„ITF GROUP” AD

EU FOLLOW-ON PROSPECTUS FOR THE ISSUANCE OF BONDS

This Prospectus contains the information necessary in respect of „ITF GROUP” AD required for taking an investment decision, including the principal risks associated with the Issuer and its activity. The Prospectus contains all the information which, in the light of the particular characteristics of the Issuer and of the securities admitted to trading on a regulated market, is necessary for investors to make an accurate assessment of the economic and financial position, the assets and liabilities, the financial results and the development prospects of the Issuer, as well as of the rights attaching to the securities.

This EU Follow-on Prospectus has been drawn up in accordance with Article 14a of Regulation (EU) 2017/1129 and contains the information set out in Annex 31 to Commission Delegated Regulation (EU) 2026/773 of 4 March 2026 amending Delegated Regulation (EU) 2019/980 as regards the reduced content and the standardised format and sequence of the EU Follow-on Prospectus and of the EU Growth Issuance Prospectus.

Investing in the Offered Bonds involves risk inherent in debt financial instruments, as well as risk related to the business of the Company. The risk factors associated with the Offered Bonds are presented in this Prospectus, Section II „Risk Factors”.

Investors accept that they rely solely on the information contained in this Prospectus, and that no person has been authorised to provide any information or to make any statements in connection with the Company or the Offered Bonds other than those contained in this Prospectus, and if any such information or statements have nevertheless been made, such differing information or statements must not be regarded as confirmed by the Company.

„ITF GROUP” AD, in its capacity as issuer of the securities, and the investment intermediary „ELANA Trading” AD, in its capacity as Manager of the Offering, assume responsibility for the completeness and accuracy of the information contained in the Prospectus. The members of the Board of Directors of „ITF GROUP” AD and the representatives of IB „ELANA Trading” AD declare with their signatures, affixed at the end of this Prospectus, that to the best of their knowledge the information contained herein corresponds to the facts, that there are no omissions which may affect its meaning, and that the information presented herein is true and complete. In addition, the representatives of „ITF GROUP” AD and of IB „ELANA Trading” AD declare with their signatures, affixed at the end of the document, that it complies with the requirements of Regulation (EU) 2017/1129, Chapter Six of POSA and the acts on their implementation. They believe in the opinions, assumptions and intentions contained in this Prospectus, having arrived at them after taking into account all material circumstances on the basis of reasonable assumptions.

The members of the Board of Directors of „ITF GROUP” AD and the representatives of IB „ELANA Trading” AD shall be jointly and severally liable for any and all damages caused by misleading, incorrect or incomplete data in the Prospectus. The persons responsible for the preparation of the financial statements shall be liable for any and all damages caused by incorrect, misleading or incomplete data in the financial statements of the Company, and the auditors of the Company - for damages caused by the audit reports issued on the financial statements audited by them of the Company. Details of the above-mentioned persons are set out in the part „Responsible Persons” of this Prospectus.

This EU Follow-on Prospectus has been approved by the Financial Supervision Commission (FSC), in its capacity as competent authority pursuant to Regulation (EU) 2017/1129 and Delegated Regulation (EU) 2026/773. This approval should not be regarded as an endorsement of the Issuer or of the quality of the securities to which this EU Follow-on Prospectus relates. The approval of the EU Follow-on Prospectus by the FSC means only a confirmation that the Prospectus meets the criteria of completeness, comprehensibility and consistency laid down in Delegated Regulation (EU) 2026/773. The FSC does not bear responsibility for the accuracy of the data contained in the Prospectus.

Date: 16.10.2026

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SECTION I - SUMMARY

SUB-SECTION A - INTRODUCTION CONTAINING WARNINGS

This summary should be read as an introduction to the EU Follow-on Prospectus for the issuance of bonds with ISIN BG2100036263 of the Issuer „ITF GROUP“ AD, LEI code 254900SP9M660ZUP0O21 and registered address: city of Sofia, Lozenets district, 16 „Srebarna” Street, Park Lane Office Center bl., floor 8, website www.itfgroupbg.com.

The Prospectus has been approved by the Financial Supervision Commission, Sofia, 16 Budapeshta Street, tel. +359 2 940 49 99, e-mail: fsc@fsc.bg, (www.fsc.bg) by decision No. 678-E /29.10.2026.

Any decision to invest in the Offered Bonds should be based on a thorough reading of the Prospectus as a whole. Investors should bear in mind that the price of the Offered Bonds may fall and that they may lose all or part of the amount invested in them.

Civil liability is borne only by the persons who have drawn up the summary (including any translation thereof), where it is misleading, inaccurate or inconsistent with the other parts of the Prospectus or where it does not provide, when read together with the other parts of the Prospectus, the key information in order to aid investors when considering whether to invest in such securities.

A plaintiff investor who has brought a claim regarding the content of the Prospectus may, under the relevant national legislation, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

SUB-SECTION B - KEY INFORMATION ON THE ISSUER

Who is the Issuer of the Offered Bonds?

The Issuer of the Offered Bonds is „ITF GROUP“ AD - a joint-stock company established under Bulgarian law, with registered seat and address of management: city of Sofia, Lozenets district, 16 „Srebarna” Street, Park Lane Office Center bl., floor 8, and LEI code 254900SP9M660ZUP0O21.

„ITF GROUP“ AD is a financial institution pursuant to Article 3, paragraph 2 of the Credit Institutions Act, entered under reg. number BGR00298 in the register of the BNB in 2012. The principal activity of the Company consists in the granting of loans with funds that have not been raised through the public attraction of deposits or other repayable funds.

The scope of activity of „ITF GROUP“ AD pursuant to Article 5 of the Articles of Association of the Company is: granting of loans with funds that have not been raised through the public attraction of deposits or other repayable funds; financial leasing; guarantee transactions; acquisition of receivables under loans and activity constituting another form of financing (factoring, forfaiting and others) in connection with loans; acquisition of an equity participation in a credit institution or in another financial institution.

ITF is an innovative financial technology company focused on providing fast and convenient access to financial resources through the use of advanced technologies and the introduction of automation and optimisation in all operational processes.

The clients of the Company are individuals with regular income and a good credit history. Since its establishment to date, more than 310 000 loans have been granted, and the number of active clients at present is more than 22 000. The loans granted in 2025 amount to EUR 37.9 million, and for the first half of 2026 - to EUR 21.9 million.

The Company uses the consumer lending brand Smile credit, providing loans under the following products:

- „Payday loan“ with a maximum term of up to 30 days for amounts from EUR 100 to EUR 300;
- „Instalment loan“ with a maximum term of up to 24 months for amounts from EUR 100 to EUR 6 000.

Online loans under the Smile Credit brand accounted for more than 97% of the company's portfolio at the end of 2025, and the remaining approximately 3% are offline loans through the retail network. The turnover of Smile Credit loans is distributed between two products - the principal one, with a share of more than 99% as at the date of the prospectus, is the „Instalment loan“, and with a minimum share below 1% is the product „Payday loan“.

The client base of the Smile Credit online platform consists predominantly of people aged between 20 and 55 years who are socially active, have permanent employment, are self-employed or are entrepreneurs.

The clients of the Smile Credit retail network have a different profile. The typical client prefers cash settlements, personal contact and personalised service.

Historically, the difference in the risk profile of the clients between the two types of products of „ITF Group“ AD also determined a difference in the average loss rate between them. In recent years, with the accumulation of a larger base, economies of scale and the improved technology for credit screening of clients, the average loss rate across the different types of clients has been moving within the range of 10-11%.

„ITF GROUP“ AD is managed by a Board of Directors (BD) with the following composition:

- Svetoslav Yuriy Angelov - Executive Director and member of the BD;
- Yuriy Angelov Angelov - Chairman of the Board of Directors;
- Zornitsa Georgieva Staynova - Member of the Board of Directors;
- Yuliyana Ognyanova Muteva - Member of the Board of Directors;
- Diyan Dimitrov Georgiev - Member of the Board of Directors.

The business address of the managing persons is city of Sofia, Lozenets district, 16 „Srebarna” Street, Park Lane Office Center bl., floor 8.

„Abby Capital“ EOOD holds 88.52% of the voting shares in the capital of the Company and thereby exercises direct control over the Issuer. The Executive Director of the Issuer, Svetoslav Angelov, in his capacity as sole owner of the capital of „Abby Capital“ EOOD, exercises indirect control over „ITF GROUP“ AD.

The auditor who examined and certified the annual financial statements of „ITF GROUP“ AD for 2025 is the audit firm „Ecovis Audit Bulgaria“ OOD with registration number, according to the register under Article 20 of the IFASAA, 114, with the registered auditor responsible for the audit being Maria Manolova, member of the Institute of Certified Public Accountants in Bulgaria (ICPA) with reg. number 0855. The business address of Ecovis Audit Bulgaria OOD is Sofia 1606, 71-73 „General Eduard I. Totleben“ Blvd., Business Center entrance, floor 5, office 1.

What is the key financial information regarding the Issuer?

Income statement	2025	30.06.2026
Operating profit/loss	4 141	1 967
Balance sheet	**2025**	**30.06.2026**
Net financial liabilities (long-term liabilities plus short-term liabilities minus cash)	18 605	22 541
Current ratio (current assets/current liabilities)	1.77	2.44
Gearing ratio (total liabilities/total shareholders' equity)	12.75	17.15
Interest coverage ratio (operating income/interest expense)	2.71	2.32
Cash flow statement	**2025**	**30.06.2026**
Net cash flows from operating activities	-4 767	-481
Net cash flows from investing activities	-17	-115
Net cash flows from financing activities	5 423	4 805

All information in the above table is on a consolidated basis. All values are in EUR thousand.

What are the key risks that are specific to the Issuer?

The Company may fail to pay its obligations. In an adverse situation related to a lack of sufficient liquid funds, reduced payments from its clients and/or as a result of increased costs, the Company may not be in a position to meet all of its obligations smoothly as they fall due, or may be able to do so only at the cost of drastically higher expenses.

- due to a lack of sufficient liquidity

It is possible that, as a result of poor financial planning and/or a lack of overall liquidity in the financial system, the Company may fail to renew and service its loans on time. In an extreme case, this could lead to a breach of the terms stipulated under those loans, including those for compliance with certain financial ratios and cross default.

- due to reduced revenues/payments and/or increased costs

In addition to a temporary shortage of liquidity, the Company may fail to pay its obligations as a result of reduced revenues/payments from clients (this risk is described below), as well as as a result of an increase in the operating and/or financial expenses of the Company.

The Company may fail to collect its receivables from clients in full and on time. Among the principal risks for the Company is that its clients may not be in a position to repay in full and within the customarily envisaged time limits the amounts due from them (credit risk). Such a deterioration in the creditworthiness of the clients of the Company may be caused, for example, by socio-economic or client-specific factors related to the economic situation at the time. Thus, in the event of an economic slowdown or recession, the percentage of regular payments on loans will decrease and impairment levels will rise significantly. The decrease in creditworthiness and the increased impairment levels affect profitability, the number of clients meeting the requirements for taking out new loans, and the engagement of employees and agents, and could ultimately have a material adverse effect on the business, the revenues and the financial position of the Company.

The activity of the company is concentrated in one sector and is dependent on its performance. The activity of the Company is focused almost entirely in the non-bank financial sector and in particular in the field of consumer lending, as well as lending to small and medium-sized enterprises. This allows the accumulation of significant expertise and efficiency through economies of scale, but limits flexibility in the event of adverse performance of the sector. Should the non-bank financial sector perform unfavourably, this may have a significant negative effect on the activity and the future financial results of the Issuer.

Risks related to the competitive environment. The Company carries out its activity in a sector with intense competition both from local companies and from companies with an international presence, both offline and online. In addition to the independent companies, banking and leasing companies also create their own consumer lending divisions. If some of these competitors operate at lower operating or financial costs, they may offer more favourable terms for clients and/or more suitable products for clients and thereby force the Company also to revise its terms, which will lead to a deterioration of its results. Increased competition may reduce the market share, lead to an increase in the costs of attracting and retaining clients, a decrease in the loans granted, greater pressure on the Company's personnel costs, lower revenues and lower profitability.

The methods applied for client analysis may prove to be ineffective. The correct assessment of the creditworthiness of the Company's clients is of key importance for its profitability and solvency. Despite the numerous preliminary tests and assessments and despite the long-standing experience of the Company, the methods and analyses used may prove to be ineffective and the assessment of the creditworthiness of the clients may be incorrect. All of this may materially and adversely affect the results of operations and the financial position of the Company.

Intensive regulation. The non-bank financial sector, especially in its consumer loans part, is highly regulated both at national and at European level. On the one hand, this allows greater protection for the end consumer of this type of product. On the other hand, excessive regulation reduces the competitiveness of the participants in the sector compared to emerging and lightly regulated or entirely unregulated business models and organisations. The annual percentage rate of charge (APR) in respect of the consumer loans granted by the Company is higher than for the loans provided by the commercial banks, which reflects the higher risk in granting these loans. Nevertheless, under pressure from various political, lobbying and public groups, it is possible that, through laws or secondary regulations, new or additional restrictions may be imposed on the level of the interest rates, the total cost of the credit, the APR or other types of restrictions on the cost of the credit. This may lead to a serious decline in the revenues of the participants in the sector and, from there, to poorer financial results.

Risks related to the long-term partnerships with the so-called Peer to peer platforms. For additional financing of its activity, the Company partners with various Peer to Peer Platforms (the „Platforms“). The principal risks related to the partnerships with the Peer to Peer Platforms may be summarised in the following groups:

- *Credit risk.* Pursuant to the arrangements with the Platforms, in the event of non-payment by the borrowers in whose loans the participants of the respective Platform have invested, the Company is obliged to pay the respective amounts due to the investors of the Platforms in his place. In this way the Company assumes the credit risk of non-payment, which may lead to reduced liquidity.
- *Liquidity risk.* The Platforms are used by the Company as an additional source of financing and/or of securing liquidity with a view to faster growth. In the event that at a given moment the Platforms are unable to provide this financing/liquidity, the Company may be forced to seek new sources of financing/liquidity in order to cover its current obligations and/or to secure the envisaged growth. There are no guarantees that such new sources can be found quickly, or that their terms will not be less favourable than those of the Platforms.

Risk of a breakdown in the technologies used by the company. The ability of the Company to examine and monitor the current condition of its clients and of its receivables from them, to maintain internal financial and operational control, to monitor and manage its risk exposures, as well as to provide high-quality service to its clients, depends on the uninterrupted and efficient operation of its information and communication systems and their trouble-free functioning, including in emergency situations. A breakdown in the operation of these systems is possible as a result of inadequate internal control processes and protection systems, human error, fraud or external events that interrupt normal business operations. Any interruption or failure of the information and other systems of the Company may impair its ability to provide its services efficiently, damage its reputation, including its ability to collect instalments from clients, to attract new clients and to retain existing ones. In addition, any loss of a given client database would lead to significant expenditure of time and funds for its restoration, which would have a material adverse effect on the activity and the financial position of the Company.

Attracting and retaining qualified personnel is a challenge. The loss of key personnel or of a significant number of talented employees, as well as the inability to attract, retain and motivate agents, operational managers and employees necessary for the continuation and expansion of the activity of the Company, may have a material adverse effect on its business, growth prospects, results of operations and financial position.

Operational risk. The Company is exposed to the risk of losses or unforeseen costs related to incorrect or non-functioning internal processes, human errors, external circumstances, administrative or record-keeping errors, disruptions of activity, fraud, unauthorised transactions and damage caused to assets. Any failure to identify or to correct operational risk by the risk management system may have a material adverse effect on the activity and the reputation of the Issuer and, from there, on the results of its activity.

Risk of a decline in economic activity. This risk may arise as a result of various factors, such as geopolitical tensions, financial crises, changes in trade relations and other external influences. The principal risks facing the company in this respect are:

- The trade and political disputes between the USA and the rest of the world;

- The war in the Middle East and the related oil crisis;
- The ongoing war between Russia and Ukraine;
- The political instability in the European Union;
- The volatility of the commodity markets;

A potential deterioration of economic conditions globally and in Bulgaria would lead to a decline in business confidence, a decrease in the value of real and financial assets and an increase in non-payments and intercompany indebtedness. A serious economic crisis would also bring with it a serious rise in unemployment (despite the historically lowest levels reported and the current shortage of labour), as well as a decline in the disposable income of households. All of this may lead to the need for more restrictive risk policies in respect of clients with a view to avoiding a rise in the levels of uncollectable loans, which may lead to reduced volumes of newly granted loans, reduced revenues and increased impairment costs.

SUB-SECTION C - KEY INFORMATION ON THE SECURITIES

What are the main features of the Offered Bonds?

The main features and terms of the Offered Bonds are presented below:

Issuer	„ITF GROUP“ AD
ISIN	BG2100036263
Size of the issue	15 000 000 (fifteen million) euro
Type of bonds	ordinary, registered, dematerialised, interest-bearing, non-convertible, freely transferable, unsecured
Number of bonds	15 000 (fifteen thousand)
Nominal value	1 000 (one thousand) euro
Issue value	1 000 (one thousand) euro
Term (Maturity)	7 years (84 months)
Issue Date	The final date of the subscription
Maturity Date	The date falling 7 (seven) years after the Issue Date
Coupon	11% fixed interest on an annual basis
Interest payments	Semi-annual interest payments
Interest convention	ISMA Actual/Actuals (Actual number of days in the period / Actual number of days in the year)
Interest payment dates	Each of the dates on which each six-month period from the Issue Date to the Maturity Date expires.
Ex-Coupon day	3 /the third/ business day preceding the Interest Payment Date.
Repayment of the principal	In six amortisation instalments as follows: • five instalments, equal to 13.33% of the nominal value of the bond loan each, payable together with the penultimate five interest payments - the ninth, tenth, eleventh, twelfth and thirteenth; • one instalment, equal to 33.35% of the nominal value of the bond loan, which instalment is payable together with the last interest payment.
Paying agent	„Central Depository“ AD
Option for the repurchase of all Bonds by the Issuer /Call option/	The Issuer is entitled to repurchase all bonds outstanding /Call option/ on several fixed dates, as follows: 1. On the date of the 8th interest payment at a price of 109% of the outstanding principal after payment of the principal and interest due. 2. On the date of the 9th interest payment at a price of 108% of the outstanding principal after payment of the principal and interest due. 3. On the date of the 10th interest payment at a price of 107% of the outstanding principal after payment of the principal and interest due.

	4. On the date of the 11th interest payment at a price of 106% of the outstanding principal after payment of the principal and interest due. 5. On the date of the 12th interest payment at a price of 105% of the outstanding principal after payment of the principal and interest due. 6. On the date of the 13th interest payment at a price of 103% of the outstanding principal after payment of the principal and interest due.
Option for repurchase by the Bondholders /Put option/	After an approved Change of Control occurs, Bondholders who voted against it may, within 30 days of the meeting, require repurchase at 100% of unamortised principal plus accrued and unpaid interest up to the Put Option Settlement Date.
Type of the offering	Primary public offering
Start date of the subscription	A date indicated in the Public Offering Announcement, which is at least 7 (seven) days after the publication of the Public Offering Announcement
Final date of the subscription	The third Business Day, counting the Start Date as day one
Admission to trading on a regulated market	Upon a successful public offering of the Issue, the Issuer will request its admission to trading on the „Bonds Segment“ of the Main Market of the BSE

The bonds of the issue constitute one class and confer equal rights on their holders. The bonds embody unconditional obligations of the Issuer for repayment of the loan received and the interest thereon.

The bond loan being issued is not subordinated to other obligations of the Issuer and the discharge of the obligations of the Issuer to the bondholders of the present issue is not conditional upon the satisfaction of claims of other unsecured creditors. In the event of insolvency (bankruptcy), the claims under the present issue rank eighth in the order of satisfaction together with all other unsecured claims arising before the date of the decision on the opening of the insolvency proceedings, pursuant to Article 722, paragraph 1, item 8 of the CA.

The bonds of this issue may be transferred freely, without restrictions, at the will of their holders. The transfer of the bonds takes effect as from the registration with the CD. Bulgarian legislation provides for restrictions on the transfer of bonds blocked at the CD, as well as of such over which a pledge has been established or a distraint has been imposed.

Where will the Offered Bonds be traded?

Upon a successful public offering of the Issue, the Issuer will file an application with the BSE for the admission of the bonds to trading on a regulated market. The latter may commence on the date determined by the Board of Directors of the BSE.

Other than on the BSE, the Company does not intend to apply for the admission of the bonds to trading on other regulated markets, on markets of third countries, on SME growth markets or MTFs, apart from the BSE.

As at the date of this Document, the Company has three issues outstanding which are of the same class as the present issue and have been admitted to trading on the Bulgarian Stock Exchange (BSE), namely:

- Issue with ISIN code BG2100009245 and exchange code ITFB, with first trading date on the BSE 06.08.2024;
- Issue with ISIN code BG2100005250 and exchange code ITFC, with first trading date on the BSE 13.06.2025;
- Issue with ISIN code BG2100009260 and exchange code ITFD, with first trading date on the BSE 31.07.2026.

Is there a guarantee attached to the securities?

No

What are the key risks that are specific to the Offered Bonds?

The bonds are not a suitable investment for inexperienced investors. The bonds are complex financial instruments. A potential investor should invest in bonds only if it has the experience and knowledge (on its own or with the assistance of a financial adviser) to assess adequately the risks discussed below in this sub-section and the effect which this investment would have on the investor's overall portfolio and financial position. Each potential investor in the Bonds should carefully consider the extent to which this investment is suitable in the light of its own circumstances.

The Company may fail to pay the principal and/or the interest on the bonds. The ability of the Company to pay the principal and the interest on the Bonds depends on the future results of its activity, which in turn depend on a number of factors, including the ability of the clients of „ITF GROUP“ to service regularly the payments on the loans granted to them, the strategy of the Company for sustainable expansion of the credit portfolio and its ability to apply an adequate assessment of the solvency of its borrowers.

The bonds of the present issue are unsecured. The claims of the bondholders under the bonds of the present issue are not secured by a pledge, mortgage or insurance within the meaning of Article 100z, paragraph 1 of POSA. Thus, in the event that the Issuer fails to pay the principal and/or interest due on the bonds, as well as in the event of insolvency of the Issuer, these claims will be satisfied under the general procedure out of the property of the Issuer. There is no guarantee that this property will be sufficient to satisfy all creditors. It is possible that there are creditors with higher priority than the bondholders and thus that insufficient property remains for the latter to cover their claims in full or in part.

It is not certain that there will be a sufficiently liquid market for the bonds. The Bonds are being offered through a public offering. There is no certainty that, following their admission to trading on the BSE, an active exchange market for them will be created and will exist, or that their nominal/issue value will correspond to the price at which they will be traded on the exchange. The bonds may have a more limited secondary market and greater price volatility compared with other securities. If an active exchange market for the bonds is not created and does not exist, their market price and liquidity may be adversely affected.

SUB-SECTION D - KEY INFORMATION ON THE OFFERING

Under which conditions and timetable can I participate in the Offering?

The subject of the public offering is up to 15 000 (fifteen thousand) ordinary, registered, dematerialised, interest-bearing, non-convertible, freely transferable, unsecured bonds with a nominal value and issue value of 1 000 (one thousand) euro. No possibility is envisaged for increasing the number of bonds offered.

The issue shall be considered successfully issued only if at least 8 000 (eight thousand) bonds with a nominal value and issue value of 1 000 (one thousand) euro are subscribed and paid for.

Following the confirmation of this Prospectus by the FSC, the Issuer will publish a public offering announcement, which will state the start and final date of the subscription, the number and the date of the confirmation of the Prospectus issued by the FSC, and the place, time and manner of access to the Prospectus. Pursuant to Article 89t, paragraph 2 of POSA, the Public Offering Announcement will be published on the website of the Issuer - http://www.itfgroupbg.com and on the website of the authorised investment intermediary participating in the offering - www.elana.net, 7 (seven) days before the start of the subscription period. The date of publication of the Announcement is the start date of the public offering.

Orders for the acquisition of the Offered Bonds pursuant to this Prospectus may be submitted as from the first business day following the expiry of seven days from the publication of the public offering announcement (the „Start Date of the Subscription“).

The period during which orders for the Offered Bonds may be submitted expires on the third business day, counting the start date for submission of orders as day one (the „Final Date of the Subscription“). In this connection, potential investors in Bonds may submit orders for the subscription of Bonds from 9:00 a.m. Bulgarian time on the Start Date of the subscription until 4:00 p.m. Bulgarian time on the Final Date of the subscription (the „Subscription Period“).

The period may be extended on one occasion by up to 10 days, in which case the Issuer shall introduce the relevant amendments to the Prospectus and notify the FSC, publish information on the extension of the period on its website (www.itfgroupbg.com), notify the authorised investment intermediary of the extension of the period, with the authorised investment intermediary announcing the extension of the period on its website (www.elana.net). In the event of an extension of the period, the Final Date for the submission of orders is 4:00 p.m. Bulgarian time on the last day of the extended period.

The minimum quantity of bonds which one investor may subscribe for is 1 bond. The maximum quantity of bonds which one investor may subscribe for is up to the amount of the maximum quantity of Offered Bonds.

The subscription of the Bonds offered is effected by submitting orders to the Manager of the issue or to another investment intermediary - member of the CD, with which the client accounts of the person who will invest are held. At the end of each business day, the investment intermediaries shall send to the Manager of the issue a report in the standard form on the number of orders submitted/accepted with them and, respectively, the number of Bonds subscribed.

The payment of the issue value of the subscribed Bonds is effected to a special subscription account of the Issuer, which will be indicated in the public offering announcement under Article 89t, paragraph 1 of POSA. The subscription account must be credited with the instalment due against the subscribed Bonds no later than 4:00 p.m. Bulgarian time on the Final Date of the subscription.

According to the preliminary timetable, the subscription of the Bonds offered will commence on or about 17 November and will end on or about 19 November. Immediately after the registration of the issue with the CD and the FSC, an application will be filed for the admission to trading of the Bonds of the Company on the official market of the BSE, which is expected to take place around 2 December.

The Issuer and the Manager of the issue do not and may not determine ratios, tranches and/or quantities of Bonds to be allotted among individual categories of investors. All orders are accepted and ranked under the general procedure. In the event that Orders are submitted for

the subscription of a greater number of Bonds than the size of the issue, all orders shall be satisfied proportionally (pro rata) to the number of Bonds stated therein until the full size of the issue is subscribed.

No costs are envisaged for the investor to be charged by the Issuer or the Manager. All bank fees, costs, currency differences from conversion and others related to the transfer of the amounts due for payment of the issue value of the Bonds applied for subscription by them to the Subscription Account shall be for the account of the investors.

Why is this prospectus being produced?

This Prospectus has been drawn up with a view to providing investors with the information necessary in respect of the Issuer and the Bonds offered so that they can take an informed decision whether to make an investment in the Bonds.

The funds raised from the present issue will be used for the expansion of the credit portfolio of the Issuer, including for financing new disbursements under the existing consumer products and for the further development of the segment for lending to small and medium-sized enterprises (SMEs), which the Issuer regards as a principal source of diversification and growth in the coming years.

Part of the funds will also support the strategic initiatives of the Group in the field of electronic money and payment services, through which the Issuer aims to expand its product range, to increase the engagement of the client base and to build additional, non-credit sources of revenue.

For the services of the Lead manager of the offering, including for placement, the Issuer will owe remuneration formed as a percentage of the amount of the Bonds placed, only upon a successful issuance of the Issue.

The offering of the Bonds is not the subject of an underwriting agreement on a firm commitment basis. There are no material conflicts of interest related to the offering and/or the admission to trading of the Bonds.

SECTION II - RISK FACTORS

ITEM 2.1. RISK FACTORS RELATED TO THE ISSUER

SUB-ITEM 2.1.1. RISKS RELATED TO THE FINANCIAL POSITION OF THE COMPANY

The Company may fail to pay its obligations

In an adverse situation related to a lack of sufficient liquid funds, reduced payments from its clients and/or as a result of increased costs, the Company may not be in a position to meet all of its obligations smoothly as they fall due, or may be able to do so only at the cost of drastically higher expenses. The ability of the Company to obtain access to sources of financing on acceptable economic terms in the long term depends on various factors, such as general market conditions and confidence in the global banking system, which are beyond the control of the Issuer and its management.

due to a lack of sufficient liquidity

It is possible that, as a result of poor financial planning and/or a lack of overall liquidity in the financial system, the Company may fail to renew and service its loans on time. In an extreme case, this could lead to a breach of the terms stipulated under those loans, including those for compliance with certain financial ratios and cross default. In this scenario, a demand for early repayment of some or all outstanding obligations may follow, which may call into question the existence of the Company as a going concern.

The Company meets its liquidity needs by carefully monitoring the payments on its financial obligations, as well as the incoming and outgoing cash flows arising in the course of its operating activity. Liquidity needs are monitored over various time horizons - on a daily and weekly basis, as well as on the basis of 30-day forecasts. Long-term liquidity needs, for periods of 180 and 360 days, are determined on a monthly basis.

On an ongoing basis, the maturity profile and the timely execution of payments are monitored by the accounting department, with daily information being maintained on the cash available and the forthcoming payments.

due to reduced revenues/payments and/or increased costs

In addition to a temporary shortage of liquidity, the Company may fail to pay its obligations as a result of reduced revenues/payments from clients (this risk is described in item 2.1.2. below), as well as as a result of an increase in the operating and/or financial expenses of the Company. Good planning and control over operating expenses is a principal duty of the operational and financial management of „ITF GROUP“ AD, and, where necessary, this management may limit or defer some of the expenses in order not to jeopardise the financial position of the Company. As regards financial expenses, insofar as the existing obligations of the Company bear fixed interest, there is no risk that the costs thereon will change unexpectedly, for example as a result of an increase in general interest rate levels.

Notwithstanding all of the above, there is no complete certainty that, in the event of a drastic deterioration of economic conditions and/or as a result of other factors such as, for example, new statutory regulations, a situation will not arise in which the reduced revenues and/or the increased costs lead to an inability for some of the payments to be made on time.

The Company may fail to collect its receivables from clients in full and on time

Among the principal risks for the Company is that its clients may not be in a position to repay in full and within the customarily envisaged time limits the amounts due from them (credit risk). Such a deterioration in the creditworthiness of the clients of the Company may be caused, for example, by socio-economic or client-specific factors related to the economic situation at the time. Thus, in the event of an economic slowdown or recession, the percentage of regular payments on loans will decrease and impairment levels will rise significantly. The impact of higher impairment levels on the profitability of the Company is likely to be amplified by a subsequent decrease in the number of current clients with the potential to take out a new loan. This would lead to a rapid decline in the revenues of the Company at a time of increased impairments.

The decrease in creditworthiness and the increased impairment levels affect profitability, the number of clients meeting the requirements for taking out new loans, and the engagement of employees and agents, and could ultimately have a material adverse effect on the business, the revenues and the financial position of the Company.

The principal principles in the management of the credit risk of the Company are set out in its credit policy and the related procedures. These are analysed on an ongoing basis and are applied or amended where necessary. The management of the company is the principal unit that determines and/or amends the policy.

The management of the Company also determines the risk profile of the new credit products and the introduction of parameters used for the assessment of potential clients in order to determine the probability that the client will repay its loan.

The management of credit risk is associated with setting limits related to a single borrower, a group of borrowers, a geographical unit and other categories of portfolio diversification.

In the measurement of credit risk, three principal components are considered:

- the probability of default by the client on the agreed parameters on the basis of historical data (for traditional borrower clients);
- the current exposure to the client and its probable future development, from which a possible default on its obligations arises;
- the probable recovery rate on the unpaid obligations;

Beyond the three principal components listed, the Board of Directors monitors an average ratio of unpaid loans determined on the basis of historical data from the establishment of the company to the present moment, by the different groups of loans (payday loan, instalment loan).

Some of the counterparties of the company may fail to pay the amounts due

The Company is exposed to the risk that one of its counterparties (other than the borrowers) may fail to perform its contractual obligations, which would lead to adverse consequences for it and its investors. However, insofar as these counterparties have an insignificant share of the receivables of the Company, this risk is considered immaterial.

Higher inflation may affect profits

The revenues which the Company may receive from the loans granted to clients are determined already at the time the loan is granted. On the other hand, most of the costs associated with these revenues may be subject to inflation. Personnel and office costs may increase as a result of growth in incomes and prices and thus materially and adversely affect the results of the Company.

SUB-ITEM 2.1.2. RISKS RELATED TO THE BUSINESS OF THE COMPANY AND THE SECTOR IN WHICH IT OPERATES

The activity of the company is concentrated in one sector and is dependent on its performance

The activity of the Company is focused almost entirely in the non-bank financial sector and in particular in the field of consumer lending and lending to small and medium-sized enterprises. This allows the accumulation of significant expertise and efficiency through economies of scale, but limits flexibility in the event of adverse performance of the sector. Should the non-bank financial sector perform unfavourably, this may have a significant negative effect on the activity and the future financial results of the Issuer.

Choice of an unsuitable business strategy

The choice of an unsuitable development strategy, as well as its untimely adaptation to the changing conditions of the environment, may lead to the realisation of losses or lost benefits for the Issuer. The management of strategic risk through continuous monitoring and periodic tracking of changes in the market environment and of key indicators for the activity, and interaction at all levels of its organisation with a view to the timely identification of possible problems and the application of appropriate measures, is of material importance. Despite the awareness of the necessity and the significance of this process, it is possible that the management and the personnel of the Company may prove to be constrained in applying these practices as a result of a lack of sufficient experience, timely information or a shortage of personnel.

Risks related to the competitive environment

The Company carries out its activity in a sector with intense competition both from local companies and from companies with an international presence - both offline and online. In addition to the independent companies, banking and leasing companies also have their own consumer lending divisions. They have the necessary branch network and employees and can obtain financing at significantly lower levels thanks to the support of their parent companies. The level of competition is likely to continue to increase, both from existing and from new competitors. If some of these competitors operate at lower operating or financial costs, they may offer more favourable terms and/or more suitable products for clients and thereby force the Company also to revise its terms, which will lead to a deterioration of its results.

Increased competition may reduce the market share, lead to an increase in the costs of attracting and retaining clients, a decrease in the loans granted, greater pressure on the Company's personnel costs, lower revenues and lower profitability.

The new products and/or services may prove to be unsuccessful.

The Company strives continuously to introduce new groups of products and/or services in order to retain existing clients, to improve their servicing and to attract new clients for whom the new products would be more attractive.

The new products may not be able to achieve the forecast return and the Company may make errors of judgement in the creation, planning and/or implementation of these strategies and methods, which may materially and adversely affect the results of its operations and its financial position.

The methods applied for client analysis may prove to be ineffective.

The correct assessment of the creditworthiness of the Company's clients is of key importance for its profitability and solvency. In this connection, it strives continuously to improve the methods for examining and assessing the creditworthiness of clients, including by collecting additional information about them from various sources.

Despite the numerous preliminary tests and assessments and despite the long-standing experience of the Company, the methods and analyses used may prove to be ineffective and the assessment of the creditworthiness of the clients may be incorrect. The Company may make errors of judgement in the creation, improvement and/or application of the methods for assessing the creditworthiness of clients. All of this may materially and adversely affect the results of operations and the financial position of the Company.

Risks related to the long-term partnerships with the so-called Peer to peer platforms.

For additional financing of its activity, the Company partners with various Peer to Peer Platforms (the „Platforms“), the nature and functions of which are described in the annual financial statements of the Company as at 31.12.2025.

The principal risks related to the partnerships with the Peer to Peer Platforms may be summarised in the following groups:

- **Credit risk.** Pursuant to the arrangements with the Platforms, in the event of non-payment by the borrowers in whose loans the participants of the respective Platform have invested, the Company is obliged to pay the respective amounts due to the investors of the Platforms in his place. In this way the Company assumes the credit risk of non-payment or delayed payment, which may lead to reduced liquidity.

The Company has a systematic approach as regards the examination of its borrowers, which includes risk assessment on the basis of an internally developed scoring model, set lending limits, analytical tools, assessment of indicators and others. On the basis of these risk management policies, the Company plans its cash flows related to the Platforms. Nevertheless, as a result of various factors such as loss of income, financial difficulties, economic downturn or other unforeseen circumstances, a need for payment on the part of the Company may arise, which would lead to a reduction of its liquidity.

- **Liquidity risk.** The Platforms are used by the Company as an additional source of financing and/or of securing liquidity with a view to faster growth. In the event that at a given moment the Platforms are unable to provide this financing/liquidity, the Company may be forced to seek new sources of financing/liquidity in order to cover its current obligations and/or to secure the envisaged growth. There are no guarantees that such new sources can be found quickly, or that their terms will not be less favourable than those of the Platforms.

The Company limits the impact of this risk by analysing possible stress scenarios when planning its cash flows; it makes a regular assessment of financial resilience in the event of adverse market conditions related to financing through the Platforms. Good levels of liquidity are also maintained, which allow the repayment of short-term obligations without difficulty. The exposure to the Platforms and the related cash flows are monitored on a daily basis. In addition, there is also diversification as regards the sources of financing (including various Platforms), thereby reducing the dependence on each one of them.

SUB-ITEM 2.1.3. RISKS RELATED TO THE OPERATIONS AND INTERNAL CONTROL OF THE COMPANY

Risk of a breakdown in the technologies used by the company

The ability of the Company to examine and monitor the current condition of its clients and of its receivables from them, to maintain internal financial and operational control, to monitor and manage its risk exposures, as well as to provide high-quality service to its clients, depends on the uninterrupted and efficient operation of its information and communication systems and their trouble-free functioning, including in emergency situations.

A breakdown in the operation of these systems is possible as a result of inadequate internal control processes and protection systems, human error, fraud or external events that interrupt normal business operations. This may lead to loss of data and failure to provide quality service to clients. The information technologies, databases and other systems of the Company (as well as those provided by third parties) may be subject to breakdown or interruption as a result of various natural disasters, interruption of power supply and/or of the connection to them, computer viruses, physical or electronic breaches, sabotage, vandalism, malicious cyberattack and other similar disruptions.

Although the Company has business continuity plans for emergency situations in order to protect itself against interruptions of services, there is no guarantee that these plans will prove successful.

Any interruption or failure of the information and other systems of the Company (or those provided by third parties and software suppliers) may impair the ability of the Company to provide its services efficiently, damage its reputation, including its ability to collect instalments from clients, to attract new clients and to retain existing ones. In addition, any loss of a given client database would lead to significant expenditure of time and funds for its restoration, which would have a material adverse effect on the activity and the financial position of the Company.

Attracting and retaining qualified personnel is a challenge

The strategy of the Company for the expansion of the digital business relies on the creation of a dynamic and modern culture which is attractive to people who wish to build a career in the digital sector. A failure to attract, engage, develop, retain and appropriately remunerate the right people in the digital sector will have a negative effect on the growth of the digital business.

The loss of key personnel or of a significant number of talented employees, as well as the inability to attract, retain and motivate operational managers and employees necessary for the continuation and expansion of the activity of the Company, may have a material adverse effect on its business, growth prospects, results of operations and financial position.

The Company is dependent on its directors and its key management personnel

The Company is highly dependent on its executive director Svetoslav Angelov, who is also its principal shareholder. His withdrawal or the loss of another key manager may significantly delay or impede the implementation of the strategy or the business objectives of the Company. The resignation, withdrawal or dismissal of Svetoslav Angelov may have a material adverse effect on the business of the Company, its financial position and/or the results of its operations.

Negative publicity may have an adverse effect on the reputation of the company, its financial position and/or the results of its operations

The success of the Company and in particular the sales and the collectability of the loans depend on the recognition of its brand and, accordingly, on the reputation of its business. The Issuer operates in the sector of quick loans, which is the subject of heightened media interest and increasing regulation.

It is possible that the activity of „ITF GROUP“ AD may be the subject of a media and/or online campaign presenting the Company and/or its business in a negative light. A negative campaign may also be directed against the entire sector as a result of the activity of politicians, legislators, consumer protection agencies and the media. The deliberate dissemination of such negative information may harm the business of the Company, lead to a loss of confidence on the part of clients and to lower collectability and a decline in revenues, which may have an adverse effect on the business, the financial position and/or the financial results. In addition, a poor reputation may make it difficult for the Company to recruit and retain employees with the appropriate qualities.

Although the Company makes the necessary efforts to minimise this risk by striving to maintain an impeccable reputation and complying with all requirements related to its activity, the absence of an effective mechanism for protection against such a campaign does not allow this risk to be eliminated.

Risk of entering into transactions with related parties on terms differing from market terms

It is of particular importance for the bondholders that the Company is managed in accordance with good corporate practices and that the conclusion of transactions with related parties on terms different from market terms is not permitted. For that reason, it is expressly stipulated as a condition in the terms of the present issue that the Company shall not be entitled to enter into, directly or indirectly, transactions with the principal shareholders and parties related to them within the meaning of IFRS, unless such transactions are related to its ordinary activity and the terms thereof do not differ materially from market terms.

The Company may fail to provide the required statements on time and with the necessary quality

It is of material importance for the success of the development strategy of the Company that the financial position of the business is known accurately and in a timely manner by the management. On the other hand, it is also important for the bondholders and their Representative to receive timely and accurate information on the financial position of the Company so that they can accurately assess the condition of their investments. Not least, in its capacity as Issuer, the Company will disclose information in accordance with the requirements and within the time limits under POSA and the other statutory instruments.

The Company believes that it has built the necessary systems for internal control and reporting to guarantee the timely collection, analysis and provision of the information necessary for all of the above-mentioned persons. There is no guarantee, however, that these systems will always operate without fail. It is possible that, as a result of loss of data, lack of sufficiently qualified personnel, an incorrectly designed process and/or human error, the Company may fail to provide the management and/or the investors with accurate and complete data on the financial position of the business, or may provide them with a delay relative to the required time limits. This may materially affect the reputation of and investor confidence in the Company and, from there, its business and financial position.

Non-compliance with the personal data protection provisions

The Company relies on the collection and use of information from clients in order to carry out its business. It discloses its practices for the collection and use of personal data in a published Personal Data Protection Policy. This policy may be amended periodically in order to respond to operational needs, changes in legislation or good practices in the industry.

The Company may be the subject of an investigation or of enforcement action by the data protection authorities, as well as of legal claims and reputational damage, if it acts or is presumed to act in breach of the terms of the personal data protection policy or of the applicable legislation. In addition, concerns of clients regarding the practices of the Company for the use and protection of personal data may prevent them from using its services and may require a change in its business practices, which would lead to a possible loss of revenues.

In addition, the legislation and regulations as regards data protection may change in the future and impose new burdensome requirements, compliance with which may increase the costs of the Company or require it to change the way in which it operates, with the attendant costs and a possible loss of revenues.

Risk of a change of control

As at the date of this Document, „ABBY CAPITAL“ EOOD holds 88.52% of the votes in the GMS of „ITF GROUP“ AD and thereby exercises direct control over the Company, and Svetoslav Angelov, in his capacity as a person holding directly 100% of the capital of „ABBY CAPITAL“ EOOD,

exercises indirect control over „ITF Group“ AD. Insofar as it is of material importance for the bondholders who have subscribed the issue that no change in this control in favour of another person is permitted in any way without their consent, it is stipulated as a condition in the terms of the present issue that a Change of control („if a natural or legal person other than Svetoslav Yuriy Angelov acquires, directly or indirectly, more than 50% of the capital and of the voting rights in the general meeting of shareholders of „ITF GROUP“ AD, or acquires control in another manner in accordance with the provisions of §1, item 14 of the Supplementary Provisions to POSA“) is permissible only with the prior consent of the bondholders, adopted by the GMB at which not less than two thirds of the bonds issued were present, by a majority of not less than three quarters of the bonds represented. In addition to this, each bondholder who has voted „Against“ the Change of control is entitled, within 30 /thirty days/ of the GMB, to present the bonds held by it for repurchase by the Company at a price equal to 100% of the unamortised principal plus the accrued and unpaid interest up to the Settlement Date of the Put Option.

In the event of a change of control over „ITF GROUP“ AD without the express approval of the GMB under the procedure described above, the issue becomes due and payable early following a decision of the GMB. Early acceleration will also be present if the Company does not repurchase, in accordance with its commitment, the bonds of each bondholder who has voted „Against“ the change of control and has presented its bonds for repurchase.

Other operational risks

The Company is exposed to the risk of losses or unforeseen costs related to incorrect or non-functioning internal processes, human errors, external circumstances, administrative or record-keeping errors, disruptions of activity, fraud, unauthorised transactions and damage caused to assets. Any failure to identify or to correct operational risk by the risk management system may have a material adverse effect on the activity and the reputation of the Issuer and, from there, on the results of its activity.

SUB-ITEM 2.1.4. RISKS RELATED TO LEGISLATION AND REGULATION

The consumer finance sector is subject to intensive and changing regulation

The non-bank financial sector, especially in its consumer loans part, is highly regulated both at national and at European level. On the one hand, this allows greater protection for the end consumer of this type of product. On the other hand, excessive regulation reduces the competitiveness of the participants in the sector compared to emerging and lightly regulated or entirely unregulated business models and organisations.

The annual percentage rate of charge (APR) in respect of the consumer loans granted by the Company is higher than for the loans provided by the commercial banks, which reflects the higher risk in granting these loans. Nevertheless, under pressure from various political, lobbying and public groups, it is possible that, through laws or secondary regulations, new or additional restrictions may be imposed on the level of the interest rates, the total cost of the credit, the APR or other types of restrictions on the cost of the credit. This may lead to a serious decline in the revenues of the participants in the sector and, from there, to poorer financial results.

In addition, the activity of the Company requires entry in the register maintained by the BNB. In the event that, for any reason, the Company is struck off the register of the BNB, this will lead to an inability to continue its activity. It is possible that, through statutory amendments, the licensing of financial institutions may be required under new requirements (including as to capital, qualification and experience of key employees, technical capability, etc.), which would impede the activity of the Company. Not least, it is possible that stricter regulation may be introduced as regards the terms of the products offered by the Company, the manner of their offering or other commercial practices in the industry, which would limit the growth of the business of the Company and, from there, worsen its financial indicators.

Statutory amendments or case law may impede the collection of the loans

Part of the obligations towards the Company fall overdue or are not paid voluntarily within the term due. For that reason, it is of exceptional importance for its activity to have the necessary legal mechanisms for the effective collection of the debt from its clients by judicial or extrajudicial means. In the event that amendments are adopted to civil legislation (and in particular to the Civil Procedure Code) which extend the time limits for collection or grant more rights to debtors in another way, this will impede effective collectability and will lead to losses for the Company. It is also possible that, on the basis of a claim brought, the court may hold that the contract with the client is in breach of the laws or of good morals, or that it was concluded in conditions of inequality and is therefore null and void. In the event of such a court decision, the likelihood also increases that other clients will bring claims in order to avoid the repayment of their loans, which will also impede the activity of the Company.

Risks related to the imperfections of the legal system

Although since 2007 Bulgaria has introduced a number of significant statutory and constitutional reforms and the greater part of Bulgarian legislation has been harmonised with EU legislation, the legal system in the country is still in the process of being reformed. Judicial and administrative practice remains problematic and persons relying on the local courts for the effective resolution of disputes in connection with property, breaches of laws and contracts and others find that this is difficult to obtain. As a result, a risk may be identified of deficiencies in the legal infrastructure which may result in uncertainty arising in connection with the carrying out of corporate actions, the exercise of supervision and other matters which are generally not called into question in other countries.

Risk of adverse changes in tax laws

The taxes paid by Bulgarian commercial entities include withholding taxes, local taxes and fees, corporate profit tax, value added tax, excise duties, export and import duties and property taxes. The taxation system in Bulgaria is still developing, as a result of which contradictory tax practice may arise both at state and at local level.

Investors must also take into consideration that the value of the investment in bonds may be adversely affected by changes in the applicable tax legislation, including in its interpretation and application. In addition, tax legislation is not the only legislation which may undergo change, with such change adversely affecting the activity of the Issuer. Although the greater part of Bulgarian legislation has already been harmonised with EU legislation, the application of the law is the subject of criticism from Bulgaria's European partners. Judicial and administrative practice remains problematic: the Bulgarian courts are not in a position to resolve effectively disputes in connection with property rights, breaches of statutory and contractual obligations and others, as a result of which systematic regulatory risk is relatively high.

Notwithstanding the problems in the Bulgarian legal system, Bulgarian commercial legislation is part of European legislation and, as such, is relatively modern. The introduction of new statutory instruments in areas such as company law and securities, as well as harmonisation with the laws and regulations of the EU, are expected to lead in the near future to a reduction of regulatory risk.

SUB-ITEM 2.1.5. RISKS RELATED TO THE STATE OF THE ECONOMY AS A WHOLE

Risk of a decline in economic activity

This risk may arise as a result of various factors, such as geopolitical tensions, financial crises, changes in trade relations and other external influences. The principal risks facing the Company in this respect are:

- The trade and political disputes between the USA and the rest of the world;
- The war in the Middle East and the related oil crisis;
- The ongoing war between Russia and Ukraine;
- The political instability in the European Union;
- The volatility of the commodity markets;

A potential deterioration of economic conditions globally and in Bulgaria would lead to a decline in business confidence, a decrease in the value of real and financial assets and an increase in non-payments and intercompany indebtedness. A serious economic crisis would also bring with it a serious rise in unemployment (despite the historically lowest levels reported and the current shortage of labour), as well as a decline in the disposable income of households. All of this may lead to the need for more restrictive risk policies in respect of clients with a view to avoiding a rise in the levels of uncollectable loans, which may lead to reduced volumes of newly granted loans, reduced revenues and increased impairment costs.

Not least, an economic crisis may affect the ability of the Company to obtain the liquidity necessary to meet its current activities, as well as the financing needed to expand its activity. The above-mentioned factors may have an adverse effect on the operating results, the financial position and the prospects of the Company, with the Company taking a number of measures to minimise their effect. Nevertheless, the exact nature of all risks and uncertainties which the Company will face as a result of a global crisis cannot be predicted precisely and many of these risks are beyond its control.

Political risk

Political risk is the probability of a change of government or of a sudden change in its policy, of the occurrence of domestic political upheavals and adverse changes in European and/or national legislation, as a result of which the environment in which local economic entities operate may change negatively and investors may suffer losses.

Over the past 3 years, the political situation in the country has been marked by the prevailing unprecedented political crisis. After a series of snap elections and long periods of caretaker government, in December 2025, following several consecutive protests, the government of Rosen Zhelyazkov resigned. The President of the Republic of Bulgaria, Rumen Radev, also resigned a month later and declared his readiness to participate in the parliamentary elections scheduled for 19.04.2026. The new political coalition „Progressive Bulgaria“ created around the former president won these elections convincingly and obtained a sufficient number of members of parliament so as to be able to form a majority on its own.

At the beginning of May 2026, a new single-party government headed by Rumen Radev was also elected. The main part of the new ministers are rather technocrats and little-known figures, with the prime minister expected to be the only strong figure. As regards the policy of the new government, it is still not entirely clear - there is talk of combating the rise in prices and protecting incomes, and on the other hand there is talk of fighting corruption and controlling expenditure so as not to lead to a rapid increase in debt. Which of the two tendencies will prevail will become clear at the earliest after the adoption of the regular budget for 2027.

In foreign policy terms, the new government is expected to be more Eurosceptic and to attempt in some form to warm relations with Russia. However, insofar as a large part of the restrictions imposed are at European level, this warming may be expected to be predominantly verbal.

The accession of Bulgaria to the EU and the eurozone itself, in addition to being an act of enormous political significance, continues to be associated with many challenges. These arise not only from the ongoing reforms in Bulgaria as part of the process of integration into the Community, but also from the dynamics of development of the integration processes within the EU itself. These processes are associated with serious political, economic and institutional changes which struggle to reconcile the interests of all member states. There is no guarantee that these processes will conclude successfully or that the national interest of Bulgaria will be safeguarded. Nor is there a guarantee that a deepening of disintegration sentiments in various countries of the union will not occur, which would provoke serious political and economic upheavals for all member states, including Bulgaria.

Outside the context of EU membership and the domestic political difficulties, the Bulgarian political system is also vulnerable to possible economic difficulties, social instability, organised crime and corruption. A potential instability of the institutions in the country may have a significant adverse effect on the activity of the Issuer, its operating results and its financial position.

Geopolitical risk

Companies operate within a complex and dynamic global environment, exposing themselves to a variety of geopolitical risks which could materially affect their operations, costs and financial results. These risks arise from international trade policies, regional conflicts and changing political dynamics, alongside numerous other factors.

Since Donald Trump came to power, relations between the United States and the European Union have been in a period of uncertainty due to trade and customs disputes. Any escalation of trade tensions between the USA and the EU may disrupt international supply chains, increase costs and reduce demand in key markets.

Within Europe, the war in Ukraine, lasting more than three years, has disrupted energy markets and supply chains, increased political confrontation and uncertainty and reduced investment interest in the countries close to the conflict. Despite expectations of an imminent peace, it is still unclear whether the parties will reach a long-term agreement and to what extent it will reduce the risk for the remaining European countries.

Similarly, the Middle East remains a region of heightened geopolitical risk due to ongoing conflicts, political instability and religious tensions. A material deterioration of the situation in the region occurred on 28.02.2026, when the USA and Israel carried out coordinated military strikes against Iran, resulting in significant loss of life, including among the country's senior leadership, and in large-scale destruction of military infrastructure. As a result, a large-scale military conflict arose which is continuing at present and is characterised by reciprocal missile and air strikes, as well as an extension of the hostilities to other countries in the region. The Strait of Hormuz has been blocked by Iran.

The conflict is already having a material impact on the global economy, including through serious disruptions to shipping through the Strait of Hormuz, interruptions in supply chains dependent on Middle Eastern routes or resources, and a significant increase in the price of energy resources. There is a risk of further escalation and of other countries of the Middle East being drawn in.

The geopolitical risks indicated may lead to increased operating costs, high inflation, a reduced profit margin, delays in production or deliveries and reduced demand on the part of business. All of this may reduce the appetite for financing through the capital markets, including through IPOs, as well as reduce the value of financial assets. Although the Company monitors these developments closely in order to adapt to the changing conditions, it cannot be guaranteed that these efforts will fully protect it from adverse developments, given the inherent unpredictability of geopolitical events.

An increase in interest rate levels may affect the results of the company

The reported increase in interest rate levels, and accordingly in interest expenses, has an immediate effect on the profit of companies and, respectively, on the activity of the Company. Insofar as Bulgaria is part of the Eurozone, the level of interest rates will depend above all on the monetary and interest rate policy pursued by the European Central Bank (ECB). At present the various interest rates set by the ECB are gradually rising, with the general consensus being that this process will continue during the current year as well.

Insofar as the existing financial obligations of „ITF GROUP“ AD bear fixed interest, a possible increase in general interest rate levels will not have an immediate effect on the financial position and results of the Company. An increase in interest rate levels may, however, have a negative effect on the future ability of the Company to obtain financing at levels acceptable to it, through a rise in the cost of borrowed resources and higher future interest expenses. At present the various interest rates set by the ECB are gradually rising, with the general consensus being that this process will continue during the current year as well.

Credit risk of Bulgaria

The credit risk of the country is related to the ability of the state to service its obligations regularly. In this respect, Bulgaria is constantly improving its position on the international debt markets, which facilitates the access of the state and of economic agents to financing from external sources. The most important effect of the improvement of the credit rating is in the lowering of the risk premiums on loans, which leads (all other things being equal) to more favourable interest rate levels. For this reason, a potential upgrade of the credit rating of the country would have a favourable effect on the activity of the Company and, more precisely, on the cost of its financing. On the other hand, a downgrade of the credit rating of Bulgaria would have a negative effect on the cost of financing of the Company. The determination and measurement of this risk is carried out by specialised international credit agencies.

As at the date of this Document, the credit rating of Bulgaria is as follows:

- S&P Global Ratings - Long-term BBB+ with a positive outlook in both foreign and local currency.
- Moody's Investors Services - long-term Baa1 with a stable outlook for foreign and local currency.
- Scope Rating - long-term A- with a stable outlook in foreign and in local currency.
- Fitch Ratings - long-term BBB+ with a positive outlook in foreign and in local currency.
- Morningstar DBRS - long-term BBB (high) - with a stable outlook in foreign and in local currency.

Higher inflation may affect profits and the value of assets

A rise in the general price level generally increases costs for companies and depreciates the value of their assets. The Eurozone controls the internal money supply and to a certain extent „restrains“ internal inflationary processes, but global factors related to the increase in the prices of basic raw materials and goods exert material inflationary pressure.

Since the accession of our country to the European Union in 2007, there has been a gradual convergence of internal prices with those of the other member states. Accession to the Eurozone will further strengthen this effect. Bulgarian governments have traditionally adhered to a stricter fiscal policy. Although the inclination is for such a policy to be maintained, the pressure from increased investment and social expenditure, as well as compensation for business, has led to a loosening of fiscal discipline and a certain increase in external debt. There are no indications that the new political majority will succeed in changing these inclinations.

Risks related to accession to the eurozone

Accession to the Eurozone is a key stage in the economic integration of the Republic of Bulgaria, but, like every large-scale structural change, it also carries certain risks, the more important of which are:

- **Risk of credit expansion:** Increased confidence and easy access to liquidity from the ECB may stimulate uncontrolled credit growth, leading to the formation of „bubbles“ in certain sectors, industries or markets (for example the real estate sector and market);
- **Inflationary pressure and „rounding“:** Although the statistical inflationary effect of the currency conversion is low (approximately 0.2% - 0.3%), there is a subjective risk of unjustified price increases on the part of traders;
- **Commitments to the European Stability Mechanism (ESM):** Bulgaria will have to participate accordingly in the ESM. This circumstance gives rise to a possible fiscal risk, since the country becomes responsible (together with the other participating countries) for the rescue of other member states in future financial crises;
- **Extraordinary administrative costs in connection with the conversion:** With accession to the Eurozone, business as a whole and in particular the financial sector report one-off and not inconsiderable costs for software updates and adaptation of information systems, training of personnel, logistics of the changeover, etc.;
- **Psychological and social risks:** The change resulting from the introduction and use of the new monetary unit and the adaptation of the population, as a whole and of the individual social strata, is a relatively longer process, accompanied by criticism, negativity and even total rejection of the Euro. This, combined with confusion among the population regarding the value of goods and services, may also lead to manifestations of public discontent.

Risk of catastrophic events

This risk is related to the occurrence of circumstances which can be neither prevented nor remedied by human decisions or actions. These are natural disasters, floods, earthquakes and other climatic cataclysms, wars, coups, etc., which prevent economic entities from carrying out their activity. Since force majeure circumstances cannot be controlled, companies customarily take out insurance to cover some of the damage caused by them.

As at the date of this Prospectus, no catastrophic events have occurred in the country and there is no residual impact of the COVID-19 pandemic, but the military situation between Russia and Ukraine, which has been continuing for almost four years, as well as the escalation of tension and the conflicts in the Middle East, are material risk factors.

It is not possible to make a preliminary assessment of whether and how any catastrophic events and the corresponding risk factors would have an effect on the Issuer and on its financial results.

Risk of an adverse change in exchange rates

The revenues of the Company may be affected by changes in the exchange rate of the euro against other currencies with which it operates. Currency risk will have an effect on the revenues and expenses, respectively the transactions, which are carried out in a currency other than the euro.

ITEM 2.2. RISK FACTORS RELATED TO THE SECURITIES

The bonds are not a suitable investment for inexperienced investors

The bonds are complex financial instruments. A potential investor should invest in bonds only if it has the experience and knowledge (on its own or with the assistance of a financial adviser) to assess adequately the risks discussed below in this sub-section and the effect which this investment would have on the investor's overall portfolio and financial position.

Each potential investor in the Bonds should carefully consider the extent to which this investment is suitable in the light of its own circumstances. In particular, each potential investor in the Bonds should:

- have sufficient knowledge and experience to make an adequate assessment of the Bonds, the advantages and risks of investing in them, as well as of the information in this Prospectus;
- have the ability to make or to obtain a specific analytical assessment, in the context of its own financial situation, of the investment in bonds and of the effect which the Bonds would have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all the risks of investing in the Bonds;
- understand in detail the terms of the bonds and be familiar with the functioning of the relevant financial markets; and
- be in a position to assess (itself or with the assistance of a financial adviser) the possible economic, financial, regulatory and legal factors which may affect its investment in the bonds and its ability to bear the potential risks, should they materialise.

The Company may fail to pay the principal and/or the interest on the bonds

The ability of the Company to pay the principal and the interest on the Bonds depends on the future results of its activity, which in turn may be affected by a number of factors, including the ability of the clients of „ITF Group“ to service regularly the payments on the loans granted to them, the strategy of the Company for sustainable expansion of the credit portfolio and its ability to apply an adequate analysis of the solvency of its borrowers.

If the Company does not have the funds necessary to make the payments due to the bondholders, it may use external financing for that purpose. There is no guarantee, however, that such financing will be able to be secured within the necessary time limits. In such cases, payments to the bondholders may be materially delayed or may even not be made.

The bonds of the present issue are unsecured

The claims of the bondholders under the bonds of the present issue are not secured by a pledge, mortgage or insurance within the meaning of Article 100z, paragraph 1 of POSA. Thus, in the event that the Issuer fails to pay the principal and/or interest due on the bonds, as well as in the event of insolvency of the Issuer, these claims will be satisfied under the general procedure out of the property of the Issuer. There is no guarantee that this property will be sufficient to satisfy all creditors. It is possible that there are creditors with higher priority than the bondholders and thus that insufficient property remains for the latter to cover their claims in full or in part.

It is not certain that there will be a sufficiently liquid market for the bonds

There is no certainty that, following the completion of this offering of the Bonds and their admission to trading on the BSE, an active exchange market for them will be created and will exist, or that their nominal/issue value will correspond to the price at which they will be traded on the exchange. The bonds may have a more limited secondary market and greater price volatility compared with other securities. If an active exchange market for the bonds is not created and does not exist, their market price and liquidity may be adversely affected.

Investors should also bear in mind that the BSE is significantly smaller and less liquid than the securities markets in most countries with a developed market economy. Thus, for the bondholders of „ITF GROUP“ AD there is no guarantee that the listing of the bonds on the BSE will guarantee their active trading and sufficient liquidity. The low liquidity of the BSE also leads to a significant amplitude in the movements of securities and to the possibility of prices being changed speculatively by relatively small transactions.

It is possible that the parameters of the bond issue may be changed

Changes to the terms of the bond loan are permissible in respect of all terms and parameters of the loan (including deferral of maturity, a change in the amount of the interest, rescheduling of interest and principal payments, a change in the financial ratios which the Issuer is required to observe, etc.), as well as the addition of new terms and parameters, but only provided that such changes are approved by the General Meeting of Bondholders and by the Issuer and do not contradict the conditions provided for in the applicable legislation. Such changes may be made by a decision of the General Meeting of Bondholders at which not less than two thirds of the bonds issued are represented, by a decision taken by a majority of not less than three quarters of all Bonds carrying voting rights. The bondholders who have voted against the changes or who did not attend the General Meeting are bound by the validly adopted decision of the General Meeting of Bondholders.

Risks in the event of early acceleration of the bond loan

Potential investors should bear in mind that, upon the occurrence of certain events, the present bond loan becomes due and payable early. This circumstance leads to certain risks, as investors will not be able to fulfil their initial investment intentions. In the event that the bond loan is declared due and payable early, enforcement may prove to be a lengthy process, owing to the emergence of claims of other creditors, procedural and statutory options, etc., and, given the absence of security under the loan, investors may not receive, in part or in full, the amounts due to them in respect of principal and interest.

The price of the bond may change upon a change in market interest rate levels

Interest rate risk is the risk of an adverse change in the market price of the bond as a result of a change in market interest rate levels. Since the present issue bears a fixed coupon, upon an increase in market interest rate levels its price will fall and vice versa. This risk is present only in the event that the respective bondholder decides to sell its bond on the secondary market before the maturity date.

Risk of an unsuccessful public offering

The public offering of the Bonds will be deemed to have been successfully completed if not less than 8 000 bonds with a nominal and issue value of EUR 1 000 are subscribed and paid for. In the event that a smaller number of Bonds than 8 000 is subscribed, the Offering will be deemed unsuccessful.

In the event that the Offering is unsuccessful, investors will receive back, in full, the amounts paid by them for the bonds subscribed.

During the public offering procedure for the Bonds, investors may incur opportunity costs by being unable to invest the relevant amounts in alternative investments offering a higher fixed or expected return.

Reinvestment risk

It is possible that investors may not succeed in placing the amounts received as coupon and principal payments at the same or a higher yield than the initial yield to maturity. If the amounts from the coupon and principal payments are reinvested at levels lower than the initial yield to maturity, the effective return on the investment will be lower than initially expected.

Risk of early repayment of the bond loan at the initiative of the issuer

The terms of the present Issue provide for an option in favour of the Issuer („Call option“) for the repurchase of the bonds before maturity. Upon the exercise of this option, the investor will not be able to fulfil its initial investment intentions, while the bondholders will not receive their expected interest income for the period remaining until the maturity of the bonds. The early repayment of the bond issue may be effected on the dates of certain Interest payments, after the issuer announces a Notice of exercise of the option no later than seven days before the respective Interest payment. In the event of early repayment of the Issue, the Issuer undertakes to pay the interest payments due as at the date of early repayment.

Inflation risk

The manifestation of inflation risk for the bondholders would occur in cases where the interest due is lower than the inflation for the investment period. Inflationary processes lead to a decrease in the real yield received by investors. An increase in the general price level may be the result both of external factors (growth in the prices of raw materials and fuels, the monetary policy of the ECB) and of internal ones (the levelling of prices with the European average as a result of convergence, growth in budget expenditure and incomes). Upon an increase in inflation in the country, the real yield on the investment may fall as a result of an increase in the general price level. In this connection, investors should determine their expectations both as to the real return on the investment and as to inflation during the period of holding the bonds.

Currency risk

The present bond issue is denominated in euro. Currency risk exists for investors whose initial funds are denominated in US dollars or another currency other than the euro, owing to the constant movements of exchange rates. Investors who assume currency risk upon the purchase of the present issue would increase or decrease the effective yield on their investment as a result of the strengthening or weakening of the euro exchange rate against the respective currency.

SECTION III - INFORMATION ABOUT THE ISSUER

UIC	**202255877**
LEI	**254900SP9M660ZUP0O21**
Company name	**„ITF GROUP“ AD**
Country of incorporation	**Bulgaria**
Address of management	**Sofia, Lozenets district, 16 „Srebarna” Street, Park Lane Office Center, floor 8.**
Website	**www.itfgroupbg.com**

With the exception of the documents to which the Prospectus refers, the content of the website of „ITF GROUP“ AD does not form part of this Prospectus.

„ITF GROUP“ AD is a financial institution pursuant to Article 3, paragraph 2 of the Credit Institutions Act, entered under reg. number BGR00298 in the register of the BNB in 2012. The principal activity of the Company consists in the granting of loans with funds that have not been raised

through the public attraction of deposits or other repayable funds.

ITF is an innovative financial technology company focused on providing fast and convenient access to financial resources through the use of advanced technologies and the introduction of automation and optimisation in all operational processes.

The clients of the Company are individuals with regular income and a good credit history. Since its establishment to date, more than 310 000 loans have been granted, and the number of active clients at present is more than 22 000. The loans granted in 2025 amount to EUR 37.9 million, and for the first half of 2026 - to EUR 21.9 million.

The Company uses the consumer lending brand Smile credit, providing loans under the following products:

- „Payday loan“ with a maximum term of up to 30 days for amounts from EUR 100 to EUR 300;
- „Instalment loan“ with a maximum term of up to 24 months for amounts from EUR 100 to EUR 6 000.

Online loans under the Smile Credit brand accounted for more than 97% of the company's portfolio at the end of 2025, and the remaining approximately 3% are offline loans through the retail network. The turnover of Smile Credit loans is distributed between two products - the principal one, with a share of more than 99% as at the date of the prospectus, is the „Instalment loan“, and with a minimum share below 1% is the 30-day „Payday loan“ product.

The client base of the Smile Credit online platform consists predominantly of people aged between 20 and 55 years who are socially active, have permanent employment, are self-employed or are entrepreneurs.

The clients of the Smile Credit retail network have a different profile. The typical client prefers cash settlements, personal contact and personalised service.

Historically, the difference in the risk profile of the clients between the two types of products of „ITF Group“ AD also determined a difference in the average loss rate between them. In recent years, with the accumulation of a larger base, economies of scale and the improved technology for credit screening of clients, the average loss rate across the different types of clients has been moving within the range of 10-11%.

„Abby Capital“ EOOD holds 88.52% of the voting shares in the capital of the Company and thereby exercises direct control over the Issuer. The Executive Director of the Issuer, Svetoslav Angelov, in his capacity as sole owner of the capital of „Abby Capital“ EOOD, exercises indirect control over „ITF GROUP“ AD.

SECTION IV - RESPONSIBILITY STATEMENT AND COMPETENT AUTHORITY STATEMENT

ITEM 4.1. RESPONSIBILITY STATEMENT

SUB-ITEM 4.1.1. RESPONSIBLE PERSONS

„ITF GROUP“ AD, Issuer of the present issue, is managed by a Board of Directors (BD) consisting of the following members:

- Svetoslav Yuriy Angelov - Executive Director and member of the BD;
- Yuriy Angelov Angelov - Chairman of the Board of Directors;
- Zornitsa Georgieva Staynova - Member of the Board of Directors;
- Yuliyana Ognyanova Muteva - Member of the Board of Directors;
- Diyan Dimitrov Georgiev - Member of the Board of Directors.

The registered seat and business address of „ITF GROUP“ AD and of the members of the BD is city of Sofia, Lozenets district, 16 „Srebarna” Street, Park Lane Office Center bl., floor 8.

„ELANA Trading“ AD, Manager of the offering, is managed by a Board of Directors consisting of the following members:

- Radoslava Maslarska - Chairman of the BD;
- Kamen Kolchev - member of the BD;
- Momchil Tikov - member of the BD and Executive Director;
- Dimitar Georgiev - member of the BD;
- Tatyana Puncheva-Vasileva - member of the BD.

The registered seat of „ELANA Trading“ is Sofia, 4 Kuzman Shapkarev Street. The business address of the members of the BD of „Elana Trading“ AD is Sofia, 5 „Lachezar Stanchev“ Street, Sopharma Business Towers, Building B, floor 12.

The auditor who examined and certified the audited annual consolidated financial statements of „ITF GROUP“ AD for 2025 is the audit firm **„Ecovis Audit Bulgaria“ OOD with number from the register under Article 20 of the Independent Financial Audit and Sustainability Assurance**

Act (IFASAA) 114, with registered auditor responsible for the audit Maria Manolova, member of the Institute of Certified Public Accountants in Bulgaria (ICPA) with reg. number 0855. The business address of Ecovis Audit Bulgaria OOD is Sofia 1606, 71-73 „General Eduard I. Totleben“ Blvd., Business Center entrance, floor 5, office 1.

The preparer of the audited annual consolidated financial statements of the Company as at 31.12.2025, as well as of the interim consolidated financial statements as at 30.06.2026, is **Zornitsa Staynova, with business address: Sofia, 6 Hristo Belchev Street.**

„ITF GROUP“ AD, in its capacity as issuer of the securities, and the investment intermediary „ELANA Trading“ AD, in its capacity as Manager of the offering, assume responsibility for the completeness and accuracy of the information contained in the Prospectus. The members of the Board of Directors of „ITF GROUP“ AD and the representatives of IB „ELANA Trading“ AD declare with their signatures, affixed at the end of this Document, that to the best of their knowledge the information contained herein corresponds to the facts, that there are no omissions which may affect its meaning, and that the information presented herein is true and complete. In addition, the representatives of „ITF GROUP“ AD and of IB „ELANA Trading“ AD declare with their signatures, affixed at the end of the document, that it complies with the requirements of Regulation (EU) 2017/1129, Chapter Six of POSA and the acts on their implementation. They believe in the opinions, assumptions and intentions contained in this Document, having arrived at them after taking into account all material circumstances on the basis of reasonable assumptions.

The members of the Board of Directors of „ITF GROUP“ AD and the representatives of IB „ELANA Trading“ AD shall be jointly and severally liable for any and all damages caused by incorrect, misleading or incomplete data in the Prospectus. The persons responsible for the preparation of the financial statements shall be liable for any and all damages caused by incorrect, misleading or incomplete data in the financial statements of the Company, and the auditors of the Company - for damages caused by the audit reports issued on the financial statements audited by them of the Company. Details of the above-mentioned persons are set out in the part „Responsible Persons“ of this Document.

SUB-ITEM 4.1.2. INFORMATION FROM EXPERTS AND THIRD PARTIES

No statements or reports written by a person in its capacity as an expert have been included in the preparation of this Prospectus.

No information which has been audited or reviewed by statutory auditors and in respect of which the latter have prepared a report has been included in this Prospectus.

The market, economic and industry information used in this document has been derived from various professional and other independent sources. The accuracy and completeness of such information are not guaranteed.

The information contained in this document relating to the industry in which „ITF GROUP“ AD and its competitors operate (which may include estimates and approximations) has been derived from publicly available information, including publications and information disclosed in accordance with the requirements of the applicable securities legislation and other statutory instruments. „ITF GROUP“ AD confirms that such information has been correctly reproduced from its sources and that, as far as the Company is aware and is able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading. Nevertheless, the Company has relied on the accuracy of this information without carrying out an independent verification.

Certain information in this document relating to Bulgaria has been derived from documents and other official, public and private sources, including of participants in the capital markets and the financial sector in Bulgaria. It should not be assumed that there is complete uniformity in the information presented across all of these sources. In this connection, the Company assumes responsibility only for the accurate reproduction of extracts from the respective sources of information. The Company does not assume additional or other responsibility in respect of the reproduced information.

ITEM 4.2. COMPETENT AUTHORITY STATEMENT

This EU Follow-on Prospectus has been approved by the Financial Supervision Commission (FSC), in its capacity as competent authority pursuant to Regulation (EU) 2017/1129 and Delegated Regulation (EU) 2026/773.

This approval should not be regarded as an endorsement of the Issuer or of the quality of the securities to which this EU Follow-on Prospectus relates.

The approval of the EU Follow-on Prospectus by the FSC means only a confirmation that the prospectus meets the criteria of completeness, comprehensibility and consistency laid down in Delegated Regulation (EU) 2026/773.

This EU Follow-on Prospectus has been drawn up in accordance with Article 14a of Regulation (EU) 2017/1129.

The FSC does not bear responsibility for the accuracy of the data contained in the Prospectus.

SECTION V - FINANCIAL INFORMATION

ITEM 5.1. FINANCIAL STATEMENTS

„ITF GROUP“ AD attaches to this Prospectus audited consolidated statements as at 31 December 2025.

„ITF GROUP“ AD attaches to this Prospectus six-month consolidated statements as at 30.06.2026, which are not audited.

ITEM 5.2. AUDITED FINANCIAL INFORMATION

The audit report on a consolidated basis for 2025, prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014, is also attached to the respective statements.

Apart from the above-mentioned financial statements, there is no other information in this document which has been audited by the auditors.

ITEM 5.3. SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE ISSUER

From the date of the last published six-month consolidated statements - 30.06.2026 - and the last interim separate financial statements as at 30.09.2026 to the date of this Document, there have been no material changes in the financial and trading position of the Group.

ITEM 5.4. PRO FORMA FINANCIAL INFORMATION

The Issuer does not prepare pro forma financial information.

SECTION VI - TREND INFORMATION

ITEM 6.1. ANY MATERIAL ADVERSE CHANGE IN THE PROSPECTS OF THE ISSUER SINCE THE DATE OF THE LAST PUBLISHED AUDITED FINANCIAL STATEMENTS

Insofar as the hostilities in Ukraine and the Middle East, the relatively deteriorated economic climate and the recessionary processes reported in Europe, as well as the unstable political situation in the country, have not affected and do not directly affect the activity of the Company, it may be asserted that there are no relevant factors which have significantly affected or could have a significant effect, directly or indirectly, in respect of the activity of ITF GROUP AD and its investments, from the date of the last published audited financial statements - 31.12.2025 - to the date of this Document.

Apart from the above and from those set out in Section II „Risks“ of this Prospectus, there are no other trends, fluctuations, requirements, commitments or events known to the Issuer which are likely to have a significant effect on the prospects of the Issuer for the current financial year.

ITEM 6.2. DESCRIPTION OF ANY MATERIAL ADVERSE CHANGE IN THE PROSPECTS OF THE ISSUER AND ANY SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE GROUP

There is no material adverse change in the prospects of the Issuer and no significant change in the financial position of its Group known to the Issuer since the end of the last financial period for which financial information has been published up to the date of this Prospectus. The last published financial statements of the Company are the interim unaudited separate financial statements as at 30.09.2026.

SECTION VII - DETAILED INFORMATION ON THE OFFERING OR ON THE ADMISSION TO TRADING

ITEM 7.1. TERMS AND CONDITIONS OF THE OFFERING

SUB-ITEM 7.1.1. CONDITIONS TO WHICH THE OFFERING IS SUBJECT

The rules to which the public offering of the bonds is subject are laid down in statute in POSA, Regulation (EU) No 2017/1129, Delegated Regulation (EU) 2026/773, Delegated Regulation (EU) 2019/980, Delegated Regulation (EU) 2019/979, Ordinance No 38 of the Financial Supervision Commission of the Republic of Bulgaria on the requirements for the activity of investment intermediaries, and the Rules of Operation of „Central Depository“ AD.

The bonds are not envisaged for offering in any country other than the Republic of Bulgaria, and the Issuer does not plan their admission to trading on any regulated securities market other than the regulated market organised by the BSE. In this connection, potential investors in Bonds should also bear in mind the following restrictions on the offering of the Bonds in certain jurisdictions:

United States of America

The Bonds are not and will not be registered under the US Securities Act and may not be offered or sold within the territory of the USA or its adjacent territories, or to or for the account of U.S. Persons, except within the framework of certain transactions to which the registration requirement under the US Securities Act does not apply, and only if all other requirements of the applicable US federal or state law are complied with.

European Union and European Economic Area

In respect of each country belonging to the European Economic Area, the Bonds which are the subject of this Prospectus may not be offered publicly in such a member state, except in the cases provided for in Article 1, paragraph 4 or (to the extent applicable) Article 3, paragraph 2 of Regulation (EU) No 2017/1129.

For the purposes of this paragraph, the expression „offering the Bonds publicly“ in connection with the offering of the Bonds in any member state means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offering and the Bonds being offered, so as to enable an investor to decide to purchase or subscribe for those securities, this definition also applying to the placing of the Bonds through financial intermediaries.

SUB-ITEM 7.1.2. INDICATIVE TIMETABLE

The timetable and the dates indicated below are subject to change without prior notice. References to times of day are Eastern European Time (unless otherwise indicated).

Table 3: Indicative timetable of the offering

Date of approval of the Prospectus	-	29.10.2026
Date of publication of the Prospectus	-	09.11.2026
Date of publication of the Offering Announcement (Start date of the Offering):	-	09.11.2026
Start date of the Subscription:	-	17.11.2026
Final date of the Subscription:	-	19.11.2026
Date of notification of the results of the Subscription:	-	20.11.2026
Registration of the Bonds with the CD:	-	24.11.2026
Announcement of the loan concluded in the CR:	-	26.11.2026
Entry of the issue in the register of the FSC:	-	27.11.2026
Admission of the Bonds to Trading on the BSE:	-	02.12.2026

The determination of these dates is based on the assumption that: (a) the time limits in the timetable are observed without delay; and (b) the procedures at the respective institutions will proceed within the shortest time limits in accordance with their practice. The exact date may be more or fewer days after the date indicated. The exact dates will be published on the websites of the Issuer and the Manager - www.itfgroupbg.com and www.elana.net, and the relevant notifications will be made in this connection in accordance with Bulgarian legislation.

SUB-ITEM 7.1.3. TOTAL SIZE OF THE ISSUE. MINIMUM AND MAXIMUM SIZE

The subject of the public offering is up to 15 000 (fifteen thousand) ordinary, registered, dematerialised, interest-bearing, non-convertible, freely transferable, unsecured bonds with a nominal value and issue value of 1 000 (one thousand) euro. No possibility is envisaged for increasing the number of bonds offered („Maximum size of the issue“).

The issue shall be considered successfully issued only if at least 8 000 (eight thousand) bonds with a nominal value and issue value of 1 000 (one thousand) euro are subscribed and paid for („Minimum size of the issue“).

SUB-ITEM 7.1.4. PERIOD AND PROCEDURE OF THE OFFERING

START DATE OF THE OFFERING. PUBLIC OFFERING ANNOUNCEMENT

Following the confirmation of this Prospectus by the FSC, the Issuer will publish an announcement of the commencement of the Offering (the „Announcement“), in which it will state, in addition to the remaining information, information on the start and final time limit of the Offering,

the number and the date of the confirmation of the Prospectus issued by the FSC, as well as information on the places, times and conditions for access to the Prospectus by potential investors in Bonds, whereby the Offering will commence.

Pursuant to Article 89t, paragraph 2 of POSA, the Public Offering Announcement will be published on the website of the Issuer - www.itfgroupbg.com and on the website of the authorised investment intermediary participating in the offering - www.elana.net, 7 (seven) days before the start of the subscription period. The date of publication of the Announcement is the start date of the public offering.

START AND FINAL DATE FOR THE SUBMISSION OF ORDERS

The start date for the submission of Orders for the acquisition of the Offered Bonds pursuant to this Prospectus - such orders may be submitted on the first business day following the expiry of seven days from the publication of the Public Offering Announcement (the „Start date of the subscription“). The subscription of Bonds before the Start date of the subscription is not permitted.

The final date of the subscription (the „Final date of the subscription“) will be the third Business day from the Start date of the subscription, with the Start date of the subscription being included in those Business days. Investors will be able to subscribe for Bonds and to pay the issue value of the Bonds subscribed to the Subscription account until 4:00 p.m. Bulgarian time on the Final date of the subscription. In this connection, potential investors in Bonds may submit orders for the subscription of Bonds from 9:00 a.m. Bulgarian time on the Start date of the subscription until 4:00 p.m. Bulgarian time on the Final date of the subscription (the „Subscription period“).

All orders received after the Final time limit of the subscription will not be valid, and accordingly all amounts received for the payment of the issue value of Bonds subscribed, received to the Subscription account after the Final time limit of the subscription, will not be taken into account by the Issuer in determining the results of the Offering.

POSSIBILITY OF EXTENDING THE SUBSCRIPTION PERIOD

The period may be extended on one occasion by up to 10 days, in which case the Issuer shall introduce the relevant amendments to the Prospectus and notify the FSC, publish information on the extension of the period on its website (www.itfgroupbg.com), notify the authorised investment intermediary of the extension of the period, with the authorised investment intermediary announcing the extension of the period on its website (www.elana.net). In the event of an extension of the period, the Final date for the submission of orders is 4:00 p.m. Bulgarian time on the last day of the extended period.

MINIMUM AND MAXIMUM NUMBER OF BONDS WHICH MAY BE SUBSCRIBED BY ONE INVESTOR

The minimum quantity of bonds which one investor may subscribe for is 1 bond.

The maximum quantity of bonds which one investor may subscribe for is up to the amount of the maximum quantity of Offered Bonds.

TERMS AND PROCEDURE FOR THE SUBSCRIPTION OF THE BONDS

For the acquisition of the Offered Bonds pursuant to this Prospectus, investors shall submit orders containing at least the following particulars:

- the three names and the unique client number of the investor and of its authorised representative with the investment intermediary and, if such numbers have not been assigned: the three names, personal identification number, place of residence and address, respectively the company/name, UIC (identification code, BULSTAT), registered seat and address of the investor and of its representative or authorised representative and, if the investor is a foreign person - analogous identification data, including personal/social security number for a natural person, and registration number or another analogous number of a legal person;
- issuer, LEI code of the Issuer and ISIN code of the Offered Bonds;
- number of bonds subscribed to which the order relates;
- total value of the order;
- date, time and place of submission of the order;
- signature of the person submitting the order, or of its legal representative or authorised representative.

In addition to being submitted in person by the applicant, the order may also be submitted through an authorised representative presenting an express notarised power of attorney for the subscription of new bonds, who shall establish its identity with the documents required in accordance with the identification and representation procedure of the respective investment intermediary (depending on whether it is a local or a foreign legal person). The documents required in accordance with the identification and representation procedure of the respective investment intermediary and Ordinance 38 of the FSC shall be attached to the respective order.

Orders may be submitted:

- at the offices of the Manager of the issue - IB „ELANA Trading“ AD;
- at the offices of the respective licensed investment intermediary with which the client accounts of the person who will invest are held;

on each business day of the period for the submission of orders from 9:00 a.m. to 5:00 p.m., or during the respective business hours of each investment intermediary, if different from those indicated, but no later than 4:00 p.m. local time on the Final date for the submission of orders.

At the end of each business day, the investment intermediaries shall send to the Manager of the issue a report in the standard form on the number of orders submitted/accepted with them and, respectively, the number of Bonds subscribed.

„ELANA Trading“ AD, or the respective investment intermediary accepting the order, in accordance with the applicable statutory instruments, its General Terms and Conditions and practice, shall be entitled to refuse to accept orders if they are not satisfied with the type, form, validity and other circumstances relating to the documents presented to them.

„ELANA Trading“ AD, as the investment intermediary accepting and processing the orders, shall be entitled to prepare and require the completion of order forms determined by it, both with the content indicated and with additional content determined by it.

POSSIBILITY OF WITHDRAWING THE ORDER

No possibility is envisaged for the withdrawal of a submitted order for the subscription of Bonds.

An investor who has submitted a subscription order may withdraw from the Bonds subscribed only under the procedure of Article 23, paragraph 1 of Regulation (EU) 2017/1129 and only in the event of a published supplement to the Prospectus under the procedure of Article 89s of POSA, by a written declaration submitted within 2 business days of the publication of the supplement to the investment intermediary through which the subscription order was submitted.

MANNER AND TIME LIMIT FOR THE PAYMENT OF THE OFFERED BONDS

The payment of the issue value of the subscribed Bonds is effected to a special subscription account of the Issuer, which will be indicated in the Public Offering Announcement under Article 89t, paragraph 1 of POSA.

The Subscription account must be credited with the instalment due against the subscribed Bonds no later than 4:00 p.m. Bulgarian time on the Final date of the subscription.

The certifying document for the payment made is the payment order or the deposit slip. The payment document must contain data on at least the name (designation) of the investor, respectively of the investment intermediary acting for the account of the investor, and on the total number of Bonds paid for.

The investor shall receive the certifying document from the servicing bank through which it orders the payment or deposits the amount due, and shall hand it over to the Manager of the Issue, respectively to the investment intermediary through which it submitted the order, by the final time limit for the payment of the Bonds. In the event that the orders are submitted with other investment intermediaries, they shall hand over to the Manager of the Issue payment documents for the payments made for the Bonds subscribed/purchased by 4:00 p.m. Bulgarian time on the Final date of the subscription.

The payment shall be deemed validly made from the moment the Subscription account is credited with an amount equal to the full amount in euro of the issue value of the Bonds subscribed by the respective investor. From the same moment, the Order for the subscription of Bonds submitted by the respective investor shall be deemed validly submitted.

Partial payment of the issue value of Bonds is not permitted. In the event of partial payment of the issue value of Bonds, the Order submitted shall be deemed valid and, accordingly, such number of Bonds shall be deemed to have been applied for subscription for which the issue value has been fully paid by the respective investor.

All costs of the investors in Bonds for crediting the Subscription account with an amount equal to the issue value of the Bonds subscribed by them, including bank fees, costs and currency differences from conversion, etc., shall be entirely for the account of the respective investors.

CONDITIONS UNDER WHICH THE ISSUE IS DEEMED ISSUED. REGISTRATION OF THE ISSUE AND DELIVERY OF THE BONDS SUBSCRIBED

The issue which is the subject of the Prospectus shall be deemed successfully issued in the event that, in the Offering, such number of Bonds is subscribed and paid for as corresponds at least to the Minimum size for successful issuance. The date of issuance of the issue is the Final date of the subscription.

In the event that the Minimum size for successful issuance is reached in the Offering, the Issue will be filed for registration with the Central Depository within 1 (one) Business day of the Final date of the Subscription. The Bonds will be registered with the „Central Depository“ in a sub-account of the respective IB through which the order was submitted, unless otherwise indicated in the order itself.

If they so wish, investors may obtain certifying documents for the Bonds subscribed by them. The issuance of certifying documents is carried out by the CD through the respective investment intermediary at the request of the Bondholder and in accordance with the Rules of Operation of the CD and the internal acts of the intermediary.

DESCRIPTION OF THE MANNER AND THE DATE ON WHICH THE RESULTS OF THE OFFERING WILL BE PUBLISHED

Within 1 (one) Business day of the Final date of the Subscription/Offering, the Company will send a notification to the FSC regarding the results of the offering, containing information on: 1. the date of completion; 2. the total number of bonds subscribed or sold; 3. the amount received against the bonds subscribed or sold; 4. the amount of the commission remuneration and other costs of the offering, including the fees paid to

the FSC. The Issuer will attach to the notification a certificate from the CD for the registration of the Issue and a bank certificate attesting to the payments made for the Bonds subscribed.

Within the above-mentioned time limit, the information on the result of the offering will be disclosed through publications in the information agency x3News and on the websites of the Issuer and the Investment intermediary.

In addition, in the event that the Offering is completed successfully, as indicated above, the Issuer will file with the Commercial Register for announcement the Notice of a bond loan concluded under Article 206, paragraph 6 of POSA.

PROCEDURE AND TIME LIMIT FOR THE RETURN OF THE FUNDS PAID IN IF THE OFFERING IS COMPLETED UNSUCCESSFULLY

In the event that the Offering is completed unsuccessfully because a smaller number of Bonds than the Minimum size for successful issuance has been subscribed and/or paid for, the Issuer will publish, together with the Announcement of the results of the offering and under the same procedure, an invitation (the „Invitation for the return of the amounts“) to the investors who have subscribed Bonds in the Offering, in which it will state the terms and procedure for the return of the issue value paid by the investors for the Bonds subscribed by them.

In the event of unsuccessful completion of the Offering, on the date of publication of the Announcement of the results of the offering, the Issuer will notify the bank with which the Subscription account has been opened of the results of the Offering, by sending it the Announcement of the results of the offering together with the Invitation for the return of the amounts. On the following Business day, the Issuer will instruct the bank to refund the amounts paid by the investors for the Bonds subscribed by them (as well as the interest accrued on those amounts, if any has been accrued), to bank accounts indicated by the latter in the respective Orders. The costs of carrying out the transfers for the refund of the amounts paid by the investors upon unsuccessful completion of the Offering will be for the account of the Issuer.

ITEM 7.2. PLAN OF PLACEMENT AND ALLOTMENT

The securities are offered under the terms of a public offering. There is no restriction as regards the categories of investors for which the acquisition of the securities is permissible, insofar as they meet the requirements for a non-complex financial instrument under the legislation in force in the EU.

The Bonds will be offered publicly solely in the Republic of Bulgaria. The addressees of the Offered Bonds are all local and foreign persons, except in cases where this would constitute a breach of the applicable laws. Foreign investors who are not local persons and intend to subscribe for new bonds must acquaint themselves with the applicable laws in their jurisdictions.

The Offering is carried out only within the territory of the Republic of Bulgaria.

Under the terms of this Issue, there are no pre-emptive rights to subscribe for Bonds for any investor whatsoever, and no such pre-emptive rights to subscribe for Bonds of the Issue have been granted to any investor by the Issuer or the Manager.

The Issuer and the Manager of the issue do not and may not determine ratios, tranches and/or quantities of Bonds to be allotted among individual categories of investors. All orders are accepted and ranked under the general procedure.

In the event that Orders are submitted for the subscription of a greater number of Bonds than the Maximum size of the issue, all orders shall be satisfied proportionally (pro rata) to the number of Bonds stated therein until the Maximum size of the issue is subscribed.

In respect of this Issue, no possibility is envisaged for the additional issuance/allotment of bonds above the Maximum size of the issue.

Notifications of the crediting of the securities accounts of the investors with the Offered Bonds will be delivered to each investor in accordance with the procedure of the respective investment intermediary servicing its securities account.

Investors will be able to dispose of the Bonds subscribed by them through over-the-counter (OTC) transactions following the registration of the Issue with the „Central Depository“. This is expected to take place within a few days after the Issue Date. Trading in the Bonds on a regulated market will become possible following their admission to trading on the Main Market of the BSE. According to the indicative timetable, this is expected to take place at the beginning of December 2026.

ITEM 7.3. PRICE

The offering of the present bond issue will be carried out through an primary public offering organised by the Manager of the issue under the mechanism described in item 7.1 above, at an issue price of EUR 1 000 per bond.

The intentions of the Issuer and the Manager are, in the event of a successful issuance of the Issue in accordance with the terms set out in this Prospectus, to request the admission of the Bonds to trading on the „Bonds Segment“ of the Main Market of the BSE at the same issue price, namely EUR 1 000 per bond.

In trading in securities on a regulated market, investors owe fees/commissions in accordance with the tariff of the respective investment intermediary, the tariff of the BSE and the tariff of the CD. The Issuer has not envisaged specific costs to be borne by the investors.

ITEM 7.4. PLACING AND UNDERWRITING

By a decision of the Board of Directors of the Company, IB „ELANA Trading“ AD has been selected as Manager of the Issue. The Manager will not use other investment intermediaries as co-Managers to place the Offered Bonds.

IB „ELANA Trading“ AD has undertaken to carry out the necessary actions in connection with the public offering of the Company, including by offering, in the name and for the account of the Company, to institutional and other investors within the territory of Bulgaria, to subscribe for the Offered Bonds and to pay their issue value.

The Offered Bonds are not and will not be the subject of an Underwriting Agreement, and accordingly there are not and will not be persons who will underwrite all or part of the issue.

IB „ELANA Trading“ AD has undertaken to use its best efforts to place the present issue, but has not undertaken to subscribe for and/or purchase part of the total number of Bonds offered which are not subscribed or purchased by the investors.

Remuneration of the Manager

For the services of the Manager of the offering, including for placement, the Issuer will owe remuneration formed as a percentage of the amount of the Bonds placed, only upon a successful issuance of the Issue. For a placed volume of the Issue in an amount between the minimum and the maximum size of EUR 8-15 million, the commission for the placement of the Bonds will be in an amount between EUR 120 and 250 thousand.

ITEM 7.5. ADMISSION TO TRADING

SUB-ITEM 7.5.1. TOTAL NUMBER OF SECURITIES TO BE ADMITTED TO TRADING

The Issuer will apply for the admission to trading of all Bonds subscribed within the framework of the Subscription.

SUB-ITEM 7.5.2. REGULATED MARKET ON WHICH THE BONDS WILL BE TRADED

The Issuer will apply for the admission to trading of the present Issue of Bonds on the Main Market of the BSE. The Issuer does not intend to apply for the admission of the bonds of the present issue to trading on regulated markets other than the BSE. The Issuer does not intend to apply for the admission of the bonds of the present issue to trading on other markets of third countries, an SME growth market or an MTF.

Upon successful completion of the Offering, the Issuer will file for registration of the Issue with the „Central Depository“ and will request the FSC to enter the Issue in the Register under Article 30, paragraph 1, item 3 of the Financial Supervision Commission Act (the „FSC Register“) for the purpose of trading on a regulated market.

The FSC is expected to take a decision on the entry of the Issue in the FSC Register within 2 Business days of the submission of the respective application by the Issuer, accompanied by a certificate of registration of the Issue with the „Central Depository“ and a certificate from the bank for the full payment of the issue value of the Bonds subscribed.

Following the entry of the Issue in the FSC Register, the Issuer will apply for the admission of the Issue to trading on the „Bonds Segment“ of the Main Market of the BSE. The Board of Directors of the BSE is expected to take a decision on the admission of the Issue to trading within 5 (five) Business days of receipt of the application, and the decision will also state the start date for trading in them.

SUB-ITEM 7.5.3. DEPOSITORY INSTITUTIONS AND PAYING AGENTS

The depository institution for the Bonds is „Central Depository“ AD, with address of management: Sofia, 6 „Tri Ushi“ Street, floor 4.

The payment of the interest and principal payments due will be effected through „Central Depository“ AD, with address: Sofia, 6 „Tri Ushi“ Street, floor 4.

SECTION VIII - KEY INFORMATION ON THE SECURITIES

ITEM 8.1. TERMS AND CONDITIONS OF THE SECURITIES

The information set out below contains the terms and conditions applicable to the present Issue of Bonds (the „Terms of the Issue“ or the „Terms“).

These Terms contain the arrangements regarding the rights and obligations of the Issuer and the bondholders under the Issue (the „Bondholders“), as well as the conditions and procedure for their exercise. Careful familiarisation with the Terms of the Issue is important so that potential investors can take an informed investment decision whether to purchase Bonds.

SUB-ITEM 8.1.1. TYPE AND CLASS OF THE SECURITIES

Pursuant to the decision of the Board of Directors of the Issuer, the Bonds of the present issue are ordinary, interest-bearing, dematerialised, non-convertible, non-preferential, registered, unsecured and freely transferable.

All Bonds of the Issue constitute one class and confer equal rights on their holders. The Bonds embody unconditional obligations of the Issuer for repayment of the loan received.

The present bond issue is the fifth in order of issuance. The present bond loan, which is in the process of being issued, is not subordinated to other obligations of the Issuer and the discharge of the obligations of the Issuer to the bondholders of the present issue is not conditional upon the satisfaction of claims of other unsecured creditors.

The rights conferred by the Bonds are not and may not be significantly limited by rights conferred by another class of securities, or by the provisions of a contract or another document.

The Bonds of the present issue are dematerialised and registered. The maintenance of the register of the bondholders and the safekeeping of the securities of the present issue are carried out by „Central Depository“ AD, with registered seat and address of management: Sofia, 6 „Tri Ushi“ Street, floor 4.

The Bonds of the present issue and the claims of the holders of Bonds arising from them are not secured and are not the subject of guarantees or other similar arrangements provided by the Issuer or by companies of its group, or by any third party whatsoever, nor will they be the subject of such security and/or guarantees at any time until the final discharge of all claims arising from the Bonds.

SUB-ITEM 8.1.2. ISIN CODE OF THE SECURITIES

The Bonds of the present issue have been assigned the international identification number ISIN code BG2100036263.

SUB-ITEM 8.1.3. LEGISLATION GOVERNING THE CREATION OF THE SECURITIES

The Bonds are issued in accordance with the law applicable in the Republic of Bulgaria and, accordingly, all rights and obligations incorporated in them, as well as all non-contractual obligations which may arise from or be connected with the issuance of the Bonds, are governed by the law applicable in the Republic of Bulgaria.

Apart from what is set out in this and in the respective other sections of this document, the general rules of the CA and POSA apply to the Bonds.

All disputes arising out of or occasioned by the Bonds and/or the Terms of the Issue, including disputes arising out of or relating to their interpretation, validity, performance or termination, as well as disputes for the filling of gaps or their adaptation to newly arisen circumstances, or disputes regarding non-contractual obligations which may arise from or be connected with the issuance of the Bonds, shall be referred for resolution to the court having subject-matter jurisdiction in the city of Sofia, Republic of Bulgaria. The disputes shall include, without limitation, any dispute related to:

- payments under the Bonds;
- the occurrence, interpretation or remedying of an Event of default;
- the validity or interpretation of the corporate decisions of the Issuer;
- the validity or interpretation of the decisions of the General Meeting of Bondholders.

SUB-ITEM 8.1.4. CURRENCY OF THE SECURITIES ISSUE

The Bonds of the present issue are denominated in euro (EUR).

SUB-ITEM 8.1.5. RANKING OF THE CLAIMS UNDER THE SECURITIES IN THE CAPITAL STRUCTURE OF THE ISSUER IN THE EVENT OF INSOLVENCY, INCLUDING THE DEGREE OF SUBORDINATION OF THE SECURITIES

The bond loan in the process of being issued is not subordinated to other obligations of the Issuer and the discharge of the obligations of the Issuer to the Bondholders of the present Issue is not conditional upon the satisfaction of claims of other creditors.

In the event of insolvency (bankruptcy), the claims under the present Issue rank eighth in the order of satisfaction together with all other unsecured claims arising before the date of the decision on the opening of the insolvency proceedings, pursuant to Article 722, paragraph 1, item 8 of the CA. Ranking before them in the order of satisfaction are:

1. the claims secured by a pledge or mortgage, or a distraint or injunction, registered under the procedure of the Registered Pledges Act - out of the amount received upon the realisation of the security;
2. claims in respect of which a right of retention is exercised - out of the value of the retained property;
3. the costs of the insolvency;

4. claims arising from employment relationships which arose before the date of the decision on the opening of the insolvency proceedings;
5. maintenance owed by law by the debtor to third parties;
6. public-law claims of the state and the municipalities, such as taxes, customs duties, fees, mandatory social security contributions and others, arising up to the date of the decision on the opening of insolvency proceedings;
7. claims arising after the date of the decision on the opening of the insolvency proceedings and not paid when due.

Where the funds are insufficient to satisfy in full the claims of the creditors under item 3 and the following items of paragraph 2, they shall be distributed among the creditors of the respective rank proportionally.

Without the consent of the General Meeting of Bondholders of this issue, the Issuer may not issue a new bond issue with a preferential repayment regime.

Pursuant to Article 207, item 2 of the CA, any decision of the Issuer to issue new bonds with a preferential repayment regime without the consent of the general meetings of previous unrepaid bond issues is null and void.

The General Meeting of Bondholders of this issue gives its consent to the issuance of a new issue of preferential bonds. This decision of the GMB is obligatorily considered by the General Meeting of Shareholders of the Issuer. In the event that the General Meeting of Shareholders has authorised the Board of Directors to issue a new issue of preferential bonds, the opinion under the preceding sentence is considered by the Board of Directors of the Issuer.

The Terms of the Issue do not provide for special conditions which the Issuer must meet in order to be able to issue new bond issues of the same class as the Issue.

SUB-ITEM 8.1.6. DESCRIPTION OF THE RIGHTS ATTACHED TO THE SECURITIES, INCLUDING ANY LIMITATIONS THEREOF, AND PROCEDURE FOR THE EXERCISE OF THOSE RIGHTS

INDIVIDUAL GENERAL RIGHTS OF THE BONDHOLDERS

The issuer of bonds is obliged to ensure equal treatment of bondholders in an equal position as regards all rights attaching to the bonds.

The Bonds of the present Issue provide an equal right of claim against the Issuer. The Bonds are of one class and confer equal rights on the bondholders, as follows:

- the right of claim to the principal, which represents the nominal value of the bonds held;
- the right to interest;
- the right to participate and the right to vote in the General Meeting of Bondholders of the present Issue, with each bond conferring the right to one vote;
- the right to elect or to be elected as representatives of the General Meeting of Bondholders of the present Issue;
- the right to information;
- the right to request the convening of a general meeting of bondholders - in favour of bondholders representing at least 1/10 of the Issue;
- the right to request the issuance of an order for execution pursuant to Article 417, item 10 of the Civil Procedure Code (CPC). The bond is an extrajudicial enforcement instrument within the meaning of Article 417, paragraph 1, item 10 of the CPC (i.e. it is not necessary to conduct litigation proceedings or, respectively, for there to be a court decision in favour of the bondholder; enforcement against the Issuer of the bonds is instead commenced directly within the framework of enforcement proceedings), which means that, in the event of non-performance by the Issuer of the obligation to pay interest within the time limits indicated, the Bondholder may obtain satisfaction by way of enforcement out of the property of the Company;
- the right to obtain satisfaction before the satisfaction of the claims of the shareholders upon liquidation of the Company. Only after the satisfaction of all creditors of the Company is its remaining property distributed among the shareholders, who thus receive their liquidation share (Article 271 of the CA). Liquidation presupposes the existence of sufficient assets of the company so that it can discharge all of its obligations to creditors, including the bondholders. If the debtor-issuer does not have sufficient property, insolvency proceedings should be opened against it.

Waiver of the right of set-off, netting or other similar rights

By subscribing for, respectively purchasing, Bonds, each holder of Bonds unconditionally and irrevocably waives its right to effect set-off, netting, to exercise a right of retention or a plea of non-performance of the contract in its relations with the Issuer, and/or to exercise or undertake another similar right or action which the respective holder of Bonds might have under the legislation applicable to the Bonds and/or to a claim of that holder of Bonds against the Issuer. In connection with what is set out in the preceding sentence, the holders of Bonds are not entitled to effect set-off, netting, to exercise a right of retention or a plea of non-performance of the contract in their relations with the Issuer, and/or to exercise or undertake another similar right or action which could have the same effect.

The Issuer is not entitled to set off or net any obligations whatsoever of the holder(s) of Bonds towards the Issuer arising under other contractual or non-contractual relations between the parties against its obligations under the Issue.

Collective rights of the bondholders. General Meeting of Bondholders

Pursuant to Article 209, paragraph 1 of the CA, the Bondholders of this issue form a separate group for the protection of their interests before the Issuer. The group of bondholders of the present Issue of corporate bonds forms its own General Meeting of Bondholders (GMB).

Each Bond confers on its holder the right to participate and vote at the meetings of the General Meeting of Bondholders. Each Bond confers the right to one vote in the General Meeting of Bondholders.

The Articles of Association of the Issuer contain no express provisions regarding the conditions for holding General Meetings of Bondholders and their representation in the General Meeting of Shareholders. In respect of these circumstances, the provisions of Articles 208 - 214b of the CA apply.

Convening of the GMB

By virtue of Article 214, paragraph 1 of the CA, each General Meeting of Bondholders must be convened by an invitation announced in the Commercial Register at least 10 days before the date of the GMB.

The General Meeting of Bondholders may be convened by the Representative of the bondholders, as well as at the request of Bondholders representing at least 1/10 of the Issue.

The Representative of the bondholders is obliged to convene the GMB upon notification by the management bodies of the Issuer of:

- a change of control over the Issuer;
- a proposal for the issuance of a new issue of preferential bonds.

The Representative of the bondholders shall also convene the GMB in the event of non-performance on the part of the Issuer, where the respective non-performance leads to an immediate vote on Early acceleration.

The Issuer is obliged to send to the Commission and to disclose to the public under the procedure of Article 100t, paragraphs 3 and 4 the invitation under Article 214, paragraph 1 of the CA at least 15 days before the general meeting.

Persons who may participate and exercise voting rights in the GMB

The right to vote in the General Meeting of Bondholders is exercised by the persons entered in the central register of securities maintained by the „Central Depository“ as Bondholders 3 (three) Business days before the date of the GMB.

The composition of the Bondholders entitled to exercise voting rights at the respective meeting of the General Meeting of Bondholders is certified by an official extract issued by the „Central Depository“ from the book of Bondholders maintained with it, containing information on the persons holding Bonds 3 (three) Business days before the date of the GMB.

The Issuer undertakes, upon receipt of a written request from the Representative of the bondholders, to carry out the necessary legal and factual actions regarding the issuance of an official extract from the book of Bondholders as at the date indicated above, as well as for its provision to the Representative of the bondholders before the date of the respective GMB.

Bondholders may be represented at the GMB by an authorised representative with a power of attorney drawn up in accordance with the applicable legislation.

The Issuer is obliged to provide a template of the power of attorney under paragraph 1 in hard copy or by electronic means, if applicable, together with the materials for the GMB or upon request and after it has been convened.

Quorum

In accordance with Article 214a, paragraph 1 of the CA, the GMB will be lawfully held and will be able to adopt valid decisions binding on all holders of Bonds if at least 1/2 (one half) of the Bonds is represented at the meeting;

The General Meeting of Bondholders may adopt decisions giving consent to a change in the terms of the Bond loan only if at least 2/3 of the bonds carrying voting rights are represented at the meeting /quorum/, and the quorum requirement for taking a decision on changes to the terms of the bond loan must also be observed on the second date of holding the GMB under the procedure of Article 227, paragraph 3 of the CA, if the necessary quorum was not present on the first such date.

If the Issuer has acquired and holds Bonds as a result of a repurchase, these Bonds will not be taken into account in determining the quorum for the taking of a decision by the GMB.

Majority

All decisions of the General Meeting of Bondholders, other than those giving consent to changes to the Terms of the Issue, will be valid and will be binding on all holders of Bonds if they have been taken by a majority of at least 50% plus one Bond of the Bonds represented at the meeting of the GMB.

The General Meeting of Bondholders may adopt decisions giving consent to changes to the Terms of the Bonds only if it is approved by at least 3/4 of the Bonds carrying voting rights.

The decisions of the GMB taken in the presence of the necessary quorum and with the attainment of the necessary majority are binding on all holders of Bonds, irrespective of whether they attended the respective meeting of the GMB and irrespective of the manner in which they voted, if they were duly invited in accordance with the applicable legislation and the Terms of the Issue.

Holding of a General Meeting of Bondholders

The General Meeting of Bondholders is held at the registered seat of the Issuer.

The GMB is opened and chaired by the Representative of the Bondholders (a person authorised by it). After the opening of the GMB, the Bondholders elect a Secretary to keep the minutes of the meeting and vote counters.

For the meeting of the GMB, a list is drawn up of the Bondholders present or their representatives and of the number of Bonds held or represented. The Bondholders and their representatives certify their attendance with signatures and establish their identity. The list is certified by the chairman and the secretary of the GMB.

Minutes are kept of the meetings of the General Meeting of Bondholders.

The minutes are signed by the chairman and the secretary of the meeting and by the vote counters. The list of those present and the documents related to the convening of the GMB are attached to the minutes.

The Issuer is obliged to send to the Commission and to disclose to the public under the procedure of Article 100t, paragraphs 3 and 4 of POSA the minutes of the general meeting of bondholders within 3 (three) Business days of its holding.

First General Meeting of Bondholders

The first General Meeting of Bondholders will be convened by the Issuer through the announcement of a Notice of issuance of the Issue in the Commercial Register and will be held no later than 30 days from its convening, at the registered seat and address of management of the Issuer, with an agenda providing for the proposal for the election of a Representative of the bondholders under the Issue, as well as the possibility of discussing and taking a decision on other matters of interest to the General Meeting of Bondholders.

Representative of the bondholders

Pursuant to Article 209 of the CA, the bondholders of one issue form a group for the protection of their interests before the company. The group is represented by a representative(s) elected by the General Meeting of Bondholders. The representatives may not number more than three.

The functions and powers of the Representative(s) of the bondholders are determined in Articles 208-213 of the CA.

The Representative of the bondholders must be elected at the first general meeting of bondholders.

Pursuant to Article 210 of the CA, the following may not be elected as Representatives of the bondholders:

- the debtor company;
- persons related to the debtor company;
- the companies which have guaranteed in whole or in part the obligations assumed;
- the members of the board of directors of the Company, as well as their descendants, ascendants and spouses;
- the persons who are prohibited by law from participating in the management bodies of the Company.

The Issuer proposes that the functions of representative of the bondholders under the Issue (the „Representative of the bondholders“) be performed by „ELANA Trading“ AD, the proposed Representative of the bondholders having given its prior consent to perform these functions.

In connection with the requirement of Article 209 of the CA that the Representative of the bondholders be elected at the first General Meeting of bondholders, it will be proposed as an item on the agenda that a decision be taken on the election of ELANA Trading AD as Representative of the bondholders under the Issue (the „Decision on the election of a Representative of the Bondholders“);

Potential investors in Bonds should note that the GMB is entitled to elect another Representative of the bondholders in the event that it is considered that the candidate indicated in these Terms is not suitable for the Bondholders under the Issue. The GMB has the power to remove the Representative, to elect a new one and/or to elect more than one Representative;

Potential investors in Bonds should pay special attention to the fact that the Representative of the bondholders will begin to perform its functions, and the obligations as Representative of the bondholders set out in these Terms and in the applicable legislation will arise for it,

solely and only after a Decision on the election of a representative of the bondholders has been taken.

The Representative of the bondholders may undertake actions for the protection of the interests of the Bondholders in accordance with the decisions of the GMB. The Representative of the bondholders may participate in the GMS without voting rights. It may receive information under the same conditions as the shareholders. Where decisions are taken affecting the performance of the obligations under the bond loan, the GMS shall hear the opinion of the Representative of the bondholders.

The remuneration of the Representative of the bondholders is determined by the Issuer and is for its account. Where the Issuer does not determine remuneration, it is determined by the GMB. If the Company objects to the amount so determined, it is determined by the district court at the request of the Representative.

The contract between the Company and the Representative of the bondholders will be freely accessible on the website of the Issuer.

SUB-ITEM 8.1.7. INTEREST PAYABLE ON THE BONDS

The interest rate on the Bonds of the present issue is fixed at 11% (eleven per cent) per annum.

Interest payments. Frequency and method of calculation

The amount of the interest payment is calculated as simple interest on the nominal value of the Bonds held by each investor, for the individual six-month periods. The amount due is rounded to the second decimal place.

The amount of the interest payments is calculated on the unrepaid part of the nominal value of the Bonds for the defined periods of coupon payments on the basis of the Actual/365L convention (ISMA-Year, Actual/Actuals) - actual number of days in the period/actual number of days in the year on the basis of 365 or 366 days in the year) in accordance with the interest conventions permitted upon the registration of and trading in bond issues on the markets organised by the BSE.

The date on which each six-month period from the Issue Date expires shall constitute an „Interest payment date“.

If the Interest payment date falls on a non-business day, the payment shall be made on the first business day following the non-business day. A „Business day“ is a day which is a business day for the „Central Depository“ and on which Bulgarian banks effect payments in euro.

Upon the exercise of a Call option, interest payments are made for the interest accrued for the period from (and including) the previous Interest payment date to (but excluding) the Date of payment of the Call option exercise Price. The interest payments in this case are included in the exercise Price and are paid as part of it.

All principal and interest payments under the present issue will be effected by „Central Depository“ AD as Paying agent („Paying agent“), pursuant to a Contract for the effecting of payments of interest and principal on an issue of dematerialised bonds.

The Issuer effects the payments due without withholding any costs and fees whatsoever. The fees and costs of any correspondent banks are borne by the Bondholders.

Persons entitled to receive an interest payment

Entitled to receive interest payments are the Bondholders who have acquired Bonds and are entered in the book of Bondholders maintained by the Central Depository no later than 3 (three) Business days before each Interest payment date, including 3 (three) Business days before the last Interest payment date, which coincides with the Maturity Date of the Issue.

Transactions in corporate bonds executed in the 3-day period before the interest payment are concluded with a settlement date following the date of the coupon payment. This procedure does not apply to the last interest payment coinciding with the Maturity Date, in respect of which the procedure for the payment of the principal described below applies.

The holding of the Bonds is certified by an extract from the book of Bondholders maintained by the Central Depository.

Limitation periods

The holders of Bonds have a right of claim to interest on their Bonds. Under the applicable Bulgarian legislation, claims for interest on the Bonds are extinguished by the short three-year limitation period (Article 111, letter „c“ of the Obligations and Contracts Act). The limitation period begins to run from the day on which the claim became due.

SUB-ITEM 8.1.8. MATURITY OF THE ISSUE

The maturity of the Issue is the date (the „Maturity Date“) falling 84 (eighty-four) months after the Issue Date.

The principal is repaid through amortisation payments payable on the dates below up to the Maturity Date, with the first four years after the Issue Date being a grace period.

The amortisation payments of the principal are made in six amortisation instalments as follows:

- five instalments in an amount equal to 13.33% of the total nominal value of the bond loan each, payable together with the penultimate five interest payments - the ninth, tenth, eleventh, twelfth and thirteenth;
- one instalment, equal to 33.35% of the nominal value of the bond loan, which instalment is payable on the Maturity Date together with the last interest payment.

If the Maturity Date falls on a non-business day, the payment shall be made on the first business day following the non-business day. A „Business day“ is a day which is a business day for the „Central Depository“ and on which Bulgarian banks effect payments in euro.

All principal and interest payments under the present issue will be effected by „Central Depository“ AD as Paying agent („Paying agent“), pursuant to a Contract for the effecting of payments of interest and principal on an issue of dematerialised bonds.

The Issuer effects the payments due without withholding any costs and fees whatsoever. The fees and costs of any correspondent banks are borne by the Bondholders.

Persons entitled to receive a principal payment

The Issuer effects principal payments in favour of the persons who, according to the extract provided by the CD from the book of bondholders of the present issue, have acquired corporate bonds no later than 3 (three) business days before the Date of the respective amortisation payment, respectively no later than 3 (three) business days before the Maturity Date.

Transactions in corporate bonds executed in the 3-day period before the Maturity Date may not be carried out.

The holding of the Bonds is certified by an extract from the book of Bondholders maintained by the Central Depository.

Limitation periods

Under the applicable Bulgarian legislation, claims for principal on the Bonds are extinguished by the general five-year limitation period (Article 110 of the Obligations and Contracts Act). The limitation period begins to run from the day on which the claim became due.

SUB-ITEM 8.1.9. INFORMATION ON THE YIELD

The interest on the present bond issue is fixed and amounts to 11% (eleven per cent) on an annual basis.

The income realised upon investment in bonds of the present issue is dependent on the holding period, the price of the initial purchase and the price of the subsequent sale.

The Holding Period Return (HPR) of a bond is determined by the formula:

$$HPR = \frac{(P_1 - P_0 + \sum CF)}{P_0}$$

where:

HPR is the holding period return of a bond;

P_1 is the price on the sale of the bond;

P_0 is the price of acquisition of the bond;

$\sum CF$ is the sum of the cash flows (interest and principal) on the bond for the holding period.

The dates of the interest and/or principal payments and the amount of the interest rate on the present issue may be changed only by a decision of the GMB.

SUB-ITEM 8.1.10. ANY RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES

The Bonds may be transferred freely, without restrictions, at the will of their holders. The transfer of the Bonds takes effect as from the registration with the CD.

Certain restrictions on the free transfer of the Bonds as dematerialised securities are provided for in the Registered Pledges Act (RPA), the Civil Procedure Code and Ordinance No 38 of the FSC in the event of an imposed distraint or an established registered pledge over the securities.

SUB-ITEM 8.1.11. TAX WARNING

The Issuer warns that the tax legislation of the member state of the investor and of the member state of incorporation of the issuer may have an effect on the income received from the securities.

SUB-ITEM 8.1.12.

Not applicable

SUB-ITEM 8.1.13.

Not applicable

SUB-ITEM 8.1.14. OTHER TERMS OF THE ISSUE

CALL OPTION

The Issuer, acting solely at its own discretion, is entitled to repay early the principal on the Bonds, together with the interest due, currently accrued but unpaid thereon (to the extent that any has accrued), in full in respect of all Bonds, but not in part (the **„Call option“**).

The Call option may be exercised by the Issuer on the Date of the following interest payments and at the following Exercise prices:

a. On the date of the eighth interest payment at a price of 109% of the outstanding principal after payment of the principal and interest due.
b. On the date of the ninth interest payment at a price of 108% of the outstanding principal after payment of the principal and interest due.
c. On the date of the tenth interest payment at a price of 107% of the outstanding principal after payment of the principal and interest due.
d. On the date of the eleventh interest payment at a price of 106% of the outstanding principal after payment of the principal and interest due.
e. On the date of the twelfth interest payment at a price of 105% of the outstanding principal after payment of the principal and interest due.
f. On the date of the thirteenth interest payment at a price of 103% of the outstanding principal after payment of the principal and interest due.

In accordance with the Articles of Association of the Issuer, as well as pursuant to the Terms of the Issue, there are no requirements for the taking of special corporate decisions by the management bodies of the Issuer for the exercise of a Call option. The taking of decisions by the Board of Directors and/or the General Meeting of Shareholders is not necessary, and the legal representatives shall be deemed authorised to undertake the necessary actions regarding the exercise of a Call option by the Issuer.

Procedure for the exercise of a Call option

The Issuer must notify the Bondholders that it intends to exercise a Call option by means of a notice (the „Notice of exercise“). The Notice of exercise must contain at least the following data:

a. Information that the Issuer will exercise a Call option;
b. Information on the Date of payment of the Call option, which date must coincide with the Interest payment date;
c. The Exercise price, including an indication of the interest payment due on one Bond of the Issue;
d. A brief description of the procedure which will be followed for the payment of the value of the Call option.

The Issuer is obliged to announce the Notice of exercise 7 (seven) Business days before the Interest payment date by: (A) disclosing it as inside and regulated information in accordance with the requirements of the applicable legislation, as well as (B) publishing it on its website. Within the same time limit, the Issuer must also send the Notice of exercise to the Representative of the bondholders.

The Issuer may use electronic means for the provision of information to the bondholders if the GMB has taken such a decision and the following conditions are met:

a. the use of electronic means does not depend on the registered seat or address of the bondholders or of the persons representing them;
b. measures have been taken for identification, so that the information is actually provided to the bondholders;
c. the bondholders have expressly declared their written consent to the provision of the information by electronic means or, within 14 days of receipt of a request from the Issuer for such consent, have not declared an express refusal; at the request of the bondholders, the Issuer is obliged to provide them with the information in hard copy at any time;
d. the determination of the costs related to the provision of information by electronic means does not contradict the principle of ensuring equal treatment.

Entitled to receive the Call option Exercise price due from the Issuer will be the Bondholders under the Issue who have acquired Bonds and are entered in the book of bondholders under the Issue no later than 3 (three) Business days before the Interest payment date indicated in the Notice of exercise.

The holding of the Bonds is certified by an official extract from the book of Bondholders under the Issue, which is maintained by the Central Depository.

Upon payment of the Call option Exercise price, the Issuer will have performed all of its obligations for the payment of the principal and the accrued interest on the Bonds to the bondholders under the Issue and will be entitled to request the termination of trading in the Bonds and

the deletion (deregistration) of the Issue from the central register of securities maintained by the „Central Depository“.

OTHER FORMS OF REPURCHASE BY THE ISSUER

Apart from the cases indicated in the section („Call option“ above), the Issuer may repurchase Bonds on the secondary market at freely negotiated prices. The Issuer may conclude transactions in Bonds both on the BSE (in the event that the Bonds are admitted to trading and are traded on the BSE) and over the counter (OTC), irrespective of the presence or absence of admission to trading on the BSE.

The Bonds of the Issue acquired by the Issuer may at any time, at its discretion, be held, resold or cancelled, in whole or in part.

For the time during which the Issuer holds Bonds which are the subject of a repurchase, it shall not be entitled to exercise the voting rights attaching to them, and these Bonds will not be taken into account in determining the applicable quorum and majorities in the taking of decisions in the General Meeting of Bondholders.

In respect of the repurchased Bonds, no interest is accrued and/or paid for the period during which they are held by the Issuer.

Pursuant to the requirements of Article 100ts, paragraph 2, item 2 of POSA, the Issuer of Bonds is obliged to notify the Commission and to disclose to the public under the procedure of Article 100t, paragraphs 3 and 4 of POSA the decisions in connection with the repurchase of the Bonds. The obligation is performed by the end of the business day following the day on which the decision on the repurchase is taken.

PUT OPTION BY THE BONDHOLDERS

In the event of the occurrence of a „Change of control“ over the Issuer under the procedure described below, each Bondholder who voted „Against“ at the General Meeting of Bondholders which considered the request for a Change of control is entitled /„Put option“/, within 30 /thirty days/ of the date of holding of the GMB at which the Bondholders voted for a Change of control and such Change of control is present, to present its Bonds for repurchase by the Issuer.

The Exercise price of the Put option is equal to 100% of the amount of the unamortised principal plus the accrued and unpaid interest as at the Settlement date of the Put option.

The Put option is exercised by written notification (the „Notification of exercise“) to the Issuer and to the Representative of the bondholders. The Notification of exercise must contain at least the following data:

- Identification data of the Bondholder;
- A declaration of intent by the Bondholder to exercise a Put option;
- Number of the Bonds in respect of which the Put option is exercised;
- (if applicable) Evidence of a negative vote in respect of the Change of control at the respective GMB.

On the second business day after the expiry of 30 (thirty) days from the date of holding of the GMB at which the Bondholders voted for a Change of control, the Issuer shall notify the „Central Depository“ in its role as Paying agent of the Put options exercised by Bondholder(s) (the „Notification of Put options exercised“). The Notification of Put options exercised shall contain at least the following information:

- Identification data of the Bondholders who have exercised a Put option;
- Number of the Bonds in respect of which the Put option is exercised;
- Exercise price of the Put option;
- Settlement date of the Put option.

The Settlement date of the Put option is no later than 7 /seven/ days after the notification under the above paragraph.

The Issuer shall transfer to the „Central Depository“, no later than two business days before the Settlement date of the Put option, the amount necessary for the repurchase of the Bonds in respect of which the Put option has been exercised.

The „Central Depository“ shall pay, on the settlement date, the amount due according to the Exercise price of the Put option to the bondholders who have exercised a Put option.

CONDITIONS WHICH THE ISSUER UNDERTAKES TO OBSERVE UNDER THE PRESENT ISSUE

During the life of this Issue, the Issuer undertakes to observe the following conditions:

Non-financial conditions

1. **Business combinations:** The Issuer shall not be entitled to undertake a transformation in the form of a merger, amalgamation, division, separation or another similar business combination; and/or a reorganisation affecting the transfer of all or a significant part of the assets and liabilities of the Company, if this will lead to a Material Adverse Effect. The Issuer is obliged to notify the Representative of the bondholders of any such planned transaction together with a reasoned explanation of why it will not have a Material Adverse Effect.
2. **Termination and liquidation:** The Issuer shall not be entitled to terminate the activity of the Company and to liquidate it without having first repaid in full its obligations under the Bonds.

3. **Sale of the business:** The Issuer shall not be entitled to transfer and/or sell all or a material part of the business and/or the assets of the Issuer in a total cumulative amount exceeding 1/3 of the value of the assets of the Company according to the latest audited consolidated annual financial statements to a third party, unless 1) the transaction is at a fair price and 2) there is prior consent from the General Meeting of Bondholders of the present issue. If the Sale of the business leads to a Change of control, item 9 „Change of control“, described below, shall apply accordingly.
4. **Assumption of new debt:** For the term of existence of the present bond issue, the Issuer shall not be entitled to issue an issue of preferential bonds, a new issue of bonds with a preferential repayment regime, or to assume new debt with a more preferential repayment regime, security and subordination than the present issue, without the prior consent of the General Meeting of Bondholders of the present issue.
5. **Cross Default:** In the event that, during the life of the present bond issue, a delay or inability to pay occurs for more than 15 /fifteen/ days in respect of any of the current or future obligations of the Issuer with a total value due exceeding 1% of the value of the assets of the Company according to the latest audited annual financial statements, the Issuer undertakes to take actions by which, within 20 /twenty/ days from the date of expiry of the 15-day period of delay, it shall pay all unpaid and/or delayed obligations.
6. **Transactions with related parties:** The Issuer shall not be entitled to enter into, directly or indirectly, transactions with the principal shareholder and parties related to it, unless such transactions are related to its ordinary activity and the terms thereof do not differ materially from market terms.
7. **Reporting:** The Issuer is obliged to prepare annual and interim separate and consolidated financial statements in accordance with the provisions of Articles 100n-100o1 of POSA and to disclose them on its website, as well as to the FSC and the public in accordance with the requirements of Articles 100t, 100f, 100h and 100ts of POSA.
8. **Accounts:** The Issuer undertakes to provide the Representative of the bondholders with a monthly statement of the movements and the balance of all of its bank and payment accounts. The Issuer undertakes to provide the Representative on a monthly basis with a statement of the movements and the balance of the accounts with „Easypay“ AD of which it is the holder.
9. **Change of control:** A change of control over the Issuer is permissible only with the express consent of the General Meeting of Bondholders (GMB). A decision under the above sentence is adopted by the GMB at which not less than two thirds of the bonds issued were present, by a majority of not less than three quarters of the bonds represented, pursuant to Article 100b, paragraph 4 of POSA.

The Board of Directors of the Issuer shall notify the Representative of the bondholders of the presence of a potential Change of control which must be approved by the GMB. The Representative of the bondholders shall, within 3 /three/ days of receipt of the above notification, convene a GMB with an item on the agenda for the approval of a Change of control.

In the event of a Change of control over the Issuer without the express approval of the GMB under the procedure described above, the issue becomes due and payable early following a decision of the GMB under the „Procedure for declaring early acceleration“ in section 8.1.14.

Financial conditions

1. **Maximum Liabilities to Assets ratio:** The Issuer must maintain a maximum ratio of Liabilities to Assets /on the basis of carrying value/ until the maturity of the bonds of no more than 80%. The performance of this obligation is certified by the Issuer by a quarterly written report to the Representative of the bondholders, prepared on a consolidated basis with the information necessary for the calculation of the ratio, from which compliance with this commitment is evident.
2. **Minimum interest coverage ratio:** The Issuer must maintain a minimum interest coverage ratio /ratio of operating profit increased by the amount of the interest to the interest/ until the maturity of the bonds of not less than 200%. The performance of this obligation is certified by the Issuer by a quarterly written report to the Representative of the bondholders, prepared on a consolidated basis with the information necessary for the calculation of the ratio, on the basis of a defined Calculation Period of twelve months, from which compliance with this commitment is evident.

All of the financial and non-financial conditions described above under the present bond issue are considered on a consolidated basis.

As at 30.06.2026, the value of the „Liabilities to Assets“ ratio is 71.64%. The value of the assets of the Company according to the interim consolidated statements as at 30 June 2026 is EUR 42 721 thousand, and that of the liabilities - EUR 30 607 thousand.

As at 30.06.2026, the value of the Interest coverage ratio is 332%. The value of the operating profit (profit before interest and taxes) according to the interim consolidated statements as at 30 June 2026 is EUR 3 453 thousand, and the value of the interest for the same period is EUR 1 486 thousand. As at 30.06.2026, the value of the indicator has been calculated only for the period of the second quarter of 2026, owing to the fact that 2025 is the first (incomplete) year in which the Company issues consolidated statements and there is no comparable period as at the second quarter of 2025.

EVENTS OF DEFAULT. EARLY ACCELERATION OF THE ISSUE

Events of default

The occurrence of any of the following circumstances after the Issue Date of the Bonds, irrespective of whether it is the consequence of a cause beyond the control of the Issuer, shall constitute a default under the Issue, and each such circumstance shall constitute an „Event of default“:

1. **Overdue payment under the issue:** Non-payment by the Issuer of an amount due in respect of principal, interest and/or another payment due under the Issue, where such non-performance continues for more than 20 (twenty) days from the date on which the obligation became due. The Issuer undertakes to take actions by which, within 20 /twenty/ days, it shall pay all overdue obligations.
2. **Cross Default:** Upon a delay or inability to pay for more than 15 /fifteen/ days in respect of any of the current or future obligations of the Issuer during the life of the present Issue with a total value due exceeding 1% of the value of the assets of the Company according to the latest audited consolidated annual financial statements. In the event of a Cross Default, the Issuer undertakes to take actions by which, within 20 /twenty/ days from the date of occurrence of the Cross Default, it shall pay all unpaid and/or delayed obligations.
3. **Event of insolvency.** In the event that a decision is rendered on the opening of insolvency proceedings against the Issuer.
4. **Upheld claims of other creditors.** In the event of the commencement of individual enforcement and/or interim relief proceedings by third parties against the Issuer for amounts totalling, for all cases and actions, more than 5 (five) per cent of the total assets of the Issuer on a consolidated basis as at the end of the last financial year for which financial statements have been prepared.
5. **Event of liquidation.** In the event of liquidation of the Company without the prior consent of the General Meeting of Bondholders;
6. **Failure to be admitted to trading:** Upon the failure to admit the bond issue to trading on a regulated market within 3 months after the Issue Date;
7. **Non-compliance with the financial conditions:** Upon non-compliance with any of the financial conditions which the Issuer undertakes to observe - the Maximum Liabilities to Assets ratio and/or the Minimum interest coverage ratio. Upon the occurrence of Non-compliance with the financial conditions, the Issuer must, within seven days, present to the Representative of the bondholders a plan providing for the remedying of the non-compliance within three months from the date of its occurrence. If, after the expiry of the three-month period, the Issuer has not remedied the above-mentioned non-compliance, the Representative shall notify the bondholders of the presence of non-compliance and shall convene a General Meeting of Bondholders to vote on declaring the issue due and payable early;

Procedure for declaring early acceleration

The occurrence of an Event of default is established by the Representative of the bondholders, who, within three days of becoming aware of the default, shall notify the Issuer and the Bondholders thereof. The notification under the preceding sentence is provided to the Bondholders by electronic mail (in the event that the Representative of the bondholders has electronic mail addresses of the holders of Bonds) or by post/by courier, in a manner certifying the due receipt of the notification.

In the event that the occurrence of an Event of default leads immediately to a vote on Early acceleration, the Representative of the bondholders shall send, together with the notification under the preceding paragraph, an invitation to convene a GMB to vote on declaring the Issue due and payable early.

A GMB to vote on declaring the Issue due and payable early may also be convened at the proposal of Bondholder(s) holding 1/10 (one tenth) of the bonds.

The decision of the GMB on declaring early acceleration must be adopted by 3/4 (three quarters) of the Bonds represented at the meeting.

Upon the occurrence of an Event of default and in the event that the General Meeting of Bondholders in the Issue has taken a decision, by the required majority, that early acceleration under the Issue be declared, the Representative of the bondholders must declare the Issue due and payable early („Early acceleration“).

Early acceleration under the Issue is declared by the Representative of the bondholders by sending a written notification to the Issuer (the „Notification of early acceleration“), sent by registered letter with acknowledgement of receipt or in another manner certifying its receipt.

The Notification of early acceleration must contain at least the following data:

- Particulars identifying the Representative of the bondholders and the Issue in respect of which it acts as representative of the bondholders;
- A description of the Event of default which has occurred;
- Information that the Issue is declared due and payable early, including the amount of the Issue which becomes due and payable early;
- The date on which the Early acceleration occurs, the time limit within which the Issuer must pay the amount of the issue which has been declared due and payable early, and the procedure for effecting the payment.

In addition, the Representative of the bondholders is obliged:

a. if, as at the date of occurrence of an Event of default, the Issue is traded on the BSE, to publish in the bulletin of the BSE the necessary information regarding the occurrence of the Early acceleration, to notify the Commission of its occurrence, as well as to state what actions it is taking for the protection of the rights and interests of the bondholders under the Issue;

b. if, as at the date of occurrence of an Event of default, the Issue is not traded on the BSE, the Representative of the bondholders is obliged to notify the holders of Bonds of the occurrence of the Early acceleration by providing them with the respective information indicated above.

In the event that, within the time limit indicated in the Notification of early acceleration, the Issuer does not pay the amount of the Issue which has been declared due and payable early, the Representative of the bondholders is obliged to undertake all necessary actions provided for in the legislation in force, the Representative Agreement and/or in respect of which a decision has been taken by the GMB, for the protection of the rights and interests of the bondholders under the Issue in connection with the Early acceleration which has occurred.

CHANGES TO THE TERMS OF THE BOND ISSUE

Changes to the terms of the Bonds (to the extent permissible under the legislation in force) may be made by the Company by way of exception and only with the prior consent of the Bondholders, adopted by a decision of the GMB, in accordance with the requirements of the legislation in force regarding its convening and holding.

The Bondholder is a party to the bond loan agreement, in view of which a change to the terms between the Issuer and the Bondholders must be agreed, and the proposal of the Issuer must be discussed and adopted by the GMB.

In any event, the Company may not unilaterally impose an amendment to the Terms of the Issue. Pursuant to the provision of Article 207, item 1 of the CA, any decision of the Company on:

1. a change to the terms under which the bonds issued were subscribed,
2. the issuance of new bonds with a preferential repayment regime,

without the consent of the GMB of previous unrepaid issues, is null and void.

Changes to the terms under which the Bonds were issued, including to the specific parameters of the Issue, may be made no later than 2 (two) months before the Maturity Date.

With a view to protecting the interests of the Bondholders, changes to the following terms /parameters/ of the Issue are permissible (provided that this does not contradict mandatory statutory provisions):

- the dates of the interest and principal payments;
- the interest rate;
- the amount of the principal/amortisation payments;
- the time limits, conditions and exercise price of the Call and Put options;
- changes to the conditions which the Issuer must observe;
- other parameters of the Issue.

As at the date of the decision on the issuance of the Issue, the Issuer is not contemplating the making of any changes whatsoever to the Terms of the Issue. For that reason, no specific framework has been defined for the parameters within which changes to its terms may be made.

For the avoidance of any doubt, the Bondholders have no obligation to agree to any changes whatsoever to the Terms of the Issue proposed by the Issuer.

Procedure for making changes to the Terms of the Issue

Changes to the terms of the Bond loan are initiated by a decision of the Board of Directors of the Issuer, by which a proposal is made to the GMB for the making of changes to the Terms of the Issue.

The Issuer must send to the Representative of the Bondholders a written notification of the proposed changes to the Terms of the issue (the „Notification of a change to the terms“), containing information on the change requested, as well as a request for the convening of a GMB to give consent to the making of this change. The decision of the BD under paragraph 1 is also attached to the notification.

On the basis of the Notification of a change to the terms and the decision of the BD under paragraph 1, the Representative of the bondholders is obliged to convene immediately, but with a date of holding no later than 30 (thirty) calendar days after receipt of the documents indicated, a General Meeting of Bondholders with an agenda including the necessary items and draft decisions regarding the giving of consent by the GMB to the making of the change requested to the Terms of the Issue.

Any Decision of the GMB on a change to the terms which is taken in the presence of the required quorum, by the necessary majority and in compliance with the statutory requirements, will be binding on all holders of Bonds, irrespective of whether they attended the respective meeting of the GMB and irrespective of the manner in which they voted, if they were duly invited in accordance with the applicable legislation and the Terms of the Issue.

The Issuer shall notify the „Central Depository“, the Commission, the regulated market and the public under the procedure of Article 100t, paragraphs 3 and 4 of POSA of the change to the Terms of the Issue voted by the GMB on the day following the day of the decision of the GMB.

Within 5 (five) business days of the taking of the decision of the GMB on a change to the Terms of the Issue, the Issuer shall prepare an information document which includes up-to-date information on all parameters of the bond issue. Within the same time limit, the information document shall be disclosed publicly under the procedure of Article 100t, paragraphs 3 and 4 of POSA.

SECTION IX - REASONS FOR THE OFFERING / ADMISSION TO TRADING, RELATED EXPENSES, USE OF PROCEEDS AND, WHERE APPLICABLE, ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INFORMATION

The total value of the costs related to the public offering of the present bond issue upon maximum subscription is expected to be approximately EUR 270 000 (EUR 18 per bond), and upon minimum subscription - approximately EUR 140 000 (EUR 17.5 per bond). The estimated net value of the proceeds upon minimum and upon maximum subscription of the issue is EUR 7 860 000 and EUR 14 730 000 respectively.

The funds raised from the present issue will be used for the expansion of the credit portfolio of the Issuer, including for financing new disbursements under the existing consumer products and for the further development of the segment for lending to small and medium-sized enterprises (SMEs), which the Issuer regards as a principal source of diversification and growth in the coming years.

Part of the funds will also support the strategic initiatives of the Group in the field of electronic money and payment services, through which the Issuer aims to expand its product range, to increase the engagement of the client base and to build additional, non-credit sources of revenue.

Insofar as the funds raised from the issue will be expended gradually over time, it is not possible to state categorically what part of them will be used for which area and for which consumer product. The Company, and accordingly its management, has not set in advance a targeted allocation of the funds raised by priority areas, respectively products. This allocation will depend on the demand for the respective products at the specific moment, on the assessment of their potential return and risk at the specific moment, on the state of the economy as a whole, as well as on additional factors which may be present at that future moment.

Insofar as the funds raised (both upon minimum and upon maximum subscription of the issue) are significant in comparison with the current size of the business/assets of the Company, it may be stated with a high degree of probability that they will be sufficient to finance the activity of „ITF GROUP“ AD over the coming year. In addition to the funds raised from the issue, reinvested profit and the equity of the Issuer will also be used to finance the expansion of the credit portfolio.

No use of funds from the issue is envisaged for the restructuring of obligations of the Company. The funds necessary for the payment of the forthcoming interest and principal payments will be provided from the ordinary activity of „ITF GROUP“ AD and will be for the account of its future free cash flows.

No special sinking fund is envisaged for the issue. Although the Company uses and will use debt financing to finance its principal activity, it is not envisaged that the payment of the principal and the interest on the present issue will be for the account of targeted debt financing.

SECTION X - CONFLICTS OF INTEREST

Directly interested in the Offering is „ITF GROUP“ AD, as Issuer of the newly issued securities.

As at the date of this Document, a contract for consultancy services has been concluded between the Company and the Manager. The remuneration of the Manager is not unusual in type and terms. It is agreed not only in a fixed amount, but also depends on the success of the public offering of the bonds of the Issuer, since part of it is a success fee on the bonds subscribed.

With the exception of the above, there are no other arrangements between the Company and the Manager, experts or third parties on the basis of which remuneration or any other type of benefit dependent on the result of the admission of the bonds to trading would be due to the above-mentioned persons.

There is no conflict of interest of the persons participating in the offering.

SECTION XI - DOCUMENTS AVAILABLE

The Issuer declares that, during the validity of this Prospectus, the following may be inspected:

a. the current instrument of incorporation and articles of association of the Issuer;

b. the annual audited financial statements of the Issuer, as well as all interim financial statements;

c. all decisions of the GMS of the Company for the past three years;

d. documents related to the previously issued and publicly traded bond issues, including approved Prospectuses for their admission to trading, reports on the performance of the obligations under bonds;

e. a draft contract with a Representative of the bondholders under the present Issue and a contract with a Representative of the bondholders under the previous issues.

The above-mentioned documents are available on the website of the Company www.itfgroupbg.com, section „Investors“.

ABBREVIATIONS USED

„Paying agent“ - „Central Depository“ AD;
„Assets“ - the total assets as at the calculation date, as at the date of the respective financial statements of the Issuer in accordance with the applicable accounting standards and reporting conditions.
„BSE“, „the Exchange“ - „Bulgarian Stock Exchange“ AD;
„Issue Date“ - the Final date of the subscription/offering;
„Maturity Date“ - the Date falling 84 (eighty-four) months after the Issue Date;
„Interest payment dates“ - Each of the dates on which each six-month period from the Issue Date to the Maturity Date expires;
„the Issue“, „the Offered Bonds“ or „the Bonds“ - the bond loan with ISIN BG2100036263, which will be issued on the basis of a decision of the BD of the Company dated (BOARD RESOLUTION DATE TO BE CONFIRMED);
„the Issuer“, „the Company“ - „ITF GROUP“ AD;
„EU“ - European Union.
„the Deputy Chairman“ - the deputy chairman of the FSC heading the „Investment Activity Supervision“ division;
„FSCA“ - Financial Supervision Commission Act;
„IFASAA“ - Independent Financial Audit and Sustainability Assurance Act;
„RPA“ - Registered Pledges Act;
„POSA“ - „Public Offering of Securities Act“;
„MFIA“ - Markets in Financial Instruments Act;
„AIMMAFIA“ - Act on the Application of the Measures against Market Abuse with Financial Instruments;
„the Investment Intermediary“, „the Manager“ - „ELANA Trading“ AD;
„FSC“, „the Commission“ - Financial Supervision Commission;
„Ordinance No 38“ - Ordinance No 38 of 21 May 2020 on the requirements for the activity of investment intermediaries;
„Bondholder“ - holder of bonds of the present issue;
„General Meeting of Shareholders“ or GMS - the General Meeting of Shareholders of „ITF GROUP“ AD;
„General Meeting of Bondholders“ or GMB - the General Meeting of Bondholders of this issue;
„Operating profit“ - the profit calculated by adding to the interest and fee income of the company the other operating income and deducting the operating expenses and the impairment costs;
„Outstanding principal“ - the unamortised and unpaid part of the principal under the present issue;
„Liabilities“ - the total amount of the liabilities /excluding equity/ as at the calculation date, as at the date of the respective financial statements of the Issuer in accordance with the applicable accounting standards and reporting conditions;
„Calculation Period“ - 12 /twelve/ months ending on the last day of the financial quarter, half-year or year of the Issuer.
„Representative“ - a person who will be elected by the GMB to perform the function of Representative of the bondholders under Article 209, paragraph 2 of the CA;
„Applicable accounting standards“ or IFRS - means International Financial Reporting Standards.
„Change of control“ - if a natural or legal person other than Svetoslav Yuriy Angelov acquires, directly or indirectly, more than 50% of the capital and of the voting rights in the general meeting of shareholders of „ITF GROUP“ AD, or acquires control in another manner in accordance with the provisions of §1, item 14 of the Supplementary Provisions to the Public Offering of Securities Act;
„Business day“ - A day which is a business day for the Central Depository and on which Bulgarian banks effect payments in euro;
„Interest expenses“ - the costs of borrowed capital in accordance with the applicable accounting standards, IFRS 23;
„Decision on the election of a Representative of the Bondholders“ - a decision of the First general meeting of bondholders on the election of a Representative of the Bondholders under Article 209, paragraph 2 of the CA;
„Related parties“ - the persons within the meaning of IFRS.
„Fair price“ - the price that would be received on the sale of an asset or paid on the transfer of a liability in an orderly transaction between market participants as at the measurement date in accordance with IFRS 13;
„Board of Directors“ or BD - the Board of Directors of „ITF GROUP“ AD;
„Notice of issuance of the Issue“ - a Notice of issuance of the Issue under Article 206, paragraph 5 of the Commerce Act, which is announced in the Commercial Register after the successful subscription of the Issue;
„Material Adverse Effect“ - an effect which leads to, or may reasonably be presumed to lead to, an adverse change amounting to 10 or more per cent of the assets, the revenues or the profit of the issuer, and/or is likely to influence investors in taking an investment decision;
„CA“ - „Commerce Act“;

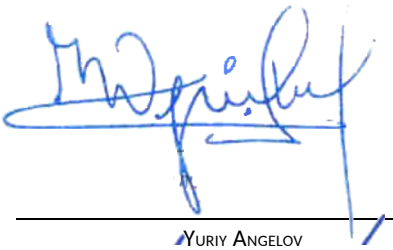
„Commercial Register“ or CR - Commercial Register and Register of Non-Profit Legal Entities maintained by the Registry Agency;
„the Terms of the Issue“ or „the Terms“ - the Terms under the present bond loan;
„Central Depository“ or CD - „Central Depository“ AD, which holds the dematerialised securities in Bulgaria and maintains the Central register of securities;

The undersigned persons, in their capacity as representatives of the Company, respectively of the investment intermediary „ELANA Trading“ AD, declare with their signatures that the Prospectus complies with the requirements of Regulation (EU) 2017/1129, Chapter Six of POSA and the acts on their implementation.

For „ITF GROUP“ AD:



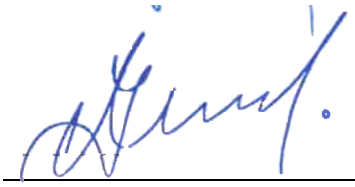
Svetoslav Angelov
Executive Director



Yuriy Angelov
Chairman of the BD



Zornitsa Staynova
Member of the BD



Yuliyana Muteva
Member of the BD



Diyan Georgiev
Member of the BD

For „ELANA Trading“ AD:



Radoslava Maslarska
Chairman of the BD



Momchil Tikov
Executive Director