

General provisions of the public offering document (Information document)

The present Rules establish the requirements for publishing the information related to public offers of securities, including requirements to the content of the information, and additional requirements for notifications of such offers. The basis of these Rules is Article 3(2) of EU Regulation (EU) 2017/1129, allowing an EU Member State to decide to exempt offers of securities to the public from the obligation to publish a prospectus provided that:

- (a) such offers are not subject to notification in accordance with Article 25; and
- (b) the total consideration of each such offer in the Union is less than a monetary amount calculated over a period of 12 months which shall not exceed EUR 8 000 000 .

The Rules are applied to public offers of securities with a total consideration of 1 000 000–8 000 000 euros calculated in a one-year period of the offer of securities.

Duty to prepare an Information document

For offers of securities with a total consideration of 1 000 000–8 000 000 euros calculated in a one-year period, the Issuer shall draft an Information document.

The requirements to draw an Information document shall not apply:

- a) to securities and offers, exempted from the Prospectus Regulation;
- b) if a voluntary prospectus for the purposes of Article 4(1) of Regulation (EU) No 2017/1129 of the European Parliament and of the Council for the offer of securities has been drafted;
- c) key investment information sheet for the purposes of Article 23 of Regulation (EU) No 2020/1503 of European Parliament and of the Council for the offer of securities (on crowdfunding) has been drafted;

Rules are not applicable for the offering of asset-backed securities in Latvia and do not allow the preparation of program-based Information document.

General requirements

The information document is valid for 12 months from its publication, on the condition that the information document has been updated with relevant information related to significant change or recent development that may affect the assessment of investors.

The person or persons that are specified in the information document as liable for the accuracy of the information published in the information document shall be liable for the accuracy of the information published in the information document or its Annex. The person or persons liable for the accuracy shall either be the Issuer, the management, administrative or supervisory body of the Issuer, the offeror of securities, the person seeking admission to trading on a trading venue.

The person or persons specified as responsible for the accuracy of the information shall compensate the owner of the security for damage sustained due to the difference between the actual circumstances and the significant information included in the information document, provided that the person liable for the accuracy of the information was or should have been aware of such difference. The aforementioned shall also apply if the significant information published in the information document or its Annex is incomplete.

General requirements for drafting and publishing the information document

The Information document shall be drafted in compliance with the content and structure requirements set out in the Annex 1. The information document may additionally contain important information other than the one required to be disclosed in the Annex, if the Issuer considers it important for the acquisition of securities or the evaluation of the Issuer's business prospects.

The Information document should be prepared as a short document that is easy to read and understand. The information published in compliance with the Annex of the regulation shall be

concise, clear and not misleading. To the extent necessary for information comprehensibility, formulas, concepts and other necessary explanations may be provided and information sources indicated. Any conclusions or confirmations of external experts shall specify the experts drafting such conclusions.

The Information document containing the information set out in the Annex 1 shall be drafted in the Issuer's national language or in English in case the public offer of securities takes place in other than the Issuer's Member State of incorporation. In addition, at the option of the Issuer, the Information document may be translated in another language (-s).

The Information document shall be published, at a minimum, on the web page of the Issuer or the person placing the securities, by no later than the starting date of the offer.

Amending the information document

If the Issuer becomes aware of any significant circumstances, mistakes or inaccuracies in the information published in the Information document that may affect the assessment for the offer which become evident after the publication of the Information document, but before the final closing of the offer or before the securities have begun trading on a trading venue, the Issuer shall draft an Annex to the Information document. If necessary, the Issuer shall also amend the summary of the Information document as well as its translations.

The Annex to the Information document shall be published at least in the same manner as the Information document that is supplemented with the relevant Annex. The Annex of the Information document is an integral part of the Information document.