

**TERMS AND CONDITIONS OF
MD Agency OÜ: EQUITY ISSUE
DATED 27th December 2021**

GENERAL PROVISIONS

- 1.1. These Terms and Conditions of the Equity (the Terms) regulate, above all:
 - 1.1.1. the procedure for, and the terms and conditions of the Primary Distribution of the Equity Shares under the Terms;
 - 1.1.2. other rights and obligations of the Issuer and the Investors in the performance of transactions and operations related to the Primary Distribution under the Terms.
- 1.2. By submitting the Subscription Order every Investor agrees with the Terms and undertakes to adhere thereto.
- 1.3. Issue of Equity Shares is conducted with the Aggregate Issue Price of EUR 550 000¹. The enterprise valuation of the 100% of Issuer is EUR 5.5 million. Part of the Aggregate Issue Price has been collected via a previous first crowdfunding round at CoinMetro platform (from 7.10.-7.11.2021) and second crowdfunding round at CoinMetro platform (from 8.11.2021-7.01.2022), therefore, at the moment of the commencement of this Issue approximately 34000 EUR of the Aggregate Issue Price are circulating at Ignium OÜ secondary market.
- 1.4. For the ease of counting and transferability on the secondary market the Equity Share will be expressed in the Platform and in the Register in tokens. This does not have any impact on the Investors' rights under Equity Shares. Tokens are not self-standing securities.

2. DEFINITIONS

- 2.1. For the purposes of the Terms and other documents related to the Issue, the following definitions have the following meanings, unless explicitly stipulated otherwise in the respective documents:
 - 2.1.1. **Equity Share** shall mean a security issued by the Issuer representing part of the equity capital of the Issuer, that is issued in accordance with the Terms and that is held in the Investors' Securities Account in the Register in a dematerialised form.
 - 2.1.2. **Confirmation** shall mean the acceptance of the Subscription Order by the Issuer as a part of the online subscription procedures.
 - 2.1.3. **Investor** shall mean a registered holder of an Equity Share in the Register or a person, who has placed a Subscription Order.
 - 2.1.4. **Issue** shall mean a creation of equity by the Issuer and transferring of the Equity Shares to the Securities Account(s) of the Investor(s) opened with the Register in

¹ The aggregate Issue Price may be changed (without changing the valuation of the Issuer) by the decision of the Issuer until the end of Subscription Period (including).

accordance with the Terms.

- 2.1.5. **Issue Price** shall mean the price payable by an Investor for acquisition of Equity Shares through Primary Distribution expressed in euros.
- 2.1.6. **Issuer** shall mean MD Agency OÜ, a company registered in Estonia under registry code: 14794825 and registered address: Narva mnt 19-40, 10120 Tallinn, Estonia. A company duly registered under Estonian law in 2019.
- 2.1.7. **Issuer Payment Account** info@md-agency.io in the Register.
- 2.1.8. **Payment Account** shall mean an account opened with the Register for holding Payment Tokens and which provides a proof of ownership of the respective Payment Tokens.
- 2.1.9. **Payment Token** shall mean digital representation generated by the Registrar whose value is pegged 1:1 to EUR and obtaining of which does not require any additional conversion or market.
- 2.1.10. **Primary Distribution** shall mean submitting and receiving of Subscription Orders for the Equity Shares and the sale of the Equity Shares to the Investors in accordance with the Terms of the Issue.
- 2.1.11. **Platform** shall mean the crowdfunding platform through which Issuer conducts the marketing and collection of Subscription Orders. Platform holder is Ignium OÜ (14767998) and the Platform is located at the web-page <https://app.ignium.io/> and accessible after registration to the platform and passing the KYC procedures of the Register of Ignium OÜ.
- 2.1.12. **Project** comprises activities and preparatory steps that are necessary to grow the technological services of the Issuer, for the financing purposes of which the present Issue is organized.
- 2.1.13. **Register** shall mean the register kept by the Registrar where the Equity Shares will be registered.
- 2.1.14. **Registrar** shall mean a person maintaining and operating the Register. Registrar shall be Ignium OÜ, a company registered in Estonia under registry code 14767998, that maintains and operates the Register.
- 2.1.15. **Registrar's Website** shall mean <https://app.ignium.io/>.
- 2.1.16. **Securities Account** shall mean an account of the Investor or the Issuer opened with the Register where digital securities are held and which provides a proof of ownership of the respective digital security.
- 2.1.17. **Subscription Order** shall mean an online form, which is submitted by the Investor to the Issuer (via Platform) in the electronic form and containing the substance as foreseen in the online form on the Platform.
- 2.1.18. **Subscription Period** shall mean a period of time until the whole Aggregate Issue Price has been subscribed to after placing the Subscription Orders. Issuer has the right to either reduce or extend the Subscription Period.
- 2.1.19. **Terms** shall mean these terms of MD Agency OÜ Equity Share issue.
- 2.2. The headings in the Terms have been entered for convenience purposes only and shall

have no impact on the interpretation of any provision of the Terms.

- 2.3. All references in the Terms to the time are references to the Estonian time.

3. ISSUER DESCRIPTION

- 3.1. The principle activities of the Issuer are the advertising exchange technology (B2B IaaS) for doing real-time programmatic digital advertising for small and medium-sized businesses and innovation R&D to add value to the crypto and digital advertising industries.

- 3.1.1. Technological services of the Issuer comprise:

- (a) digital advertising infrastructure within MD ADX product to run ads in real-time on all trending environments.
- (b) backed by robust technology, Issuer also offers the first digital asset advertising marketplace for the verified brands.
- (c) Issuer works on AI and decentralization implementation to the AdTech space and its products within MD AD Lab.

- 3.2. Composition of the Management Board:

- 3.2.1. Ksenia Voznesenskaya (Estonian id: 49505210026) and Alexander Aleksashev (Estonian id: 38603100178) are the elected members of the Management Board

- 3.3. The cap table and financial figures can be found in Annex I and II.

4. OBLIGATIONS, WARRANTIES AND CONTACT DATA OF THE ISSUER

- 4.1. The Issuer shall, in accordance with the Terms, issue the Equity Shares, that are Type-B shares of the Issuer with no voting power, and that represent up to 10% of the share capital of the Issuer. In case by the end of the Subscription Period, less than the Aggregate Subscription Price is subscribed (under-subscription) then respectively less than 10% of the share capital of the Issuer is represented by the Equity Shares.

- 4.2. The Issuer warrants to the Investors that:

- 4.2.1. the Issuer is a duly incorporated and validly existing legal person acting pursuant to the laws of Estonia;
- 4.2.2. the Issuer has all the rights and sufficient authorizations to issue the Equity Shares.

- 4.3. The Issuer undertakes to use the proceeds raised from the Issue in order to finance the Project and the growth of the Issuer

- 4.4. The minimum target investment is 300000 EUR for the Project to facilitate the first growth steps for MD ADX product, in case less than minimum target investment is reached the Issuer still proceeds with issuing the shares and seeks extra financing to reach the maximum target investment.

- 4.5. Notices and documents to the Issuer shall be forwarded by using the following contact details:

MD Agency OÜ
Narva mnt 19-40, 10120 Tallinn
ksenia@md-agency.io

5. EQUITY SHARES

- 5.1. Equity Shares will be capable of being traded on the secondary market, subject to applicable transferability restrictions as per Section 6 and 8 below.
- 5.2. Equity Shares are freely transferable and no pre-emption rights of other shareholders apply. Transfer is enacted in a form that allows written reproduction, for that purpose transfer on a blockchain via Ignium/Registrar platform can be used and the data on shareholders and the transfers of Equity Shares is kept by the Registrar.
- 5.3. All payments to the Investors by the Issuer in connection with the Equity Shares including the profit distributions, can be made in the Payment Tokens. Payment Tokens can be withdrawn to Investor's bank account in accordance with the rules of the Registrar.

6. SUBSCRIPTION FOR THE EQUITY SHARES

- 6.1. The Equity Shares are not considered securities under Estonian Securities Market Act and therefore the Issuer has no obligation to register the issue with any financial markets regulatory authority nor publish a prospectus under the Prospectus Regulation² and as transposed to the laws of those selected member states of European Union where the offering shall be carried out.
- 6.2. The offering of Equity Shares is not directed to persons whose involvement in the offering requires any extra registration, prospectus or other measures in addition to those necessary under Estonian law and any domestic laws of member states of European Union and taken by the Issuer. No action has been or will be taken in any jurisdiction by the Issuer that would permit the offering of the Equity Shares (other than in the member states of European Union) and the offering is not being made in any jurisdiction in which it would not be permissible to offer the Equity Shares.
- 6.3. Investors from Afghanistan, Bahamas, Barbados, Botswana, Cambodia, Democratic People's Republic of Korea (DPRK), Ghana, Iran, Iraq, Jamaica, Mauritius, Myanmar, Nicaragua, Pakistan, Panama, Syria, Trinidad and Tobago, Uganda, Vanuatu, Yemen, Zimbabwe are not allowed to participate in the investment round. In case an investor from the mentioned restricted territories attempts to participate, their access will be denied and all purchased shares will be returned to the Issuer. All sums paid by such investors will be returned.
- 6.4. The Equity Shares and offering have not been approved or disapproved by any United States' regulatory authority. Neither the Equity Shares nor the offering will be, and are not required to be, registered with the SEC under the US Securities Act of 1933, as

² Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC Text with EEA relevance.

amended (the Securities Act) or on a United States securities exchange. The Issuer does not intend to take any action to facilitate a market for the Equity Shares in the United States. The Equity Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

- 6.5. In order to subscribe for the Equity Shares, a Subscription Order shall be submitted to the Issuer via Platform.
- 6.6. To submit a Subscription Order, the Investor must have registered itself as a user with the Register and passed the KYC procedures of Ignium OÜ.
- 6.7. Equity Share Issue price is 5,5 EUR, however a **minimal aggregate Subscription Order that is accepted in the Primary Distribution is with a value 110 EUR**, representing 20 Equity Shares.
- 6.8. The Issuer is entitled to subscribe for and hold the Equity Shares provided the pre-requisites for acquiring its own shares as set forth in Estonian Commercial Code are fulfilled.
- 6.9. A Subscription Order shall be deemed valid, if submitted during the Subscription Period, drawn up in the required form and substance, and if the Investor pays the sum of the Issue Prices of the Equity Shares indicated on the Confirmation within 48 hours as of receiving the Confirmation.
- 6.10. The Issuer shall communicate a Confirmation to each Investor immediately after receiving a Subscription Order from the Investor.
- 6.11. The Issuer may reject any of the Subscription Orders for whichever reason. In case of rejection of the Subscription Order, the reason for rejection shall not be indicated in the Confirmation.
- 6.12. Upon partial or complete satisfaction of the Subscription Order, the Issuer shall cause, among other, the following information to be included in the Confirmation:
 - 6.12.1. the size of the Equity Shares to be allocated to the Investor;
 - 6.12.2. the Issue Price of an Equity Share;
 - 6.12.3. the deadline (date and time), for making the sum of the Issue Prices available on the Payment Account of the Investor (if not already made).

7. PRIMARY DISTRIBUTION

- 7.1. The Issuer will determine the Subscription Orders, which have been submitted according to the Terms and which are decided to be satisfied either wholly or partially, on a first-come, first-serve basis. Oversubscription will not be possible nor allowed.
- 7.2. The Issuer will transfer Equity Shares to Investors provided that the respective Investor has made available the required amount of Issue Price indicated in the Confirmation on the Payment Account of the Investor.
- 7.3. If the amount of Issue Price indicated in the Confirmation has not been made available

by the Investor on the Payment Account of the Investor before the deadline (48 hours after receipt of the Confirmation), the Subscription Order is cancelled.

- 7.4. In order to receive Payment Tokens for paying the amount of Issue Price to the Issuer, the Investor shall transfer the amount of Issue Price indicated in the Confirmation to the client account of the Registrar, after which the Investor will receive the Payment Tokens in an amount equal to the amount transferred to the client account of the Registrar.
- 7.5. The Issuer shall have the right to reduce the Aggregate Issue Price (without changing the valuation of the Issuer) of an Issue or cancel the Issue at any time on or before the end of the Subscription Period.
 - 7.5.1. If the Aggregate Issue Price is reduced by the Issuer, the excess amount to the reduced Issue Price will be returned and transferred immediately by transfer back to the Investor's Payment Account. The Issuer will bear any costs incurred in connection with this.
 - 7.5.2. If the Issue is cancelled by the Issuer, Payment Tokens will be returned and transferred immediately back to the Investor's Payment Account. The Issuer will bear any costs incurred in connection with this.
 - 7.5.3. At the settlement:
 - (a) the Equity Shares are transferred from the Issuer's Securities Account to the Investors' Securities Accounts;
 - (b) the subscription amount expressed in Payment Tokens is transferred from the Payment Account of the Investor to the Payment Account of the Issuer.
 - 7.5.4. An owner of an Equity Share shall be regarded to have changed after transfer of Equity Shares between respective Securities Accounts has been completed and respective entry to the Register has been made.

8. BONUS REWARDS FOR BULK INVESTMENTS

- 8.1. An Investor who has successfully acquired whether in single or reoccurring transactions throughout the Subscription Period under the Terms Equity Shares in bulk value stated below is entitled to the following individually assigned discount rate on the valuation which would grant more shares to the Investor upon the purchase in accordance with the assigned discount rate:
 - 8.1.1. successful aggregate Subscription Order with a value of over 1000 EUR into Equity Shares gives a discount of equal to 3%³
 - 8.1.2. successful aggregate Subscription Order with a value of over 5000 EUR into Equity Shares gives a discount of equal to 5%
 - 8.1.3. successful aggregate Subscription Order with a value of over 10000 EUR into Equity Shares gives a discount of equal to 10%

³ The calculation of extra shares to be issued is as follows: Investment amount x discount % / share price
E.g. €1001 x 3% / €5.5 = 5.46 shares. The numbers are rounded to the nearest integer so in the example case 5 extra shares will be issued.

- 8.1.4. successful aggregate Subscription Order with a value of over 50000 EUR into Equity Shares gives a discount of equal to 20%
- 8.1.5. the discount rate can be customized per an agreement between the Investor and the Issuer in a written form

9. DISCLAIMERS AND WARNINGS FOR INVESTOR

- 9.1. The appropriateness of Investor's experience and knowledge have not been and shall not be assessed before the Investor was granted access to this investment. By making this investment, Investor assumes full risk of taking this investment, including the risk of partial or entire loss of the money or assets invested.
- 9.2. Investor assumes full responsibility to ensure that the latter meets requirements for standing as an accredited investor pursuant to the laws of a country of residence of the investor.
- 9.3. Investment entails risks, including the risk of partial or entire loss of the money invested. Investment is not covered by the deposit guarantee schemes established in accordance with Directive 2014/49/EU of the European Parliament and of the Council. Nor is investment covered by the investor compensation schemes established in accordance with Directive 97/9/EC of the European Parliament and of the Council.
- 9.4. The Issuer is still in an early phase, and is just beginning to implement its new business plan. The likelihood of its success should be considered in light of the problems, expenses, difficulties, complications, delays or black swan events that can be encountered by companies in their early stages of development. The Issuer may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.
- 9.5. In case of maximum target investment is not reached, only partial Project completion is possible where MD ADX stands as the main priority and revenue generator at the early stages.
- 9.6. The company may require funds in excess of its existing cash resources to fund operating deficits, develop new products or services, obtain activity licence, establish and expand its marketing capabilities, and finance general and administrative activities. Due to market conditions at the time the company may need additional funding, or due to its financial condition at that time, it is possible that the company will be unable to obtain additional funding as and when it needs it. If the company is able to obtain capital it may be on unfavorable terms or terms which excessively dilute then-existing equity holders. If the company is unable to obtain additional funding as and when needed, it could be forced to delay its development, marketing and expansion efforts and, if it continues to experience losses, potentially cease operations.
- 9.7. Investor acknowledges that Platform services used by the Issuer for the Issue under the present Terms may contain links to third-party web sites or services that are not owned or controlled by the Issuer, therefore, the Issuer assumes no responsibility for, the content (incl. copyright), reliability, security, safety, uninterrupted workability, privacy policies, or practices of any third-party web sites or services, including web-sites, Platform and all services connected with them, operated or owned by Ignium OÜ. Consequently, the Investor agrees that the Issuer shall not be responsible or liable, directly, or indirectly, for any damage or loss caused or alleged to be caused by or in

connection with use of or reliance on any such content, goods, or services available on or through any such web sites or services or service providers.

10. DECLARATION OF ISSUER

- 10.1. Issuer declares that, to the best of its knowledge, no information has been omitted or is materially misleading or inaccurate. Issuer is responsible for the preparation of these Terms.

11. FINAL PROVISIONS

- 11.1. The Terms, rights and obligations arising from the Equity Shares shall be governed by the law of the Republic of Estonia.
- 11.2. The disputes related to the Terms shall be resolved through negotiations. If the parties fail to reach an agreement, any dispute, controversy or claim arising out of or in connection with the Terms or the Equity Shares shall be finally settled by the Arbitration Court of the Estonian Chamber of Commerce and Industry in Tallinn, Estonia, by one arbitrator, in the English language, and in accordance with its rules on expedited procedure.
- 11.3. If a provision of the Terms is invalidated or deemed inapplicable by the court, it does not influence or change the validity, legitimacy or applicability of other provisions.
- 11.4. All notices of the Issuer to the Investors shall be sent by email. Notices to the Investors shall be forwarded to their e-mail addresses. Notices are deemed to be received by the Investors after reasonable time has passed from sending these.

ANNEX I CAP TABLE

| Shareholder | Shares | Ownership % |
|----------------------------------|-----------------------|-------------|
| Ksenia Voznesenskaya | 341013 | 34,1% |
| Alexander Aleksashev | 341013 | 34,1% |
| Dmitry Voznesenskiy | 189594 | 18,96% |
| Iryna Kafez | 28380 | 2,84% |
| Investors | 100000 | 10% |
| Total without Option Pool | 1000000 | 100% |
| Option Pool | <i>150000</i> | <i>15%</i> |
| Total with Option Pool | <i>1150000</i> | N/A |

ANNEX II FINANCIAL OVERVIEW

The Issuer is still at the early stage and in the beginning to implement the new business plan.

Key financial figures 2020

Revenue from the testing period: 3678 EUR

Total contribution from the private owners at 31.12.2020: 149069 EUR

Outstanding liability of 96790 EUR was a convertible loan of private investor Dmitry Voznesenskiy that was converted into equity in June 2021.

30000 EUR was committed by the founders Alexander Aleksashev and Ksenia Voznesenskaya

Approved financial statements and key annual figures for 2020 and 2019 are available to download from Estonian Commercial Register, pursuant to the terms of the latter:

https://ariregister.rik.ee/est/company/14794825/MD-Agency-O%C3%9C?active_tab=fiscal_year_reports