

ANNEX 1 - FINAL TERMS OF FINORA CAPITAL OÜ NOTES ISSUE

Final Terms dated 5 March 2015

Finora Capital OÜ

Issue of Notes with the Maximum Aggregate Nominal Value of EUR 5,000,000¹
under the Terms and Conditions of Finora Capital OÜ Notes Issue

1. GENERAL PROVISIONS

- 1.1. These Final Terms of the Notes (the **Final Terms**) constitute the specific terms and conditions of the Notes issued by the Issuer, under the Terms and Conditions of the Finora Capital OÜ Notes Issue dated 5 March 2015 (the **Terms**).
- 1.2. The Final Terms constitute an inseparable part of the Terms and will at all times be interpreted and applied together with the Terms. Words and expressions used, which are defined in the Terms, shall have the same meanings in the Final Terms. In the event of inconsistency between the provisions of Final Terms and provisions of the Terms, the Final Terms shall prevail.
- 1.3. The Issuer is responsible for the adequacy, accuracy and completeness of the information provided for in these Final Terms.
- 1.4. The Final Terms and the Terms are available at the Arranger's office located at the address indicated in the Terms.
- 1.5. The Notes offered under these Final Terms shall be subject to the terms specified in Section 2 of the Final Terms.
- 1.6. If an Interest Payment Date, an Early Redemption Date, a Put Option Date or the Maturity Date as provided below in Section 2 of these Final Terms falls on a day that is not a Banking Day, then the due date of payments and the settlement date of transactions that should occur on the day that is not a Banking Day, shall be the immediately following Banking Day. This shall not affect the sums that shall be paid, which shall be the same as if the payment or settlement had taken place on the Interest Payment Date an Early Redemption Date, a Put Option Date or the Maturity Date provided below in Section 2 of these Final Terms.
- 1.7. As an exception to Section 12.1 of the Terms, the establishment of the Collateral referred to in Sections 2.1.4.3, 2.1.4.4, 2.1.4.5 and 2.1.4.6 by the Collateral Provider is subject to the Issuer's discretion. This shall not in any way affect the Collateral Agent's rights and obligations as holder of other objects of the Collateral.

¹ The Maximum Aggregate Nominal Value of the Issue may be changed by the decision of the Issuer until Issue Date (including).

- 1.8. As an exception to Section 3.4.2 of the Terms, the loans taken by the Issuer from its shareholders before the date of these Terms in a sum of up to EUR 100,000 may be repaid before the Maturity Date.
- 1.9. For avoidance of doubt, the Issuer may make the following payments to its shareholders before the Maturity Date:
 - 1.9.1. payment of management fees to its majority investor in a sum of up to EUR 150,000 or not more than 3% of total revenues during 2015-2017, whichever is greater;
 - 1.9.2. payment of fees under management agreements or employment agreements, provided that the entry into agreements providing for such fees or the payment of such fees has been approved by the majority shareholder;
 - 1.9.3. corporate finance fees may be paid to the shareholders of the Issuer and persons belonging to the same group as the shareholders of the Issuer provided that such fees are paid in relation to raising additional capital and are agreed on an arm-length basis.
- 1.10. As an exception to Section 3.4.5 of the Terms, no distribution of dividends, payments for share repurchase or granting loans to shareholders should occur during any of the Notes are outstanding except dividend payments that do not exceed 40% of the net profit of the last audited financial year
- 1.11. As an exception to Section 3.4.6 of the Terms, until 1 January 2016 the value of the Collateral defined in Sections 2.1.4.1, 2.1.4.3 (if established and not released), 2.1.4.4 (if established and not released), 2.1.4.5 (if established) and 2.1.4.6 (if established and not released) of the Terms shall at the end of each calendar quarter be equal to or exceed 90% of the sum of Principal Value of the Notes excluding the Notes held by the Issuer and/or Related Parties, and accrued interest. The fulfilment of this 90% threshold shall also be a precondition of the release of the Collateral under Section 5.7(b) of the Terms instead of the 100% threshold.
- 1.12. As an exception to Section 3.4.7 of the Terms, the Issuer has a grace period of 6 months to fulfil the 65% requirement from each date of issuing Notes (whether it is the Issue Date or a later date when Notes are issued) in respect of the aggregated Principal Value of the Notes issued on each such date (e.g. if Notes with the aggregated Principal Value of X are issued on 10 March 2015 and Notes with the aggregated Principal value of Y are issued on 01.07.2015, the value of the Collateral referred to in Section 2.1.4.1 must be 65% of X starting from 10 September 2015 and 65% of X+Y starting from 2 January 2016).
- 1.13. The terms shall be supplemented by adding Section 3.11 which provides: "The Issuer undertakes to ensure that the Collateral Provider treats the Investors equitably with other creditors of the Collateral Provider when determining which claims against clients under agreements for the provision of loans secured by mortgages are provided as security for the fulfilment of the Secured Obligations and which are provided as security to other creditors. If the need arises to provide such security to a creditor other than the Investors (e.g. due to repayment by the client of a loan the claim under which was previously provided as security to such creditor), the Collateral Provider shall pledge in favour of such creditor the first claim(s) against client(s) under agreement(s) for the provision of loan(s) secured by mortgage(s) that arises after the need to provide such security to a creditor other than the Investors. If the Issuer enters into a loan agreement

the sum of the claim under which exceeds by 30% the sum of additional collateral that should be created in favour of the Collateral Agent to fulfil the requirements under Sections 3.4.6 and 3.4.7 of the Terms (for avoidance of doubt, as amended by these Final Terms), the provision of such loan may be financed by a bilateral loan taken by the Issuer and the claim against the Issuer's client and the mortgage securing such claim may be pledged in favour of the provider of such bilateral loan.

- 1.14. The Issuer may list the Notes on the First North multilateral trading facility.
- 1.15. Sections 1.4 and 3.5 of the Terms shall only be applicable unless and until the Notes are admitted to trading on the First North multilateral trading facility.
- 1.16. From the date when the Notes are admitted to trading on a multilateral trading facility, the Issuer may designate a credit institution or another financial institution as its payment agent. Thereafter the Investors may exercise their financial rights pertaining to the Notes through the payment agent.

2. TERMS OF NOTES

- 2.1. Issuer: Finora Capital OÜ
- 2.2. Securities to be issued: Secured Notes
- 2.3. Maximum Aggregate Nominal Value of the Issue: EUR 5,000,000
- 2.4. Information on Notes
 - 2.4.1. Currency of denomination: EUR
 - 2.4.2. Nominal Value of a Note: EUR 1,000
 - 2.4.3. Subscription Period: 5 March 2015 – 17.00 pm 6 March 2015
 - 2.4.4. Issue Date: 10 March 2015
 - 2.4.5. Issue Price of a Note: EUR 1,000 if the Note is issued on the Issue Date or any sum determined by the Issuer and marked in the Purchase Offer form provided by the Issuer if Notes are issued after the Issue Date
 - 2.4.6. Interest rate: 9.75% per annum, 30E/360
 - 2.4.7. Interest Payment Date(s): 15 March, 15 June, 15 September and 15 December of every year, except for 15 March 2015

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| 2.4.8. | Maturity Date: | 15 March 2018 |
| 2.4.9. | Redemption Price of a Note: | The sum of the Nominal Value of the Note and the accrued interest |
| 2.4.10 | Early Redemption Date: | On 15 March 2017 (the Early Redemption Date) the Issuer has the right to redeem the Notes by paying the Investors sum of EUR 1010 per Note plus accrued interest. |
| 2.4.11 | Put Options | On 15 March 2017 (the Put Option Date) the Investors have the right to sell back the Notes to the Issuer for consideration in the amount of EUR 975 plus accrued interest. |
| 2.4.12. | ISIN: | EE_____ |
| 2.4.13. | Repayment Date of Principal Value: | Maturity Date |
| 2.5. | Current Account No.: | IBAN: EE701010220240728226 at SEB Pank AS |
| 2.6. | Collateral: | Claims pledge, pledge over mortgages, pledge over bank account, pledge over claims acquired under factoring agreement, pledge over credit claims against subsidiaries (exact composition of collateral is determined by the Issuer in accordance with the Terms) |
| 2.7. | Collateral Agent: | FC Tagatisagent OÜ |

The Issuer, the Arranger and the Investors acknowledge that ISIN code has not been granted to the Issue as of date of the Final Terms because the Notes of this Issue have not been registered in the Register as of the date of the Final Terms. The Issuer and the Investors authorise the Arranger to add ISIN code of the Notes of this Issue to Section 2.4.12 of the Final Terms in hand-written form upon registration of the Notes of this Issue in the Register. No separate or additional signing of the Final Terms or the amendment is needed. After adding ISIN code of the Notes as set forth above in this Section, such addition becomes inseparable and valid addition to the Final Terms.