

TERMS OF DISCOUNTED BUYBACK OFFER

11 October 2023

As a current status, Aktsiaselts PlusPlus Capital (the “Company”) did not pay interest on the EUR 2022/2026 bond which was due on 31 July 2023.

The management of the Company has searched for funding to restructure current debt and reach new funding to continue implementing the business plan.

If the Company cannot secure the necessary funding in due course, it may be obligated to apply for a legal restructuring process as a required investor protection mechanism to ensure fair treatment of counterparties in periods of heightened hostility. This course of action may result in hostile bids or forced efforts to sell the assets and significantly reduce the bondholders’ capacity for full and timely recovery of their investments.

According to management projections the Company can pay down all outstanding debt in its current nominal amount within the following seven and a half years in case the rundown mode is implemented. The rundown mode will import downsizing the organization and switching collections to more forceful processes.

Switching into rundown mode and consequent legal restructuring will significantly heighten uncertainty over the actual outcome.

Management has reached an agreement framework for funding of the Company which includes a buyback of the EUR 2022/2026 bond for restructuring the activities (the “Funding”).

The timeline to implement the Funding is by the end of this year.

Successful execution of the Funding requires coordinated effort of current bondholders to remove the obstacles related to the current indeterminate situation with bonds. An agreement for solving or timing all unpaid amounts with creditors needs to be reached for the period of closing the Funding.

The Funding includes an offer for partial buyback of the EUR 2022/2026 bonds at a discount of 45% to their nominal by the end of December 2023 (the “Discounted Buyback Offer”).

Details of the Discounted Buyback Offer are as follows:

Offeror	AS PlusPlus Capital, or a specific group entity
Offering price	550 EUR per note plus accrued interest until 31 July 2023
Transaction type	DVP or through the clearing system
Period for accepting the Discounted Buyback Offer	11 October until 27 October 2023

The settlement date for the Discounted Buyback Offer is before 31 December 2023, but after the interest due on 31 July 2023 is paid to the bondholders. If for any reason the Discounted Buyback

Offer is executed before the interest is credited to the bondholders, the discount is lowered to 39.5%.

Management sees the prompt implementation of the Funding as a clear alternative to avoid switching into rundown mode and consequent legal restructuring with heightened uncertainty over the actual outcome.

By ending up with a forced sale of collateral under current distressed circumstances the asset value may be significantly lower than the Discounted Buyback Offer value.

By accepting the Discounted Buyback Offer bondholder will receive a return of funds ahead of nominal terms.

To accept the Discounted Buyback Offer, the bondholder should send the Acceptance Notice (Annex I) containing the details of the bondholder together with bond ownership details to the Company.

An e-mail with "Acceptance Notice" in the subject line with the requested details in an e-mail body should be sent to the address finance@plusplus.ee by the latest on 27 October 2023.

The Offer is valid for all the bondholders.

Exact details for the settlement will be provided to the bondholders at least one week before the settlement date.

Bondholders not accepting the Discounted Buyback Offer will remain within the current terms and conditions with expected payback of the bond at the maturity in case of successful restructuring of the Company.

All technical details relevant for the execution of this Discounted Buyback Offer, including applicable agreements, additional terms and instructions shall be circulated to all investors by the Company in due course. The Company shall have the right to amend the terms and dates stipulated in this Discounted Buyback Offer in case necessary to duly execute this Discounted Buyback Offer, taking into account both the best interests of the investors as well as the Company.

In case of any questions, please contact Peeter Piho (CEO of the Company, peeter.piho@plusplus.ee) or Kaarel Raik (member of the management board, kaarel.raik@plusplus.ee).



ANNEX I

ACCEPTANCE NOTICE

DETAILS OF THE BONDHOLDER

Name

Representative

Registry code/personal identification number

DETAILS OF THE BOND OWNERSHIP

Number of bonds

Securities account

Securities account operator

CONFIRMATION

I hereby confirm that all data provided in this Acceptance Notice is true and correct. By submitting this Acceptance Notice, I accept the Discounted Buyback Offer pursuant to the terms and conditions specified in the Terms of Discounted Purchase Offer.