



Supplement No.1

dated 28 September 2021

to the Prospectus of

IuteCredit Finance S.à r.l.

Luxembourg

dated 30 August 2021

Up to EUR 50,000,000 9.5% to 11.5% Senior Secured Bonds 2021/2026 (the “Bonds”)

with a Term from 6 October 2021 until 6 October 2026

International Securities Identification Number (ISIN): XS2378483494

Common Code: 237848349

This document constitutes a supplement (the “**Supplement**”) for the purposes of Art. 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the “**Prospectus Regulation**”) to the prospectus of IuteCredit Finance S.à r.l. (the “**Issuer**”), a private limited liability company (*société à responsabilité limitée*), incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 14, rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B 234678 dated 30 August 2021 (the “**Prospectus**”) for the issue of up to EUR 50,000,000.00 9.5% to 11.5% Senior Secured Bonds 2021/2026 by the Issuer.

This Supplement has been approved by the Luxembourg Commission for the Supervision of the Financial Sector (*Commission de Surveillance du Secteur Financier* – “**CSSF**”) which is the Luxembourg competent authority for the purposes of the approval of the Prospectus under the Prospectus Regulation. The Issuer has requested the CSSF to provide the competent authorities in Estonia, Latvia, Lithuania and Germany, i.e. to the Estonian Financial Supervisory Authority (Finantsinspeksioon – “**EFSA**”), to the Financial and Capital Market Commission of Latvia (Finanšu un kapitāla tirgus komisija – “**FCMC**”), to the Bank of Lithuania (Lietuvos Bankas) and to the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – “**BaFin**”) with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Regulation. The Issuer may

request the CSSF to provide competent authorities in additional host member states within the European Economic Area with such notification.

Copies of this Supplement together with the Prospectus and all documents which are incorporated therein by reference will be available free of charge from the specified offices of the Issuer.

This Supplement together with the Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu), the Nasdaq Tallinn Stock Exchange (<http://www.nasdaqbaltic.com>), the Frankfurt Stock Exchange (www.boerse-frankfurt.de) and the Issuer's website (<https://iutecredit.com/prospectus/>).

This Supplement is supplemental to and should be read in conjunction with the Prospectus. Terms defined in the Prospectus have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information given in this Supplement. The Issuer hereby declares that, to the best of its knowledge, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement for which it is responsible, is in accordance with the facts and that this Supplement makes no omission likely to affect its import.

Neither the Sales Agents nor any person mentioned in the Prospectus or this Supplement, excluding the Issuer, is responsible for the information contained in the Prospectus or this Supplement, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents. To the extent that there is any inconsistency between any statement included in this Supplement and any statement included or incorporated by reference in the Prospectus, the statements in this Supplement will prevail.

RIGHT TO WITHDRAW

In accordance with Art. 23(2)(a) of the Prospectus Regulation, investors who have already agreed to purchase or subscribe for the securities before this Supplement was published shall have the right, exercisable within three business days after the publication of this Supplement, to withdraw their acceptances, provided that the significant new factor arose or was noted before the closing of the offer period or the delivery of the securities. The final date for the right of withdrawal will be 1 October 2021 (close of business).

Investors may contact IuteCredit Finance S.à r.l. at its registered office should they wish to exercise the right of withdrawal.

I. CIRCUMSTANCES REQUIRING A SUPPLEMENT

The purpose of this Supplement is to accommodate the fact that the board of managers of the Issuer has resolved on 27 September 2021, due to the high demand for the Bonds in the market, to increase the aggregate principal amount of the Bonds to be issued by EUR 25,000,000 to EUR 75,000,000 and to fix the interest rate for the new EUR 75,000,000 senior secured bonds due 6 October 2026 at 11 per cent. p.a., i.e. in the range of the initially envisaged coupon range of 9.5 per cent to 11.5 per cent.

Save as disclosed on pages 4 – 16 of this Supplement, there has been no other significant new factor, material mistake or material inaccuracy since the publication of the Prospectus.

II. AMENDMENTS TO THE PROSPECTUS

The Issuer announces the following changes with regard to the Prospectus:

1. Cover page

Lines 5 and 6 of the heading on the cover page of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

~~Up to~~ EUR ~~50,000,000~~75,000,000

~~9.5% to 11.5~~11.0% Senior Secured Bonds 2021/2026 (the “Bonds”)

The first paragraph on the cover page of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

~~Subject to the Minimum Offer Condition (as defined below),~~ IuteCredit Finance S.à r.l. (the “Issuer”), a private limited liability company (*société à responsabilité limitée*), incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 14, rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B 234678 is expected to issue on or about 6 October 2021 (the “Issue Date”) ~~between EUR 100 (the “Minimum Offer Amount”) and up to EUR 50,000,000 (the “Maximum Offer Amount”)~~ EUR 75,000,000 senior secured bonds due 6 October 2026 (the “Bonds”) for an issue price of 100.00 per cent. of their principal amount (the “Issue Price”). Unless previously redeemed, or purchased and cancelled, the Bonds will bear interest from and including the Issue Date to, but excluding, 6 October 2026 (the “Maturity Date”) at a fixed rate of ~~9.5 to 11.5~~11.0 per cent. per annum payable semi-annually in arrears on 6 April and 6 October each year and will be redeemed at their principal amount on the Maturity Date. ~~The nominal interest rate and the aggregate principal amount of the Bonds are expected to be determined on 27 September 2021 based on the subscription orders received in the course of the Retail Offering and the Institutional Offering (each as defined below) and are expected to be communicated to investors on 27 September 2021 in a pricing notice, which will also contain an indication of the net proceeds of the Offering (as defined below) (the “Pricing Notice”). The Pricing Notice will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu), the Nasdaq Tallinn Stock Exchange (<http://www.nasdaqbaltic.com>), the Frankfurt Stock Exchange (www.boerse-frankfurt.de) and the Issuer’s website (<https://iutecredit.com/prospectus/>).~~

2. Summary

The first paragraph of “Section 1 - Introduction and Warnings”, “Introduction” on page 8 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The securities

~~9.5% to 11.5~~11.0% senior secured bonds due 6 October 2026 for an aggregate principal amount of ~~up to EUR 50,000,000~~75,000,000 of 6 October 2021 with ISIN XS2378483494.

The first paragraph of “**Section 3 – The Securities**”, “*What are the main features of the securities ?*” on page 11 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Type, class and ISIN

~~9.5% to 11.5~~11.0% senior secured bonds due 6 October 2026 for an aggregate principal amount of ~~up to EUR 50,000,000~~75,000,000 (the “**Bonds**”), payable to the bearer, with ISIN XS2378483494.

The second paragraph of “**Section 3 – The Securities**”, “*What are the main features of the securities ?*” on page 11 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Number of Bonds, denomination, currency and term

~~Up to 500,000~~750,000 Bonds in the denomination of EUR 100.00 each with a term from 6 October 2021 until 6 October 2026.

The third paragraph of “**Section 3 – The Securities**”, “*What are the main features of the securities ?*” on page 11 et seq. of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Rights attached to the Bonds

The Bonds will bear interest from (and including) 6 October 2021 to (but excluding) 6 October 2026 at a rate of ~~9.5 to 11.5~~11.0 per cent. per annum ~~(the “**Coupon Range**”).~~ The interest is payable semi-annually in arrears on 6 April and 6 October of each year, commencing on 6 April 2022. ~~The interest rate is expected to be fixed within the Coupon Range on 27 September 2021 and will be communicated to the Holders in a pricing notice (“**Pricing Notice**”). The Pricing Notice will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu), the Nasdaq Tallinn Stock Exchange (www.nasdaqbaltic.com), the Frankfurt Stock Exchange (www.boerse-frankfurt.de) and the Issuer’s website (<https://iutecredit.com/prospectus/>).~~

The Bonds are unconditionally and irrevocably guaranteed on a joint and several basis by the Guarantors (as defined and listed below) and are further secured by local law transaction securities granted by the following Group companies (the “**Pledgors**”): the Issuer, Holdco, O.C.N. “IUTE CREDIT” S.R.L. (*Moldova*), IuteCredit Albania SH.A (*Albania*) and IuteCredit Macedonia DOOEL Skopje (*North Macedonia*).

Greenmarck Restructuring Solutions GmbH, established in 2010 and registered with the lower court of Munich, HRB 187052, with address in Widenmayerstraße 16, 80538

Munich, Germany, or subsequently any other bondholders' agent appointed from time to time pursuant to the terms and conditions of the Bonds (the "**Terms and Conditions**"), is the Holders' agent and security agent. No Holder may take individual action against the Issuer relating to the Bonds in accordance with the Terms and Conditions.

The paragraph of "**Section 3 – The Securities**", "**Where will the securities be traded ?**" on page 12 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Application will be made for admission to trading of the Bonds on the Frankfurt regulated market and on the Nasdaq Tallinn Stock Exchange's regulated market in the aggregate principal amount of ~~up to~~ EUR ~~50,000,000-75,000,000~~ in a denomination of EUR 100.00 each.

The paragraph of "**Section 3 – The Securities**", "**Is there a guarantee attached to the securities ?**" on page 12 et seq. of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Description of the Guarantors

The companies listed below are the guarantors (each a "**Guarantor**" and together the "**Guarantors**"), which are direct subsidiaries of Holdco and part of the Group.

	Name and Country	LEI	Address	Activity
1.	AS luteCredit Europe (<i>Estonia</i>) as Guarantor	52990040 ZC8FL178 1027	Maakri 19/1, EST-10145 Tallinn, Estonia	Holding company of the Group
2.	luteCredit Albania SH.A (<i>Albania</i>) as Guarantor <u>Guarantor</u>	894500DE JR8AOXO S4Y44	Njesia Administrative Nr.5, Rruga Andon Zako Cajupi, Ndertesa Nr.3, Hyrja 2, Zona Kadastrale 8270, Nr. Pasurie 2/462-N3, Albania	Provision of consumer loans to individuals
3.	MKD luteCredit BH d.o.o. Sarajevo (<i>Bosnia Herzegovina</i>) as Guarantor (separate guarantee)	894500D BGW8XXB 371U69	Hamdije Kreševljakovića no. 8, 71000 Sarajevo, Bosnia Herzegovina	Provision of consumer loans to individuals

The first paragraph of “**Section 4 - Offering and admission to trading**”, “**Under which conditions and timetable can I invest in this security ?**” on page 15 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Offering of the Bonds

The Issuer is offering ~~up to 500,000~~ 750,000 Bonds with the maximum aggregate nominal value of EUR ~~50,000,000~~ 75,000,000. The Bond shall be offered by way of a public offering to retail investors in Estonia, Latvia, Lithuania and Germany (the “**Retail Offering**”) and by way of an exempt offer exclusively to qualified investors within the meaning ~~within the meaning~~ of Article 2(e) of the Prospectus Regulation and other investors in compliance with Article 1(4) (a) and (b) of the Prospectus Regulation in member states of the European Economic Area (“**EEA**”) (the “**Institutional Offering**” and together with the Retail Offering, the “**Offering**”).

The fourth paragraph of “**Section 4 - Offering and admission to trading**”, “**Under which conditions and timetable can I invest in this security ?**” on page 15 et seq. of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Disclosure of the interest rate

~~The interest rate rate and the aggregate principal amount of the Bonds are expected to be determined on 27 September 2021 based on the subscription orders received in the course of the Institutional Offering and will be communicated to investors on 27 September 2021 in a pricing notice, which will also contain an indication of the net proceeds of the Offering and the total aggregate principal amount of the Bonds (the “Pricing Notice”).~~

~~The Pricing Notice will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu), the Nasdaq Tallinn Stock Exchange (www.nasdaqbaltic.com), the Frankfurt Stock Exchange (www.boerse-frankfurt.de) and the Issuer’s website (<https://iutecredit.com/prospectus/>).~~

The tenth paragraph of “**Section 4 - Offering and admission to trading**”, “**Under which conditions and timetable can I invest in this security ?**” on page 17 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

Expenses

Total expenses of the issue are expected to amount to EUR ~~1.5~~ 2.5 million ~~assuming full placement of the Bonds in the principal amount of EUR 50,000,000~~. The investors will not be charged by the Issuer any costs, expenses or taxes.

The paragraph of “**Section 4 - Offering and admission to trading**”, “**Why is this Prospectus being produced ?**” on page 17 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The Bonds form part of the Issuer’s debt financing on the capital markets and this Prospectus has been prepared for the purposes of generating proceeds from the issuance of the Bonds.

The net proceeds of the Bonds, approximately EUR ~~48.5~~ 72.5 million ~~assuming full placement of the Bonds in the principal amount of EUR 50,000,000~~, will be used by the Group to refinance existing indebtedness and for general business purposes, including financing of growth in current and future markets as well as potential acquisitions. The Issuer will lend the proceeds to Holdco and/or the Group companies as required. ~~The final amount of net proceeds will be communicated to investors in the Pricing Notice.~~

The issue of the Bonds is not subject to an underwriting agreement.

There are no material conflicts of interest pertaining to the admission of the Bonds to trading on the Frankfurt Stock Exchange’s regulated market and on the Nasdaq Tallinn Stock Exchange’s regulated market.

3. General Information

The paragraph of section 3 “**Subject of this Prospectus**” on page 55 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The subject matter of the Prospectus is the offering, listing and admission to trading on the on the Nasdaq Tallinn Stock Exchange’s regulated market and on the Frankfurt Stock Exchange’s regulated market of the Bonds in the aggregate principal amount of ~~up to EUR 50,000,000~~ 75,000,000 in a denomination of EUR 100.00 each. The interest offered on the Bonds will be a fixed rate of ~~9.5 to 11.5 per cent. per annum. The interest rate is expected to be determined on 27 September 2021 and communicated to Holders in the Pricing Notice~~ 11.0 per cent. Unless previously redeemed, the Bonds will be repaid on 6 October 2026. The Bonds are governed by Luxembourg law and constitute bonds in bearer form in accordance with Luxembourg applicable laws. The Bonds are freely transferable. The yield of the Bonds is ~~within the range of 9.5% to 11.5~~ 11.0% per annum, equal to the interest rate of the Bonds. The security codes of the Bonds are as follows:

International Securities Identification Number: XS2378483494

Common Code: 237848349

4. Use of net proceeds

The paragraph of “**V. Use of net Proceeds**” on page 61 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The net proceeds of the Bonds are intended to be used by the Group to refinance existing indebtedness and for general business purposes. The Issuer will lend the proceeds to Holdco and/or the Group companies as required.

~~Assuming full placement of the Bonds in the principal amount of EUR 50,000,000, the Issuer will receive gross issue proceeds of up to EUR 50,000,000 from the Offering.~~ The Issuer expects to incur expenses in connection with the Offering (comprising the selling commissions of the Sales Agents and other offering-related expenses such as fees for legal and financial advisors) of an aggregate amount of ~~up to~~ approximately EUR ~~1,500,000~~ 2,500,000 (the “**Total Issue Costs**”). As a result, ~~assuming full placement of the Bonds,~~ the net proceeds from the Offering received by the Issuer (after deduction of Total Issue Costs as set out above) will be approximately EUR ~~48,500,000~~ 72,500,000 (the “**Net Proceeds**”).

5. Terms and Conditions

Condition 1.1 “**Definitions**” of the Terms and Conditions the definition of “**Call Option Amount**” on page 127 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

“**Call Option Amount**” means:

- a) the Make Whole Amount if the Call Option is exercised before the First Call Date;
- b) (i) 100% per cent. plus (ii) 50% per cent. of the Interest Rate, of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but excluding) the date falling ~~36~~ 48 months after the Issue Date (the “**Second Call Date**”);
- c) (i) 100% per cent. plus (ii) 25% per cent. of the Interest Rate, of the Nominal Amount if the call option is exercised on or after the Second Call Date up to (but excluding) the Maturity Date.

Condition 1.1 “**Definitions**” of the Terms and Conditions the definition of “**Interest Rate**” on page 135 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

“**Interest Rate**” means a fixed interest rate of ~~9.5 to 11.5~~ 11.0 per cent. per annum ~~as indicated in the Pricing Notice.~~

Condition 1.1 “**Definitions**” of the Terms and Conditions the definition of “**Make Whole Amount**” on page 136 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

“**Make Whole Amount**” means an amount equal to the sum of:

- a) the present value on the relevant Record Date of (i) ~~100%~~ per cent. plus (ii) 50% per cent. of the Interest Rate of the outstanding Nominal Amount, as if such payment originally should have taken place on the First Call Date; and
- b) the present value on the relevant Record Date of the remaining Interest payments (excluding accrued but unpaid Interest up to the relevant Redemption Date) up to and including the First Call Date;

both calculated by using a discount rate of fifty (50) basis points over the comparable German Government Bond Rate (*i.e.* comparable to the remaining duration of the Bonds until the First Call Date).

Condition 1.1 “**Definitions**” of the Terms and Conditions the definition of “**Pricing Notice**” on page 142 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

~~“**Pricing Notice**” means the notice published by the Issuer on or about the Issue Date determining the Interest Rate and the aggregate principal amount of the Bonds on the website of the Luxembourg Stock Exchange (www.bourse.lu), the Nasdaq Tallinn Stock Exchange (www.nasdaqbaltic.com), the Frankfurt Stock Exchange (www.boerse-frankfurt.de) and the Issuer’s website (<https://iutecredit.com/prospectus/>).~~

Condition 2.1 “**Nominal Amount, Currency and Denomination**” of the Terms and Conditions on page 147 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

This issue of the Issuer, in the aggregate amount of ~~up to~~ EUR ~~50,000,000~~ 75,000,000 (in words: ~~fifty~~ seventy-five million Euros (the “**Issuer Currency**”)) is divided into bonds for an issue price of 100.00 per cent. of their principal amount (the “**Bonds**”) payable to the bearer and ranking *pari passu* among themselves in the denomination of EUR 100.00 (the “**Initial Nominal Amount**”) each. Trading of the Bonds in the secondary market is permitted for the Initial Nominal Amount.

6. Guarantees

Clause 1.1 “**Definitions**” of the Guarantee the definition of “**Terms and Conditions**” on page 179 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

“**Terms and Conditions**” means the terms and conditions for the ~~9.5% to 11.5%~~ 11.0% Senior Secured Bonds 2021/2026 issued by IuteCredit Finance S.à r.l. from time to time with ISIN code XS2378483494.

Clause 3.1 of the Guarantee on page 180 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The Guarantors hereby irrevocably and unconditionally undertake to pay to the Security Agent, upon the Payment Demand, and in accordance with the conditions set out here below, all sums which the Security Agent may claim hereunder a maximum amount of principal of ~~fifty-seventy-five~~ million euro (EUR ~~50,000,000.00~~, 75,000,000.00), or the equivalent thereof in another currency, plus any interest, taxes or fiscal charges, duties, expenses, fees, rights, levies, indemnities and damages.

7. Subscription, Sale and Offer of the Bonds

The first paragraph of section 1 “**The Offering**” on page 216 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

~~Subject to the Minimum Offer Condition (as defined below), in~~ in the course of the Offering (as defined below), the Issuer is offering ~~between EUR 100 (the “Minimum Offer Amount”) and up to EUR 50,000,000 (the “Maximum Offer Amount”)~~ EUR 75,000,000 Bonds with the nominal value of EUR 100.00 each. The Offering is made by the way of public offering to retail investors in Estonia, Latvia, Lithuania and Germany following the effectiveness of the notification of this Prospectus by the CSSF according to Article 25 of the Prospectus Regulation (the “**Retail Offering**”). In addition, the Issuer may offer Bonds by the way of non-public offering to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation and other investors in compliance with Article 1(4) (a) and (b) of the Prospectus Regulation on terms and conditions described in this Prospectus (the “**Institutional Offering**” and, together with the Retail Offering, the “**Offering**”). Institutional investors should contact the Manager for information on detailed rules governing the placement of Subscription Undertakings, in particular the documents required if an order is place by a statutory prerepresentative, proxy or any other person acting on behalf of an investor. The Bonds will be publicly offered only in Estonia, Latvia, Lithuania and Germany and not in any other jurisdiction.

Section 5 “**Disclosure of Interest Rate**” et seq. on page 217 et seq. of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

~~5. Disclosure of Interest Rate~~

~~The nominal interest rate and the aggregate principal amount of the Bonds are expected to be determined on 27 September 2021 based on the subscription orders received in the course of the Institutional Offering and will be communicated to investors on 27 September 2021 in a pricing notice, which will also contain an indication of the net proceeds of the Offering and the total aggregate principal amount of the Bonds (the “Pricing Notice”).~~

~~The Pricing Notice will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu), the Nasdaq Tallinn Stock Exchange (www.nasdaqbaltic.com), the Frankfurt Stock Exchange (www.boerse-frankfurt.de) and the Issuer’s website (<https://iutecredit.com/prospectus/>).~~

5.6 Subscription and Instructions to Investors

Submitting Subscription Undertakings

The order to acquire a certain amount of Bonds (the “**Subscription Undertaking**”) may be submitted only during the Offer Period.

Submitting Subscription Undertakings through financial institutions in Estonia, Latvia and Lithuania

In order to submit a Subscription Undertaking, an investor in Estonia, Latvia and Lithuania must submit the Subscription Undertaking through any financial institution that is a member of Nasdaq Tallin, Nasdaq Riga or Nasdaq Vilnius stock exchanges. A complete and up to date list of the financial institutions can be found at the following address: www.nasdaqbaltic.com/statistics/en/members.

Submitting Subscription Undertakings through the Issuer’s website in Estonia, Latvia and Lithuania

In order to submit a Subscription Undertaking, an investor in Estonia, Latvia and Lithuania must submit the Subscription Undertaking through the Issuer’s website (bonds.iute.ee). The Bonds may be purchased through the Issuer's website by entering the subscription orders via a subscription form on the Issuer's website, in accordance with the terms of such subscription form.

Submitting Subscription Undertakings through financial institutions in Germany

In order to submit a Subscription Undertaking, an investor in Germany must submit the Subscription Undertaking through any financial institution that (i) is admitted as a trading participant to the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) or has access to trading on the Frankfurt Stock Exchange via an accredited trading participant, (ii) is connected to XETRA, and (iii) is authorised and able to use the subscription functionality “Direct Place” of the Frankfurt Stock Exchange (*Zeichnungsfunktionalität der Frankfurter Wertpapierbörse*) in the XETRA trading system or the trading system replacing such trading system for the collection and settlement of subscription orders, in accordance with the terms and conditions for use of the subscription functionality of the Frankfurt Stock Exchange. A list of the financial institutions by country that are admitted to the Frankfurt Stock Exchange may be retrieved under the following website: <https://www.xetra.com/xetra-en/trading/xetra-participants>.

The treatment of Subscription Undertakings in the allocation is neither determined on the basis of which institution they are made through nor on the basis of submitting the Subscription Undertakings through the Issuer’s website.

Content of and Requirements for Subscription Undertakings

Forms for Subscription Undertakings will be provided by the Issuer through its website (bonds.iute.ee) or the financial institution through which the investor submits the Subscription Undertaking.

Subscription Undertakings may be submitted only during the Offer Period, only at the Offer Price, and only in euros. If multiple Subscription Undertakings are submitted by one investor, they will be merged for the purposes of allocation.

Each investor must ensure that the information contained in the Subscription Undertaking submitted by such investor is correct, complete and legible. Incomplete, incorrect, unclear or illegible Subscription Undertakings, or Subscription Undertakings

that do not otherwise comply with the terms set out in this Prospectus, may be rejected at the sole discretion of the Issuer.

An investor may submit a Subscription Undertaking either personally or through a representative whom the investor has authorised (in the form required by the local law and by the relevant financial institution or the Issuer, as the case may be) to submit the Subscription Undertaking.

Costs and Fees

Investors must bear all costs and fees charged by the respective financial institution through which they submit their Subscription Undertaking. This may include costs and fees for the submission, amendment or cancellation of a Subscription Undertaking, or for the settlement of the transaction. These costs and fees may vary depending on the rules and prices established by the particular financial institution. The Issuer does not charge any costs or fees when submitting the Subscription Undertaking through its website.

Submission of Subscription Undertakings through Nominee Accounts

An investor may submit a Subscription Undertaking through a nominee account only if such an investor authorises the owner of the nominee account to disclose the investor's identity, personal ID number or registration number, and address to the Issuer and the relevant financial institution where the investor holds its securities account. Subscription Undertakings submitted through nominee accounts without the disclosure of the above information will be disregarded.

Amendment and Cancellation of Subscription Undertakings

Investors have the right to amend or cancel their Subscription Undertakings at any time until the end of the Offer Period. This may result in costs and fees charged by the financial institution through which the Subscription Undertaking is submitted. The Issuer does not charge any costs or fees for amending or cancelling a Subscription Undertaking submitted through its website.

Legal Effect of Subscription Undertakings

By submitting a Subscription Undertaking, each investor:

- (i) confirms that he/she/it has read the Prospectus and the Prospectus summary translated into Estonian, Latvian, Lithuanian or German;
- (ii) accepts the terms and conditions of the Offering set out in this section "*Subscription, Sale and Offer of the Bonds*", elsewhere in this Prospectus and agrees with the Issuer that such terms will be applicable to the investor's acquisition of any Bonds;
- (iii) accepts that the number of the Bonds indicated by the investor in the Subscription Undertaking will be regarded as the maximum number of the Bonds which the investor wishes to acquire (the "**Maximum Amount**") and that the investor may receive less (but not more) Bonds than the Maximum Amount subscribed for (please see section "*Distribution and Allocation*" below);
- (iv) undertakes to acquire and pay for any number of the Bonds allocated to them up to the Maximum Amount;
- (v) authorises and instructs the financial institution through which the Subscription Undertaking is submitted and the Issuer, as the case may be, to

arrange the settlement of the transaction on their behalf (taking such steps as are legally required to do so) and to forward the necessary information to the extent necessary for the completion of the transaction;

- (vi) authorises the financial institution through which the Subscription Undertaking is submitted and the Issuer, as the case may be, to process and forward information on the identity of the investor and the contents of the investor's Subscription Undertaking to the Issuer and/or its advisors, as the case may be, before, during and after the Offer Period;
- (vii) authorises the financial institution through which the Subscription Undertaking is submitted and the Issuer, as the case may be, to amend the information contained in the Subscription Undertaking, including to (a) specify the value date of the transaction, (b) specify the number of the Bonds to be purchased by the investor and the total amount of the transaction, up to the Maximum Amount times the Offer Price; (c) correct or clarify obvious mistakes or irregularities in the Subscription Undertakings, if any;
- (viii) confirms that he/she/it is not subject to the laws of any other jurisdiction which would prohibit the placing of the Subscription Undertaking and represents that he/she/it is authorised to place a Subscription Undertaking in accordance with the Prospectus; acknowledges that the Offering does not constitute an offer for the Bonds by the Issuer within the meaning of Section 16(1) of the Estonian Law of Obligations Act (*Võlaõiguseadus*), Section 1536. and Section 1537. of the Civil Law of Latvia, Section 6.167 (1) and (2) of the Lithuanian Civil Code (*Lietuvos Respublikos Civilinis kodeksas*) and Sections 145 et seq. of the German Civil Code (*Bürgerliches Gesetzbuch*) or otherwise, and that the submission of a Subscription Undertaking does not constitute the acceptance of a sales offer, and therefore does not in itself entitle the investor to acquire the Bonds, nor results in a contract for the sale of the Bonds between the Issuer and the investor.

6.~~7.~~Payment

By submitting a Subscription Undertaking to the financial institutions, an investor authorises and instructs the financial institution operating the investor's cash account connected to its securities account (which may or may not also be the investor's custodian) to immediately block the whole transaction amount on the investor's cash account until the settlement is completed or funds are released in accordance with these terms and conditions. The transaction amount to be blocked will be equal to the Offer Price multiplied by the Maximum Amount. Investors may submit Subscription Undertakings only when there are sufficient funds on the cash account connected to its securities account to cover the whole transaction amount for that particular Subscription Undertaking.

By submitting a Subscription Undertaking to the Issuer through its website (bonds.iute.ee), the investor will need to prepay an amount equal to the Offer Price multiplied by the Maximum Amount to the Issuer's cash account as further detailed in the forms for Subscription Undertakings provided on the Issuer's website (bonds.iute.ee).

7.~~8.~~Distribution and Allocation

The Issuer expects to decide on the allocation of the Bonds after the expiry of Offer Period and on or about 27 September 2021. The Bonds will be allocated to the investors participating in the Offering in accordance with the following principles:

- (i) the division of Bonds between the retail and institutional investors has not been predetermined. The Issuer will determine the exact allocation in its sole discretion;
- (ii) under the same circumstances, all investors shall be treated equally, whereas dependant on the number of investors and interest towards the Offering, the Issuer may set minimum and maximum number of the Bonds allocated to one investor; which will apply equally to both – the retail investors and the institutional investors;
- (iii) the allocation shall be aimed to create a solid and reliable investor base for the Issuer;
- (iv) the Issuer shall be entitled to prefer Estonian, Latvian, Lithuanian and German investors to foreign investors who may participate in the non-public offering;
- (v) the Issuer shall be entitled to prefer its existing Shareholders and bondholders of the Issuer to other investors;
- (vi) possible multiple Subscription Undertakings submitted by an investor shall be merged for the purpose of allocation; and
- (vii) each investor entitled to receive the Bonds shall be allocated a whole number of Bonds and, if necessary, the number of Bonds to be allocated shall be rounded down to the closest whole number. Any remaining Bonds which cannot be allocated using the above-described process will be allocated to investors on a random basis.

The Issuer expects to announce the results of the Offering and the allocation on or about 27 September through the information systems of the Nasdaq Tallinn Stock Exchange and the Frankfurt Stock Exchange and through the Issuer's website (*bonds.iute.ee*). The results of the Offering will be notified vis-à-vis the CSSF.

Investors will be informed via their relevant financial institution or the Issuer, as the case may be, to which extent their Subscription Undertakings were accepted.

8. ~~9.~~ Settlement and Trading

The Bonds allocated to investors are expected to be transferred to their securities accounts on or about 6 October 2021 (i) through the "delivery versus payment" method if subscribed via financial institutions, simultaneously with the transfer of payment for such Bonds on terms announced for the Offering or (ii) through the "free of payment" method if subscribed via the Issuer's website (*bonds.iute.ee*) and prepayed by investors until the end of the Offer Period. The title to the Bonds will pass to the relevant investors when the Bonds are transferred to their securities accounts.

If an investor has submitted several Subscription Undertakings through several securities accounts, the Bonds allocated to such investor will be transferred to all such securities accounts proportionally to the number of the Bonds indicated in the Subscription Undertakings submitted for each account, rounded up or down as necessary. Trading of the Bonds is expected to commence on the Nasdaq Tallinn Stock Exchange and on the Frankfurt Stock Exchange on or about 6 October 2021.

9. ~~10.~~ Return of Funds

If the Offering or a part thereof is cancelled, if the investor's Subscription Undertaking is rejected or if the allocation is less than the amount of the Bonds applied for, the funds blocked on the investor's cash account, on the Issuer's cash account or on the Paying

Agent's cash account, as the case may be, (or the excess part thereof) will be released by the respective financial institution. Regardless of the reason for which funds are released, the Issuer shall never be liable for the release of the respective funds and for the payment of interest on the released funds for the time they were blocked (if any).

10.~~11.~~ Cancellation of Offering and Extension or Shortening of the Offer Period

The Issuer has the right to cancel the Offering in full or in part in its sole discretion, at any time until the end of the Offer Period. In particular, the Issuer may decide to cancel the Offering in the part not subscribed for.

Furthermore, the Issuer has a right to shorten or extend the Offer Period, at any time until the end of the Offer Period.

Any cancellation of the Offering, or the shortening or extension of the Offer Period, will be announced through Nasdaq Tallin's website (www.nasdaqbaltic.com), Frankfurt Stock Exchange's website (www.boerse-frankfurt.de) and through the Issuer's website (<https://iutecredit.com/prospectus/>). All rights and obligations of the parties in relation to the cancelled part of the Offering will be considered terminated as of the moment when such announcement is made public.

11.~~12.~~ Conflicts of Interests

According to the best knowledge of the board of managers of the Issuer, persons involved in the Offering do not have any personal interests in the Offering, which would be material to the Offering. The management is unaware of any conflicts of interests related to the Offering.

12.~~13.~~ Listing and Admission to Trading

The Issuer will, simultaneously with the Offering, apply for the listing and for the admission to trading of the Bonds on the Baltic regulated market of Nasdaq Tallinn Stock Exchange and on the Frankfurt Stock Exchange's regulated market (*General Standard*), segment for bonds of Deutsche Börse AG. The expected date of listing and the admission to trading of the Bonds is on or about 6 October 2021.

While every effort will be made and due care will be taken by the Issuer in order to ensure the listing and the admission to trading of the Bonds, the Issuer cannot ensure that the Bonds are listed and admitted to trading on the Nasdaq Tallinn Stock Exchange's or on the Frankfurt Stock Exchange's regulated markets.