land Portfolio, making agricultural land not only a capital appreciation asset but also a source of operational cash flow.

9.4.3. Ancillary services

As a complementary activity, the Issuer may provide agricultural land maintenance services that support the value and usability of its Land Portfolio. These services can include mowing, drainage, recultivation, soil improvement, and other works necessary to preserve or enhance land quality. The Issuer may perform such activities directly or through cooperation with trusted service providers, offering lessees or buyers access to efficient maintenance solutions on better terms than they might obtain independently.

While ancillary services are not the Issuer's core business, they support the long-term value growth of the portfolio by ensuring that land remains its usefulness, attractive to lessees, and compliant with environmental and land-use requirements.

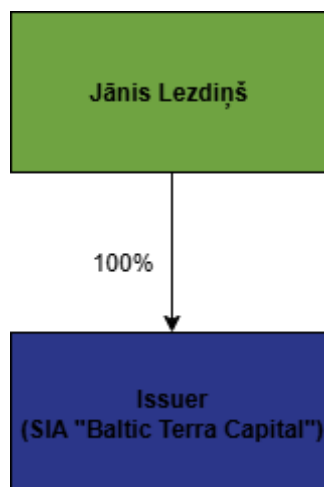
9.5. Principal Markets

Latvia is the Issuer's principal geographical market, as the Land Portfolio consists exclusively of agricultural land located in Latvia. The Issuer does not intend to expand to other countries in the near future, as the Latvian agricultural land market offers strong growth potential due to comparatively lower land prices than in Lithuania and Estonia.

The Issuer's main "products" are consolidated agricultural land portfolios that can be sold either to large-scale investors, such as agricultural or real estate funds, or to local farmers seeking to expand their operations. In addition, the Issuer generates recurring income from farmland lease agreements, which provide stable cash flows and contribute to maintaining the long-term value of the properties.

9.6. Group Structure

Issuer is wholly owned by natural person – Jānis Lezdiņš, date of birth 15 September 1985.



Jānis Lezdiņš does not own capital shares in other companies.

9.7. Major Shareholders

As of the date of the Base Prospectus, the Issuer's share capital (subscribed and paid-up) is EUR 20,000 consisting of 100 shares each having a nominal value of EUR 100. The Issuer has one class of shares, all shares have equal rights, and no shares have preferential rights. All shares are owned by Jānis Lezdiņš.

9.8. Corporate Governance

The Issuer has implemented a two-tier management system. The management board is responsible for the day-to-day management of the Issuer's operations and is authorized to represent the Issuer based on the law and the Articles of Association. The general meeting of the shareholders supervises the activities of the management board and acts as the highest governing body of the Issuer.

The management board is responsible for the Issuer's day-to-day management (except functions reserved to the general meeting of the shareholders). According to the Issuer's Articles of Association and applicable Latvian law, the members of the Management Board are appointed for an indefinite time term. The number of members of the Management Board is determined by the general meeting of the shareholders and currently stands at one member. The Management Board of the Issuer comprises from one board member Jānis Lezdiņš.

Jānis Lezdiņš is a member of the Management Board of SIA *Dizozols*. He brings more than 19 years of experience in sales, management, and real estate development. Since 2021, he has served as Chairman of the Board of SIA *Dizozols*. While initially focusing on active sales, over the past five years he has established and led the company's real estate division. In this role, he has built and managed a strong team engaged in the acquisition and management of agricultural and forest land, as well as in the execution of logging rights projects.

His professional strengths include strategic thinking, long-term business development, and the ability to build trusted client and partner relationships. Alongside his leadership role at SIA *Dizozols*, he also serves as Head of Sales at AS *Juno*, further broadening his expertise in commercial management. Currently, he is leading the development of a new agricultural land investment fund, with the objective of creating a transparent and profitable investment instrument in farmland as a long-term asset class.

9.9. Employees

As of the date of this Base Prospectus, the Issuer has 4 employees. Taking into consideration the early development stage of the Issuer, employment-related expenses constitute 60 % of the Issuer's quarterly expenses.

Employment relationships with employees are based on standard employment agreements, and employees are paid average market or above-market salaries, generally based on fixed salary and fixed allowances. Different remuneration principles are defined across departments. All new employees have an onboarding plan with training (internal and external) necessary for their position.

9.10. Related Part Transactions

The Issuer has not entered into related party transactions as of the date of the Base Prospectus.

9.11. Material Contracts

The Issuer does not have long-term material contracts. The Issuer enters into agreements for a particular transaction. Service providers of the Issuer are selected for specific tasks, and the Issuer is not bound by any exclusivity agreements or similar.

9.12. Authorisation

The establishment of this Programme and the issue of the Notes have been duly authorised by the Issuer's shareholders' decision on 28 November 2025 and management board decision on 28 November 2025.

9.13. Material Changes in the Solvency of the Issuer

There have been no material changes or events since its incorporation except as described in Sections 9.14 and 9.15 below.

9.14. Significant or Material Change

As of the date of this Base Prospectus, there has been no significant or material change in the financial position of the Issuer or negative developments of the Issuer since publication of the last operating financial reports as of 31 October 2025.

9.15. Investments

At the date of this Base Prospectus, the Issuer acquired assets (agricultural land) with an approximate valuation of around EUR 458,000.

9.16. Financing of the Activities

The Issuer intends to primarily finance its operations from proceeds from its operations in particular from proceeds from the sale of parts of the Land Portfolio, lease of agricultural land.

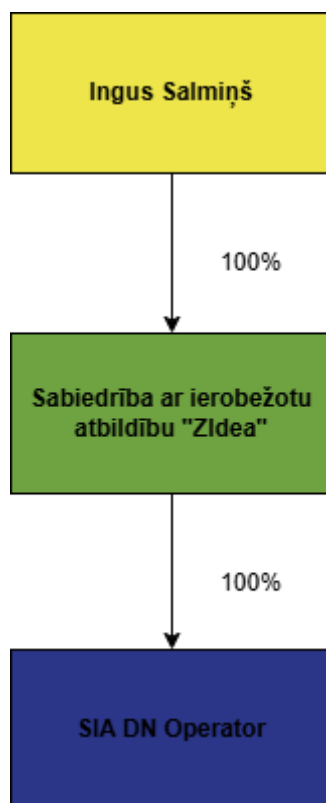
9.17. Litigation

The Issuer (whether as a defendant or otherwise) is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the period from its establishment (4 June 2025) until the date of this Base Prospectus, which may have, or have in such period had, a significant effect on the financial position or profitability of the Issuer.

10. DEBITUM INVESTMENTS¹

10.1. Debitum Investments and its shareholders

Debitum Investments is incorporated as a limited liability company (in the Latvian: *sabiedrība ar ierobežotu atbildību*) and registered in the Commercial Registry of Latvia (in the Latvian: Komercreģistrs) on 9 April 2019 under the name SIA DN Operator with registration number 42103092209. It operates under the laws of the Republic of Latvia and has its registered office at Dzirnavu iela 67, Rīga, LV-1011, Latvia.



100% shares in Debitum Investments are held by sabiedrība ar ierobežotu atbildību "Zīdea", registration number 40203138540, with the sole ultimate beneficial owner and shareholder being Ingus Salmiņš.

Debitum Investments is managed by the Management Board, the members being appointed by the shareholder of Debitum Investments. The current four members of the Management Board are Ingus Salmiņš, Justīne Birkova, Anatolijs Putņa and Ilona Bauda. Any members of the Management Board are entitled to represent Debitum Investments together with the Chairperson – Ingus Salmiņš.

Debitum Investments is an investment firm (in the Latvian: *ieguldījumu brokeru sabiedrība*) licensed by the Bank of Latvia since 21 September 2021 and Debitum Investments is authorised to provide following investment services and ancillary services:

- placing of financial instruments without a firm commitment basis;
- investment advice;
- portfolio management;
- holding of financial instruments;
- currency exchange services where these are related to the provision of investment services;

¹ Information in this Section has been provided by Debitum Investments

- execution of orders on behalf of clients;
- services related to underwriting.

Debitum Investments provides services in Latvia. Debitum Investments has not commenced provision of services in other countries as of the date of this Base Prospectus but may do so during the validity period of this Base Prospectus.

Cash funds of the Investors are held by Debitum Investments with partner banks including AS "SEB banka", registration number 40003151743, and BluOr Bank AS, registration number 40003551060.

Debitum Investments owns and operates the Platform (www.debitum.investments) which is the technical infrastructure through which (i) the Issuer offers and sells the Notes to Investors and (ii) information exchange and money flows occur between Investors and the Issuer.

10.2. Key activities performed by Debitum Investments with respect to the Notes

Main activities performed by Debitum Investments with respect to the NotesS are as follows:

- opening and servicing the Investment Accounts for Investors and (a) carrying out anti-money laundering, combating the financing of proliferation and terrorism and know your client policies and procedures, (b) carrying out appropriateness and suitability tests, (c) being responsible for compliance with product governance requirements and (d) informing Investors regarding the risks inherent in the products and services depending on the status of the Investor;
- operating the Platform for the Investors to acquire the Notes;
- acting as a placement, calculation, transfer and paying agent for the Notes including (a) settlement of payments due between the Issuer, (b) payments to the Investment Accounts, (d) provision of information regarding the Investors to the Issuer to calculate any withholding taxes on payments;
- maintaining the register of the Noteholders;
- monitoring compliance with the Transaction Documents;
- preparing and submitting reports for legal and regulatory purposes to the Bank of Latvia, the Latvian State Revenue Service and others.

11. TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes (“**Terms and Conditions**”) which, together with the relevant Final Terms, will be applicable to the specified Series of the Notes. The relevant Final Terms will complete the Terms and Conditions in relation to each Series of the Notes.

Save where the context requires otherwise, references in the Terms and Conditions to the Notes are to the Notes of one series of Notes only, not to all Notes of other Series that may be issued under these Terms and Conditions.

In these Terms and Conditions, unless the context otherwise requires, words denoting the singular include the plural and vice versa.

In these Terms and Conditions, references to a specified Condition will be construed as a reference to that specific Condition of these Terms and Conditions as in force for the time being and as amended or supplemented from time to time.

The headings are inserted for convenience of reference only and will not affect the interpretation of these Terms and Conditions.

In these Terms and Conditions, reference to any other document will be construed as references to that document as in force the time being and as amended, supplemented or substituted. The use of the word including means including without limitation.

11.1. Definitions

In these Terms and Conditions, unless the context otherwise requires, the following definitions will apply:

Aggregate Amount	Nominal	the aggregate nominal amount of the Notes as specified in the Final Terms.
Available Amount	Distribution	the amounts received by Debitum Investments from the Issuer distribution of Note’s payments.
Base Prospectus		the base prospectus in relation to the Notes.
Business Day		any day on which banks in the Republic of Latvia are open for business, except for Saturdays, Sundays and national holidays of the Republic of Latvia.
Cooperation Agreement		the cooperation agreement between the Issuer and Debitum Investments in relation to the Notes, and in relation to the asset-backed securities issued under other programmes.
Debitum Investments		SIA DN Operator, a limited liability company (in the Latvian: <i>sabiedrība ar ierobežotu atbildību</i>) registered under the registration number 42103092209 in the Commercial Registry of Latvia (in the Latvian: <i>Komercreģistrs</i>) on 9 April 2019, an investment firm (in the Latvian: <i>ieguldījumu brokeru sabiedrība</i>) licensed by the Bank of Latvia, which provides investment and related services to the Investors through the Platform.
Final Terms		the final terms of the Series or Tranche of Notes.
Interest		the interest under the Notes.
Interest Accrual Periods		the periods during which Interest accrues on the Notes as specified in the Final Terms.
Interest Payment Date		each date on which Interest is payable under the Notes as specified in the Final Terms.

Interest Rate	the rate at which Interest accrues on the Notes as specified in the Final Terms.
Investment Account	the Investor's separate account with Debitum Investments.
Issue Date	the issue date of the Notes being the date on which the Notes are first made available for subscription as specified in the Final Terms.
Issuer	SIA "Baltic Terra Capital", a limited liability company (in the Latvian: sabiedrība ar ierobežotu atbildību) registered under the registration number 40203653737 in the Commercial Registry of Latvia (in the Latvian: Komercreģistrs) on 4 June 2025, legal entity identifier: 8945004T25NP05T6DM66, registered address: Skanstes iela 25, Riga, LV-1013, Latvia.
Maturity Date	the scheduled maturity date of the Notes as specified in the Final Terms.
Noteholder	a holder for the time being of any Notes.
Notes	the debt security issued by the Issuer according to this Base Prospectus and applicable Final Terms.
Priority of Payments	the priority of payments set out in Section 11.18.
Redemption Date	each date on which the Notes are redeemed as specified in the Final Terms or determined by the Issuer in accordance with Section 11.13.4.
Transaction Documents	the Cooperation Agreement, Collateral Agents Agreement, Collateral Agreement.

11.2. PRINCIPAL AMOUNT AND ISSUANCE OF THE NOTES

Under these Terms and Conditions for the issuance of notes, the Issuer may issue notes up to an aggregate principal amount of EUR 80,000,000 (eighty million euros) ("**Notes**").

By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to these Terms and Conditions and the Final Terms, and by acquiring Notes, each subsequent Noteholder confirms these Terms and Conditions and the Final Terms.

11.3. THE USE OF PROCEEDS

Funds that will be raised as a result of the Notes issue will be used to (i) finance the acquisition of new agricultural land to grow the Land Portfolio; and (ii) finance the working capital of the Issuer.

11.4. STATUS

The Senior Series of Notes rank *pari passu* with other senior secured obligations of the Issuer and will be secured by a first priority security interest. In case of the Issuer's insolvency, Noteholders of the Senior Series will be entitled to recover their investment on the same terms as other senior secured creditors of the Issuer in the respective claims group in accordance with the relevant regulatory enactments.

The Junior Series of Notes rank below the Senior Series and will be secured by the same ranking and priority security interest as the Senior Series of Notes, but are contractually subordinated as described in this Base Prospectus. Accordingly, Noteholders of the Junior Series are entitled to repayment only after all obligations of the Senior Series of Notes have been satisfied in full.

The precise status and ranking of each Series of Notes will be indicated in the respective Final Terms. The ISIN of each Series shall also be specified in the respective Final Terms.

11.5. FORM

The Notes are issued by the Issuer in registered form, which are deposited and held as book entry with Debitum Investments.

11.6. REGISTER, TITLE AND TRANSFERS

Debitum Investments maintains an electronic register of the Noteholders in accordance with the Cooperation Agreement. No certificates will be issued to any Noteholder in respect of Notes held.

Each Noteholder will (except as otherwise required by law) be treated as the Notes owner of any relevant Notes for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust, nomineehip or any other interest in the Notes), and no person will be liable for so treating the Noteholders.

The Notes are held and might be transferred only between the financial instrument accounts at Debitum Investments of the Investors. No application has been or will be made to trade the Noteholders on any regulated market or any other trading venue, other than the Platform.

A transfer of any Notes between the Noteholders may be affected by Debitum Investments which may require as conditions to the transfer of (a) provision of documents and information, (b) payment of any transfer fee and (c) payment of any tax or other governmental charges, in each case, by the relevant Investor in accordance with terms and conditions of the Platform.

11.7. CURRENCY

The Notes will be issued in EUR.

11.8. ISSUE PRICE AND YIELD

The Notes may be issued at their nominal amount or at a discount or a premium to their nominal amount ("**Issue Price**"). The Issue Price shall be determined by the Issuer and specified in the Final Terms.

The yield of each Tranche set out in the applicable Final Terms 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.

11.9. UNDERWRITING

None of the Tranches shall be underwritten.

11.10. INTEREST

Each Note bear interest at fixed rate ("**Interest**") which shall be determined by the Issuer and specified in the Final Terms from (and including) the date on which the Note entered into Investor's Investment Account. The Interest shall be paid on the dates specified in the Final Terms ("**Interest Payment Date**") until the date maturity date specified in the Final Terms ("**Maturity Date**") or the Redemption Date, whichever occurs earlier.

Interest shall accrue for each interest period from and including the first day of the interest period to (but excluding) the last day of the interest period on the principal amount of Notes outstanding from time to time. The first interest period for each Note commences on the date on which the Note is subscribed by the Noteholder and ends on the first Interest Payment Date. Each consecutive interest period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last interest period ends on the Maturity Date.

Interest shall be calculated on 30E/360 basis. The interest payment shall be determined according to the following formula:

$$CPN = F * C * n/360 \text{ where;}$$

CPN – amount of an interest in EUR;

F – principal amount of Notes outstanding;
C – Interest Rate;
n – number of days since the Issue Date or the last Interest Payment Date (as applicable) calculated on 30-day month basis.

11.11. Late Interest

In case the Issuer delays any payment for 20 days the Noteholder is entitled for penalty interest to be calculated same of Interest at a rate of 5% per annum.

11.12. Accrual of Interest

The Interest payable on any Interest Payment Date in respect of each Note is as follows:

Interest Rate X Nominal Value of one Note X Day Count where:

Interest Rate is prescribed in the Final Terms.

Nominal Value of one Note is prescribed in Final Terms.

Day Count, unless otherwise specified in the Final Terms, the actual number of days in the immediately preceding Interest Accrual Period, divided by 360.

11.13. PRINCIPAL REDEMPTION

11.13.1. Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified in these Terms and Conditions, each principal amount outstanding of the Notes will be redeemed on the Maturity Date.

11.13.2. Early Redemption by the Issuer (call option)

The Issuer shall be entitled to full early redemption (call option) by repaying the Note principal and accrued Interest.

The Issuer can carry out a call option in a full or partial amount of the total outstanding Series of Notes.

If the Issuer takes a decision on early redemption of the Notes, the Issuer shall notify the Noteholders at least 20 (twenty) Business Days prior to the redemption date of the Notes with intermediation of Debitum Investments.

11.13.3. Early Redemption (Event of Default)

The Noteholders have the right to demand early redemption of Notes in case of occurrence of the events of default in accordance with Section 11.23.

11.13.4. Early Redemption at the request of the Noteholder

The Final Terms may provide that a Noteholder has a right to submit a request for (but not require) an early redemption of all or part of the Notes of the relevant Series held by it at any time prior to the Maturity Date, subject to the conditions set out therein. Any such request is only a proposal and is not binding on the Issuer. The Issuer has a right, but not an obligation, to accept such a request in its absolute discretion, taking into account factors such as market conditions, its funding needs, and other considerations. The Issuer shall have no obligation to provide reasons for refusing such a request.

A redemption request has to be submitted by the Noteholder to the Issuer through Debitum Investment and has to specify the Series and the number of Notes to be redeemed. The Issuer has to decide whether to accept such a request and has to notify the Noteholder of its decision and the Redemption Date through Debitum Investments within 60 Business Days from the date of receipt of the request.

The Notes are redeemed at their nominal value plus accrued and unpaid Interest up to (but excluding) the Redemption Date (“**Redemption Amount**”). The Issuer has to pay the Redemption Amount to the Noteholder within 30 Business Days from the Redemption Date.

11.14. INTEREST AND PRINCIPAL DETERMINATION

Debitum Investments determines (i) the amount of Interest for each Interest Payment Date and (ii) the amount of principal payable in accordance with Section 11.13 on each Redemption Date and the Maturity Date, on its review of the following information:

- the payment events which have arisen;
- aggregate payment amounts paid by the Issuer which have been received from the Debitum Investments;
- the amounts then due and owed by the Issuer according to the Priority of Payments on the Interest Payment Date, the Redemption Date or the Maturity Date.

On each Interest Payment Date, each Redemption Date and the Maturity Date, Debitum Investments on the Issuer's behalf will direct the payment of Interest and principal amounts to the Noteholders in accordance with Section 11.18.

If after application of the Priority of Payments the Issuer has insufficient funds on any Interest Payment Date, any Redemption Date or the Maturity Date to make a payment of Interest or principal in full on behalf of the Issuer, Debitum Investments at its sole discretion may decide that the Issuer pays part of the amount due or defers the payment until the full amount due is available.

All determinations, calculations, and adjustments made by Debitum Investments will be made in conjunction with the Issuer and will be conclusive in all respects and binding upon the Issuer and all Noteholders.

11.15. PAYMENTS

11.15.1. Payments of Interest and principal

The Issuer will pay the Interest on the Notes on each Interest Payment Date, and redeem the Notes on each Redemption Date and the Maturity Date.

11.15.2. Payments to the Noteholders

Any payments of Interest and redemption amounts in respect of the Notes will be made to the relevant Investment Account.

11.15.3. Taxes

All payments and/or deliveries in respect of the Notes made by or on behalf of the Issuer will be made subject to any withholding or deduction for any taxes, duties, assessments or governmental charges of whatever nature which may be required to be withheld or deducted.

The Issuer or Debitum Investments will:

- not be liable as a result for, or otherwise obliged to pay, any additional amount to any of the Noteholders in respect of, or compensation for, any such withholding or deduction or any other amounts withheld or deducted;
- not be liable for or otherwise obliged to pay, and the relevant Noteholder will be liable for and/or pay, any tax, duty, charge, withholding or other payment whatsoever which may arise as a result of, or in connection with, the ownership, any transfer (or agreement to transfer), any payment and/or any delivery (or any agreement for delivery) in respect of the Notes held by such Noteholder; and
- have the right but will not be obliged (unless required by law), to withhold or deduct from any amount payable or, as the case may be, any delivery due to the relevant Noteholder, such amount or portion as will be necessary to account for or to pay any such tax, duty, charge, withholding or other payment.

The Noteholders agree to provide the Issuer and/or Debitum Investments with all information and documentation required by the Issuer and/or Debitum Investments, as the case may be, to satisfy any Latvian or other country tax or regulatory obligations at any time.

11.15.4. Payments on Business Days

If the due date for payment of any amount in respect of any Notes is not a Business Day, the Noteholder will not be entitled to payment of the amount due until the next succeeding Business Day in such place and will not be entitled to any further interest or other payment in respect of any such delay.

11.16. UNDERTAKINGS OF THE ISSUER

The undertakings in this Section 11.16 remain in force for so long as any of the Notes are outstanding.

11.16.1. Authorisations and compliance with laws

The Issuer will promptly obtain, comply with and do all that is necessary to maintain in full force and effect any authorisation required under any law or regulation of Latvia to enable it to perform its obligations under the Notes, and carry on its business as it is being conducted on the date of this Base Prospectus. The Issuer will comply in all respects with all laws to which it is subject.

11.16.2. General covenants

From the first Issue Date of the Notes to the last date of repayment thereof, the Issuer shall undertake the following:

- all existing and future liabilities towards related parties must be junior to the Notes;
- all existing and future Financial Indebtedness toward other parties than related parties can not rank higher than Notes;
- not to commence any new type of economic activity outside the scope of existing operations except if revenue from such activity does not exceed 10% of revenue;
- not to sell, present, change, rent, license, invest, or otherwise transfer into utilization the right to use the trademarks of the Issuer;
- not to initiate or allow initiation of the Issuer's liquidation or similar proceedings;
- any transactions with related parties should be at arms-length bases.

11.16.3. Negative covenants

Other than in connection with the Notes or as provided in the Base Prospectus, the Issuer will not:

- sell, transfer, create any security over or otherwise dispose of any of its assets excluding usual operations;
- sell, transfer or otherwise dispose of any of its real estate assets, except for transactions in which such real estate assets are sold for an amount greater than the total purchase amount calculated for all transactions in the quarter;
- sell, transfer or otherwise dispose of any of its real estate assets excluding transactions whereby such real estate assets are sold for an amount that is less than total purchase amount calculated quarterly;
- until full redemption of the Notes, except for pledge under the Collateral Agreements, it will not create or permit to subsist any Security over the Issuer's assets;
- make any payments (dividends, interests, etc.) to the related parties if after such payment financial covenants in Section 11.16.4 are not met;
- be the creditor in respect of any loan or any form of a credit to any person;
- give or allow to be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person;
- use the Issuer's cash for any purpose other than as provided in this Base Prospectus.

11.16.4. Financial covenants

From the first Issue Date to the last date of repayment thereof, the Issuer shall comply with the following Loan to Value (LTV) ratios, calculated as set out below:

Senior Series Notes: the Loan to Value ratio shall not exceed **60%**.

Junior Series Notes: the Loan to Value ratio shall not exceed **91%**.

Loan to Value ratio = $F / (\text{Current Assets} + \text{Cash Reserves})$ where;

F - principal amount of Notes outstanding;

Current Assets - the value of all liquid assets of the Issuer's balance sheet (receivables, goods for sale, real estate assets);

Cash Reserves - cash in the Issuer's bank account.

For the avoidance of doubt, the value of Current Assets may be re-evaluated each quarter if such evaluation is carried out by a certified valuator.

11.16.5. Financial reporting

From the first Issue Date of the Notes to the last date of repayment thereof, the Issuer shall make the following information available to the Noteholders by publishing it on Issuer's website and Platform:

- annual audited financial statements, prepared in accordance with the Latvian Generally Accepted Accounting Principles (GAAP), including a profit and loss account, balance sheet, cash flow statement, shareholder's equity statement, explanatory letter, annual report and the auditor's report on those statements within 6(six) months after the end of the reporting year;
- unaudited semi-annual interim financial statements – income statement, balance sheet and cash flow statements, prepared in accordance with Latvian GAAP within 2 (two) months after the end of reporting period;
- quarterly financial covenants calculations in accordance with Section 11.16.4 within 1 (one) month after the end of the reporting period.

11.17. ISSUE OF NOTES

The Notes are issued on the Issue Date in the Aggregate Nominal Amount, the Specified Denominations and the Specified Currency as specified in the Final Terms.

11.18. PRIORITY OF PAYMENTS

All funds received by the Debitum Investments in relation to the Notes will be applied by the Debitum Investments in the following order of priority:

- first, in or towards payment of any amounts owed by the Issuer to any tax authority and required to be paid by the Issuer under or pursuant to the Notes;
- second, in payment or satisfaction of all fees and penalty fees then due and unpaid to Noteholders;
- third, in or towards payment or satisfaction of all amounts then due and unpaid as commissions, fees, costs, charges, expenses and liabilities incurred or payable if any event of default of the Issuer has occurred under any of the Transaction Documents and the Collateral Agent acts for the purposes of recovery of funds, including filing a claim in the liquidation, insolvency or other administrative proceedings of the Issuer, or enforcing any legal rights;
- fourth, to Noteholders of the Senior Series, in or towards the payment or discharge of all amounts then due and payable under or in respect of the Senior Series Notes, applying payments pro rata among the Senior Series according to the amounts outstanding;
- fifth, to Noteholders of the Junior Series, in or towards the payment or discharge of all amounts then due and payable under or in respect of the Junior Series Notes, applying payments pro rata among the Junior Series according to the amounts outstanding.

Debitum Investments will not be liable for applying the Priority of Payments, including for any minor errors, pursuant to Section.

11.19. PURCHASE

The Issuer may at any time purchase the Notes at any price in the open market or otherwise. Any Notes purchased by the Issuer on the sole discretion of the Issuer may be cancelled by Debitum Investments.

11.20. CANCELLATION

All Notes that are redeemed or cancelled may not be re-issued or resold.

11.21. PRESCRIPTION

Any and all claims against the Issuer for payment in respect of the Notes will be prescribed and become void unless made within 10 years from the date on which payment in respect of the Notes first becomes due.

11.22. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders create and issue further Series and further tranches of existing Series of the Notes

A further tranche of an existing Series will:

- be fungible with the Notes of that existing Series;
- have the same material terms and conditions as the Notes of that Series except for the Aggregate Nominal Amount, the Issue Date, the Issue Price, the Interest Accrual Periods, the first Interest Payment Date and the first Redemption Date; and
- be consolidated and form a single Series with that existing Series of the Notes, and references in these Terms and Conditions to the NOTES will be construed accordingly.

11.23. EVENTS OF DEFAULT

Any of the following events will constitute an event of default under the Notes (each, an Event of Default):

- **Non-Payment.** The Issuer fails to make any payments to the Noteholders under this Base Prospectus within 40 (five) Business Days from the relevant due payment date, except for cases when the failure to pay is caused by a reason of Force Majeure;
- **Breach of covenants.** The Issuer breaches any of the covenants set forth in Section 11.16.4 or breaches the terms of the Collateral Agreements and the Issuer has not remedied the breach within 20 (twenty) Business Days as of the receipt of the breach notice served by the Debitum Investments, Collateral Agent or Noteholders representing 10% of total Nominal Value.
- **Breach of representation and warranties.** The Issuer's representations of Sections 11.16.1, 11.16.2 and 11.16.3 are breached and the Issuer has not remedied the breach within 20 (twenty) Business Days as from receipt of the breach notice served by the Debitum Investments, Collateral Agent or Noteholders representing 10% of total Nominal Value.
- **Invalidity of the Collateral Agreement.** The Collateral Agreements terminate or are recognised invalid by a final decision of the respective state's courts or the Collateral is not established following the terms hereof and the Issuer has not remedied the breach within 20 (ten) Business Days.
- **Cessation of Business.** The Issuer ceases to carry on its current core business in its entirety or a substantial part thereof, other than pursuant to any sale, disposal, demerger, amalgamation, reorganisation or restructuring or any cessation of business in each case on a solvent basis and with the prior written consent of the Noteholders.
- **Liquidation.** An effective resolution is passed for the liquidation or suspension of economic activities of the Issuer and the Issuer has not remedied the breach within 10 (ten) Business Days.
- **Insolvency.** The Issuer is declared bankrupt by a final decision of a court or admits inability to pay its debts; and/or the Issuer enters into any arrangement with a majority of its creditors by value in relation to restructuring of its debts and/or legal protection proceedings (in Latvian: *tiesiskās aizsardzības process*), or out-of-court legal protection proceedings (in Latvian: *ārpustiesas tiesiskās aizsardzības process*) or insolvency proceedings (in Latvian: *maksātnespējas process*) have been initiated by court (in Latvian – *tiesa ir ierosinājusi lietu*).
- **Fraud.** The Issuer has committed a criminal offence or crime, including deception intended to result in financial gain for the Issuer.

The Issuer is obliged to inform Debitum Investments immediately if any Event of Default should occur. Should Debitum Investments not receive such information, Debitum Investments is entitled to assume that no Event of Default exists or can be expected to occur, provided that Debitum Investments does not have knowledge of any Event of Default. Debitum Investments is under no obligation to make any investigations relating to any Event of Default. The Issuer will, at the request of Debitum Investments, provide Debitum Investments with details of any Event of Default and provide Debitum Investments with all documents that may be of significance for the application of this Section 11.23.

If Debitum Investments has been notified by the Issuer or majority Noteholders or has otherwise determined that there is an Event of Default, Debitum Investments will, within 15 Business Days of the day of notification or determination, notify the Noteholder according to Section 11.25.

Upon the occurrence of an Event of Default, the Notes are repaid according to the terms and conditions stipulated by this Base Prospectus and relevant Series Final Terms, unless otherwise required by a rule of the law.

Debitum Investments and the Collateral Agent subject to the Noteholders indemnifying and holding Debitum Investments and the Collateral Agent harmless from any reasonable expenses, loss or liability, will take every reasonable measure necessary to recover the amounts outstanding under the Notes according to their terms and conditions and Transaction Documents. Debitum Investments and Collateral Agent will in each case inform the Noteholders about the costs which should be compensated prior to requesting any indemnification. In any case Debitum Investments and the Collateral Agent will charge this compensation of costs only up to the recovered amount.

11.24. MEETING OF NOTEHOLDERS

11.24.1. General provisions

The Issuer from time to time may convene a meeting of the Noteholders ("**Meeting**") to adopt resolutions on certain matters. The Issuer at its own discretion decides which matters will be reserved for passing at the Meeting. These provisions permit defined majorities to bind all Noteholders including the Noteholders who did not attend and vote at the Meeting or in respect of the relevant resolution and Noteholders who voted in a manner contrary to the majority. As a result, the Noteholders may be bound by a change to these Terms and Conditions or by some other decision that affects Noteholders' investment in the Notes even though they have not agreed to such change.

The Issuer is obliged to convene meeting if Noteholders representing 10% of all outstanding Notes have requested so, in such case Noteholders representing 10% of all outstanding Notes have to put forward matters that will be reserved for passing at the Meeting.

The Meeting may adopt its resolutions in one of the two forms as chosen by the Issuer:

- at a meeting held by attendance of the Noteholders to discuss the items on the agenda and pass resolutions on the matters put to the vote using ballots provided; or
- by absentee voting (without attendance of the Noteholders to discuss the items on the agenda and pass resolutions on the matters put to the vote).

If Noteholders do not vote differently the Meeting will be chaired, and minutes taken by a representative of Debitum Investments.

11.24.2. Resolutions of the Meeting

Matters put to a vote at the Meeting and its agenda shall be determined by the Issuer (except in cases where the Meeting is convened at the initiative of Noteholders representing 10% of the total nominal value of the outstanding Notes). Noteholders may not make decisions on issues not included in the agenda, nor may they change the agenda. Resolutions passed by the Meeting and voting results will be provided to the persons eligible to participate in the Meeting in a report, which will be disclosed to the Noteholders as per the procedure prescribed with regard to sending notices of the Meeting, within 10 Business Days after the closing date of the meeting or the final date for submitting the voting ballots in case of absentee voting. However, the failure to do so will not invalidate the resolution. The

resolution will be binding on all the Noteholders, whether or not present at the Meeting and each of them will be bound to give effect to it accordingly.

11.24.3. Information on holding a Meeting

The Issuer will notify the Noteholders about the Meeting in accordance with the procedure below. A notice of the Meeting ("**Notice**") will be given according to Section 11.25 no later than 10 days in advance. The Notice will be given to the Noteholders registered on the date of the Notice in the electronic register of the Noteholders maintained by Debitum Investments. The Issuer may decide not to publish the Notice on the Platform. In such a case within the time specified in this Section 11.24.3 the Issuer will send the Notice to the Noteholders by email. The Issuer may at its own discretion make available information to the Noteholders entitled to participate in the Meeting as part of preparations for the Meeting.

11.24.4. Quorum at a Meeting

A Meeting will be deemed quorate if attended by the Noteholders aggregately holding more than 50% of the total nominal value of the outstanding Notes.

The number of votes for each Noteholder equals the nominal value of the Notes owned by him/her. When a Meeting is held by attendance of the Noteholders to discuss the items on the agenda and pass resolutions on the matters put to the vote, the Noteholders registered to participate in the Meeting and the Noteholders whose ballots have been received no later than 2 days before the meeting will be deemed to have participated in the Meeting.

When a Meeting is held in the form of absentee voting, the Noteholders whose ballots have been received before the final date for submitting the ballots will be deemed to have participated in the meeting.

Where there is no quorum for a Meeting, a second Meeting will be held with the same agenda. Such second Meeting will be deemed quorate if attended by Noteholders aggregately holding more than 30% of total nominal value of the outstanding Notes.

Subject to the quorum being present, the decisions on the Meeting agenda will be adopted per each item of the agenda by the majority from the total amount of votes provided.

If the decision of the Meeting affects only one Series, then the quorum is determined by taking into account only the Notes of this Series and the decisions of the Meeting are binding only on the Notes and Noteholders of this Series.

11.24.5. Voting ballots

Ballots for voting at a Meeting will be sent together with the Notice according to Section 11.24.3.

Ballots for voting will be in the English language. Voting could be convened as an e-voting through filling-out an electronic voting ballot through the interface of the Platform.

The Noteholders included in the list of those entitled to participate in the Meeting other than the Meeting held in the form of absentee voting, or their representatives, may register to participate or forward their completed ballots to the Issuer.

Voting ballots will be counted towards the calculation of the quorum and voting results if received by the company no later than 2 days before the Meeting.

The voting ballot will contain the information about the Meeting including but not limited to:

- information about the Issuer, including address and contact person;
- details identifying the Notes;
- form of the Meeting (attendance or by Absentee voting);
- date, place and time of the Meeting if it is held in the form of attendance of the Noteholders;
- total outstanding principal; and

- voting options for each item on the agenda, expressed as “for”, “against”, or “abstained”, and the indication that the voting ballot must be signed by a person entitled to participate in the Meeting or its representative unless convened by e-voting.

When voting by ballots, only those voting ballots are counted where for each item only one voting option is selected. The voting ballots completed in breach of the aforementioned requirement will be deemed invalid. However, if there are several items put to the vote on the voting ballot, breach of the aforementioned requirement with respect to one or several items will not affect the validity of the remaining ballot. If a voting ballot is rendered invalid with respect to voting on one, several or all items included in such ballot, the votes so cast in such ballot will not be excluded from the calculation of the quorum. If a voting ballot is rendered invalid, the votes on the items contained in the voting ballot will not be counted.

11.24.6. Counting

The counting functions will be performed by Debitum Investments, which will check the powers of, and register the participants in a Meeting, determine the quorum at a Meeting, count the votes and determine the voting results, draw up the voting minutes and hand over the voting ballots to the archive.

11.25. NOTICES AND PROVISION OF INFORMATION

Notices to the Noteholders will be given upon sole discretion of the Issuer in the Latvian and English languages and/or any other language the Issuer deems fit for such purposes and will be given by using one or several communication channels:

- emailed to respective email addresses in the register of the Noteholders and deemed to have been given within 24 hours after the dispatch; and
- delivered to Debitum Investments for further communication to the Noteholder according to the services provision agreement between Debitum Investments and the Noteholder (including times when deemed to have been duly given).

Any notices, demands, claims or other communication to the Issuer by any Noteholder will be in the Latvian or English language and will be given by using one of the following communication channels: (a) delivered by hand or courier and deemed to have been given on the same day of delivery; and (b) delivered by registered mail and deemed to have been given on the 10th calendar day following the date indicated on the stamp by the postal service provider on the acceptance of a registered letter; and (c) and sent to the Issuer's indicated e-mail address in the contact information deemed to have been given in 24 hours after sending.

11.26. ESTABLISHMENT OF THE COLLATERAL

In order to secure the Notes, the Collateral Agreement shall be concluded between the Issuer and the Collateral Agent acting on behalf and for the benefit of the Noteholders over all assets of the Issuer as an aggregation of things at the time of pledging as well as future components of such aggregation of things. The Collateral shall be established – registered with the Commercial Pledge Register of the Republic of Latvia on or before the first Issue Date of Notes.

The Collateral Agent shall take all actions that the Collateral Agent as the holder of the Collateral, may reasonably take with the purpose to enforce a commercial pledge over the Collateral according to the procedure provided for in the Collateral Agreements and applicable laws in case:

- an Event of Default has occurred; and
- the Noteholders' Meeting has adopted a decision to instruct the Collateral Agent to enforce the Collateral.

Upon performing of its obligations and exercising its rights, the Collateral Agent shall act at its own discretion in the interests and on the account of the Noteholders collectively and generally (and not of any particular Noteholder) without having any independent interests of its own, other than those. The Issuer has no right to give any instructions to the Collateral Agent. The Collateral Agent is not a party

to the legal relationship between the Issuer and the Noteholders and is under no circumstances liable for the performance of the obligations of the Issuer.

Unless specifically requested by the Collateral Agent, the Noteholders shall not have any right to give any instructions to the Collateral Agent and the Collateral Agent is under no obligation to request or follow such instructions, except for the instructions provided under Section 11.24 by the majority of Noteholders. The Noteholders shall not have any independent power to enforce the Collateral or to exercise any rights or powers arising under the Collateral Agreement. The Noteholders can exercise their rights in relation to the Collateral only through the Collateral Agent pursuant to the Base Prospectus and the Collateral Agent Agreement.

The Collateral Agent shall be entitled (but is not obliged under any circumstances) to request instructions, or clarification of any direction, from the Noteholders as to whether, and in what manner, the Collateral Agent should exercise or refrain from exercising any rights, powers and discretions with regard to the enforcement of the Collateral. Upon such request, the Noteholders shall give their instructions or clarifications to the Collateral Agent within the time period specified in the Collateral Agent's request for instructions or clarifications. The Collateral Agent may refrain from acting until the majority of Noteholders have provided the requested instructions or clarifications. The Collateral Agent may also refrain from acting in accordance with the instructions of the majority Noteholders until it has received such indemnification or security as it may require for all costs, claims, losses, expenses (including, but not limited to, legal fees for services within the Republic of Latvia or in other jurisdictions) and liabilities which it will or may expend or incur in complying with such instructions.

The Collateral Agent is obligated to comply with the instructions submitted under the paragraph above unless such instructions, in the reasonable opinion of the Collateral Agent, may be contrary to the Base Prospectus, the Final Terms, Collateral Agreement, Collateral Agent Agreement or applicable laws. The Collateral Agent shall not be liable to the Investors for acting (or refraining from acting) as described in this Section 11.26.

Upon the performance of its obligations and exercising its rights hereunder, the Collateral Agent shall have the right to use the services of third parties and to appoint third-party representatives. Notwithstanding such use or appointment, the Collateral Agent shall not be released from its responsibilities towards the Issuer and the Noteholders under the Collateral Agent Agreement, and the Collateral Agent shall be personally liable to the Issuer and the Noteholders for the respective obligations. Furthermore, no additional fees and/or expenses shall be paid to the Collateral Agent as a result of such appointment by the Collateral Agent, except where the payment of expenses is set forth in the Collateral Agent Agreement (e.g., as in the case of appointing external lawyers).

It is acknowledged that the Collateral Agent, approved by the Noteholders, operates without actual control from the Issuer and has committed to act in the interests of the Noteholders. Hence, the Collateral Agent shall be liable for performing its duties hereunder as the principal obligor and the Issuer is not able to (and therefore does not) guarantee or otherwise procure the performance by the Collateral Agent of its obligations.

11.27. CHANGES TO THE SECURITY

The Noteholders agree that in the event that the Issuer wishes to acquire financing from credit institution licensed in the EU with an aim to refinance all outstanding Notes at the time, the Noteholders agree on registration of a security interest over the Issuer's assets that would rank senior to the Collateral during the refinancing process, the Security Agent, on behalf of the Noteholders, shall consent to the collateral securing the such financing being registered as senior to the Collateral.

11.28. APPLICATION OF THE PROCEEDS FROM ENFORCEMENT OF THE COLLATERAL

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

- as a first priority for the satisfaction and payment of all costs and expenses (including, without limitation, state duties, notary fees and valuation costs and fees) related to or arising from

enforcement of the Collateral by the Collateral Agent within the limits set forth in the Collateral Agent Agreement, and, solely from the proceeds from the enforcement of the commercial, the fees of the Collateral Agent within the limits set forth in the Collateral Agent Agreement;

- as a second priority (after the full satisfaction, payment and deduction of all claims and amounts set forth above) – payment of the claims of the Noteholders of Senior Series Notes;
- as a third priority (after the full satisfaction, payment and deduction of all claims and amounts set forth above) – payment of the claims of the Noteholders of Junior Series Notes.

The Collateral Agent shall withhold the proceeds necessary for satisfying the costs, and expenses and transfer the remaining proceeds to the Noteholders for satisfying their claims. The Collateral Agent shall return the proceeds from the enforcement of the Collateral remaining to the Issuer (if any).

In case the proceeds remaining after satisfying the fees, costs, expenses, damages do not cover the Noteholder's claims in full, the claims arising from the Notes shall be satisfied pro rata.

The Collateral Agent is not obliged to pay to the Noteholders or any other person any interest on the proceeds from the enforcement of the Collateral (whether deposited or not).

In case the Collateral Agent is required, under applicable laws, to withhold or pay any taxes in connection with payments to be made by the Collateral Agent hereunder, the amount to be paid by the Collateral Agent shall be reduced by the amount of respective taxes and only the net amount shall be paid by the Collateral Agent.

11.29. AGENTS

Debitum Investments acts solely as an agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, any Noteholder.

The Issuer, subject to the provisions of the Transaction Documents reserves the right at any time to vary or terminate the appointment of Debitum Investments and any other party to any of the Transaction Documents.

11.30. REPRESENTATION OF NOTEHOLDERS

The rights of the Noteholders to establish and/or authorize an organization/person to represent the interests of all or a part of the Noteholders are not set forth, but such rights are not restricted. The Noteholders shall cover all costs/fees of such representative(s) themselves.

11.31. FORCE MAJEURE

Neither the Issuer nor Debitum Investments will be responsible for any failure to perform any of its respective obligations under these Terms and Conditions which is due to any reason that is independent on that person's will and has resulted from a force majeure event.

A force majeure event will apply only and solely if that person has taken all steps that depend on it in order to perform the obligation. Once the force majeure event has finished, that person must immediately resume the performance of the obligation.

The following circumstances will be considered as force majeure events:

- extraordinary and unavoidable circumstances including natural disasters, fire, flood, earthquake, warfare, terror acts, riots and strikes;
- technical failures, delays or malfunctions; failure of computers, communications systems, hardware and/or software; power supply malfunctions; or other critical infrastructure malfunctions, which neither the Issuer nor Debitum Investments could have prevented or predicted;
- decisions and/or activities of local and/or foreign public authorities, and/or international organisations;
- entry into force, amendments and/or suspension of a statutory act binding on either the Issuer or Debitum Investments affecting the performance of obligations under these Terms and Conditions; and

- any circumstance defined as a force majeure circumstance in any of the Transaction Documents.

11.32. GOVERNING LAW AND JURISDICTION

The Notes (and any non-contractual obligations arising out of or in connection with the Notes) are governed by, and will be construed in accordance with the law of the Republic of Latvia.

The courts of the Republic of Latvia are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes (including any disputes relating to any noncontractual obligations arising out of or in connection with the Notes) and accordingly any legal action or proceedings arising out of or in conjunction with the Notes may be brought in such courts. The Issuer and each of the Noteholder irrevocably submits to the jurisdiction of such courts.

11.33. AMENDMENTS AND MODIFICATIONS

To comply with any applicable law, the Issuer may validly amend or supplement these Terms and Conditions by publishing the changed Terms and Conditions on the Platform (www.debitum.investments) without the consent of the Noteholders.

11.34. LIMITATION OF LIABILITY, AND REPRESENTATION AND WARRANTIES OF THE NOTEHOLDER

Notwithstanding anything in the Base Prospectus, other than with respect to gross negligence or wilful misconduct by the Debitum Investments, the Debitum Investments will not be held liable by any Noteholder for:

- any material error, misrepresentation, omission or fraud by the Issuer;
- failure of the Issuer for whatever reason to inform of the Payment Event having occurred or for the information being inaccurate or wrong;
- determinations and decisions when distributing amounts under the Notes, including, when applying the Priority of Payments, deciding whether to defer payment or make a partial payment, relying upon or deciding if and when there is no realistic prospect of collecting further funds under a, including in the event of default of the Issuer.

Each Noteholder, on subscribing or buying any Notes directly irrevocably accept and acknowledge that it is fully aware that:

- (i) the Debitum Investments do not make any representation or warranty in respect of, or will not at any time have any responsibility for, or, save as otherwise expressly provided in these Terms and Conditions, liability or obligation in respect of the performance and observance by the Issuer of its obligations, or the recoverability of any sum of the principal, Interest, other return or any additional amounts (if any) due or to become due from the Issuer;
- (ii) Debitum Investments will not at any time have any responsibility for, or obligation or liability in respect of, the condition, financial or otherwise, covenant, creditworthiness, affairs, status or nature of the Issuer;
- (iii) Debitum Investments will not at any time be liable for any representation or warranty, or any act, default or omission of any person;
- (iv) the Investment Accounts will be opened and be held by the Noteholder fully operational with Debitum Investments while the Noteholder holds any Notes.

11.35. Interests of Persons

Save for any fees payable to the Debitum Investments and the Collateral Agent (if any), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer of the Notes.

12. SELECTED FINANCIAL INFORMATION

12.1. Financial Statements

Financial information of the Issuer (balance sheet, profit and loss statements, and other important metrics) is provided in the tables below. The audited financial statements (operational financial reports covering the time period from 4 June 2025 until 31 October 2025) are incorporated by reference into this Base Prospectus. Unless otherwise stated, the information of this Section below should be read in conjunction with and is qualified in its entirety by reference to such financial statements and related notes.

The Issuer's audited financial statement for the period from 4 June 2025 until 31 October 2025 (balance sheet, income statement, and cash flow statement) (<https://balticterra.eu/wp-content/uploads/2025/11/financial-statement-31.10.-BTC-ENG.pdf>) together with the independent auditor's report (<https://balticterra.eu/wp-content/uploads/2025/11/auditors-report-BTC-ENG.pdf>) are published in Issuer's website (<https://balticterra.eu/en/home/>) in Section "Documents" (<https://balticterra.eu/en/documents/>).

As of the date of this Base Prospectus, the Issuer is a newly established undertaking (registered on 4 June 2025), and accordingly, no annual financial statements have been prepared. The financial statements will be prepared in accordance with the Latvian Generally Accepted Accounting Principles (GAAP). The auditors of the Issuer for the financial year 2025 will be appointed, and financial reports for the year ending 31 December 2025 will be submitted to the State Revenue Service of the Republic of Latvia not later than five months after the end of the reporting year, that is, until 31 May 2026.

The tables below set forth the key financial information as at 31 October 2025 (last published audited financial information of the Issuer), which has been extracted or derived from the audited operational financial reports for the time period from 4 June 2025 until 31 October 2025, included by reference in this Base Prospectus, respectively.

12.2. Selected Historical Financial Information

Income Statement

EUR	31/10/2025 (Audited)
Net turnover from other operations	749,630
Cost of sales, purchase costs of goods sold or services provided	(478,293)
Gross profit	271,337
Cost of sales	(3,675)
Administration costs	(1,923)
Profit before corporation tax	265,739
Corporate income tax for the reporting period	-
PROFIT FOR THE PERIOD (NET PROFIT)	265,739

Balance Sheet

EUR	31/10/2025 (Audited)
ASSETS	
Current assets	
Stocks	

Raw materials, basic materials and consumables	
Finished products and goods for sale	
Advances on stocks	
Total stocks	-
Debtors	
Trade receivables	
Other debtors	454
Total debtors	454
Cash	288,273
Total current assets	288,727
TOTAL ASSETS	288,727

EUR	31/10/2025 (Audited)
LIABILITIES	
Equity	
Share capital	20,000
Retained earnings from previous years	
Profit for the reporting period	265,739
Total equity	285,739
Short-term payables	
Other borrowings	
Creditors	121
Taxes and compulsory national social insurance contributions	1,321
Other creditors	1,546
Total short-term payables	2,988
Payables total	2,988
TOTAL LIABILITIES	288,727

Cash Flow Statement

EUR	31/10/2025 (Audited)
Cash Flow from Operations	
Profit or loss before corporate income tax	265,739
Adjustments:	
interest payments and similar costs	-
Profit or loss before adjustments of influence of changes in balances of current assets and short-term creditors.	265,739
Adjustments:	

increase or decrease in accounts receivables balances	(454)
increase or decrease in outstanding balances of accounts payables	2,988
GROSS Cash Flow from Operations	268,273
NET Cash Flow from Operations	268,273
Cash Flow from Investing	
NET Cash flow from Investing	-
Cash flow from Financing	
revenue from stock and debenture issue or investments of capital participatory shares	20,000
NET Cash flow from Financing	20,000
Net cash flow of the reporting year	288,273
cash and its equivalents at the beginning of the reporting year	-
Cash and cash equivalents at the end of the reporting periods	288,273

13. TAXATION

The information provided in this Section will not be treated as legal or tax advice; and prospective investors are advised to consult their own tax advisors as to the tax consequences of the subscription, ownership and disposal of the Notes applicable to their particular circumstances. The following is a general summary of certain tax considerations in the Republic of Latvia in relation to the Notes. It is not exhaustive and does not purport to be a complete analysis of all tax consequences relating to the Notes, as well as does not take into account or discuss the tax implications of any country other than the Republic of Latvia.

Tax laws of the Noteholder's country of residence for taxation purposes and of the Issuer's country of residence may have an impact on the income received from the Notes.

This summary is based on the laws of Latvia as in force on the date of this Base Prospectus and is subject to any change in the law that may take effect after such date, provided that such changes could apply also retroactively.

Latvia has entered into a number of tax conventions on elimination of double taxation (the **DTT**), which may provide a more favourable taxation regime. Therefore, if there is a valid DTT between Latvia and the country of tax residence of a prospective Noteholder, 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", adopted on 30 April 2001.

13.1. Taxation of the Issuer

Issuer is a corporate income taxpayer in Latvia. According to the Latvian tax law, the annual profit earned by entities in Latvia is not taxed. Instead, corporate income tax is paid on dividends, fringe benefits, gifts, donations, representation costs, non-business related disbursements and transfer pricing adjustments. The tax rate applicable is 20%, however, the taxable base is divided by the coefficient 0.8, thus the effective corporate income tax rate is 25%.

13.2. Taxation of the Noteholders' individuals

Resident individuals

An individual will be considered as a resident of Latvia for taxation purposes, if at least one of the following requirements is met:

- the declared place of residence of this person is in Latvia;
- the person stays in Latvia for at least 183 days over the course of a period of 12 consecutive calendar months;
- the person is a Latvian citizen who is employed by the government of Latvia in a foreign country.

In accordance with the Latvian tax laws the interest income received by the individual tax resident in Latvia is subject to tax at the rate of 25.5%. The personal income tax will be withheld by the Issuer before the Interest payment is made by the Issuer to the Noteholder. The tax withheld by the Issuer is a final tax liability on the interest income received.

The income from the sale of the Notes is treated as an income similar to the interest income for the Latvian personal income tax purposes and will be subject to 20% personal income tax and the tax is payable by the individual him/herself.

Non-resident individuals

An individual will be considered as a non-resident of Latvia for taxation purposes in all cases unless he/she is a tax resident of Latvia. Interest income from the Notes received by the non-resident individual will subject to personal income tax in Latvia according to the rate set forth by law, which is currently 25.5%. However, if the non-resident is a tax resident in a European Union or European Economic Area country and has submitted to the Platform (and Platform has accepted) valid self-

certification confirming the tax residence in the respective European Union or European Economic Area country, the tax rate applicable in Latvia will be 5%.

The personal income tax will be withheld by the Issuer or Debitum Investments before the Interest payment is made by the Issuer to the Noteholder.

According to the general practice, the tax withheld in Latvia might be deducted from the tax payable by the Investor in his/her residence country (as tax paid abroad). However, we recommend consulting with the respective country's tax administration or tax adviser to clarify the procedure and documents required to perform such a deduction (if any).

The tax rate might be reduced based on DTT between Latvia and the respective country. The list of DTT concluded by Latvia is available here: <https://www.vid.gov.lv/en/international-agreements>.

The income from the sale of the Notes will be subject to 25.5% tax and the tax would be payable by the individual him/herself if the buyer of the Notes is an individual or legal entity non-resident of Latvia. If the buyer is a legal entity - resident of Latvia, the tax at the rate of 3% will be withheld by the buyer from the remuneration paid.

13.3. Taxation of the Noteholders' legal entities

Resident legal entities

A legal entity would be considered as a resident of Latvia for tax purposes if it is established pursuant to Latvian law. Interest payments on the Notes and proceeds from the disposal of the Notes received by Latvian resident legal entities will not be subject to withholding tax in Latvia. Under the Latvian tax law retained earnings are exempt from corporate income tax and only profit distributions are taxed. Distributed gross profits are subject to the 20% profit tax. Corporate income tax on net amount of profit distribution is determined by dividing net amount with a coefficient of 0.8 (i.e., effective tax rate on net distributed profit is 25%).

Non-resident legal entities

A legal entity would be considered as a non-resident of Latvia for tax purposes in all cases unless it is a tax resident of Latvia. The interest income and capital gains from the sale of the Notes for non-resident legal entities will not be taxable in Latvia (i.e., gross income will be paid), except if the income recipient is located, registered or incorporated in a no-tax or low-tax country (so called "tax havens"; if this is the case - 20% tax will be withheld by the Issuer in Latvia). The list of "tax havens" according to the Latvian law includes US Guam, US Samoa, US Virgin Islands, Republic of Fiji, Republic of Palau, Republic of Panama, Independent State of Samoa, Republic of Trinidad and Tobago, Republic of Vanuatu, the Commonwealth of the Bahamas, Anguilla, Turks and Caicos Islands. The list of mentioned countries and territories may be amended from time to time.

14. APPLICABLE FINAL TERMS

The form of Final Terms that will be issued in respect of each Tranche of Series of the Notes, subject only to the deletion of nonapplicable provisions, is set out below. The completed Final Terms for each Series of the Notes, which are described in this Base Prospectus as the "Final Terms" will be published on the Platform (www.debitum.investments).

Final Terms dated [date] [month] [year]

"SIA "Baltic Terra Capital" ("Issuer")

registration number in Latvia: 40203653737

legal entity identifier: 8945004T25NPO5T6DM66

Series [...] EUR [...] Notes

Terms used herein will be deemed to be as defined in the Base Prospectus 28 November 2025 for the purposes of Prospectus Regulation, in respect of the Notes issued by the Issuer. This document constitutes the Final Terms of the Notes 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 offer of the Notes is only available based on a combination of these Final Terms and the Base Prospectus (as so supplemented). The Base Prospectus (and the supplements, if any) is available for viewing on the Platform (www.debitum.investments) and on Issuer's website (<https://balticterra.eu/en/documents/>).

The summary of the individual issue of the NOTES is annexed to these Final Terms as Appendix 1.

PART A – CONTRACTUAL TERMS I

Information concerning the NOTES to be offered to the public

Series	[...]
ISIN Code	LV[...]
Specified Currency	EUR (euro)
Aggregate Nominal Amount	[...]
Specified Denominations	The Series Aggregate Nominal Amount is divided into [...] NOTES. Nominal amount of the NOTES is EUR 0.01 (one cent).
Issue Price	100% of the NOTES nominal amount
Offer Price of 1 (one) Note	EUR 0.01 (1 cent) or Principal Amount Outstanding of 1 (one) Note
Issue Date	[...]
Maturity Date	[...]
Interest Rate	[...] % per annum
Interest Accrual Periods	[...]

Interest Payment Date(s) [...]

Redemption Date(s) [...]

[Early redemption at the request of the Noteholder A Noteholder may request an early redemption of all or part of its Notes[, provided that the request relates to Notes with an aggregate nominal value of at least EUR [●]]². Any such request is only a proposal and is not binding on the Issuer. The Issuer may, in its sole discretion, accept or reject any such request.]

Ranking Senior Series/Junior Series

Collateral: [...]

Indication of Yield: [...] % per annum

² Optional minimum threshold.