Version: 2.0
Date: 27.08.2026

GENERAL TERMS AND CONDITIONS

1. Preamble

These are the General Terms and Conditions ("**GTC**") of **AFRANGA EOOD**, UIC 206337510, having its seat and registered address at: Aleksandar Malinov Boulevard 79B, 5th floor, 1712 Sofia, represented by Svetlin Sabev, Managing Director, hereinafter referred to as "**Afranga**", which lay down the rights, obligations, and procedures governing the use of Afranga's crowdfunding platform. The GTC set out the terms under which project owners, investors, and Afranga interact within the crowdfunding platform.

Afranga is a licensed crowdfunding service provider under Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (the "**Regulation**"), registered with the Financial Supervision Commission in Bulgaria according to Decision № 863-ДУКФ as of 12.09.2023, and operating a crowdfunding platform that facilitates granting of loans available on Afranga's website www.afranga.com, referred to as the "**Platform**".

The Platform consists of software with specific functionalities, database management software, database, texts and images. The specific functionalities of the software provide the ability to perform the functions necessary for carrying out crowdfunding activities.

Afranga, without taking on own risk, facilitates the matching of the interests of prospective lenders (investors) with businesses (project owners) that seek funding.

2. Definitions

All specific terms used in these GTC not explicitly defined below shall be interpreted in accordance with the definitions of the Regulation.

2.1. Participants in the crowdfunding process

2.1.1. "Investor" - means any natural or legal person who, through Afranga's crowdfunding platform, provides loans for the purposes of crowdfunding. Afranga defines investors as "sophisticated" and "non-sophisticated". Afranga will offer its services to both "sophisticated" and "non-sophisticated" Investors. Afranga treats all Investors as "non-sophisticated" for the purposes of the Regulation, unless, after checking the criteria in accordance with Annex II to the Regulation and after explicit notification, the Investor is qualified as "sophisticated".

The Investors may be one of the following:

a) Natural persons who are legally competent, of legal age and are either citizens or have a permanent residence permit from a Member State of the European Union or of the European Economic Area, or Switzerland.

b) Legal persons established in a Member State of the European Union or of the European Economic Area, or Switzerland.

2.1.2. "Project Owner" – means any legal entity which seeks funding through the Platform.

2.1.3. Lemonway is the licensed payment service provider, which carries out the transfer of funds between the other participants in the crowdfunding process. Lemonway is a French simplified joint-stock company (société par actions simplifiée), named LEMONWAY, registered with the Paris trade and companies register under number 500 486 915. Lemonway provides Payment Services within the meaning of article L. 314-1 of the French Monetary and Financial Code as a payment institution within the meaning of article L. 522-1 of the French Monetary and Financial Code. It is licensed by the French Prudential Supervisory and Resolution Authority (ACPR) on 24 December 2012 with Interbank Code CIB 16568. This information may be verified at any time on the website https://www.regafi.fr or in the European Banking Authority (EBA) register.

2.2. Other terms

2.2.1. "Assignment" (also referred to as "cession") means the transfer, in whole or in part, of a particular Loan from an Assignor to an Assignee via the Secondary Market, in accordance with Section 8 of these GTC and Articles 99-100 of the Bulgarian Obligations and Contracts Act.

2.2.2. "Assignee" means an Investor who acquires a Loan or a Loan Share via an Assignment.

2.2.3. "Assignor" means an Investor who transfers a Loan or a Loan Share via an Assignment.

2.2.4. "Bulletin Board" means the functionality of the Platform, within the meaning of Article 25 of the Regulation, through which Investors may display their interest in selling Loans or Loan Shares on the Secondary Market.

2.2.5. "Data Protection Legislation" means any applicable laws, regulations, and guidelines related to the processing, storage, and transfer of personal data, including but not limited to the General Data Protection Regulation (EU) 2016/679 (GDPR), the Bulgarian Act for Protection of Personal Data and any national implementing legislation thereto, as well as any statements, resolutions, rulings, guidelines, etc. of the Bulgarian Commission for Protection of Personal Data.

2.2.6. "Intellectual Property" means all patents, utility models, know how, trademarks, business and trade names, domain names, logos, copyrights and related rights, database rights, trade secrets and other confidential information, any other similar intellectual or commercial rights (in each case whether or not registered or capable of registration), together with all applications for registration of any of the foregoing

and the rights to apply for, as well as any licenses to use any of the foregoing and rights or protections howsoever described of the same or similar effect or nature in any part of the world.

2.2.7. "Investment" means giving a loan to the Project Owner under the terms of a Project.

2.2.8. "Loan" means an amount of money provided by an Investor to the Project Owner through the Platform, subject to repayment under the agreed terms specified in the Loan Agreement.

2.2.9. "Loan Agreement" means a legally binding agreement between the Project Owner and an Investor that sets out the terms and conditions under which the Investor provides a Loan to the Project Owner, including repayment obligations, interest rates, and any applicable fees.

2.2.10. "Loan Share" means a part of a Loan, representing a divisible portion of the outstanding principal and the corresponding interest which is to be accrued after the date of the Assignment as per the conditions of the Loan Agreement, all of which are capable of being separately assigned via the Secondary Market, in accordance with Section 8 of these GTC.

2.2.11. "Personal Data" means any information relating to an identified or identifiable natural person, as defined under the Data Protection Legislation.

2.2.12. "Project" means the particular crowdfunding endeavour presented by the Project Owner to potential Investors on the Platform, aimed at attracting financing which to be used by the Project Owner for a particular purpose as defined in the particular Project description included in the Key Investment Information Sheet ("KIIS").

2.2.13. "Secondary Market" means the functionality of the Platform, comprising the Bulletin Board and the related procedures under Section 8 of these GTC, enabling Investors to display their interest in selling Loans or Loan Shares already granted through the Platform.

2.2.14. "Tax" means (whether disputed or not) any state, local, or foreign income tax, gross receipts tax, payroll tax, employment tax, excise tax, severance tax, stamp duty, occupation tax, environmental tax, franchise tax, social security tax, withholding tax, customs duties, or any similar governmental charge imposed by any Governmental Entity in the Republic of Bulgaria or any other jurisdiction, including any penalties, interest, or additional charges associated therewith.

2.2.15. "User" means a person who has registered on the Platform, the registration has been approved and a User Profile has been created. Users can be potential and current Investors and Project Owners.

2.2.16. "User Profile" means a feature on the Platform, allowing the Investors and Project Owners to register as a user for the purposes of participating in the crowdfunding process in accordance with their designated role within that process.

2.2.17. "Visitors" means natural or legal persons who have accessed the website www.afranga.com without registering a User Profile.

3. Subject of these GTC

3.1. These GTC govern the relationship between the Investors and Afranga and their rights and obligations.

3.2. These GTC also contain a statement of certain obligations that the Project Owners may have towards the Investors and Afranga. The relationship between the Project Owners and Afranga and their rights and obligations are comprehensively regulated in a separate agreement.

3.3. The relationship between the Project Owners and the Investors and their rights and obligations after making an Investment are regulated by the specific loan agreement pursuant to which the Investment is made.

3.4. The provisions of each separate agreement concluded between Project Owners and Investors, as well as between them both and Afranga shall prevail over the provisions of these GTC. For all matters not being subject of these agreements, as well as in case of discrepancy or uncertainties in their interpretation and implementation, the GTC, as well as the applicable law of the Republic of Bulgaria shall apply.

3.5. These GTC are deemed accepted by the Users upon successful completion of their registration and are binding for them as of that moment onward.

3.6. The rights and obligations of Investors acting as Assignor or Assignee on the Secondary Market, and the terms governing the transfer of Loans and Loan Shares between Investors, are set out in Section 8 of these GTC.

4. Access to the platform

4.1. The Platform is publicly available to any person who has the necessary hardware and Internet access and visits the Internet address www.afranga.com.

4.2. Afranga does not allow restriction of access to the Platform or the use of the offered services for collective financing, including based on criteria such as race, gender, social status or other discriminatory criteria.

4.3. Visitors have the right to familiarize themselves with the freely published information on the Platform, including: the published financing proposals and general information about the functionalities of the Platform, including these GTC. Visitors do not have the opportunity to use the functionalities of the Platform.

4.4. The User Profile provides the opportunity for Users to use the functionalities of the Platform. The User Profile consists of separate pages on the Platform, accessible only to the User Profile's owner, by entering identification data (such as name and password).

4.5. To create a User Profile, the visitor must complete the registration process by providing the required personal information, agreeing to these GTC, and successfully verifying their identity independently or through a third party external provider (such as Veriff: https://www.veriff.com/). Afranga reserves the right to request additional information or documents to confirm the User's identity and ensure compliance with legal and regulatory requirements.

4.6. Users are responsible for maintaining the confidentiality of their login credentials and must not share them with third parties. Afranga is not liable for unauthorized access resulting from the User's failure to safeguard their credentials.

4.7. Afranga reserves the right to suspend or terminate a User Profile in case of suspected fraudulent activity, violation of these GTC, or non-compliance with applicable laws.

4.8. Any activity performed through a User Profile is deemed to have been carried out by the respective User. By clicking a checkbox, button, or engaging in any similar action on the Platform to indicate agreement or consent, the User provides an electronic signature as defined under Regulation (EU) No 910/2014. According to Article 13.4 of the Bulgarian Electronic Documents and Electronic Certification Services Act the parties to these GTC give their consent and agree that such electronic signature shall have the same legal effect as a handwritten signature. Via such electronic signature the Users enter into Loan Agreements, accept the present GTC, etc.

4.9. With the creation of User Profile, the User is deemed to have authorized Afranga to act on their behalf in dealings with the participants in the crowdfunding process and any other third parties, to the extent necessary to protect the User's rights and legitimate interests (including, but not limited to authorization for court procedures and handling of disputes, negotiations, conclusion of settlements and court settlements under pending Loans, enforcement proceedings, etc. against other Users of the Platform). This does not create obligation of Afranga to exercise its powers and Afranga retains the right to refrain from taking any action. This authorization explicitly extends to, and includes the right of Afranga to: (a) send, on behalf of an Assignor, notifications of Assignment to the relevant Project Owner in accordance with Art. 99, para. 3-4 of the Bulgarian Obligations and Contracts Act, whether individually or in a consolidated form (however, outlining the different monetary claims separately) for multiple Assignments relating to the same Project Owner; (b) update and maintain Afranga's internal records reflecting the current owners(s) of a Loan or a Loan Share following an Assignment; and (c) represent, individually and collectively, all current owners of a given Loan (irrespective of whether such owners acquired their position on the primary market or the Secondary Market) in any negotiations, settlements, enforcement proceedings or court proceedings against the relevant Project Owner in respect of that Loan or Loan Share.

5. Entry knowledge test and simulation of the ability to bear loss

5.1. In order to provide adequate protection to Investors, Afranga categorizes each Investor as: a) Non-sophisticated Investor; or b) Sophisticated Investor. Categorization is done during the process for creation of a User Profile ("Registration").

5.2. As part of the Registration, Investors must complete a dedicated request form which is available during the Registration for establishing their categorization. During the Registration the Investor will be asked to pass a knowledge test and do a simulation before Afranga provides the respective services under these GTC. If the input of the Investor meets the criteria for categorization as a Sophisticated Investor, the Investor may be asked to provide additional evidence that he/she meets the criteria for a Sophisticated Investor as set out in these GTC.

5.3. If Afranga is unable to carry out the categorization due to reasons beyond its control, each Investor shall be classified as non-sophisticated.

5.4. Investors may request to change their categorization through their User Profile.

Knowledge test

5.5. The purpose of the test is to assess whether and which proposed crowdfunding services are suitable for the Investor, whether the Investor has the necessary experience and knowledge to understand the risks associated with the types of investments offered on the Platform and in general.

5.6. In order to carry out the assessment, Afranga may request specific information about the Investor's understanding of the risks associated with lending through the Platform, and their professional experience of investing through crowdfunding, including but not limited to: a) types of investment services and financial investments with which the Investor is familiar with; the nature, volume and frequency of past transactions in transferable securities, eligible instruments for crowdfunding purposes or loans, including in early or expansion stage businesses, and the period during which they have occurred; the level of education and occupation or relevant prior occupation, including any professional experience or skills acquired in connection with crowdfunding investments; b) investment objectives and, where appropriate in relation to the type of collective financing service offered, requests information on the expected holding period of the investments, their risk profile and preferences regarding the sustainability of the investments.

Simulation

5.7. For the purpose of making the assessment under clauses 5.1. to 5.6. above, Afranga requires the Investors to make a simulation of their loss bearing capacity. The simulation may be carried through an online tool provided by the Platform. The tool calculates the loss-absorbing capacity of the Investors based on their input.

5.8. The simulation shall test the ability of the Investors to incur a loss, calculated as 10% of their net worth. For this purpose, Afranga has the right to request and collect the following information concerning each Investor: a) total income and whether the income is permanent or temporary; b) assets, including financial investments and any cash deposits, excluding personal and investment real estate and pension funds; c) financial expenses, including regular, current or future expenses.

5.9. Any Investor categorized as non-sophisticated shall: a) pass a knowledge test every two years after the entry knowledge test; and b) complete a simulation every year after the initial simulation.

5.10. Afranga does not bear responsibility of the result of the knowledge test and the simulation in case the Investor has submitted false or incomplete information. The online tool is provided only for informational purposes and its results/outcome have to be confirmed by the Investor.

6. Categorization of the investors

6.1. Any Investor who does not meet the criteria for a Sophisticated Investor set out in paragraph 6.4 below will be categorized as non-sophisticated.

6.2. Non-sophisticated Investors can benefit from a higher level of protection in respect of their investment opportunities through the Platform and will be advised more frequently of the risks that may arise in investing in the Projects.

6.3. Certain services may not be suitable for Investors categorized as non-sophisticated and therefore the provision of these services may be refused by Afranga.

6.4. Afranga will classify as sophisticated, even without obtaining their consent to do so, an Investor who has the experience, knowledge and expertise to make their own investment decisions and properly evaluate the risks while participating in the crowdfunding process and meets the following requirements:

6.4.1. For legal entities, at least one of the following criteria: a) registered capital of at least EUR 100 000; b) a net turnover of at least EUR 2 000 000; c) a balance sheet total of at least EUR 1 000 000.

6.4.2. For natural persons, at least two of the following criteria: a) a personal gross income of at least EUR 60 000 per financial year or a portfolio of financial instruments which includes, by definition, cash deposits and financial assets in excess of EUR 100 000; b) the Investor works or has worked for at least one year in a professional position in the financial sector that requires knowledge of the transactions or services envisaged, or has held a managerial position for at least 12 months in a legal entity referred to in point 6.4.1 above; c) during the previous four quarters, the Investor has executed an average of 10 transactions of significant size per quarter in the capital markets.

6.5. Investors categorized as sophisticated are required to: a) promptly provide Afranga with information about changes that may affect such Investors' compliance with the requirements set forth for their status as a Sophisticated Investor pursuant to clause 6.4.; b) at the request of Afranga, provide documents that prove the accuracy of the information provided.

6.6. Afranga shall also designate as a Sophisticated Investor any person who is a professional client as defined in Section I, points 1, 2, 3 or 4 of Annex II to Directive 2014/65/EU.

6.7. Afranga is entitled to assume that an Investor categorized as sophisticated is able to independently obtain the information necessary to make investment decisions in the Projects.

Recategorization

6.8. An Investor categorized as non-sophisticated may request to be recategorized as sophisticated by submitting the request to Afranga through the Platform or by email.

6.9. In order to be categorized as sophisticated, the Investor must meet the criteria in clause 6.4. Afranga has the right to reject the request without providing reasons for the rejection.

6.10. The categorization as Sophisticated Investor granted by Afranga shall be valid for two (2) years. An Investor who wishes to retain their sophisticated categorization after the expiration of the two (2)-year validity period must submit a new request to be categorized as a Sophisticated Investor. If the Investor fails to submit a new request for categorization after the expiry of the two (2) year validity period, the latter shall be recategorized as a Non-sophisticated Investor.

6.11. In the event that Afranga receives reliable information from which it can be concluded that the Investor no longer qualifies as a Sophisticated Investor, Afranga shall have the right to revoke its decision regarding the Investor's categorization and re-categorize the Investor as non-sophisticated.

6.12. In any case, an Investor categorized as sophisticated may request to change its categorization and be recategorized as non-sophisticated by submitting the request to Afranga through the Platform or by email.

6.13. Any recategorization shall be made after a completion of knowledge test and simulation.

Investment restrictions

6.14. Afranga warrants that each time a Non-sophisticated Investor accepts an individual offer, thereby investing an amount in excess of the higher of EUR 1,000 or 5% of such Investor's net worth calculated in accordance with the simulation (provided that the Non-sophisticated Investor has provided such data), the Non-sophisticated Investor: a) will receive a risk warning informing them that investing in the Project involves a risk of losing the entire amount invested; b) will be asked to acknowledge receipt of the risk warning and to give express consent to the investment; c) he will be asked to demonstrate that he understands the investment and its risks. The knowledge test and/or simulation may be used as evidence that the Investor understands the investment and its risks.

6.15. The requirements under this Article apply equally where a Non-sophisticated Investor acquires a Loan or Loan Share on the Secondary Market under Section 8 below, by reference to the price paid for the Assignment.

7. Investing mechanism

Prior to listing a Project on the Platform Afranga has the right to conduct a due diligence of the Project Owner about its good standing, ownership, financial and legal status, licensing, ongoing litigation procedures, regulatory compliance, and any other relevant factors that may affect its eligibility.

Afranga has also the right to conduct an assessment of the proposed Project in order to evaluate its compliance with the applicable laws, Platform requirements, and investor protection standards. For each Project, submitted for listing on the Platform, the Project Owner shall prepare and submit a KIIS in accordance with Article 23 of the Regulation, which contains clear, fair, and non-misleading information.

Primary market

7.1. Investors are entitled to: create their own User Profile through which they can use the functionalities of the Platform; request the opening of an investment account in their name, deposit and withdraw funds to the account, make transfers to the Project Owners on the Investments made, receive funds accumulated as a result of the Investments made and monitor the movement and balance of their investment account; access the Projects offered through the Platform, information documents and other marketing communications; submit orders and conclude transactions (Loans) when the orders are executable; obtain information on the reflection period during which they can withdraw their Investment, the moment from which it starts, as well as submit orders to withdraw their commitment for conclusion of a Loan Agreement (this functionality is only available for Non-sophisticated Investors); receive confirmation of their transactions, as well as electronic copies of Loan Agreements and any other documentation concluded in electronic form; access information about their investment portfolio (open positions, active orders, with all their details) and historical information about their investments; receive and submit notices, communications and documents from/to Afranga; receive and file notices, communications and documents from/to the Project Owners in whose Projects they have invested; carry out a simulation of their loss-absorbing capabilities (online tool); sign Loan Agreements and any other relevant documentation in electronic form as per art. 4.8. above.

7.2. Project Owners are entitled to: create User Profile reflecting their role in the crowdfunding process; request the opening of a Project Owner account in their name, deposit and withdraw funds to the account, make transfers to the Investors on the Investments made, receive funds accumulated as a result of the fundraising conducted and monitor the movement and balance of their account; obtain a complete statistical report on their active and closed Projects, including financial parameters, Investors who have invested in their Projects, credit data, etc; receive confirmation of their transactions, as well as electronic copies of Loan Agreements and any other documentation concluded in electronic form; receive and submit notices, communications and documents from/to Afranga; receive and submit notices, communications and documents from/to Investors who have invested in their Projects; sign Loan Agreements and any other relevant documentation in electronic form as per art. 4.8. above.

Project selection. Execution of an order

7.3. Through the Platform, the Investor has the opportunity to make an Investment in the listed Projects. After selecting a Project or offering in which they wish to invest, the Investors can submit an order for the conclusion of a Loan Agreement through the available functionalities of the Platform.

7.4. The Platform's software executes orders in the order they are received. When executing an order, the software automatically, without any discretion, processes the order subscribed in terms of sender of the order, the amount of the investment, the place and time of submission of the order, etc. The software's algorithm does not allow for changes to the operating model, nor external interference or influence in the execution of specific orders, such as "manual" adjustments by employees. The software algorithm does not allow unauthorised changes to orders once executed or to the order in which they are received.

7.5. The Platform offers two ways to invest: a) Manually – The Investor enters the amount they wish to invest in a particular Project. By clicking on a specially marked button, the Investor consents to enter into a Loan Agreement under the terms of the KIIS to that Project. b) Filtering and using the "Auto Invest" function – Afranga may introduce in the future a functionality on the Platform where the Investor can filter Projects according to criteria set forth by them in the Platform. Different criteria combinations may be proposed by Afranga in this regard or the Investor may choose manually what criteria to apply. The Investors can enter the amount they wish to invest in more than one Project at the same time. The amount indicated by the Investor is allocated under different Projects according to criteria predefined by the Investor until it is exhausted. By clicking on a specially marked button, the Investors give their explicit consent for the conclusion of Loan Agreements in all the Projects they have filtered.

Fundraising

7.6. In the KIIS of each Project the Project Owner indicates the amount of funds to be borrowed under a Project proposal and the deadline for borrowing funds.

7.7. Once the maximum parameters of the proposal have been reached, such as: the maximum amount of funds to be lent and the expiry date of the proposal, the Project will cease to be active.

7.8. In the KIIS of each Project the Project Owner shall indicate the consequences if the minimum amount of funds to be borrowed is not reached within the time limit for borrowing.

7.9. Non-sophisticated Investors are granted a pre-agreement reflection period in accordance with Article 22 of the Regulation.

Agreement conclusion

7.10. The Loan Agreement between the Investor and the Project Owner is deemed to be concluded after the automatic processing of the Investor's order to make the Investment. The Project Owner explicitly agrees that by submitting a Project on the Platform all Loan Agreements concluded at the initiative of Investors are binding for the Project Owner which has signed them as per art. 4.8. above (without any need for further confirmation).

7.11. The reflection period under clause 7.9, during which Non-sophisticated Investors may withdraw their investment order, starts from the moment the investment order is made and expires in 4 (four) calendar days. During reflection period the funds designated by an Investor to be granted under a Loan Agreement shall be deducted in the User Profile and cannot be invested in any other Project. If a right of withdrawal is exercised, the funds will be returned to the User Profile.

7.12. If a withdrawal is made during the reflection period, the Non-sophisticated Investor is not required to point out a reason and shall not suffer any penalty.

7.13. The withdrawal procedure is similar to that of placing an order, whereby the Investors have the option to withdraw the order by clicking on a specially marked button via their investment account on the Platform.

Completion of the fundraising. Notifying the Project Owner of Investor interest in a Project

7.14. Once the maximum parameters of the crowdfunding Project campaign have been reached, or the campaign has expired (except in the case of a Project being withdrawn), the fundraising process ends.

7.15. Afranga notifies the Project Owner of the outcome of the fundraising phase, which contains details of the amount of funds raised, the number of Investors who have expressed an interest, the size of each individual investment and other details of the fundraising process.

Payment services. Making payments on Projects

7.16. All payments on the Platform are carried out through Lemonway (or another designated licensed payment service provider). Afranga does not take or hold any funds on behalf of or for the account of the Project Owner and/or the Investors.

7.17. By using the services of Lemonway (or another designated licensed payment service provider) the Users on the Platform may be obliged to engage directly with such third-party service providers (accept separately their respective Terms and Conditions, etc.).

7.18. The investment accounts opened in the name of the Investors may only be used to make payments related to specific Projects offered on the Platform, namely: for investing funds under Projects selected by the Investor; to receive payments on the Loans granted, as well as contractual interest, penalties and other payments to the Investors; to pay or receive the sale-purchase price of a Loan or Loan Share assigned via the Secondary Market, in accordance with Section 8 of these GTC.

8. Secondary Market

General

8.1. Afranga operates, as an ancillary functionality of the Platform, a Bulletin Board within the meaning of Article 25 of the Regulation, allowing Investors to display their interest in selling Loans or Loan Shares that have already been granted through the Platform.

8.2. Afranga does not operate a trading venue, a multilateral trading facility, or any other system for the matching of client orders equivalent thereto. The display of interests on the Bulletin Board does not constitute an offer by Afranga to conclude a transaction, and it does not execute, net, or match orders. Any Assignment resulting from interests displayed on the Bulletin Board is concluded directly and bilaterally between the relevant Assignor and Assignee, without any discretion, matching engine, protocol or execution function performed by Afranga. On the basis of the information displayed on the Bulletin Board, each Investor decides independently and at its own discretion whether, with whom and on what terms to enter into an Assignment, and may conclude and document such Assignment entirely outside the Platform or by using the technical means referred to in Art. 8.3 below. Those technical means are ancillary in nature and do not constitute protocols or internal operating procedures by means of which Afranga brings together buying and selling interests.

8.3. The transfer of a Loan or Loan Share via the Secondary Market is effected as a civil-law assignment (cession) in accordance with Articles 99-100 of the Bulgarian Obligations and Contracts Act (ЗЗД) and the terms of this Section 8. Afranga is not a party to this assignment (cession). For the convenience of the Investors, the Platform can generate a standard assignment agreement template with the parameters of the negotiated transfer of the Loan or Loan Share between the Assignor and Assignee, along with indication of the Investors concerned. The template is a technical drafting aid only, and Afranga neither determines nor negotiates any commercial terms of the Assignment. The Assignment is signed by the Assignor and the Assignee themselves, in accordance with Art. 4.8 above. Afranga does not conclude, sign or execute any assignment on behalf of any Investor. Afranga's involvement following conclusion of the Assignment is limited to the notification under Art. 8.16 and the record-keeping and administration under Art. 8.18–8.19.

Eligibility

8.4. Only Investors who hold a duly verified User Profile may act as Assignor or Assignee on the Secondary Market.

8.5. Where the Assignee is a Non-sophisticated Investor, the Assignee shall, prior to concluding an Assignment, receive and acknowledge the risk warning under Art. 8.23 below. The KIIS related to the particular Loan or Loan Share is made available to the attention of the Assignee, along with an explicit indication that the data indicated therein has been valid and up-to-date as of the date of the conclusion of the initial Loan Agreement and may no longer be fully accurate.

Object of Assignment

8.6. An Assignor may transfer via the Secondary Market a whole Loan, or a Loan Share. The accrued but unpaid interest of the Loan as of the date of the Assignment is not transferred to the Assignee and remains a claim of the Assignor (*vis-à-vis* the Project Owner), to be paid to the Assignor when received from the Project Owner, in accordance with Art. 8.8 below.

8.7. Following an Assignment: (a) where the Assignment relates to a Loan Share, the transferred Loan Share and the retained part of the Loan constitute separate and independent claims, each held by its respective Investor; and (b) in all cases, whether the Assignment relates to the whole of a Loan or to a Loan Share, the accrued but unpaid interest of the Loan as of the date of the Assignment constitutes a separate and independent claim of the Assignor, distinct from the principal (and interest to be accrued) transferred to the Assignee, without prejudice to the servicing arrangements below.

8.8. Where a Loan is held, in whole or in part, by more than one Investor as a result of one or more Assignments, all repayments of principal made by the Project Owner shall be distributed among the then-current owners of the principal on a pro-rata basis, proportionate to each owner's respective outstanding share of principal. Interest paid by the Project Owner shall be apportioned on a daily basis by reference to the period to which it relates: interest accruing up to and including the date of the relevant Assignment shall be paid to the Assignor, and interest accruing after that date shall be paid to the Assignee, regardless of when the corresponding interest payment is actually made by the Project Owner.

Listing procedure

8.9. An Assignor wishing to sell/transfer a Loan or a Loan Share shall publish a listing on the Bulletin Board, specifying: (a) the Loan or the amount of the Loan Share offered; (b) the price sought; and (c) any other information reasonably required by Afranga (outstanding principal, interest rate and remaining term, repayment status, payments made and missed, occurrence of default, etc.). The minimum amount of a Loan or a Loan Share that may be offered, purchased, or sold on the Secondary Market is EUR 100. Where the outstanding nominal value of a Loan, or of an Investor's remaining share of a Loan, is lower than EUR 100, such Loan or remaining share may nonetheless be transferred via the Secondary Market, provided that it is transferred in its entirety, in a single Assignment, and may not be further divided.

8.10. A prospective Assignee may express interest in a listing through the functionalities of the Platform. The expression of interest does not, by itself, conclude an Assignment and a separate conclusion of such Assignment is required. Afranga does not negotiate, propose or determine any term of an Assignment and does not prioritize, sequence, allocate or otherwise arbitrate between expressions of interest.

8.11. An Assignment may be concluded upon the explicit acceptance by the Assignee of the terms of the listing and the execution, by the Assignor and the Assignee, of the relevant Assignment agreement, including (optionally) by electronic signature in accordance with Art. 4.8 above.

8.12. Afranga may remove, suspend, or refuse to publish a listing where it has reasonable grounds to believe that it is inaccurate, misleading, fraudulent, or in breach of these GTC or applicable law.

Price

8.13. The price of a Loan or a Loan Share offered on the Secondary Market is freely determined by the Assignor. A purchaser may pay an amount equal to the outstanding nominal value of the Loan or Loan Share (at par), more than such value (a premium), or less than such value (a discount), provided that the price may not exceed 115% of the outstanding nominal value of the Loan or Loan Share (i.e. a maximum premium of 15%), nor be lower than 85% of the outstanding nominal value of the Loan or Loan Share (i.e. a maximum discount of 15%). For the purposes of this Article, the "outstanding nominal value" means the outstanding principal of the relevant Loan or Loan Share as of the date of the listing. Afranga does not review, approve, or guarantee the reasonableness of any price within the above range, and applies the limits under this Article solely as a structural parameter of the Bulletin Board, not as a substantive assessment of any individual listing. The Investors are not prohibited from concluding an Assignment entirely outside the Platform in which case the above-described structural parameters of the Bulletin Board shall not be applicable.

8.14. Afranga does not guarantee that a listing will result in an Assignment, does not guarantee any particular price or outcome, and does not guarantee the liquidity of the Secondary Market. An Investor may be unable to find an Assignee and may be required to hold a Loan or Loan Share until its maturity.

Effect towards the Project Owner

8.15. An Assignment shall have effect towards the relevant Project Owner from the moment the Project Owner is notified thereof in accordance with Art. 99, para. 3-4 of the Bulgarian Obligations and Contracts Act.

8.16. Each Investor, upon creation of a User Profile, authorizes Afranga, in accordance with Art. 4.9 above, to give such notification to the Project Owner on behalf of the Assignor, whether individually for each Assignment or in consolidated form (however, outlining the different monetary claims separately) for multiple Assignments relating to the same Project Owner.

8.17. Until such notification is given, any payment made by the Project Owner to the Assignor in good faith shall validly discharge the Project Owner’s corresponding obligation.

Administering after Assignment

8.18. Following any Assignment, Afranga shall continue to administer the relevant Loan (including collection of payments, monitoring of the delinquency status, communication with the Project Owner, and, where applicable, enforcement in the event of default) on behalf of its then-

current owner(s), on the same basis as described in the relevant KIIS and these GTC, regardless of any change in the identity of the owner(s) of the Loan or any Loan Share thereof.

8.19. Afranga shall maintain internal records reflecting the identity of the current owners(s) of each Loan or Loan Share. Such records are maintained for administrative purposes and serve as evidence of entitlement between Users, without prejudice to, and without substituting for, the notification requirement under Art. 8.15-8.16 above.

Assignor's representations

8.20. By publishing a listing and concluding an Assignment agreement, the Assignor represents and warrants to the Assignee that: (a) it is the sole legal owner of the Loan or Loan Share offered; (b) the Loan or Loan Share is free from any pledge, lien, or other encumbrance and has not been previously assigned, in whole or in part, to any other person; (c) it is not aware of any fact rendering the information displayed on the Platform in respect of that Loan materially inaccurate or misleading; and (d) it has not agreed with the Project Owner on any variation of the relevant Loan Agreement that has not been reflected on the Platform, (e) to the best of the Assignor's knowledge, no event constituting a default of the Project Owner under the Loan Agreement has occurred which has not been disclosed on the Platform as of the Assignment date.

No warranty of recoverability

8.21. Unless expressly and separately agreed between the Assignor and the Assignee in the Assignment agreement or elsewhere, neither the Assignor nor Afranga warrants the solvency of the Project Owner or the recoverability of the assigned Loan or Loan Share.

8.22. The Assignee acquires the Loan or Loan Share subject to all risks disclosed in the original KIIS relating to that Loan and to the additional risks set out in Art. 8.23 below, and assumes the risk of partial or total loss of the amounts paid for the Assignment.

Additional risk warnings applicable to the Secondary Market

8.23. In addition to the warnings under Section 9 (Warnings) below, an Investor acquiring a Loan or Loan Share on the Secondary Market acknowledges and agrees that: (a) information displayed regarding the current status of the Loan, including any arrears, may not reflect events occurring shortly before the Assignment; (b) Afranga does not conduct a new due diligence of the Project Owner at the time of an Assignment, neither conducts such due diligence of the Assignor; (c) there is no guarantee that an Assignee will be found for a Loan or Loan Share that an Investor wishes to transfer, and the Investor may be required to hold the investment until its maturity; and (d) the price paid for a Loan or Loan Share may exceed, or be lower than, the amounts ultimately recovered.

Fees

8.24. Afranga may charge fees for the use of the Secondary Market functionality, in accordance with the Afranga Tariff referred to in Art. 13.1 below.

Limitation of Afranga's role

8.25. Afranga is not a party to any Assignment Agreement concluded between an Assignor and an Assignee and shall not be liable for the performance of either party's obligations thereunder, save to the extent expressly undertaken by Afranga under Art. 8.16 and 8.18 above.

9. Warnings

9.1. The Investor accepts and agrees that investing in Projects entails risks, including the risk of partial or complete loss of the invested funds, and that his/her Investment is not covered by guarantee schemes, including the deposit guarantee scheme or the investor compensation scheme operating in the Republic of Bulgaria.

9.2. The Investor acknowledges and agrees to the following: a) The Investment may not generate any returns; b) The Investment is not a savings product, and Afranga suggests Investors to limit their investment in crowdfunding projects to no more than 10% of their net worth; c) The Investor may not be able to sell the investment instruments at his/her discretion, and even if a sale is possible, there may be losses; d) The Projects have not been reviewed or approved by the Financial Supervisory Authority, the European Securities and Markets Authority ("ESMA") or any other regulatory body in the EU.

9.3. The Investor acknowledges and agrees that Afranga will not be held responsible for any loss or lost profits arising from the preceding points, for which liability lies with the Investor, the Project Owner, or third parties.

9.4. The Investor acknowledges and agrees that Afranga does not provide investment advice or recommendations. While Afranga may publish and review all relevant documents, information, and marketing materials related to each Project, this should not be construed as advice, endorsement, or a recommendation regarding the investment's reliability, quality, or suitability. The Investors are solely responsible for conducting their own research, assessing the risks, and making an informed decision regarding whether to invest. Any decision to invest will be based entirely on the Investor's independent judgment, without reliance on any information provided by Afranga.

9.5. The warnings under this Section apply also to Investors acting as Assignor or Assignee on the Secondary Market, in addition to, and without limiting, the specific warnings set out in Art. 8.20-8.23 above.

10. Complaints

10.1. Any User who is dissatisfied with the services provided by Afranga may file a complaint. The complaint procedures do not apply to complaints made by persons or organisations who are not Users of Afranga.

10.2. Afranga will consider written complaints filled in and submitted in Bulgarian or English: a) Online through the Platform or via e-mail to: support@afranga.com. b) On paper by a letter sent to Afranga's address – Aleksandar Malinov Boulevard 79B, 5th floor, 1712 Sofia. Complaints may be submitted also via the specifically designated standard complaint form.

10.3. Afranga will consider a complaint inadmissible if it is made orally, if it relates to an activity or service that Afranga does not perform or if the complaint does not meet the criteria for submission of complaints.

10.4. The complaint must include the User's personal data, information about the representative (if applicable), a full description of the problem and all related documents (KIIS, Project, Loan Agreement, etc.). In case of incomplete or inaccurate contact details, Afranga is not responsible for its inability to contact the User.

10.5. Upon receipt of an admissible complaint, Afranga makes due effort to resolve it promptly and fairly. Afranga assesses whether the request in the complaint is clear and complete and reviews all attached documents. If necessary, Afranga may request additional evidence and/or information.

10.6. Afranga will consider and make a decision on each admissible complaint within 20 (twenty) working days as of the date of its receipt. In case the complaint is inadmissible, the decision shall be made within 20 (twenty) working days as of the date of elimination of the reasons for inadmissibility.

10.7. In exceptional cases where Afranga is not able to make a decision within the specified period, Afranga sends a special notification to the User, explaining the reasons for the delay and indicating a new deadline for resolving the complaint.

10.8. All results are provided to the User in writing.

10.9. If the User is not satisfied with the decision, they have the right to: a) file a complaint with the Financial Supervision Commission (FSC), with website: www.fsc.bg, address: Bulgaria, 1000 Sofia, 16 Budapeshta Str., email: delovodstvo@fsc.bg. b) file a civil claim, by referring the matter for resolution to the court of the Republic of Bulgaria in accordance with the current laws and regulations of the Republic of Bulgaria, to the extent permitted by law, except where applicable law requires a specific dispute to be resolved exclusively by the courts of another jurisdiction.

10.10. The full procedure for filing a complaint is available on the Platform.

11. Data protection

11.1. Afranga takes due care to protect the Personal Data of its Users, in strict compliance with the provisions of the Data Protection Legislation, as well as the Privacy Policy approved by Afranga on 01.03.2025, which can be accessed on the following website: https://afranga.com/privacy-policy.

11.2. In compliance with the applicable legislation and the clauses of these GTC, Afranga may use the Personal Data of the Users solely and exclusively for the purposes of fulfilling its contractual obligations, including with a view to providing technical assistance when using the Platform by the User.

11.3. Afranga has the right to use the Personal Data provided by the User for the purposes of direct marketing (i.e. offering goods and/or services, as well as for sending other advertising and commercial communications) only with explicit consent to this effect.

11.4. Each User of the Platform has the right to exercise their rights arising from the Data Protection Legislation in accordance with the procedure provided for in the Afranga Privacy Policy.

11.5. Each User may stop sending materials related to direct marketing to him/her by sending a letter in free text to the email address: support@afranga.com, or to the correspondence addresses specified in the Afranga Privacy Policy.

11.6. The Platform may also collect data from "cookies". For more information about what cookies are, what they are used for and what types of data Afranga may collect about its Users through them, you can read Afranga's Cookie Policy.

12. Dispute resolution

12.1. All disputes between Afranga and the Investors shall be resolved in a spirit of understanding and good will. In the event that no agreement is reached, all unresolved disputes arising from or relating to the contract between the parties, including disputes arising from or relating to its interpretation, invalidity, performance or termination, as well as disputes to fill gaps in the contract or adapt it to newly arising circumstances, shall be resolved in court by the competent Bulgarian court.

12.2. For all issues not regulated in these GTC, the laws of Bulgaria and the acts of the European Union with direct effect shall apply, including the Regulation, and the acts implementing them.

13. Fees and outsourcing of activities

13.1. When investing on Afranga, Investors may be subject to additional fees for the services provided by Afranga. A full list with all applicable fees in accordance with the Afranga Tariff is available here. The fees, which are due by the Project Owners are regulated by a separate agreement between the respective Project Owner and Afranga.

13.2. Afranga is not obliged to report and/or deduct any Tax. Each User is obliged to report and deduct Tax, which may be due as a result of Investments made, use of the Secondary Market and/or any interaction with the Platform. Depending on various tax related legal circumstances, the Project Owners may be obliged to withhold Tax in their country of registration in full amount.

13.3. The User agrees that additional fees or charges may be payable to third parties (such as banks and other payment institutions) in connection with the realization of the Investment and the repayment of the Loan, which will not be related to or arise directly from the relationship between the User and Afranga.

13.4. Afranga may outsource the following operational activities: Accounting activities; Technical support of hardware; Payment services; Identification of Users. Afranga may also outsource the implementation of other operational activities, subject to the outsourcing procedures specified in this document.

14. Additional provisions

14.1. These GTC may be amended and supplemented unilaterally by Afranga, in which case the Users will be notified of the change no later than 7 (seven) days before the entry into force of the updated GTC on the email addresses indicated by the Users in their User Profile.

14.2. The invalidity of any part of these GTC does not affect the validity of its other provisions.

Version 1 of these General Terms and Conditions was effective as of 12.03.2025. This current Version 2.0, incorporating mainly the Secondary Market provisions under Section 8, is effective as of 27.08.2026, Users having been notified of this latest update no later than 7 (seven) days prior to that date, in accordance with Art. 14.1 above.

The Platform may contain links to websites that are owned or operated by third parties and not by Afranga. These links are provided only for the convenience of the Users. Afranga has no control over and is not responsible for the content, privacy policies or security of such sites.

Company details:

Afranga EOOD

Address: Aleksandar Malinov Boulevard 79B, 5th floor, 1712 Sofia, Bulgaria

Email: support@afranga.com

Financial Supervision Commission details:

Address: Bulgaria, 1000 Sofia, 16 Budapeshta Str.

Tel: 02 / 940 49 99

Fax: 02 / 940 46 06

Information centre: 0800 40 444

E-mail: delovod-stvo@fsc.bg

Website: www.fsc.bg

Personal Data Protection Commission details:

Address: Bulgaria, 1592 Sofia, 2 Prof. Tsvetan Lazarov Str.

Tel: 02/915 35 19

Fax: 02/ 915 35 25

E-mail: kzld@cpdp.bg

Website: www.cpdp.bg