



SIA Timbro Group

Registration No. 40203549571

LEI: 984500099E2D75O00E44

INFORMATION DOCUMENT

ISIN:	LV0000113629
Type of securities:	Secured Bonds
Nominal Value per one Bond:	EUR 1,000.00 (one thousand euros)
Number of Bonds:	up to 8,000 (eight thousand)
Total nominal value of the issue:	up to EUR 8,000,000.00 (eight million euros) ¹
Annual Coupon Rate:	10% per annum – fixed, subject to a step-up of 0.5 (zero point five) percentage points if the Net Leverage Ratio exceeds 5.0x, as described in Section 7.13.1 (<i>Coupon Rate</i>)
Coupon Payment Date:	monthly, on every 28 th date of each calendar month during the term of the Bonds
Maturity:	22 October 2029 – 3 (three) years from the Issue Date
Issue Date:	22 October 2026
Minimum Investment Amount:	1 (one) Bond
Admission to Trading:	Nasdaq Riga First North (MTF) – no later than 12 (twelve) months from the Issue Date

This Information Document is not a prospectus for the purposes of the Prospectus Regulation and has not been examined, reviewed or approved by Latvijas Banka, the Estonian Financial Supervision and Resolution Authority (in Estonian: Finantsinspeksioon), the Bank of Lithuania (in Lithuanian: Lietuvos bankas) or any other competent authority of any Member State. This Information Document has been prepared on the basis that the offer of the Bonds in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania will be made pursuant to an exemption from the obligation to publish a prospectus under the Prospectus Regulation and the applicable national laws of each such jurisdiction.

This Information Document has been drawn up and prepared in accordance with:

- (i) *the Financial Instrument Market Law of the Republic of Latvia and Latvijas Banka Regulation No. 261 of 18 December 2023 “Regulations on Drawing up and Publishing an Information Document*

¹ The aggregate nominal value of the Bonds may, at the Issuer’s sole discretion, be increased in accordance with this Information Document up to EUR 12,000,000 (twelve million euros) with effect from the date on which the threshold below which an offer of securities to the public is exempt from the obligation to publish a prospectus under applicable Bank of Latvia Regulations is increased to an amount of at least EUR 12,000,000, provided that the aggregate consideration of the offer to the public, calculated over a 12-month period, does not at any time exceed the then-applicable threshold and provided further that the Issuer has elected to make such increase and has published the relevant supplement to this Information Document in accordance with the Bank of Latvia Regulations. Unless and until the Issuer has made such election and published such supplement, the aggregate nominal value of the Bonds shall not exceed EUR 8,000,000.

for Making a Public Offering”, as amended;

- (ii) the Securities Market Act of the Republic of Estonia and Regulation No. 10 of the Estonian Minister of Finance of 6 May 2024 “Requirements for the Securities Offering Information Document”, as amended; and*
- (iii) the Law on Securities of the Republic of Lithuania and the “Description of Requirements for the Preparation of the Information Document”, approved by Resolution No. 03-45 of the Board of the Bank of Lithuania of 28 February 2013, as amended.*

The offering of the Bonds constitutes a public offering in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania. The Issuer intends to apply for the admission of the Bonds to trading on the alternative market First North operated by Nasdaq Riga in accordance with the Nasdaq Riga Alternative Market First North Rules, as amended from time to time. First North is a multilateral trading facility and not a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended (“MiFID II”), and the Issuer does not intend to apply for the admission of the Bonds to trading on a regulated market.

The Issuer is a company incorporated and existing under the Applicable Laws of the Republic of Latvia, under which the Bonds may be registered with Nasdaq CSD, acting as the central securities depository in Latvia.

The decision of the Issuer to organize the issue of the Bonds has been passed in compliance with the Applicable Laws of the Republic of Latvia. The issue of the Bonds, including the contractual relationship between the Issuer and the Bondholders, and their respective rights and duties attached to the Bonds, shall be governed by the Applicable Laws of the Republic of Latvia, without prejudice to the mandatory laws and regulations applicable to the public offering, marketing and distribution of the Bonds in the Republic of Estonia and the Republic of Lithuania.

This Information Document does not constitute an offer to sell or a solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

MiFID II product governance – solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties, professional clients and respective retail clients are appropriate. Any person subsequently offering, selling, or recommending the Bonds should take into consideration the manufacturer’s target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

Article 5f of Regulation (EU) No. 833/2014 (as amended by Council Regulation (EU) No. 2022/328) and Article 1f of Regulation (EC) No. 765/ 2006 (as amended by Council Regulation (EU) No 2022/398) prohibit the sale of euro denominated transferable securities issued after 12 April 2022 or units of undertakings for collective investment (UCIs) providing exposure to such transferable securities, to any Russian or Belarusian national, any natural person residing in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State or to natural persons holding a temporary or permanent residence permit in a Member State of the European Union.

Before deciding to purchase the Bonds, Potential Investors must make their own assessment as to the suitability of investing in the Bonds. In particular, each Potential Investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds and the merits and risks of investing in the Bonds;*
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;*
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the Potential Investor's currency;*

- (iv) *understand thoroughly the terms of the Bonds and be familiar with the behavior of any relevant financial markets; and*
- (v) *be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.*

In addition, before deciding to purchase the Bonds, Potential Investors should carefully review and consider the risk factors described herein. Should one or more of the risks materialize, this may have a material adverse effect on the cash flows, results of operations, and financial condition of the Issuer. If any of these risks materialize, the market value of the Bonds and the likelihood the Issuer will be in a position to fulfil its payment obligations under the Bonds may decrease, in which case the Bondholders could lose all or part of their investments.

Any previous discussions or presentations provided to Potential Investors were solely for information purposes and the Bonds are issued in accordance with this Information Document. A Potential Investor should not make an investment decision relying solely upon the information provided in the Potential Investor presentation or otherwise.

Arranger:



The date of this Information Document is 5 October 2026

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1. DEFINITIONS

1.1 Interpretation

For the purpose of this Information Document, the following definitions have the following meaning:

Accounting Principles	Initially, Latvian Accounting Standards (Latvian GAAP) in accordance with the Applicable Laws. Starting from 1 January 2028 (for Financial Year of 2027), the International Financial Reporting Standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).
Acquisitions	any transaction or series of related transactions pursuant to which the Group has acquired a participation in the equity capital of, or the Control in, a person if that person pursuant to the Accounting Principles has to be consolidated into the Group, or any acquisition or transfer of an operating division or business unit of any other person to the Group which under the Applicable Law constitutes a transfer of enterprise or an independent part thereof (in the meaning of the Commercial Law of the Republic of Latvia (in Latvian: <i>Komerclikums</i>)) or an equivalent legal concept under the relevant Applicable Law.
Action Plan	shall have a meaning ascribed to it in Section 7.7.11(c) (<i>Event of Default and Action Plan</i>).
AML	anti-money laundering.
Annual Coupon Rate	the annual Coupon rate for the Bonds of the respective Issue which is set out in this Information Document.
Applicable Law	any applicable law, including without limitation: (a) the regulations of the Bank of Latvia, Nasdaq Riga and Nasdaq CSD; (b) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether state, local, foreign, or EU; and (c) the laws and regulations of the Republic of Latvia and any legal acts in each other country in which the Issuer operates.
Arranger	Signet Bank AS, with registration No. 40003043232 and with a legal address at: Antonijas iela 3, LV-1010, Riga, Latvia.
Articles of Association	Articles of Association of the Issuer effective as at the date of this Information Document.
Auction	the subscription process for the Bonds conducted during the Subscription Period by way of an auction, comprising: (a) the auction organised through Nasdaq Riga, whereby Exchange Members submit Subscription Orders as buy orders in the trading or auction system designated by Nasdaq Riga (the “ Nasdaq Riga Auction ”); and (b) the auction organised through the Estonian CSD pursuant to the Estonian CSD Agreement, whereby Exchange Members submit Subscription Orders in the auction system designated by the Estonian CSD (the “ Estonian CSD Auction ”), in each case on their own account or on behalf of Investors and in accordance with this Information Document and the applicable Auction Rules. References to the Auction shall, where the context requires, be read as a reference to the Nasdaq Riga Auction

	and/or the Estonian CSD Auction, as applicable.
Auction Rules	together: (a) in respect of the Nasdaq Riga Auction, the rules governing its conduct, in accordance with which the Arranger organizes and administers that auction on behalf of the Issuer, as published on the Nasdaq Baltic website before the opening of the Subscription Period; and (b) in respect of the Estonian CSD Auction, the rules governing its conduct as agreed between the Issuer and the Estonian CSD under the Estonian CSD Agreement and published before the opening of the Subscription Period, in each case setting out the technical and procedural rules applicable to the submission, modification, cancellation, allocation and settlement of Subscription Orders through the relevant auction.
Auditor	any of the following companies licensed to practice in the Republic of Latvia: (a) PricewaterhouseCoopers group entity; (b) ERNST & YOUNG group entity; (c) KPMG group entity; (d) Deloitte group entity; (e) BDO group entity; (f) Grant Thornton group entity; (g) AS "RSM Latvia", registration number: 40003858822; (h) Baker Tilly Baltics AS, registration number: 40003444833; (i) Sabiedrība ar ierobežotu atbildību "Merhels Revidenti Konsultanti", registration number: 40003405183; (j) Sabiedrība ar ierobežotu atbildību "POTAPOVIČA UN ANDERSONE", registration number: 40003612562; (k) Sabiedrība ar ierobežotu atbildību "Forvis Mazars Audits", registration number: 40103512765; (l) SIA "Taxlink audit", registration number: 40103710304
Bank of Latvia	the Bank of Latvia (in Latvian: <i>Latvijas Banka</i>) with its office in Riga, Latvia. The Latvian financial supervision authority (www.bank.lv).
Bank of Latvia Regulations	Bank of Latvia Regulations No.261 of 18 December 2023 "Regulations on Drawing up and Publishing an Information Document for Making a Public Offering".
Bond	each debt security (secured bond) to be offered and issued by the Issuer according to this Information Document.
Bondholder	a private person or legal entity that is an owner of one or more Bonds and has a claim against the Issuer as stipulated by the Applicable Laws.
Bondholders' Meeting	a meeting of Bondholders convened and held in accordance with Section 7.22.4 (<i>Bondholders' Meeting</i>).
Business Day	any day when the Nasdaq CSD system is open and operational to effectuate T2S-eligible securities settlement transactions.
Cash and Cash Equivalents	cash and cash equivalents of the Group on a consolidated basis according to the most recent Financial Report.

CTPF	countering the financing of terrorism and proliferation.
Change of Business	means any of the following: (a) the Issuer ceases to carry on substantially the same type of business, taken as a whole, as carried on by the Issuer on the Issue Date (being the Permitted Business); or (b) the Issuer sells, transfers, leases, contributes, assigns or otherwise disposes of all or a Substantial part of the Group's business or assets, whether in a single transaction or a series of related transactions within any rolling 12-month period, in each case unless such change or disposal (i) has been approved in advance by the Bondholders' Meeting in accordance with this Information Document, and (ii) the net proceeds thereof are applied within 12 months of receipt to repayment of the Bonds or reinvestment in Permitted Business assets.
Change of Control	the occurrence of an event or series of events whereby, a person (natural person or legal entity) or group of persons acting in concert (directly or indirectly) acquires the influence (whether by way of ownership of shares, contractual arrangement or otherwise) to: (a) cast or Control the casting of more than 50% (fifty percent) of the maximum number of votes that might be cast at a shareholders meeting of the Issuer; or (b) appoint or remove or Control the appointment or removal of a majority of the management board or supervisory board members or other equivalent officers of the Issuer. For the avoidance of doubt, a Change of Control does not take place if: (i) change of Control takes place between the Existing Shareholder and/or its Related Parties (including where any changes to the management board or supervisory board members or other equivalent officers of the Issuer takes place), provided that, immediately following such change, Control over the Issuer continues to be held, directly or indirectly, by the same Ultimate Beneficial Owner (or Ultimate Beneficial Owners) as immediately prior to such change; or (ii) Existing Shareholder loses Control (if having) over the Issuer and no other person gains power to cast or Control the casting of more than 50% (fifty percent) of the maximum number of votes that might be cast at a shareholders meeting of the Issuer, or to appoint or remove or Control the appointment or removal of a majority of the management board or supervisory board members or other equivalent officers of the Issuer (including where any changes to the management board or supervisory board members or other equivalent officers of the Issuer takes place); or (iii) an IPO Event occurs, provided that no person (natural person or legal entity) or group of persons acting in concert thereby acquires, directly or indirectly, the influence described in paragraph (a) or (b) above; or

	(iv) security over, or a pledge of, shares in the Issuer is granted for so long as such security or pledge has not been enforced. For purposes of this definition, references to “shares” and “votes” relate exclusively to Class A shares of the Issuer or any other class of voting shares later introduced by the Issuer, and do not include any non-voting shares (such as Class B shares of the Issuer, if any). A requirement that Control continues to be held by the same Ultimate Beneficial Owner (or Ultimate Beneficial Owners) is satisfied if any one or more of the persons who were Ultimate Beneficial Owners immediately prior to the relevant change continues to hold Control over the Issuer, whether alone or together with any other such person, and irrespective of any change in their respective proportionate holdings.
Collateral	the commercial pledge over the Issuer’s assets and any separately established and registered pledge over the Pledged Shares, in each case expected to be granted by the Issuer to secure the Bonds and the obligations of the Issuer towards the Collateral Agent under the Collateral Agent Agreement (as regards the fees, costs, expenses, indemnities and other amounts payable to the Collateral Agent), as further described in Section 7.6 (<i>Collateral</i>).
Collateral Agent	a person acting solely as security agent (pledgee) holding the Collateral on behalf of the Bondholders and authorised to act with the Collateral in favour of all the Bondholders in accordance with this Information Document, the Collateral Agreement and the Collateral Agent Agreement, initially a Latvian company ZAB Eversheds Sutherland Bitāns SIA, a law firm registered with the Latvian Bar association and registered with the Company Register of the Republic of Latvia under registration No. 40203329751 and with a legal address at: Marijas iela 2A, Riga, LV-1050, Latvia. The functions of the Collateral Agent are limited to holding, administering, releasing and enforcing the Collateral, and the Collateral Agent does not represent the Bondholders in respect of any matters other than the Collateral, which are the responsibility of the Trustee. The Collateral Agent and the Trustee may be the same or different persons. The liability of ZAB Eversheds Sutherland Bitāns SIA as the Collateral Agent is limited to EUR 300,000.00 (three hundred thousand euros), except in case of fraud, wilful breach, wilful misconduct or gross negligence by the Collateral Agent, as further set out in Section 7.7.5 (<i>Liability of the Collateral Agent</i>). Notices to the Collateral Agent shall be sent to: Marijas iela 2A, Riga, LV-1050, Latvia; e-mail: birojs@eversheds-sutherland.lv; phone: +371 67280102, or to such other contact details as the Collateral Agent may notify to the Issuer and the Bondholders.
Collateral Agent Agreement	the agreement entered into between the Issuer and the Collateral Agent, which stipulates the rights and obligations of the Collateral Agent in relation to the establishment, maintenance, and enforcement of the Collateral, as defined in this Information Document, in the interests of the Bondholders, as well as the Collateral Agent’s compensation, indemnities and

	limitations of liability. The Collateral Agent Agreement and the Trustee Agreement may initially be documented in, and form part of, a single combined agreement between the Issuer, the Collateral Agent and the Trustee, in which case the provisions of that agreement relating to the Collateral Agent constitute the Collateral Agent Agreement. A copy of the Collateral Agent Agreement is available for inspection upon request to the Issuer.
Collateral Agreement	the commercial pledge agreement concluded or to be concluded on the provision of the Collateral referred to in Section 7.6 (<i>Collateral</i>) between the Collateral Agent and the Issuer and governed by Applicable Law of the Republic of Latvia. A copy of the Collateral Agreement is available for inspection upon request to the Issuer.
Commercial Law	Commercial Law of Latvia, adopted on 13 April 2000.
Commercial Pledge Register	Commercial Pledge Register of the Enterprise Register of the Republic of Latvia (in Latvian: <i>Komerķīļu reģistrs</i>).
Communication Channels	Issuer's webpage and after the Bonds are admitted to trading on First North: Nasdaq Riga information system, as well as the Issuer's webpage.
Control	a direct or indirect possession of the power to direct or cause the direction of the management or policies of a person, whether through ownership of voting securities or partnership or other ownership interests, by contract or credit arrangement, or otherwise.
Coupon	the monthly payment made on a Bond, which is 10% (ten percent) per annum, subject to adjustment in accordance with Section 7.13.1 (<i>Coupon Rate</i>), determined in accordance with Section 7.13 (<i>Coupon</i>).
Coupon Payment Date	shall have the meaning ascribed to it in Section 7.13.2 (<i>Coupon Payment Procedure</i>).
Coupon Period	each period from (and including) a Coupon Payment Date to (but excluding) the next Coupon Payment Date on which the interest payable on the Bonds has accrued. The first Coupon Period is the period of time between the First Settlement Date and the first Coupon Payment Date stated in this Information Document. The last Coupon Period is the period between the last Coupon Payment Date preceding the Maturity Date as stated in this Information Document.
Coupon Rate	the Annual Coupon Rate, as increased or decreased from time to time in accordance with Section 7.13.1 (<i>Coupon Rate</i>).
Custodian	an entity, which is licensed to provide custody services as per this Information Document within the territory of Latvia, Lithuania or Estonia and is a member of Nasdaq Riga or has relevant arrangements with a member of Nasdaq Riga.
De-listing	the removal of the Bonds from trading on First North after their admission to trading, where such removal is expressed by Nasdaq Riga to be final or permanent, other than any removal resulting from:

	(a) any temporary suspension of trading, halt, technical interruption or other temporary measure imposed by Nasdaq Riga in accordance with the First North rules, in each case for so long as it is not expressed to be permanent; (b) the redemption, repurchase and cancellation, or maturity of all the Bonds then outstanding in accordance with this Information Document; (c) the admission of the Bonds to trading, simultaneously with or promptly following such removal, on any other multilateral trading facility or regulated market in the EEA (including the regulated market operated by Nasdaq Riga), for so long as the Bonds remain so admitted; or (d) any change in the First North rules, any decision of Nasdaq Riga, or any change in Applicable Law, in each case not attributable to a breach or default by the Issuer of its obligations.
Early Redemption	redemption of the Bonds prior to their Maturity Date in accordance with the terms set out in Section 7.14.2 (<i>Early Redemption at the Option of the Issuer</i>) and Section 7.14.3 (<i>Early Redemption at the Option of the Bondholders</i>).
EBITDA	consolidated net profit of the Group for the Relevant Period calculated according to the most recent Financial Report: (a) increased by any amount of tax on profits, gains or income paid or payable; (b) increased by Net Finance Charges; (c) before taking into account any exceptional items which are not in line with the ordinary course of business and any non-cash items (such as e.g., asset revaluation or write-down); (d) before taking into account any gains or losses on any foreign exchange gains or losses; (e) increased by any amount attributable to the amortization, depreciation or depletion of assets. For the avoidance of doubt, when calculating EBITDA, Pro-Forma EBITDA adjustments shall be made to reflect the financial performance of any business, assets, or entity for which acquisition financing has been drawn by the Issuer, as if such business, assets, or entity had been part of the Group for the entirety of the Relevant Period.
EEA	European Economic Area
Enforcement Date	the date on which the Issuer or the Majority Bondholders confirm, in accordance with Section 7.17.6 (<i>Establishment of an Event of Default</i>), that an Event of Default has occurred or, if the Issuer fails to publish any notice in accordance with that Section, the last day of the 30 (thirty) Business Day period referred to therein.
Enforcement Instruction	a binding written instruction given by the Majority Bondholders to the Trustee to take enforcement action against the Issuer, as further described in Section 7.21.2 (<i>Representation by the Trustee</i>).
Equity Cure	the cure or prevention of a breach of the Financial Covenants by

	the Group taking corrective actions, including receiving cash proceeds of new injections from the shareholders of the Issuer or their affiliates in the form of equity and/or Subordinated Debt, as further described in Section 7.17.3 (<i>Covenant Cure</i>).
Equity Ratio	the result (expressed as a percentage) obtained by dividing Total Equity (calculated as of the end of the Relevant Period covered by the most recent Financial Report) by the total consolidated assets of the Group as of such date of determination. The Equity Ratio is tested on a consolidated Group level.
Estonian CSD	Nasdaq CSD SE Eesti filiaal (registration number: 14306553, legal address Harju maakond, Tallinn, Kesklinna linnaosa, Maakri tn 19/1, 10145, Estonia), the central securities depository operating in the Republic of Estonia, through which the Estonian CSD Auction is organised and conducted.
Estonian CSD Agreement	the contract for services related to technical realisation of the public offering of securities concluded between the Issuer, Arranger and the Estonian CSD in respect of the organisation, conduct and settlement of the Estonian CSD Auction, including the Auction Rules applicable to the Estonian CSD Auction agreed thereunder.
Estonian CSD Auction	has the meaning given in the definition of Auction.
EU	European Union.
EUR	euro (the single currency of the Member States of the European Monetary System).
Event of Default	any event or circumstance set out in Section 7.17 (<i>Events of Default</i>).
Exchange Member	a licensed bank or investment firm which: (a) in respect of the Nasdaq Riga Auction, has been assigned the status of a member of Nasdaq Riga and has access to the Nasdaq Fixed Income Trading System or any other trading or auction system designated by Nasdaq Riga for the purposes of the Nasdaq Riga Auction; or (b) in respect of the Estonian CSD Auction, is admitted as a participant of the Estonian CSD and has access to the auction system designated by the Estonian CSD for the purposes of the Estonian CSD Auction, and which in each case may submit Subscription Orders in the Auction on its own account or on behalf of Investors.
Exchange Offering	the exchange offering addressed by the Issuer to the Existing Bondholders, pursuant to which the Existing Unsecured Notes may be exchanged for the Bonds, as further described in Section 8.4 (<i>Exchange Offering</i>).
Existing Bondholders	the holders of the Existing Unsecured Notes.
Existing Shareholder	any of the following shareholders of the Issuer as of the date of this Information Document (the percentages below being rounded to one decimal place): (a) AS Curiosity Capital, registration number: 52103074351, holding Class A (voting) shares in the amount of 40% from the Issuer's total Class A (voting) share capital and Class B shares (non-voting) in the amount of 77.1% from the Issuer's total

	Class B (non-voting) share capital; (b) SIA BFIN, registration number: 44103140085, holding Class A (voting) shares in the amount of 8% from the Issuer's total Class A (voting) share capital and Class B shares (non-voting) in the amount of 11.4% from the Issuer's total Class B (non-voting) share capital; (c) SIA EMK Ventures, registration number: 42103100347, holding Class A (voting) shares in the amount of 8% from the Issuer's total Class A (voting) share capital and Class B shares (non-voting) in the amount of 11.4% from the Issuer's total Class B (non-voting) share capital; (d) SIA Merito Capital, registration number: 40203511499, holding Class A (voting) shares in the amount of 14% from the Issuer's total Class A (voting) share capital; (e) Raimonds Cipe, personal ID code: 130385-10915, holding Class A (voting) shares in the amount of 9% from the Issuer's total Class A (voting) share capital; (f) Jānis Stūriška, personal ID code: 080893-12576, holding Class A (voting) shares in the amount of 9% from the Issuer's total Class A (voting) share capital; (g) Kristaps Stūriška, personal ID code: 140790-12554, holding Class A (voting) shares in the amount of 9% from the Issuer's total Class A (voting) share capital; (h) Ringolds Grāpis, personal ID code: 140185-10410, holding Class A (voting) shares in the amount of 3% from the Issuer's total Class A (voting) share capital.
Existing Unsecured Notes	the Issuer's existing unsecured notes with ISIN LV0000850360 and LV0000112118, which may be exchanged for the Bonds in the Exchange Offering as further described in Section 8.4 (<i>Exchange Offering</i>).
Fair Market Value	with respect to any asset, the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving any distress of either party, determined in good faith by the management board of the Issuer.
Financial Covenants	financial covenants provided in Section 7.15 (<i>Financial Covenants</i>).
Financial Indebtedness	the outstanding aggregate amount of total indebtedness of the Group on a consolidated basis according to the most recent Financial Report, including: (a) monies borrowed and debt balances at banks or other Financial Institutions, including Luminor Debt; (b) any amount raised pursuant to the issue of bonds or any similar instrument, including the Bonds; (c) the amount of any liability in respect of any financial lease; (d) any amount raised under any other transaction having the commercial effect of a borrowing and treated as a borrowing under Accounting Principles; (e) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or a Financial

	Institution, in each case only to the extent that the relevant instrument has been called and the amount paid thereunder has not been reimbursed; (f) any derivative transaction based on mark-to-market value; and (g) without double-counting any assurance against financial-loss in respect of a type referred to the above items (a) to (f); but excluding any Subordinated Debt.
Financial Institution	any entity whose commercial activity includes, but is not limited to, issuing loans, credit lines or similar debt instruments (including credit institutions, investment firms, funds and lending companies), in each case which holds the licence, authorisation or registration required to carry out such activity and is supervised by the competent supervisory authority of its jurisdiction of establishment.
Financial Report	the annual consolidated audited financial report and the quarterly interim consolidated unaudited financial reports of the Issuer, in each case prepared on a consolidated Group level in accordance with the Accounting Principles and comprising at least: (a) a consolidated balance sheet; (b) a consolidated profit and loss statement; (c) a consolidated cash flow statement; (d) a management commentary on the business, financial position and results of operations of the Group for the relevant period; (e) a statement confirming compliance with the Financial Covenants as at the relevant testing date, setting out the calculation of each Financial Covenant together with each ratio and component used in that calculation; (f) a statement confirming compliance with the Net Leverage Ratio in connection to Section 7.13.1 (<i>Coupon Rate</i>), setting out the calculation of the Net Leverage Ratio as at the relevant testing date and each component used in that calculation; and (g) a breakdown of the principal balance sheet and profit and loss items, including Financial Indebtedness (by lender or instrument), Cash and Cash Equivalents, Total Equity, Subordinated Debt and revenue by business area, and, in the case of the annual consolidated audited financial report, the independent auditor's report.
Financial Year	for the Issuer, each year starting on 1 January and ending on 31 December.
First North	the Multilateral Trading Facility (MTF), First North, operated by Nasdaq Riga.
First Settlement Date	Issue Date.
Force Majeure Event	has the meaning set forth in Section 7.20 (<i>Force Majeure and Limitation of Liability</i>).
General Meeting	the general meeting of the shareholders of the Issuer.
Gradual Placement	the placement of Bonds by the Issuer after completion of the Auction, if and to the extent decided by the Issuer, in respect of Bonds not subscribed for or not issued during the Auction and/or Bonds issued up to the Increased Maximum Amount, forming part of the same Offering and the same single series of Bonds.
Group	the Issuer and its Subsidiaries together.

IFRS	International Financial Reporting Standards within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).
Increased Maximum Amount	the increased maximum aggregate nominal amount of the Bonds of EUR 12,000,000.00 (twelve million euros), which the Issuer may elect to offer, subject to the conditions set out in Section 5 (<i>Purpose of the Offering and Use of Proceeds</i>).
Information Document	this document which sets out the terms and conditions of the issuance and public offering of the Bonds by the Issuer.
Initial Maximum Amount	the maximum aggregate nominal amount of the Bonds of EUR 8,000,000.00 (eight million euros), as further described in Section 5 (<i>Purpose of the Offering and Use of Proceeds</i>).
Initial Subscription	the subscription process for the Bonds conducted during the Initial Subscription Period, comprising both (a) the Auction, comprising the Nasdaq Riga Auction and the Estonian CSD Auction, conducted for the Public Offering; and (b) the concurrent Private Placement conducted by way of Subscription Orders submitted directly to the Arranger, as further described in Section 8.2 (<i>Initial Subscription</i>).
Initial Subscription Period	the initial period of the Offering, as specified in Section 8.2.1 (<i>Indicative timetable of the Initial Subscription Period</i>), during which Investors may submit Subscription Orders for the Bonds through the Auction, commencing on the date and at the time specified therein and ending on the applicable closing date and time, in each case as may be shortened or extended by the Issuer in accordance with this Information Document.
Insolvency Proceedings	any of the following proceedings under the Insolvency Law of the Republic of Latvia (in Latvian: <i>Maksātnespējas likums</i>): (a) insolvency proceedings (in Latvian: <i>maksātnespējas process</i>), (b) legal protection proceedings (in Latvian: <i>tiesiskās aizsardzības process</i>), and (c) out-of-court legal protection proceedings (in Latvian: <i>ārpustiesas tiesiskās aizsardzības process</i>), or any analogous proceedings under the laws of any other relevant jurisdiction.
Instruction	a written decision of the Majority Bondholders, adopted at a Bondholders' Meeting or in a Procedure in Writing, evidenced to the Collateral Agent by certified minutes or voting results and instructing the Collateral Agent to enforce the Collateral, as further described in Section 7.7.11(c) (<i>Event of Default and Action Plan</i>).
Interest Coverage Ratio or ICR	the ratio of EBITDA to Net Finance Charges for the Relevant Period. The Interest Coverage Ratio is tested on a consolidated Group level.
Investor	private person or legal entity that has, according to the terms stated in this Information Document, expressed interest in, or is planning to acquire for its own account, one or more Bonds, whether by subscription against payment in cash or, in the case of the Existing Bondholders, by exchange of the Existing Unsecured Notes under the Exchange Offering.
IPO Event	initial public offering of the shares of the Issuer, whereby way of

	a primary offering (newly issued shares), secondary offering (sale of existing shares by shareholders), or combination thereof, resulting in listing and admission to trading of Issuer's shares on a recognized stock exchange.
ISIN	International Securities Identification Number.
Issue Price	the price per Bond payable by an Investor upon subscription, expressed as a percentage of the Nominal Value. The Issue Price is 100% (one hundred percent) of the Nominal Value during the Initial Subscription Period and, during any Gradual Placement and in the Private Placement, is determined by the Issuer based on prevailing market conditions at the time of subscription, as further specified in Section 8 (<i>Terms of the Offering</i>). The Bonds allocated in the Exchange Offering are issued at 100% (one hundred percent) of the Nominal Value (at par).
Issue	the aggregate of Bonds issued under this Information Document with the same ISIN.
Issue Date	the date on which Coupon on the Bonds starts to accrue: 22 October 2026.
Issuer or Company	SIA Timbro Group, registration number: 40203549571, registered address: Gaujas iela 5, Cēsis, Cēsu novads, LV-4101.
Issuer's webpage	Issuer's webpage: https://timbro.group/ or any other webpage of the Issuer notified by the Issuer to the Bondholders in accordance with Section 7.19 (<i>Disclosure of Information</i>) prior to the relevant change of the Issuer's webpage.
Listing Failure	the failure of the Issuer to procure that the Bonds are admitted to trading on First North within 12 (twelve) months after the Issue Date, other than where, and for so long as, such failure results from: (a) any action, inaction, decision, delay, requirement or processing time of Nasdaq Riga, Nasdaq CSD, the Bank of Latvia or any other competent or regulatory authority, exchange or clearing system, in each case not attributable to a breach or default by the Issuer of its obligations; (b) any change in the First North rules or in any Applicable Law occurring after the Issue Date (including any amendment to, or the process of amending, the Bank of Latvia Regulations); or (c) any other circumstance beyond the Issuer's reasonable control, in each case provided that the Issuer has used commercially reasonable efforts to procure such admission to trading; and provided further that the admission of the Bonds to trading on any other multilateral trading facility or regulated market in the EEA (including the regulated market operated by Nasdaq Riga) within 12 (twelve) months after the Issue Date shall not constitute a Listing Failure.
Luminor	Luminor Bank AS, registration number in Estonia: 11315936.
Luminor Collateral	first-ranking commercial pledge over 100% shares of the Timbro Subsidiary, securing the Luminor Debt.

Luminor Debt	the Timbro Subsidiary's debt to Luminor arising from the Luminor Loan Agreement and secured by the Luminor Collateral.
Luminor Loan Agreement	credit facility agreement No. 237kl/25 entered into by and between the Timbro Subsidiary and Luminor on 9 September 2025 (as amended or novated from time to time) on the provision of credit facility and luminor general financing terms of 9 September 2025 secured by the Luminor Collateral.
Majority Bondholders	Bondholders who collectively hold in aggregate the Bonds with the Nominal Value representing more than 50% (fifty percent) of the aggregate Nominal Value of all outstanding Bonds attending the Bondholders' Meeting or participating in a Procedure in Writing (i.e. replying to the request). Any Bonds held by the Issuer or its Related Parties shall be disregarded for the purposes of attendance, participation, quorum and voting.
Management Board	Management Board of the Issuer.
Material Subsidiary(ies)	At any time, any Subsidiary: (a) whose total consolidated (or, if applicable, unconsolidated) assets (excluding intercompany loans, intercompany payables, intercompany receivables and intercompany unrealised gains and losses in inventories) represent not less than 10 (ten) per cent of the total consolidated assets of the Group, or whose gross consolidated turnover (or, if applicable, unconsolidated) represents not less than 10 (ten) per cent of the gross consolidated turnover of the Group, in each case as determined by reference to the most recent Financial Report and the latest financial statements of the Subsidiary determined in accordance with the Accounting Principles; or (b) to which is transferred the whole or Substantially all of the assets and undertakings of a Subsidiary which, immediately prior to such transfer, is a Material Subsidiary.
Maturity Date	the date when the Bonds shall be repaid in full at their Nominal Value by the Issuer, which is 22 October 2029.
Minimum Investment Amount	1 (one) Bond.
Minimum Settlement Unit	the minimum amount which can be held and traded, which is equal to the Nominal Value.
Nasdaq CSD or Depository	Nasdaq CSD SE (Societas Europaea), the regional Baltic central securities depository (CSD), registration No. 40003242879, registered address: Valņu iela 1, Riga LV-1050, Latvia.
Nasdaq Riga Auction	has the meaning given in the definition of Auction.
Nasdaq Riga	Nasdaq Riga AS, registration No. 40003167049, registered address: Valņu iela 1, Riga, LV-1050, Latvia, with its current website address: www.nasdaqbaltic.com .
Net Finance Charges	all recurring debt-related charges of the Group on a consolidated basis for the Relevant Period calculated according to the most recent Financial Report: (a) including cash interest expense on the Financial

	Indebtedness; (b) including cash interest expense on guarantees issued by a bank or insurance company; (c) after deducting any interest income relating to Cash and Cash Equivalents; and (d) excluding any payment-in-kind interest capitalized on loans from the Related Party and/or Subordinated Debt.
Net Financial Indebtedness	Financial Indebtedness less Cash and Cash Equivalents, in each case of the Group on a consolidated basis according to the most recent Financial Report.
Net Leverage Ratio	the ratio of Net Financial Indebtedness to EBITDA for the Relevant Period. The Net Leverage Ratio is tested on a consolidated Group level at the end of each quarter, is disclosed, together with its calculation, in each quarterly and annual Financial Report, and is used for the purposes of Section 7.13.1 (<i>Coupon Rate</i>).
Net Profit	the consolidated net profit of the Group for the Relevant Period calculated according to the Accounting Principles and disclosed in the Financial Report.
Nominal Value	the face value of a single Bond, which is EUR 1,000.00 (one thousand euros).
Offering	the Public Offering, the Private Placement and the Exchange Offering, carried out by the Issuer on the basis of this Information Document, as further described in Section 8.1 (<i>General structure of the Offering</i>).
Outstanding Amount	at any time, the aggregate of: (a) the Nominal Value of all Bonds then outstanding; (b) all Coupon then accrued and unpaid in respect of such Bonds; and (c) any default interest and contractual penalty then accrued and unpaid under this Information Document, including under Section 7.18 (<i>Default Interest and Penalty</i>).
Parallel Debt	the legal arrangement described in Section 7.7.11(a) (<i>Establishment of Collateral</i>), pursuant to which the Issuer acknowledges a parallel debt to the Collateral Agent in respect of all amounts payable under the Bonds and this Information Document, which is intended to be secured by the Collateral without increasing the aggregate amount recoverable by the Bondholders and the Collateral Agent.
Permitted Business	any businesses, services or activities that are the same as, or reasonably related, ancillary or complementary to, any of the businesses, services or activities in which the Issuer is engaged on the Issue Date, and reasonable extensions, developments or expansions of such businesses, services or activities.
Permitted Debt	any Financial Indebtedness: (a) incurred by the Issuer under this Information Document; (b) incurred by the Issuer under any other bonds issue or programme, other than this Information Document provided that any Security granted in respect thereof constitutes Permitted Security;

	(c) incurred by the Issuer under any unsecured Financial Indebtedness; (d) secured operational credit line or loan from the Financial Institution incurred by the Issuer provided that annual interest rate of such credit line does not exceed the Annual Coupon Rate of the Issue; (e) incurred as a result of the Issuer acquiring or merging with another entity and which is due to the fact that such entity holds Financial Indebtedness; (f) incurred by the Issuer under any financing, funding, refinancing, sale, transfer, assignment, securitisation, asset-backed securities, loan-backed notes, notes, receivables financing, special purpose vehicle, direct or indirect funding or similar arrangement entered into by the Issuer with or through any third party funding platform or marketplace lender, including any arrangement under which the Issuer's claims, related rights or economic exposure thereto are sold, assigned, transferred, pledged, financed, refinanced or otherwise used as the underlying assets or collateral for funding made available to the Issuer; at any case no intra-group receivables included in the Collateral may be pledged for the benefit of such creditors or if pledged only on <i>pari passu</i> basis; (g) incurred by the Issuer under the Subordinated Debt; (h) incurred by the Issuer in respect of the Refinancing, provided that (i) no Event of Default is continuing or would result from the incurrence of such Financial Indebtedness and (ii) all Financial Covenants are satisfied immediately following the incurrence of such Financial Indebtedness.
Permitted Distribution	any dividend or other similar type of distribution of profits by the Issuer to its shareholders, provided that (a) the Equity Ratio is at least 35% (thirty-five percent) immediately following such distribution, (b) all Financial Covenants are satisfied immediately following such distribution, and (c) no Event of Default is continuing or would result from such distribution. Notwithstanding the foregoing, the Issuer may complete a reduction of its Class B (non-voting) share capital during the period from 1 October 2026 to 31 December 2026 in an aggregate amount not exceeding EUR 1,000,000 (one million euros), and such reduction shall constitute a Permitted Distribution irrespective of whether the Equity Ratio would be below 35% (thirty-five percent) immediately following such reduction, provided that paragraphs (b) and (c) above continue to apply to such reduction.
Permitted Security	the Issuer is permitted to create or maintain any of the following Securities: (a) Luminor Collateral; or (b) Collateral which is securing the Bonds; or (c) Security granted by the Issuer in respect of Financial Indebtedness permitted under point (i) of the Permitted Debt definition or in favour of the Financial Institution in respect of Financial Indebtedness permitted under point (d)

	of the Permitted Debt definition, provided that: (i) if such Security is granted over specific loan agreements, receivables, claims or other assets which do not form part of the Collateral securing the Bonds, such Security shall not require any release, subordination, amendment or other action by the Collateral Agent and shall not affect the Collateral, its enforceability, quality, ranking or status; or (ii) if such Security is granted over any assets forming part of, or intended to form part of, the Collateral securing the Bonds, the Bonds shall rank senior to or <i>pari passu</i> with such other secured obligations of the Issuer, the relevant security sharing arrangements shall be documented in an intercreditor agreement or other arrangement acceptable to the Collateral Agent (acting reasonably, it being understood that the Collateral Agent shall not be required to assess the commercial terms of any such arrangement and shall not be required to agree to any arrangement which would adversely affect its own rights, protections, indemnities, fees or limitations of liability), and any such arrangement which does not satisfy paragraph (i) or (ii) above shall require the prior approval of the Majority Bondholders, and the Collateral Agent shall be authorised (but, save where the conditions set out in Section 7.6 (Collateral) have been satisfied, not obliged) to take all actions reasonably necessary to permit the creation, registration, amendment or sharing of such Security in accordance with this Information Document; and in each case all Financial Covenants are satisfied immediately following the creation of any such Security; or (d) any Security arising by operation of law or in the ordinary course of business and provided that all Financial Covenants are satisfied immediately following the creation of any such Security; or (e) any Security incurred as a result of the Issuer acquiring another entity with existing Securities and provided that all Financial Covenants are satisfied immediately following the creation of any such Security; or (f) any other Security if such Security, based on the Issuer's assessment, does not impact the Collateral, enforceability, quality, or status thereof and provided that all Financial Covenants are satisfied immediately following the creation of any such Security, in any event, such Security shall not encumber any asset comprised in the Collateral unless it ranks <i>pari passu</i> with the Collateral securing the Bonds; or (g) Security granted in relation to the Refinancing provided that the Bonds will rank senior to or <i>pari passu</i> with such Refinancing; or (h) any other Security approved by the Majority Bondholders.
Pledged Shares	all shares in the share capital of each Material Subsidiary that are directly owned by the Issuer from time to time, whether existing as at the Issue Date or subscribed for, acquired or otherwise arising thereafter, together with all accessory and ancillary rights attaching to such shares, but excluding the shares in the Timbro Subsidiary (which are subject to the Luminor Collateral securing

	the Luminor Debt). The pledge over the Pledged Shares forms part of the Collateral only upon its separate establishment and registration, as further described in Section 7.6 (<i>Collateral</i>).
Public Offering	the public offering of the Bonds to retail investors and institutional investors in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania, as further described in Section 8.1 (<i>General structure of the Offering</i>).
Potential Investor	any natural person, legal entity, or other party that is considering subscribing for or acquiring the Bonds, whether in the primary Offering or on the secondary market.
Private Placement	the private placement of the Bonds to institutional investors and other selected investors in the Republic of Latvia, the Republic of Estonia, the Republic of Lithuania and, where applicable, other member states of the European Economic Area and other jurisdictions, in each case pursuant to an exemption under Article 1(4) of the Prospectus Regulation or other applicable exemptions, as further described in Section 8.1 (<i>General structure of the Offering</i>).
Pro-Forma EBITDA	the sum of EBITDA over the Relevant Period plus, to the extent not already reflected in EBITDA, EBITDA over the Relevant Period of any other person or operating division or business unit of any other person acquired in an Acquisition during such period.
Procedure in Writing	the procedure in writing for adopting decisions of the Bondholders as described in Section 7.22.3 (<i>Procedure in Writing</i>).
Promissory Note	an agreement between the Issuer and the Collateral Agent where the Issuer reassures it owes any sums due under this Information Document to the Collateral Agent and which may be used, if necessary, for the purposes of registration and enforcement of the Collateral.
Prospectus Regulation	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.
Refinancing	the process by which Bonds issued under this Information Document are replaced or repaid through the procurement of a loan or other financing arrangement.
Related Party	any person listed in Article 184. ¹ of the Commercial Law of the Republic of Latvia.
Relevant Period	each period of 12 (twelve) consecutive calendar months, fixed at the end of each calendar quarter.
Replacement Effective Date	shall have the meaning ascribed to it in Section 7.7.12 (<i>Replacement of the Collateral Agent</i>).
Sanctions	economic or financial sanctions, trade embargoes and similar measures imposed, administered, or enforced from time to time by the Republic of Latvia, the European Union, the United Nations, the Office of Foreign Assets Control of the US Department of the Treasury (OFAC) and any competent authority.

Security	any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third party claim, debenture, option, right of pre-emption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or security interests of any kind, including retention arrangements, or other encumbrance and any agreement to create any of the foregoing.
Subordinated Bonds	the subordinated unsecured notes in an aggregate nominal amount of up to EUR 6,000,000.00 (six million euros) issued by the Issuer in parallel with the Bonds, as described in Section 10.3 (<i>Financing structure of the Issuer</i>), and constituting Subordinated Debt.
Subordinated Debt	unsecured principal amount of the Issuer's debt that is subordinated to the Bonds with maturity after the Maturity Date (other than the subordinated notes with ISIN LV0000850378 maturing on 14 May 2027, which constitute Subordinated Debt notwithstanding their earlier maturity), including the Subordinated Bonds and any other subordinated notes or subordinated loans issued or incurred by the Issuer on, before or after the Issue Date. Subordinated Debt is subordinated to Bonds with respect to claims on assets or earnings and is fully or partly repayable only if: (a) the Group's existing and future Financial Covenants and undertakings provided in this Information Document are met after the repayment; and (b) settlement of all obligations under this Information Document are made. For the sake of clarity, the Issuer is allowed to make interest (coupon) payments on Subordinated Debt if such interest payments do not cause a breach of Section 7.15 (<i>Financial Covenants</i>) and no suspension event (if and as defined in the terms of the relevant Subordinated Debt) has occurred and is continuing. However, in the event of the Issuer's liquidation, dissolution, insolvency or acceleration following an Event of Default, all claims under the Subordinated Debt (including interest (coupon)) shall be satisfied only after the prior and full satisfaction of all claims that are not so subordinated, including the Bonds.
Subordination Agreement	the subordination agreement entered into, or to be entered into no later than the date on which the Collateral is registered in the Commercial Pledge Register, by and between Luminor, the Issuer, the Timbro Subsidiary and the Collateral Agent, pursuant to which the Timbro Intra-Group Claims are subordinated to the Luminor Debt, as further described in Section 7.6 (<i>Collateral</i>).
Subscription Order	an order to subscribe for and acquire the Bonds submitted by an Investor through a Custodian or an Exchange Member, or directly to the Arranger, during the Subscription Period in accordance with this Information Document, the Auction Rules (where applicable) and the procedures of the relevant Custodian, Exchange Member or the Arranger.
Subscription Period	the period during which the Investors may subscribe to the Bonds as specified in Section 8 (<i>Terms of the Offering</i>), commencing on the first day of the Initial Subscription Period and ending within 12 (twelve) months from the commencement of the Initial Subscription Period or, if earlier, on the date on which all Bonds

	available for subscription have been sold or the Offering has been discontinued by the Issuer. For the purposes of this Information Document, references to the “Subscription Period” shall, where the context requires, include the Initial Subscription Period conducted by way of the Auction and any subsequent period of Gradual Placement following the Auction, including any continuation, opening or re-opening of the Gradual Placement in respect of Bonds up to the Increased Maximum Amount. The aggregate duration of the Subscription Period, including the Initial Subscription Period and any period of Gradual Placement, shall not exceed 12 (twelve) months from the commencement of the Initial Subscription Period. For the avoidance of doubt, an increase of the aggregate nominal amount of the Bonds shall not in itself constitute a separate Subscription Period, and the placement of Bonds issued as a result of such increase may continue as part of the same Gradual Placement, unless the Bonds have already been fully placed prior to such increase or the Issuer otherwise decides to open or re-open the Gradual Placement for the placement of the additional Bonds, provided that any such Subscription Period shall end within the aforementioned 12 (twelve)-month period.
Subsidiary	an entity: (a) over whose affairs and policies the Issuer has the Control; or (b) whose financial statements are, in accordance with Applicable Law and Accounting Principles, consolidated with those of the Issuer.
Substantial or Substantially	means, as an adjective, more than 10% (or, for the purposes of paragraph (b) of the definition of Change of Business, more than 50%) of: (a) the total consolidated assets of the Group; (b) the total consolidated revenue of the Group; or (c) the EBITDA of the Group on a consolidated basis, in each case calculated according to the most recent Financial Report, and, as an adverb, shall be construed accordingly. For the purposes of the definition of Change of Business, any sale, transfer, lease, contribution, assignment or other disposal made in the ordinary course of the Permitted Business (including any sale of timber, logging rights, forest or agricultural land or other inventory) shall be disregarded.
Timbro Intra-Group Claims	all claims of the Issuer against the Timbro Subsidiary under any intra-group loan agreement or credit facility agreement entered into between the Issuer and the Timbro Subsidiary, including any claim for principal, interest, default interest and any other amount. The Timbro Intra-Group Claims form part of the Collateral and are subordinated to the Luminor Debt under the Subordination Agreement, as further described in Section 7.6 (<i>Collateral</i>).
Timbro Subsidiary	SIA Timbro, registration number 40203408445, a wholly-owned Subsidiary of the Issuer.

Trustee	the Bondholders' trustee who acts in accordance with the Trustee Agreement, this Information Document and Applicable Law in the legal interests of the Bondholders in relations with the Issuer. The Trustee represents the Bondholders in relation to all matters concerning the Bonds other than the Collateral, which is held and enforced solely by the Collateral Agent in accordance with Section 7.7 (<i>Collateral Agent</i>); the Trustee does not hold or enforce the Collateral. The Trustee and the Collateral Agent may be the same or different persons. Initially the Trustee is ZAB Eversheds Sutherland Bitāns SIA, registration No 40203329751, legal address: Marijas iela 2A, Riga, LV-1050, the Republic of Latvia, which also acts as the Collateral Agent. The liability of ZAB Eversheds Sutherland Bitāns SIA as the Trustee is limited to EUR 300,000.00 (three hundred thousand euros), except in case of fraud, willful breach, willful misconduct or gross negligence by the Trustee, as further set out in Section 7.8.3 (<i>Limited Liability of the Trustee</i>). Notices to the Trustee shall be sent to: birojs@eversheds-sutherland.lv, or to such other contact details as the Trustee may notify to the Issuer and the Bondholders.
Trustee Agreement	the agreement entered into on or before the Issue Date between the Issuer and the Trustee, or any replacement Trustee agreement entered into after the Issue Date between the Issuer and the Trustee. The Trustee Agreement and the Collateral Agent Agreement may initially be documented in, and form part of, a single combined agreement between the Issuer, the Trustee and the Collateral Agent, in which case the provisions of that agreement relating to the Trustee constitute the Trustee Agreement. A copy of the Trustee Agreement is available upon request from the Issuer or to the Trustee. For the avoidance of doubt, neither the Issuer nor the Trustee shall be required to provide, release or make available the original Trustee Agreement to any Bondholder or other requesting person.
Ultimate Beneficial Owner	in relation to any person, the beneficial owner (in Latvian: <i>patiesais labuma guvējs</i>) of that person within the meaning of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing of the Republic of Latvia, and, in relation to the Issuer, any natural person who ultimately, directly or indirectly, has Control over the Issuer.
Total Equity	the aggregate book value of the total consolidated equity of the Group (including minority interest, if applicable) according to the most recent Financial Report, increased by Subordinated Debt.

2. SUMMARY

This summary should be read as an introduction to this Information Document. Any decision to invest in the Bonds should be based on a consideration of this Information Document as a whole.

By investing in the Bonds, the Investor assumes the risks described in this Information Document. If any of these risks materialize, the value of the Bonds may decrease, and the Investor may lose all or part of their investment.

This Information Document is not a prospectus within the meaning of the Prospectus Regulation and has not been reviewed or approved by the Bank of Latvia or any other competent authority.

This summary provides an overview of the key information relating to the Issuer and the Bonds that is material to investors.

Issuer:	SIA Timbro Group
Legal Entity Identifier (LEI):	984500099E2D75000E44
Nominal Value of the Issue:	up to EUR 8,000,000.00 (eight million euros) ²
Number of Bonds:	up to 8,000 (eight thousand)
Nominal Value:	EUR 1,000.00 (one thousand euros) per Bond.
Issue Price:	During the Initial Subscription Period: 100% (one hundred percent) of the Nominal Value (i.e. EUR 1,000.00 per Bond). During any Gradual Placement and in the Private Placement: as determined by the Issuer based on prevailing market conditions at the time of subscription. In the Exchange Offering: 100% (one hundred percent) of the Nominal Value (at par).
Minimum Investment Amount:	1 (one) Bond.
Structure of the Offering:	the Offering comprises the Public Offering, the Private Placement and the Exchange Offering. The Exchange Offering forms part of the Public Offering to the extent it is addressed to Existing Bondholders who are not qualified investors, and otherwise forms part of the Private Placement. During the Initial Subscription Period the Bonds are offered by way of the Auction, comprising the Nasdaq Riga Auction and the Estonian CSD Auction, and thereafter may be offered during any Gradual Placement. See Section 8.1 (<i>General structure of the Offering</i>).
Initial Subscription Period:	from 6 October 2026 at 10:00 Riga time until 19 October 2026 at 15:30 Riga time
Issue Date:	22 October 2026
Maturity Date:	22 October 2029
Coupon:	10% (ten percent) per annum, subject to a step-up of 0.5 (zero point five) percentage points if the Net Leverage Ratio exceeds 5.0x (five point zero times). See Section 7.13.1 (<i>Coupon Rate</i>).
Coupon Payment:	monthly, on each Coupon Payment Date, in respect of the relevant Coupon Period, with the first Coupon Payment to be

² See footnote 1.

	made on 28 November 2026.
Call Option:	early redemption permitted from 22 October 2027 until 21 April 2029 at 101% of Nominal Value, and from 22 April 2029 until the Maturity Date at 100% of Nominal Value, in each case plus accrued Coupon.
Put Option:	101% of Nominal Value plus accrued Coupon upon Change of Control, Listing Failure or De-listing.
Use of Proceeds:	The Bonds allocated in the Exchange Offering will refinance the Existing Unsecured Notes by way of exchange, and the Issuer will receive no cash proceeds in respect of them. The net cash proceeds from the Bonds subscribed for against payment in cash will be used for financing working capital necessary to support business volume growth and for general corporate purposes. See Section 5 (<i>Purpose of the Offering and Use of Proceeds</i>).
Financial Covenants:	Equity Ratio of at least 25% (twenty-five percent) and Interest Coverage Ratio of at least 1.8x (one point eight times), in each case tested at the end of each quarter on a consolidated Group level. See Section 7.15 (<i>Financial Covenants</i>).
ISIN:	LV0000113629
Form of the Bonds:	dematerialized book-entry securities held through Nasdaq CSD participants.
Status and Security:	obligations to be secured by first-ranking collateral (subject to Permitted Security) over the Issuer's assets, including intra-group receivables, and over the Pledged Shares (being the shares directly owned by the Issuer in each Material Subsidiary, other than the Timbro Subsidiary). The commercial pledge takes effect against third parties only upon registration in the Commercial Pledge Register. The Collateral is required to be registered within 30 (thirty) calendar days after the Issue Date and, until then, the Bonds are unsecured. The Collateral over the Timbro Intra-Group Claims is subordinated to the Luminor Debt, and those claims may not be enforced until all monetary claims of Luminor under the Luminor Debt have been satisfied in full. See Sections 7.5 (<i>Status and Ranking of the Bonds</i>) and 7.6 (<i>Collateral</i>).
Collateral Agent:	ZAB Eversheds Sutherland Bitāns SIA (initially).
Trustee:	a trustee has been appointed to represent the interests of the Bondholders in accordance with this Information Document. Initially, ZAB Eversheds Sutherland Bitāns SIA, registration No 40203329751, legal address: Marijas iela 2A, Riga, LV-1050, the Republic of Latvia, has been appointed as Trustee. The powers and duties of the Trustee are limited to those expressly set out in this Information Document and the Trustee Agreement, and no Bondholder may take individual enforcement action against the Issuer except as expressly permitted under this Information Document.
Taxation:	Payments of interest under the Bonds will generally be subject to withholding tax in Latvia at applicable rates (including 25.5% for

	Latvian resident individuals and 5% or 25.5% for non-resident individuals depending on whether the conditions for the reduced rate are satisfied). No gross-up will be payable in respect of any such withholding. See Section 9 (<i>Taxation</i>) for further details.
Rating:	none.
Listing:	First North within 12 (twelve) months after the Issue Date.
Risks Factors:	see Section 4 (<i>Risks related to the Issuer and the Bonds</i>). Investors may lose all or part of their investment.
Governing Law:	laws of the Republic of Latvia.
Dispute Resolution:	Latvian courts of competent jurisdiction.
Selling Restrictions:	see Section 7 (<i>Information on the Bonds</i>).
Date of the Information Document:	5 October 2026
Validity Period of the Information Document:	until 5 October 2027

3. INFORMATION ON THE ISSUER

Name of the Issuer	SIA Timbro Group
Legal entity identifier (LEI)	984500099E2D75000E44
Legal form	limited liability company (in Latvian: <i>sabiedrība ar ierobežotu atbildību</i>)
Country of registration	Republic of Latvia
Date of registration	21 March 2024
Registration number	40203549571
Legal address	Gaujas iela 5, Cēsis, Cēsu novads, LV-4101, Latvia
Email address	For all questions regarding investor relations: martins.barkans@meritopartners.com
Contact phone number	For all questions regarding investor relations: +371 28 722 917 (Mobile)
Law governing the Issuer's activities	laws of the Republic of Latvia
Website of the Issuer	https://timbro.group/ The Issuer's website provides access to: • this Information Document (and its supplements and/or amendments, if any); • Issuer's Articles of Association; • Issuer's Financial Reports; • other documents of the Issuer which are important to investors and/or related to the issue of the Bonds.

4. RISKS RELATED TO THE ISSUER AND THE BONDS

Investors are advised to carefully consider the risk factors and other information provided in this Information Document. Investment in the Bonds involves certain risks, including, but not limited to, those described herein. If one or more of these risks materialize, this may adversely affect the Issuer's and the Group's business operations, financial condition and results of operations, as well as the Issuer's ability to fulfil its obligations under the Bonds. In a worst-case scenario, this could lead to the Issuer's insolvency or restructuring and investors may lose part or all of their investment. This Information Document may include forward-looking statements. Such statements are based on the current expectations and assumptions of the Issuer and involve known and unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by such forward-looking statements.

The risks and uncertainties described in this Section are not the only risks currently faced by the Issuer and/or the Group. The Issuer and/or the Group may also be exposed to risks of which they are currently not aware or which they currently consider immaterial, but which could nevertheless have a material adverse effect on the Issuer and/or the Group and the Issuer's ability to perform obligations under the Bonds.

The risks are presented in categories based on their nature. However, such categorization is intended solely for ease of reference and does not imply that a risk factor may not belong to more than one category. Certain risks may be interdependent and may occur simultaneously. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact.

4.1 Risks related to the economic and regulatory environment

4.1.1 The Group is exposed to changes in macroeconomic and political conditions

The Group plans to operate in numerous markets and, like other businesses, is impacted by global economic, financial, and political conditions. Demand for the Group's products is affected by general macroeconomic trends such as recession, inflation, deflation, and general economic weakness, among other things. Any uncertainty about future economic prospects, including political turmoil might have a negative impact on client purchases of the Group's products, thereby impacting the Group's business, financial position, and operating results. Europe entered 2026 having largely recovered from the inflationary shock triggered by Russia's 2022 invasion of Ukraine, however, the recent US-Israeli airstrikes on Iran, launched in 2026, have prompted renewed geopolitical and energy price volatility. The European Central Bank, having completed a cycle of eight rate cuts that brought the deposit facility rate from 4.00% to 2.00%, subsequently postponed further reductions and raised its 2026 inflation forecast, with economists warning of stagflation-like conditions in energy-intensive economies. In addition, US trade policy changes implemented since 2025 continue to weigh on European growth. The materialization of any of these risks — or their escalation — may have a material adverse effect on demand for the Group's products, its access to financing, and its overall financial performance.

Furthermore, changes in the political situation in different regions or countries, or political decisions affecting an industry or country, might have a material impact on the Group's results of operations, profitability, and future development.

	Latvia			European Union		
	2024	2025	2026F	2024	2025	2026F
Real gross domestic product (GDP) (% year on year)	0.0	2.1	1.4	1.2	1.4	1.1
Inflation rate, average consumer prices (% year on year)	1.3	3.8	3.6	2.6	2.5	3.1
Unemployment (%)	6.9	6.9	6.8	6.0	6.0	6.0

Source: Eurostat (July 2026); 2026 forecasts: European Commission Spring 2026 Economic Forecast (May 2026)

4.1.2 Geopolitical risk related to international conflicts and regional instability

Although the Group's headquarters are located in Latvia, a NATO member, the Group may face risks related to operating in close proximity to Russia and Belarus. The ongoing military conflict initiated by Russia in Ukraine has caused instability and raised concerns for the security of the Baltic countries where the Group operates. Although, as of the date of this Information Document, the conflict has not had a direct material impact on the Group's operations or financial performance, the introduction of new sanctions, a general economic downturn, or negative investor sentiment towards the Baltics may still affect the Group's business results.

Escalating geopolitical tensions and military conflict involving the United States, Israel, and Iran may further increase market volatility and drive up the cost of diesel and energy, which are key operational cost drivers across the Group's forestry harvesting, logistics, and timber aggregation activities. Disruptions to trade flows and reduced construction sector activity in key export markets could further compress demand for timber and constrain the pricing environment for the Group's products. As a result, production costs and operating expenses may rise and deviate from planned budgets, and if cost increases cannot be passed on to customers through higher timber prices or volume-based pricing arrangements, the Group's profitability and financial performance could be adversely affected.

4.1.3 Changes in laws, regulations and enforcement activities may adversely affect the Group's products and services and the markets in which it operates

The Group operates in Latvia, and most of the risks it faces are tied to the country's economic conditions and legal framework. Regulatory changes over time, whether in Latvia or the EU, could negatively impact the Group's business and solvency. The Group actively monitors legislative developments to ensure compliance with all relevant laws. The Group is subject to government regulations covering various areas relevant to its forestry and timber trading operations, including forestry management requirements, environmental protection, land use restrictions, harvesting permits, timber traceability, occupational health and safety, and sanctions compliance obligations. Changes to the scope or interpretation of these regulations could increase compliance costs or limit the Group's operational flexibility.

Ensuring compliance with regulations may be difficult and costly, and the Group may face higher standards of training, monitoring, and compliance. Failure to comply with existing or changed government regulations may result in injunctions, fines, penalties, or other sanctions, harming the Group's reputation and having a material adverse effect on its business, financial condition, results of operations, and prospects.

4.1.4 Public health crises or future pandemics may adversely affect the Group's operations and financial performance

Public health crises, pandemics, epidemics or other widespread health emergencies may adversely affect the Group's operations, supply chains, customers, contractors and financial performance. Such events may result in workforce shortages, travel restrictions, disruptions to transportation and logistics networks, delays in the delivery of equipment or materials, increased procurement costs and broader economic uncertainty in the markets in which the Group operates.

In addition, public health crises may adversely affect demand for the Group's products, financing conditions, the availability of contractors and service providers, and the operational capacity of public authorities responsible for permitting, regulatory oversight and administrative processes. Any such events may lead to operational disruptions, increased costs, delayed transactions and reduced revenue generation. As a result, public health crises may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

4.1.5 The local tax regime may change

The Group's operations may be affected by changes in tax legislation and policy. In Latvia, forestry and land-

related activities are subject to real estate tax, corporate income tax and other levies that may change over time. Amendments to tax incentives for forestry investments, changes in the treatment of land or timber asset sales, or new environmental taxes could increase the Group's tax burden. Additionally, at the EU level, initiatives aimed at tax harmonization or the introduction of carbon-related taxes may affect the Group's cost structure. If such costs cannot be passed on to customers or offset through operational efficiencies, the Group's profitability and financial performance could be adversely affected. Additionally, some tax positions taken by the Group rely on management's judgment and may be deemed inefficient or challenged by tax authorities due to potential misinterpretations of tax laws.

4.2 Risks related to the Issuer's business and industry

4.2.1 Concentration of operations across forestry-related activities

While Group's business model is diversified within the forestry sector, including logging, timber trading, forest and agricultural land trading, and rural property management, the Group's activities remain highly concentrated in the forestry industry. A downturn in the timber market, unfavorable regulatory changes, or environmental challenges could simultaneously impact all business areas. This concentration exposes the Group to sector-specific risks, even with diversification within the industry. As a result, sector-wide disruptions may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.2 The Group is exposed to timber price volatility risk

The global timber market is subject to significant price fluctuations due to varying demand from key industries such as construction, paper, and bioenergy. Any downturn in these sectors could lead to decreased demand for timber, negatively impacting the Group's revenue and profitability. Market disruptions, such as oversupply or geopolitical tensions affecting trade, could further exacerbate price instability. As a result, timber price volatility may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.3 The Group is exposed to operational risks and reliance on third parties

While the Group has a heavy machinery fleet of over 13 units across forestry operations and logistics, the Group outsources part of its harvesting and logistics services to third-party providers. This reliance introduces risks related to supply chain disruptions, contractor performance, and increased service prices. Any delays or failures from third-party contractors could disrupt logging operations, timber sales, and overall business performance. As a result, operational disruptions or third-party failures may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.4 Related-party and intercompany transactions may give rise to conflicts of interest

The Group may enter into operational, commercial, financing or other arrangements with shareholders, affiliates and related parties. Such transactions may include asset acquisitions and disposals, financing arrangements, service agreements, management services, leasing arrangements or other commercial transactions.

There can be no assurance that all such arrangements will always be concluded on terms equivalent to those that would have been obtained in transactions with unrelated third parties. Conflicts of interest may arise between the Group, its shareholders, management and other related parties. Any disputes, amendments, termination of arrangements or transactions entered into on less favourable terms could adversely affect the Group's financial performance, profitability, cash flows, business prospects and ability to meet the Issuer's obligations under the Bonds.

4.2.5 Volatility in financial performance and impairment risk may adversely affect the Group's results

The Group's financial performance may fluctuate significantly between reporting periods due to changes in timber prices, forestry asset valuations, land market conditions, harvesting volumes, operating costs,

financing costs and other market factors. As a result, the Group's revenues, EBITDA, cash flows and profitability may vary materially from period to period.

The Group may be required to recognise impairments or write-downs relating to forest land, agricultural land, standing timber, property holdings, investments, receivables or other assets if market conditions deteriorate, expected returns decline or assets perform below expectations. Such impairments could have a material adverse effect on the Group's financial condition, profitability and ability to meet its obligations under the Bonds.

4.2.6 The Group is exposed to land value and trading risk

A significant portion of the Group's business involves buying, logging, and selling forest and agricultural land. The profitability of these activities is closely tied to the value of the land, which can fluctuate due to market conditions, environmental factors, or changes in regulations. If land prices decrease or there is reduced demand for rural properties, the Group could face reduced profitability or prolonged holding periods, negatively impacting cash flow and financial performance. As a result, land value fluctuations or reduced trading activity may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.7 The Group is exposed to sustainability and resource depletion risk

Forestry companies must adhere to sustainable harvesting practices to maintain long-term viability. Overharvesting, mismanagement of resources, or failure to comply with sustainability standards (such as FSC or PEFC certification) could lead to reputational damage, loss of certifications, and reduced market access. Furthermore, depletion of timber resources could affect the Group's ability to meet future demand. As a result, sustainability failures or resource depletion may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.8 The Group is exposed to counterparty credit risk

Credit risk refers to the possibility that a counterparty may not be able to meet its financial obligations. If the Group's clients fail to fulfil their financial commitments, it could negatively impact the Group's business, financial stability, and operational results. However, the risks are mitigated through diversification of the client base. Furthermore, the nature of the Group's offered products (timber and land) can be considered fairly standardized and liquid. Notwithstanding these mitigants, counterparty defaults may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.9 Environmental and climate conditions could adversely affect the Group's business

As a forestry company, the Group is highly exposed to environmental risks. Natural disasters such as storms, forest fires, pests, and diseases pose significant threats to forest resources. The increasing frequency and severity of these events, exacerbated by climate change, could result in substantial financial losses. As a result, environmental and climate-related events may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.10 Issuer is exposed to AML and Sanctions compliance risk

As the Issuer carries out its activity in Latvia, the Issuer is a subject to the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing (in Latvian: *Noziedzīgi iegūtu līdzekļu legalizācijas un terorisma un proliferācijas finansēšanas novēršanas likums*, adopted on 17 July 2008) and Law On International Sanctions and National Sanctions of the Republic of Latvia (in Latvian: *Starptautisko un Latvijas Republikas nacionālo sankciju likums*, adopted on 4 February 2016) and complies with the international and local Applicable Laws which regulate prevention of legalization of proceeds derived from criminal activity and financing of terrorism and proliferation. Any failure to comply with AML/CTPF or sanctions requirements may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.11 Group is exposed to technology and data utilization risks

The Group has invested and plans to continue investing in advanced data-driven decision-making tools and automation to improve competitiveness, operational efficiency and overall profitability. While these systems offer a competitive advantage, there is a risk of technological failures, data inaccuracies, or reliance on outdated information, which could affect business operations and decision-making. Furthermore, ongoing investment in technological infrastructure is required to maintain the effectiveness of these tools, and any delays or missteps in technological upgrades could hinder the Group's ability to operate efficiently. As a result, technology failures or data-related issues may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.12 Issuer is exposed to financial leverage risk

The Issuer intends to maintain a significant portion of debt on its balance sheet, which will result in a high financial leverage. The Issuer's debt funding profile is influenced by market interest rates, margin requirements, and the Issuer's debt management strategy, including financing from credit institutions and capital markets. Fluctuations in interest rates or adverse borrowing conditions impacts on profitability could negatively affect the Issuer's financial position, cash flows, and ability to continue acquiring new forest land assets properties. As a result, high financial leverage may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.13 Dependence on external funding may expose the Group to refinancing risk, limited access to capital or increased financing costs

The Group's business and growth strategy are dependent on continued access to external financing, including bank financing, capital markets financing and other forms of debt funding. Access to financing is subject to various factors outside the Group's control, including macroeconomic conditions, interest rate developments, investor sentiment, regulatory changes and overall conditions in the financial and capital markets.

Deterioration in market conditions, increased financing costs, reduced liquidity in debt or capital markets or tightening lending standards may limit the Group's ability to obtain additional financing or refinance existing indebtedness on acceptable terms or at all. Increased indebtedness may expose the Group to refinancing risk, higher interest expenses, reduced financial flexibility and increased vulnerability to adverse business or economic developments. Any inability to secure sufficient financing or refinance existing indebtedness could have a material adverse effect on the Group's business, financial condition, results of operations and thus the ability to meet the Issuer's obligations under the Bonds.

4.2.14 The loss of one or more key personnel members of the Group could have an adverse effect on its business

The Group's success depends on the expertise and leadership of its executive officers and key personnel, including experienced operational managers, product managers, and technology specialists. The senior management team's industry experience would be difficult to replace. The loss of key management or technical employees could disrupt business operations and negatively affect the Group's day-to-day activities and financial condition. However, the risks are mitigated through work in cross-functional teams and global organization knowledge sharing. Notwithstanding these mitigants, the loss of key personnel may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.15 Failure to attract qualified personnel may affect the profitability of the Group's operations

Given that the Group's operations require highly skilled staff with industry-specific knowledge, attracting and retaining competent employees is a significant consideration. While staff turnover may necessitate time and resources for recruitment and training, the Group's management team is highly competent in all areas in which it operates, ensuring that overall operations are not materially disrupted, and new staff members can be trained in-house. Consequently, any loss of staff is not anticipated to have a substantial adverse effect on the Group's and the Group's operational stability and performance.

4.2.16 The Group is exposed to operational management team risks

The operational efficiency and profitability are heavily dependent on the performance of the operational management team. Inadequate performance or misconduct by the management team could adversely affect business operations and the Group's reputation. It is crucial to note that the members of the Management Board, Raimonds Cipe and Ringolds Grāpis, together hold 12% of the Issuer's Class A (voting) shares, aligning their interests with the Issuer's financial performance and ensuring their commitment to the Issuer's success. Notwithstanding this alignment, management performance issues or misconduct may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.17 The Group may become involved in disputes or litigations in the future, which could lead to adverse effects on the Group's business, financial condition, and operational results

As of the date of the Information Document, the Issuer is not involved in any material disputes. However, there is a potential risk that it may face disputes or litigation in the future. If such situations arise, the Group could incur legal expenses from prolonged resolution processes, and an unfavorable outcome may negatively affect its business, earnings, or financial position. As a result, disputes or litigation may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.18 The Group is exposed to reputation and certification risks

The Group as a forestry company relies heavily on its reputation for sustainable and responsible forest management. Any failure to adhere to environmental regulations or sustainability standards could result in the loss of important certifications (such as FSC or PEFC), damaging the Group's reputation and limiting access to key markets. Additionally, reputational harm from environmental incidents or regulatory violations could reduce the Group's business counterparties' willingness to conduct business with the Group. As a result, reputational harm or loss of certifications may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.2.19 Inadequate insurance coverage may result in uninsured losses

The Group's operations involve various risks, including accidents, natural disasters, fire, equipment damage, environmental incidents, business interruptions, employee-related incidents and other unforeseen events. Although the Group maintains insurance policies that it considers appropriate for its business, there can be no assurance that such insurance will cover all losses or liabilities that may arise. As a result, uninsured or underinsured losses may have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet the Issuer's obligations under the Bonds.

4.3 Risks related to the Bonds

4.3.1 Cancellation of the Offering risk

The Issuer may cancel the Offering of the Bonds prior to the Issue Date. In such case, the Subscription Orders may be disregarded and any payments made by Investors will be returned without interest.

The Issuer will not be liable for any costs or losses incurred by the Investors in connection with such cancellation.

4.3.2 Cashflow and debt servicing risk

The Issuer's ability to make scheduled payments on or refinance its debt obligations depends on its financial condition and operating performance, which are influenced by prevailing economic and competitive conditions and various financial, business, and other factors beyond the Issuer's control. The Issuer may not be able to generate sufficient cash flows from operating activities to cover the principal, premium (if any), interest (Coupon), and additional amounts (if any) on the Issuer's indebtedness, including amounts payable under the Bonds offered herein.

If the Issuer's cash flows and capital resources are insufficient to meet its debt service obligations, the Issuer may be forced to reduce or delay investments and capital expenditures, sell assets, seek additional capital, or restructure or refinance its indebtedness, including under the Bonds offered herein. The Issuer's ability to restructure or refinance its debt will depend on the capital markets and the Issuer's financial condition at that time. Any refinancing could be available only on less favourable terms, including higher interest rates, and may require the Issuer to comply with more restrictive borrowing covenants, which could further limit its business operations. Existing or future debt instruments may restrict the Issuer from pursuing some of these alternatives. These alternative measures may not be successful and may not enable the Issuer to meet its debt service obligations. Furthermore, any failure to make timely interest and principal payments on the Issuer's outstanding debt could harm the Issuer's reputation with investors and lenders, which may adversely affect the Issuer's ability to incur additional indebtedness or refinance existing indebtedness on acceptable terms.

If the Issuer cannot make scheduled payments on its debt:

- the holders of the Issuer's debt could declare all outstanding principal and interest to be due and payable;
- the holders of the Issuer's secured debt, if any, could initiate foreclosure proceedings against the assets of the Issuer;
- the Issuer could be forced into bankruptcy or liquidation; and
- the Bondholders could lose all or part of their investment in the Bonds.

4.3.3 Bonds repayment, ranking and security risk

The Bonds are intended to be secured by the Collateral following its establishment and registration. The Collateral is intended to comprise (a) an all-assets commercial pledge over the Issuer's present and future assets capable of being pledged by way of a commercial pledge under Latvian law, including intra-group receivables, and (b) a pledge over the Pledged Shares, being all present and future shares owned directly by the Issuer in each Material Subsidiary other than the Timbro Subsidiary. The all-assets commercial pledge does not, of itself, cover shares held by the Issuer in its Subsidiaries, and such shares form part of the Collateral only to the extent they constitute Pledged Shares. The shares in the Timbro Subsidiary do not form part of the Collateral, as they are subject to the Luminor Collateral, being a first-ranking commercial pledge granted in favour of Luminor to secure the Luminor Debt. Accordingly, the Bondholders benefit from security only in respect of assets comprised in the Collateral. To the extent their claims are not satisfied from those assets, they have unsecured claims against the Issuer, subject to the applicable insolvency waterfall. In the event of Insolvency Proceedings in respect of the Issuer, the assets of the Issuer which are not comprised in the Collateral will be used for settling the claims of the Bondholders and other unsecured creditors only after the claims of the secured creditors and other preferential creditors are satisfied.

This Information Document also permits the Issuer to incur Permitted Debt and to grant Permitted Security in certain circumstances. Such Security may rank *pari passu* with the Collateral securing the Bonds. If security interests ranking *pari passu* with the Collateral are created, the proceeds from enforcement of the Collateral will have to be shared among the secured creditors on a *pro rata* basis, which could reduce the amounts recoverable by the Bondholders. In addition, the maximum secured amount of the Collateral registered in the Commercial Pledge Register is initially EUR 11,200,000.00 (eleven million two hundred thousand euros). Claims under the Bonds (together with the claims of the Collateral Agent) in excess of the registered maximum secured amount will not be secured by the Collateral. If the aggregate Nominal Value of the Bonds is increased up to the Increased Maximum Amount, the corresponding increase of the maximum secured amount will take effect against third parties only upon its registration in the Commercial Pledge Register and may rank behind any security registered in the meantime.

Even after the commercial pledge has been registered and although the Bonds benefit from the Collateral, there can be no assurance that the value of the Collateral or the proceeds realised upon its enforcement will be sufficient to satisfy the Outstanding Amount. The value of the Collateral may decline over time, enforcement may be delayed, more costly or less successful than anticipated, and recoveries may be lower than expected.

If the Issuer becomes insolvent or is subject to restructuring proceedings, the Bondholders may suffer delays in receiving payments and may lose part or all of their investment.

In addition, on the Maturity Date the Issuer must repay the full Outstanding Amount. The Issuer's ability to do so will depend on its financial position, cash flows and ability to refinance existing obligations. If the Issuer is unable to generate sufficient funds, obtain refinancing or otherwise secure the resources necessary to repay the Bonds at maturity, the Bondholders may not receive full and timely payment under the Bonds.

4.3.4 Foreign exchange risk

The Bonds will be denominated and payable in EUR. If Investors measure their investment returns in a currency other than EUR, an investment in the Bonds will entail foreign exchange-related risks. These risks arise due to factors such as significant changes in the value of the EUR relative to the currency by reference to which Investors measure their returns, influenced by economic, political, and other factors beyond the control of the Issuer. Depreciation of the EUR against the currency in which Investors measure their returns could cause a decrease in the effective yield of the relevant Bonds below their stated coupon rates and could result in a loss for Investors when the return on such Bonds is translated into the currency used for performance measurement.

4.3.5 Tax risk

Tax rates and tax payment procedures applicable at the time of purchase of the Bonds to tax residents, non-residents of the Republic of Latvia and residents of other countries at the time of purchasing the Bonds may change. The Issuer will not compensate for any tax increase, and therefore Bondholders may receive lower net payments in respect of the Bonds. Investors should consult their own tax advisers as to the tax consequences of acquiring, holding and disposing of the Bonds.

4.3.6 Early redemption risk

The Issuer may seek to repurchase or redeem the Bonds from time to time in full or in part under a call option right provided under this Information Document, especially when prevailing interest rates are lower than the rate borne by the Bonds. If prevailing rates are lower at the time of redemption, the Bondholder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on such Bonds being redeemed. The Issuer is more likely to exercise any optional redemption right of the Bonds when prevailing market interest rates, credit spreads or alternative financing costs are relatively low, or where the Issuer can refinance the Bonds on more favorable terms. In such circumstances, Investors may be exposed to reinvestment risk and may lose the benefit of holding Bonds with an interest rate that is higher than the then-prevailing market rate for comparable investments. The Issuer's redemption right may also adversely impact the Bondholder's ability to sell such Bonds. For example, the market price and liquidity of the Bonds may decline if Investors expect that the Bonds will be redeemed before maturity, or if the remaining outstanding amount of the Bonds is reduced as a result of partial redemptions.

The Issuer may also from time to time repurchase the Bonds in the open market, through privately negotiated transactions, tender offers, or otherwise. Any such repurchases or redemptions and the timing and amount thereof would depend on prevailing market conditions, liquidity requirements, contractual restrictions, and other factors. Such transactions could impact the market for such Bonds and their market price, and could reduce the liquidity of the Bonds in the secondary market.

4.3.7 Resolutions of the Bondholders risk

The majority resolution of the Bondholders is binding on all Bondholders, including the Bondholders who voted against the relevant decision, abstained from voting, did not participate in the voting or acquired Bonds after the relevant decision was made. Therefore, a Bondholder is subject to the risk of being outvoted by a majority resolution of the other Bondholders. As a result, certain rights of such Bondholder against the Issuer may be amended, reduced, postponed or otherwise modified, or even cancelled, without its consent, to the extent permitted under this Information Document and Applicable Law. This may include, subject to the limitations set out in this Information Document and Applicable Law, amendments to payment terms, covenants, Events of Default, enforcement instructions, waivers of breaches, or other changes that may materially affect the

value, ranking, enforcement prospects or expected return of the Bonds.

The interests of Majority Bondholders may differ from the interests of individual Bondholders. Majority Bondholders may have different investment horizons, liquidity needs, risk appetite, exposure to the Issuer or other commercial relationships with the Issuer or the Group. Consequently, a decision supported by the required majority may not correspond to the preferences or best interests of a particular individual Bondholder. As a result, individual Bondholders may have limited ability to prevent or challenge decisions validly adopted in accordance with this Information Document, even where such decisions adversely affect their individual economic position or enforcement strategy.

4.3.8 Price risk

The market price of the Bonds may fluctuate due to various factors, including changes in interest rates, central bank policies, overall economic conditions, or demand for the Bonds. Neither the Issuer nor any other party undertakes to maintain a specific price level for the Bonds. As a result, Investors are exposed to the risk of unfavorable price movement if they decide to sell the Bonds before the final Maturity Date. The sale price may be lower than the Nominal Value and may also be lower than the price paid by the Investor for the Bonds. However, if an Investor chooses to hold the Bonds until the Maturity Date, they will be redeemed at their Nominal Value, subject to the Issuer being able to make such payment and subject to the ranking of the Bonds under this Information Document and Applicable Law.

4.3.9 Secondary market liquidity risk

There is no assurance that an active secondary market for the Bonds will develop or be maintained, which may adversely affect the ability of Bondholders to sell their Bonds or the price at which they may be able to do so.

Neither the Issuer nor any individual guarantees the minimum liquidity of the Bonds. As such, Investors should be aware that they may encounter difficulties in selling their Bonds on the secondary market at fair market value, or may not be able to sell them at all. Given these risks, Investors are encouraged to conduct thorough market analysis and assess the economic conditions that could impact the liquidity of the Bonds. Additionally, Investors should consider the potential effects of external market forces, regulatory changes, or unforeseen economic events on the secondary market for the Bonds.

If the Bonds are admitted to trading on First North, the trading volume and liquidity of the Bonds may be limited compared to securities listed on a regulated market. First North is a multilateral trading facility and is not subject to the same regulatory requirements as a regulated market. Potential Investors should be aware that the market for the Bonds may be less liquid than for securities traded on a regulated market, and that the lack of liquidity may adversely affect the market price of the Bonds or the ability to sell the Bonds at all.

4.3.10 Delisting risk

The Issuer plans to request admission to trading of the Bonds on First North within 12 (twelve) months from the Issue Date. There is a risk that Nasdaq Riga will not accept the Bonds to be admitted to trading on First North or order that the Bonds are delisted from First North before maturity after admission to trading has taken place due to changes in legal acts, including Nasdaq Riga regulations, or the Bank of Latvia recommendations.

In the event of a De-listing or Listing Failure, Bondholders may exercise their put option right to require the Issuer to redeem their Bonds at 101% of the Nominal Value plus accrued and unpaid Coupon. However, if all or a significant portion of Bondholders exercise this right simultaneously, the Issuer may face liquidity constraints that could delay or impair its ability to satisfy all redemption requests in a timely manner. Investors should consider this risk when assessing the practical enforceability of the put option.

4.3.11 Risk that Investors may not receive proportional allocation of the Bonds

The subscription will be conducted through the Auction in accordance with this Information Document and the Auction Rules. If the total number of Bonds subscribed for exceeds the number of Bonds available, the Issuer will determine the final allocation of the Bonds at its discretion in accordance with the allocation principles set out in this Information Document.

Although the Issuer may seek to apply a proportional reduction principle to the extent practicable, there is no assurance that the Bonds will be allocated to Investors on a strictly *pro rata* basis. The Issuer may take into account various factors when determining the final allocation, including the size and timing of Subscription Orders, the type and profile of Investors, the objective of creating a stable and diversified investor base, AML/CTPF, Sanctions, settlement and other legal or practical considerations.

As a result, some Investors may be allocated fewer Bonds than they subscribed for, or no Bonds at all, while other Investors may receive a higher proportion of their Subscription Orders. Accordingly, Investors should be aware that submission of a Subscription Order does not guarantee that the Investor will receive all or any of the Bonds subscribed for.

4.3.12 Structural subordination risk

The Issuer is a holding company and conducts its business through its Subsidiaries, including the Timbro Subsidiary and SIA E-Silva. No member of the Group guarantees the Bonds. The Bonds are obligations of the Issuer only and recourse under the Bonds is limited to the Issuer's own balance sheet. Save in respect of the intra-group loan receivables and the Pledged Shares comprised in the Collateral, which the Collateral Agent may collect, realise or enforce upon enforcement in accordance with Section 7.6 (*Collateral*), the Bondholders have no direct claim against any Subsidiary or its assets. As a result, the Bonds are structurally subordinated to all existing and future liabilities of the Issuer's Subsidiaries, including the Luminor Debt incurred by the Timbro Subsidiary under the Luminor Loan Agreement, and the receivables comprised in the Collateral rank behind the secured and preferential creditors of the relevant Subsidiary and alongside its other unsecured creditors. In addition, the shares in the Timbro Subsidiary are subject to the Luminor Collateral securing the Luminor Debt, and enforcement of that pledge by Luminor would remove the Timbro Subsidiary and its assets from the Group. The Issuer's claims against the Timbro Subsidiary under the intra-group loan and credit facility agreements between them are also contractually subordinated to the Luminor Debt under the Subordination Agreement, and no payment may be made or received in respect of those claims until all monetary claims of Luminor under the Luminor Debt have been satisfied in full.

In the event of Insolvency Proceedings affecting any Subsidiary, the secured and preferential creditors of that Subsidiary will be satisfied ahead of the Issuer in respect of the assets of that Subsidiary. The Issuer's claims against its Subsidiaries, including any intercompany receivables, are not automatically subordinated under the Insolvency Law of the Republic of Latvia by reason of the Issuer being a related party, and the principal amounts of such unsecured claims would in principle be satisfied in the same ranking group as the principal amounts of the other timely submitted unsecured claims against that Subsidiary. However, such claims may be satisfied later or to a lesser extent than the claims of the Subsidiary's other creditors where, among other things: (a) the relevant intra-group claim is contractually subordinated or postponed; (b) another creditor benefits from security, a specific statutory priority or a right of set-off against the Subsidiary; (c) the claim is not submitted within the time limits prescribed by the Applicable Laws or is disputed by the insolvency administrator; or (d) the claim comprises interest, penalties or other ancillary amounts, which are satisfied only after the principal amounts of unsecured claims. Only to the extent the Issuer actually recovers amounts in respect of such claims, or receives any residual distribution as shareholder after all creditors of the Subsidiary have been satisfied in full, could the Issuer use such proceeds to satisfy its obligations under the Bonds.

In addition, the Luminor Loan Agreement may contain covenants and other restrictions limiting the ability of the Timbro Subsidiary to make payments, distributions, dividends, loans or other transfers of funds upstream to the Issuer, including restrictions on the repayment of intra-group indebtedness and on the distribution of profits, whether while the Luminor Debt remains outstanding or upon the occurrence of events of default or other circumstances under the Luminor Loan Agreement. As the Timbro Subsidiary is a principal operating entity within the Group, such upstream payment limitations may restrict the flow of cash from the Timbro Subsidiary to the Issuer and, as a result, may adversely affect the Issuer's liquidity and its ability to make payments of Coupon and Nominal Value under the Bonds. These limitations apply in addition to, and independently of, the subordination of the Timbro Intra-Group Claims to the Luminor Debt under the Subordination Agreement, and the Issuer does not control the terms of the Luminor Loan Agreement, which may be amended, extended, refinanced or renewed from time to time.

Accordingly, in the event of Insolvency Proceedings affecting the Group, the Bondholders may recover less

than the holders of debt obligations of the Issuer's Subsidiaries or may recover nothing at all if the Subsidiaries' assets are insufficient to satisfy the claims of their own creditors. The Issuer's ability to meet its obligations under the Bonds depends on the financial performance of its Subsidiaries and their ability to distribute dividends, repay intercompany loans, or otherwise transfer funds to the Issuer, which may be subject to legal, contractual or regulatory restrictions. In particular, for so long as the Luminor Debt remains outstanding, the Subordination Agreement prevents the Timbro Subsidiary from making, and the Issuer from accepting, any payment in respect of the intra-group loan and credit facility agreements between them, and the Issuer is therefore dependent on other sources of cash to service the Bonds during that period.

4.3.13 Insolvency and restructuring risk under Latvian law

The Issuer is incorporated and has its registered office in Latvia. The Bonds and the rights and obligations of the Bondholders are governed by Latvian law. In the event of the Issuer's insolvency or financial distress, Latvian insolvency law will apply, and the Bondholders' ability to recover their investment will be subject to the procedures and priorities established under such law.

Latvian insolvency law recognises two main insolvency-related proceedings relevant to the Issuer: (i) insolvency proceedings (in Latvian: *maksātnespējas process*), which may result in the liquidation of the debtor and the distribution of its assets to creditors in accordance with statutory priority rules; and (ii) legal protection proceedings (in Latvian: *tiesiskās aizsardzības process*), which are restructuring proceedings designed to enable a debtor in financial difficulty to reach an arrangement with its creditors and continue as a going concern.

In legal protection proceedings, the debtor may propose a restructuring plan that, if approved by a qualified majority of creditors and sanctioned by the court, will be binding on all creditors of the debtor, including dissenting creditors. The restructuring plan may include measures such as debt write-downs, maturity extensions, interest rate reductions or debt-for-equity conversions. Bondholders may therefore be compelled to accept terms less favourable than those set out in this Information Document if a restructuring plan is approved over their objection.

In insolvency proceedings, interest on secured claims, including interest (Coupon) on the Bonds, ceases to accrue from the date of declaration of insolvency. Claims must be submitted within the deadline set by the insolvency administrator, and claims submitted after the deadline may lose priority or be disallowed. The claims secured by the Collateral will be satisfied, through the Collateral Agent, out of the proceeds of the assets comprised in the Collateral, after deduction of the costs of enforcement and administration and of the fees, costs, expenses, indemnities and other amounts payable to the Collateral Agent and subject to the claims mandatorily preferred by the Applicable Laws. To the extent that the proceeds of the Collateral are insufficient to satisfy the claims under the Bonds in full, the remaining part of those claims will rank as unsecured, non-preferential claims and will be satisfied only after the claims of the other secured creditors out of their respective collateral and the claims of creditors with statutory priority (including employees and tax authorities) have been satisfied. There can be no assurance that the proceeds of the Collateral or of the Issuer's other assets will be sufficient to satisfy the claims of the Bondholders in full or at all.

4.3.14 Limited enforcement rights

The Bonds are secured by the Collateral, which is held and may be enforced only by the Collateral Agent acting on behalf of the Bondholders. No individual Bondholder is entitled to enforce the Collateral or to exercise any rights under the Collateral Agreement or the Collateral Agent Agreement on its own. A Trustee has been appointed to represent the Bondholders on the limited terms of Section 7.8 (*Trustee*) and 7.21 (*Representation of the Bondholders*), therefore individual enforcement is subject to those provisions and any mandatory rights under the Applicable Law.

Under this Information Document, individual Bondholders do not have the right to accelerate the Bonds, declare an Event of Default or give an Instruction to the Collateral Agent to enforce the Collateral on their own. Acceleration, enforcement of the Collateral and other enforcement actions generally require a resolution of the Bondholders' Meeting or a Procedure in Writing or, in certain circumstances, action by a specified proportion of Bondholders. This collective action requirement may delay or impede enforcement, including

enforcement of the Collateral, if Bondholders cannot coordinate effectively or if the required quorum or majority cannot be achieved.

The dispersed nature of the Bondholder base may make it difficult and costly for individual Bondholders to communicate and coordinate with other Bondholders, particularly if the Issuer faces financial distress and time-sensitive decisions are required. Bondholders should not assume that other Bondholders will share their views or vote in the same manner on matters requiring a Bondholders' Meeting resolution.

4.3.15 Trustee risk

A Trustee will be appointed to act on behalf of the Bondholders and to represent their collective interests in accordance with the Trustee Agreement and this Information Document. The Trustee's role, powers, duties and liability will be limited to those expressly set out in the Trustee Agreement, this Information Document and Applicable Law. The Trustee has not reviewed, verified or approved any marketing materials or other Investor communications relating to the Bonds. Its review of this Information Document has been limited to provisions concerning its identity, appointment, rights, duties and protections, and does not constitute verification or approval of the remaining contents. Accordingly, Bondholders should not rely on the Trustee as having conducted any independent due diligence or verification of the Issuer, the Existing Shareholders, the Bonds or any information made available to Investors, unless expressly stated otherwise. While the Trustee is expected to act with due care and diligence within the scope of its mandate, it may only take certain enforcement or protective actions upon the occurrence of specific events and when directed by the Majority Bondholders and subject to being indemnified or secured to its satisfaction. Consequently, there may be delays or limitations in the ability of Bondholders to enforce their rights individually or through the Trustee.

Furthermore, the Trustee does not owe any fiduciary or other duties to individual Bondholders beyond those expressly set out in the Trustee Agreement and Applicable Law. Bondholders are exposed to the risk that the Trustee's powers and responsibilities may not fully align with each Bondholder's individual interests or timing expectations

4.4 Risks related to the Collateral

4.4.1 Risks associated with certain limitations relating to the validity and enforceability of the Collateral

The Collateral provides the Collateral Agent, acting for the benefit of the Bondholders and Collateral Agent itself (under Collateral Agent Agreement) as relates to fees and costs of the Collateral Agent, with a claim against the Issuer. However, the Collateral will be limited to the maximum amount that can be validly secured by the Issuer (and, in any event, to the maximum secured amount registered in the Commercial Pledge Register) without rendering the Collateral voidable or otherwise ineffective under the Applicable Laws, and enforcement of the Collateral would be subject to certain generally available defences.

The Collateral is required to be established and perfected within 30 (thirty) calendar days after the Issue Date. Accordingly, on the Issue Date and until the Collateral has been duly established and perfected, the Bonds may be wholly or partly unsecured, and the Bondholders may not benefit from the priority or enforcement rights intended to arise under the Collateral Agreement. The establishment and perfection of the Collateral may be delayed or may not be completed within the prescribed 30 (thirty)-day period due to, among other things, delays in the execution or submission of documents, registration formalities, actions or omissions of the Issuer or third parties, deficiencies in the relevant documentation or decisions of the competent registers or authorities. If the Issuer becomes insolvent, enforcement proceedings are commenced against it or competing security is created or perfected before the Collateral has been duly established and perfected, the Bondholders may rank as unsecured creditors in respect of the affected assets or may rank behind creditors whose security has been validly established and perfected earlier. The establishment, registration and perfection of the Collateral within such period is the sole responsibility of the Issuer, and neither the Collateral Agent nor any other person assumes any responsibility or liability in this respect.

Enforcement of the Collateral against the Issuer will be subject to certain defences available to the Issuer in Latvia, which generally include those that relate to corporate purpose or benefit, fraudulent conveyance or transfer, voidable preference, insolvency or bankruptcy challenges, financial assistance, preservation of share

capital, thin capitalization, capital maintenance or similar laws, regulations or defences affecting the rights of creditors generally. If one or more of these laws and defences are applicable, the Issuer may have no liability or decreased liability under its Collateral depending on the amounts of its other obligations and the Applicable Laws.

Under Latvian Insolvency Law, there is a possibility that entire Collateral may be set aside, in which case the entire liability may be extinguished. If a court decided the Collateral was a preference, fraudulent transfer or conveyance and voids such Collateral, or holds it unenforceable for any other reason, the Bondholder may cease to have any secured claim in respect of the Collateral. Any delay, failure or defect in the establishment, perfection, validity or enforceability of the Collateral could materially reduce the amounts recoverable by the Bondholders and may result in the Bondholders losing all or part of their investment.

4.4.2 Risks associated with Parallel Debt

The security interests in the Collateral that will secure the obligations of the Issuer under the Bonds will not be provided directly to the Bondholders but will be created and registered in favour of the Collateral Agent. Thus, the Bondholders will not have any independent power to enforce, or have recourse to, the Collateral or to exercise any rights or powers arising under the Collateral Agreement, the Collateral Agent Agreement or this Information Document, in each case in respect of the Collateral only. Only the Collateral Agent will be entitled to enforce the Collateral. As a result of these restrictions, the Bondholders will have limited remedies and recourse against the Issuer in respect of the Collateral in the Event of Default. In particular, none of the Bondholders will have a direct benefit under the Collateral, and none of the Bondholders will have the status of a secured creditor in the insolvency or legal protection proceedings (in Latvian: *tiesiskās aizsardzības process*) of the Issuer. For the avoidance of doubt, the foregoing does not affect any rights of the Bondholders under this Information Document which do not relate to the Collateral, including the right to receive payments of Nominal Value and Coupon and to participate in Bondholders' Meetings and Procedures in Writing.

Parallel Debt is a contractual instrument designed to allow the Collateral Agent to take, perfect, maintain, administer, and enforce the Collateral in its own name and right but for the benefit of the Bondholders. The concept of Parallel Debt is not explicitly recognized under the Latvian law and its legality, validity, and enforceability has not been tested by Latvian courts. If the Parallel Debt arrangements are declared to be illegal, invalid, or unenforceable by the Latvian court, that will result in the Collateral not being valid and enforceable. As a consequence, the Bondholder's claims under the Bonds would not rank *pari passu* with the other secured obligations of the Issuer and the Bondholders will not have a preferential right to the enforcement proceeds of the Collateral. The Collateral Agent has not assessed and does not assume any responsibility or liability for the legality, validity or enforceability of the Parallel Debt arrangements or of the Collateral securing the Parallel Debt.

4.4.3 Risks associated with the market value of the Collateral

The Collateral securing the Bonds is intended to comprise all of the Issuer's assets capable of being covered by the registered all-assets commercial pledge, including loan receivables against its Subsidiaries arising under intra-group loan and credit facility agreements, and a pledge over the Pledged Shares, being all present and future shares owned directly by the Issuer in each Material Subsidiary other than the Timbro Subsidiary. The value of this Collateral is subject to fluctuation and may be adversely affected by various factors, some of which are beyond the control of the Issuer.

The value and recoverability of the intra-group loan receivables depend on the financial condition, cash flows and solvency of the relevant Subsidiaries, and therefore on the performance of the Group's forestry, timber trading and land trading activities, which are exposed to the risks described in Section 4.2 (*Risks related to the Issuer's business and industry*). The receivables are unsecured claims against the relevant Subsidiaries and are not themselves secured by any pledge or mortgage over the assets of those Subsidiaries. Moreover, the receivables against the Timbro Subsidiary are contractually subordinated to the Luminor Debt under the Subordination Agreement, and neither the Issuer nor the Collateral Agent may receive, collect or realise any amount in respect of those receivables until all monetary claims of Luminor under the Luminor Debt have been satisfied in full. Accordingly, upon enforcement of the Collateral the Collateral Agent may collect or realise loan claims which, absent applicable subordination or other priority, rank behind the secured and preferential

creditors of the relevant Subsidiary, including Luminor to the extent of the Luminor Collateral, and alongside their other unsecured creditors. In the event of a deterioration in the financial position of a Subsidiary, its default under the relevant intra-group agreement or Insolvency Proceedings in respect of it, the recoverability of the corresponding receivables may be materially impaired or reduced to nil.

In addition, the aggregate amount of the intra-group loan receivables comprised in the Collateral is not fixed and may vary over time as existing intra-group loans are repaid, set off, amended, refinanced or replaced and as new intra-group loans are granted in the ordinary course of the Group's cash management. The aggregate amount of such receivables may at any time be lower than the Outstanding Amount, and there is no assurance that it will be maintained at any particular level. There is also no established market for claims of this nature, and enforcement would generally require the collection of the receivables from the relevant Subsidiaries or their sale to a third party. Collection may be delayed or contested, and any sale may only be achievable at a significant discount to the nominal amount of the receivables, in each case reducing the amounts recoverable by the Bondholders.

Importantly, the Collateral Agent does not monitor, assess or verify the quality, composition, value or condition of the Collateral at any time, and bears no liability to the Bondholders in this respect. As a result, there is a risk that, in the event of enforcement, the proceeds from the collection or realisation of the intra-group loan receivables comprised in the Collateral may be insufficient to satisfy the Outstanding Amount in full.

In addition, enforcement of the Collateral in respect of the Timbro Intra-Group Claims is subject to a standstill in favour of Luminor. Under the Subordination Agreement, the Timbro Intra-Group Claims may not be enforced until all monetary claims of Luminor under the Luminor Debt have been satisfied in full, and the Collateral Agent is entitled to refrain from taking any enforcement action in respect of those claims during that period notwithstanding an Instruction from the Majority Bondholders. As a result, following an Event of Default the Bondholders may be unable to procure enforcement in respect of the Timbro Intra-Group Claims for a prolonged period, during which the value of those claims may decline, the Timbro Subsidiary may become subject to Insolvency Proceedings or Luminor may enforce the Luminor Collateral over the shares in the Timbro Subsidiary. The Issuer does not control the date on which the Luminor Debt will be repaid, and the Luminor Loan Agreement may be amended, extended, refinanced or renewed, which may extend the duration of the standstill.

4.4.4 Risks associated with the Collateral Agent Agreement

The Collateral Agent represents the Bondholders in all matters concerning the Collateral. There is a risk that the Collateral Agent, or any individuals appointed by them, may not adequately fulfil their obligations related to perfecting, maintaining, enforcing, or taking other necessary actions regarding the Collateral. According to the terms of the Collateral Agent Agreement, the Collateral Agent has the authority to enter into agreements with third parties or take any other actions necessary to maintain, release, or enforce the Collateral, as well as to settle the rights of the Bondholders in relation to the Collateral, in each case in accordance with, and subject to the limitations of, this Information Document, the Collateral Agreement and the Collateral Agent Agreement.

4.4.5 Risks associated with the limitations and procedures concerning enforcement of the Collateral

Even when the Collateral is enforceable, the enforcement is subject to the procedures and limitations agreed in the Collateral Agent Agreement, the Collateral Agreement and this Information Document. There can be no assurance as to the ability of the Bondholders to adopt an Instruction requiring the Collateral Agent to initiate any enforcement procedures. Furthermore, any enforcement of the Collateral may be delayed due to the provisions of the Collateral Agent Agreement and this Information Document. Enforcement may also be delayed while the Collateral Agent obtains a valid and sufficiently evidenced Instruction, information, advance payment, funding or satisfactory indemnity and retains advisers where appropriate. Any fees, expenses and indemnified liabilities payable to the Collateral Agent in priority to distributions to Bondholders under the transaction documents and Applicable Law will reduce the net enforcement proceeds available to Bondholders. Additionally, the Collateral enforcement costs may be disproportional to the amount being recovered, and such costs are beyond the control of the Collateral Agent.

The Collateral Agent may be replaced only on the grounds and in accordance with the procedure set out in Section 7.7.12 (*Replacement of the Collateral Agent*), including where the Collateral Agent terminates the performance of its duties or resigns, or where the Issuer terminates the Collateral Agent Agreement in accordance with Section 7.7.10 (*Termination of the Collateral Agent Agreement*). Accordingly, the Majority Bondholders may dismiss the Collateral Agent at will, and appoint a successor in accordance with Section 7.7.12 (*Replacement of the Collateral Agent*). Furthermore, as of the date of this Information Document, the Collateral Agent's professional liability is insured with an insurance company If P & C Insurance AS Latvijas filiāle (registration number: 40103201449), and its liability is in any event limited as set out in the definition of Collateral Agent.

Subject to its establishment and registration, the all-assets commercial pledge is intended to cover the Issuer's assets possible of being pledged, including its loan receivables against its Subsidiaries arising under intra-group loan and credit facility agreements. The Collateral also includes a pledge over the Pledged Shares, being all present and future shares owned directly by the Issuer in each Material Subsidiary other than the Timbro Subsidiary. The Collateral Agreement also contains provisions assigning the intra-group receivables to the Collateral Agent. Depending on when and to what extent that assignment takes effect, the Collateral Agent may exercise rights as assignee or enforce a pledged receivable under the statutory procedure applicable to a commercial pledge, in each case subject to the Subordination Agreement where relevant. Enforcement would require the co-operation of, or successful recovery against, the relevant Subsidiary, and the Collateral Agent has no direct recourse under the Issuer's all-asset pledge to assets or the business of any Subsidiary. Until the receivables have been collected or realised, the Bondholders remain exposed to the operational and insolvency risk of both the Issuer and the relevant Subsidiaries.

Enforcement of the Collateral does not create any new obligations for the relevant Subsidiaries beyond those arising under the underlying intra-group agreements, nor does it provide any assurance that the relevant Subsidiaries will be able to make the payments required. The amounts recoverable may be reduced by any rights of set-off or counterclaim available to the relevant Subsidiary, by any subordination or restrictions applicable to the underlying intra-group agreement, by the applicable statutory ranking of secured and preferential claims against that Subsidiary. There is also no established market for claims of this nature, and any sale may only be achievable at a significant discount to their nominal amount. As a result, the effectiveness of enforcement over the receivables comprised in the Collateral is limited and may not lead to full recovery for the Bondholders.

4.4.6 Risks related to amendments to Applicable Laws

There is a general risk that amendments to Applicable Laws governing Collateral may introduce uncertainty to Bondholders. Namely, there is a general risk that legislative changes may affect the enforceability of the Collateral securing the Bonds, potentially affecting the Bondholders' position.

4.4.7 Risks related to actions of the Collateral Agent

By subscribing for, or accepting the assignment of, any Bond, each Bondholder will accept the appointment of the Collateral Agent as the collateral agent (within the meaning of the Financial Instrument Market Law of the Republic of Latvia) and representative of the Bondholders, to represent and act for such secured creditors, i.e., Bondholders, in relation to the Collateral. Only the Collateral Agent is entitled to exercise the rights under the Collateral and enforce the same. Any failure by the Collateral Agent to perform its duties and obligations properly, or at all, may adversely affect the enforcement of the rights of the Bondholders due to, for example, inability to enforce the security and/or receive any or all amounts payable from the security in a timely and effective manner due to decisions of state courts in any jurisdiction.

The Collateral Agent has not conducted an assessment of whether this Information Document adequately safeguards the interests of the Bondholders. The Collateral Agent's responsibilities are strictly limited to holding the Collateral, and enforcing the Collateral exclusively upon the instruction of the Bondholders, and performing the other limited administrative actions expressly provided for in this Information Document, in compliance with the provisions of this Information Document and Applicable Law. The Collateral Agent has not been involved in the preparation of this Information Document (other than in respect of the provisions relating to its own role), has not independently verified any information contained herein, has not assessed

the creditworthiness of the Issuer or the Group or the value or sufficiency of the Collateral, and does not act as legal adviser to the Bondholders.

5. PURPOSE OF THE OFFERING AND USE OF PROCEEDS

The Issuer expects to raise total gross proceeds of up to EUR 8,000,000.00 (eight million euros) from the issue of the Bonds (the “**Initial Maximum Amount**”) and net proceeds of approximately EUR 7,800,000.00 (seven million eight hundred thousand euros) after deduction of fees and expenses directly related to the issue of the Bonds. The Initial Maximum Amount represents the aggregate consideration for the Bonds, including the consideration for the Bonds allocated in the Exchange Offering. The net proceeds figure assumes that all Bonds are subscribed for against payment in cash and, to the extent that Bonds are allocated in the Exchange Offering, the cash proceeds received by the Issuer will be correspondingly lower.

The Initial Maximum Amount reflects the maximum total consideration for an offer of securities to the public in the EU over a 12-month period for which an information document may be prepared under the Bank of Latvia Regulations. In the event that the Bank of Latvia Regulations (or the underlying provisions of the Financial Instrument Market Law of the Republic of Latvia) are amended so as to increase that threshold to at least EUR 12,000,000.00 (twelve million euros), the Issuer may, at its sole discretion, elect to increase the total gross proceeds of the Issue of the Bonds up to EUR 12,000,000.00 (twelve million euros) (the “**Increased Maximum Amount**”), with effect from the later of (i) the date on which such amendment enters into force and (ii) the date on which the Issuer publishes a supplement to this Information Document recording the increase in accordance with the Bank of Latvia Regulations, in each case provided that the aggregate consideration of the offer to the public, calculated over any 12-month period, does not at any time exceed the maximum threshold applicable under the Bank of Latvia Regulations as then in force. The Issuer may, but shall not be obliged to, publish such supplement promptly following the entry into force of the relevant amendment. The terms of the Bonds, including the Nominal Value per Bond, the ISIN, the Coupon and the Maturity Date, will remain unchanged, and any such increase relates solely to the maximum amount of the single series of Bonds offered hereunder and does not constitute an issue in tranches or under a securities programme. Until such amendment enters into force, the Issuer has elected to increase the maximum amount of the Issue and such supplement is published, the total gross proceeds of the issue of the Bonds will not exceed the Initial Maximum Amount.

If the Offering is increased to the Increased Maximum Amount, the Issuer expects to raise net proceeds of approximately EUR 11,700,000.00 (eleven million seven hundred thousand euros) after deduction of fees and expenses directly related to the issue of the Bonds, again assuming that all Bonds are subscribed for against payment in cash.

Fees and expenses directly related to the Issue of the Bonds are estimated at approximately EUR 200,000.00 (two hundred thousand euros), or, in the event the Offering is increased to the Increased Maximum Amount, approximately EUR 300,000.00 (three hundred thousand euros), including fees and commissions payable to the advisors involved in the Offering of the Bonds, Nasdaq CSD and Nasdaq Riga.

The Bonds are intended to be offered to professional clients, eligible counterparties and retail investors in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania.

The Bonds may be subscribed for against payment in cash or, in the case of the Existing Bondholders, acquired in exchange for the Existing Unsecured Notes under the Exchange Offering, as further described in Section 8.4 (*Exchange Offering*). The Issuer will receive cash proceeds only in respect of the Bonds subscribed for against payment in cash, and will not receive any cash proceeds in respect of the Bonds allocated in the Exchange Offering. Accordingly, the proceeds of the issue of the Bonds up to the Initial Maximum Amount will be applied by the Issuer as follows:

- (i) the Bonds allocated in the Exchange Offering will be applied to refinance the Existing Unsecured Notes, whereby the payment obligation of each Existing Bondholder in respect of the Bonds allotted to it is set off against the Issuer’s obligation to redeem the Existing Unsecured Notes surrendered by that Existing Bondholder, at the exchange ratio of one Existing Unsecured Note for one Bond set out in Section 8.4 (*Exchange Offering*). To that extent, the refinancing of the Existing Unsecured Notes is effected by the exchange itself and not by the application of any cash proceeds; and
- (ii) the net cash proceeds from the Bonds subscribed for against payment in cash, after deduction of

fees and expenses directly related to the issue of the Bonds, will be used for financing working capital necessary to support business volume growth and for general corporate purposes.

6. RESPONSIBILITY STATEMENT

6.1 Responsibility for the Information Document

The Issuer shall, in accordance with this Information Document, issue the Bonds and perform the obligations arising therefrom to the Bondholders. The Issuer shall be liable to the Bondholders for the due and complete fulfilment of its obligations under the Bonds.

6.2 Statement of Responsibility

The Issuer, represented by members of its Management Board, accepts responsibility for the information contained in this Information Document and declares that the Issuer and its Management Board have taken all reasonable care to ensure that the information contained in this Information Document is, to the best of the Issuer's knowledge, true, accurate and complete, not misleading in any material respect and that no information which may affect its meaning is concealed.

On behalf of SIA Timbro Group:

(electronic signature)

Ringolds Grāpis
Chairman of the Management Board

Raimonds Cipe
Member of the Management Board

DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE CONTAINING A TIME STAMP

7. INFORMATION ON THE BONDS

7.1 General Information

The Bonds are dematerialized bearer debt securities and any individual or entity that holds the Bonds in its securities account (or investment account, as applicable) has the right to receive Coupon and Nominal Value payments in accordance with the terms of the Bonds.

The Bonds will be issued with a Nominal Value of EUR 1,000.00 (one thousand euros) per Bond, with the total Nominal Value of the issue being up to EUR 8,000,000.00 (eight million euros) and the total number of Bonds being up to 8,000 (eight thousand). In the event that the Bank of Latvia Regulations (or the underlying provisions of the Financial Instrument Market Law of the Republic of Latvia) are amended so as to increase the applicable threshold to at least EUR 12,000,000.00 (twelve million euros), the Issuer may, at its sole discretion, elect to increase the total Nominal Value of the issue up to EUR 12,000,000.00 (twelve million euros) and the total number of Bonds shall be up to 12,000 (twelve thousand), with effect from the later of (i) the date on which such amendment enters into force and (ii) the date on which the Issuer publishes a supplement to this Information Document recording the increase in accordance with the Bank of Latvia Regulations, in each case provided that the aggregate consideration of the offer to the public, calculated over any 12-month period, does not at any time exceed the maximum threshold then in force. The Issuer may, but shall not be obliged to, publish such supplement or increase the total Nominal Value of the Issue following the entry into force of the relevant amendment. The Nominal Value per Bond, the ISIN, the Coupon and the Maturity Date of the Bonds will remain unchanged, and any such increase relates solely to the maximum amount of the single series of Bonds offered hereunder and does not constitute an issue in tranches or under a securities programme. Unless and until the Issuer has elected to increase the total Nominal Value of the Issue and has published the relevant supplement, the total Nominal Value of the issue shall not exceed EUR 8,000,000.00 (eight million euros) and the total number of Bonds shall not exceed 8,000 (eight thousand). Any increase is subject to the security registration and Collateral Agent protections in Sections 7.6 (*Collateral*) and 7.7 (*Collateral Agent*) and the amendment provisions of this Information Document.

The ISIN of the Bonds, as allocated by Nasdaq CSD, is LV0000113629.

The minimum subscription amount for the Bonds is 1 (one) Bond.

7.2 Applicable Law and Dispute Resolution

The Public Offering, including the Exchange Offering to the extent it is addressed to Existing Bondholders who are not qualified investors, is made pursuant to the exemption from the obligation to publish a prospectus under Article 3(2) of the Prospectus Regulation, and the Private Placement is made in reliance on an exemption under Article 1(4) of the Prospectus Regulation. The Bonds are offered to the public in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania in compliance with the applicable requirements of:

- (a) the Financial Instrument Market Law of the Republic of Latvia and Latvijas Banka Regulation No. 261 of 18 December 2023 “Regulations on Drawing up and Publishing an Information Document for Making a Public Offering”, as amended;
- (b) the Securities Market Act of the Republic of Estonia and Regulation No. 10 of the Estonian Minister of Finance of 6 May 2024 “Requirements for the Securities Offering Information Document”, as amended; and
- (c) the Law on Securities of the Republic of Lithuania and the “Description of Requirements for the Preparation of the Information Document”, approved by Resolution No. 03-45 of the Board of the Bank of Lithuania of 28 February 2013, as amended.

The Offering, registration, settlement and intended admission of the Bonds to trading on First North shall also be subject, as applicable, to this Information Document, the applicable rules and procedures of Nasdaq Riga and Nasdaq CSD and, in respect of the Auction, the Auction Rules.

The Bonds, their form and content, and all contractual and non-contractual obligations arising out of or in connection with the Bonds and this Information Document shall be governed by the laws of the Republic of Latvia, without prejudice to the mandatory laws and regulations applicable to the public offering, marketing and distribution of the Bonds in the Republic of Estonia and the Republic of Lithuania.

Any disputes arising out of or in connection with the Bonds or this Information Document shall be settled exclusively by the courts of the Republic of Latvia of competent jurisdiction. The Bondholders are represented by the Collateral Agent solely in respect of the Collateral and within the limits set out in Section 7.7 (*Collateral Agent*).

This Information Document is prepared in English and any translation into another language is for convenience only. In the event of any inconsistency, the English version shall prevail.

7.3 Form and Accounting of the Bonds

The Bonds are issued in dematerialized form and are registered in the Latvian securities settlement system (SSS) operated by Nasdaq CSD in accordance with the Applicable Laws. The Bondholders hold the Bonds through Nasdaq CSD participants participating in the Latvian SSS.

7.4 Currency of the Bonds

The currency of the Bonds is EUR (euro).

7.5 Status and Ranking of the Bonds

The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and rank *pari passu* without any preference among themselves, and ahead of the Subordinated Debt (including the Subordinated Bonds), save for obligations mandatorily preferred by the Applicable Laws. Upon establishment and registration, the Bonds are intended to benefit from first-ranking Collateral over the assets described in Section 7.6 (*Collateral*), subject to any security that may be granted on a *pari passu* basis to secure Permitted Debt in accordance with this Information Document and any applicable intercreditor arrangements, and subject to the subordination of, and the standstill applicable to, the Timbro Intra-Group Claims set out in Section 7.6 (*Collateral*).

In case of the Insolvency Proceedings of the Issuer, the Collateral Agent will be entitled to exercise rights in respect of the Collateral for the Bondholders' benefit in accordance with the Applicable Laws and the relevant security documents, subject to the rights of any other creditors whose claims are secured by the Collateral on a *pari passu* basis in accordance with the terms of any Permitted Debt and the applicable intercreditor arrangements.

Save for mandatory provisions of the Applicable Laws, there are no contracts or other transaction documents that would contractually subordinate the claims of the Bondholders to other secured or unsecured liabilities of the Issuer, and the claims of the Bondholders rank *pari passu* among themselves. The Subordination Agreement does not subordinate the Bonds themselves; however, under the Subordination Agreement the Timbro Intra-Group Claims (which form part of the Collateral) are subordinated and junior in right of payment to the Luminor Debt until the date on which the Luminor Debt has been irrevocably paid and discharged in full. Accordingly, until that date, neither the Issuer nor the Collateral Agent may demand, accept, receive or retain any payment in respect of the Timbro Intra-Group Claims (other than a payment to the Issuer that is permitted under the Luminor Loan Agreement), the Collateral Agent may not take enforcement action in respect of those claims (save for limited preservation and insolvency-filing steps), and any amount nevertheless received in respect of those claims must be turned over to Luminor up to the amount of the Luminor Debt then outstanding. To the extent that any Permitted Debt is secured by the Collaterals on a *pari passu* basis, the claims of the Bondholders against the proceeds of enforcement of such Collaterals shall rank *pari passu* with the claims of the relevant permitted secured creditors, in each case subject to the applicable security documents and intercreditor arrangements.

The Collaterals securing the Bonds, including their scope, ranking and enforcement mechanics, are described in detail in Section 7.6 (*Collateral*).

7.6 Collateral

The Bonds are intended to be secured, upon registration in the Commercial Pledge Register, by a first-ranking commercial pledge (subject to Permitted Security) over all present and future assets of the Issuer capable of being subject to a commercial pledge under Latvian law, including its receivables against its Subsidiaries under intra-group loan and credit facility agreements and the rights accessory to those receivables, and by a first-ranking pledge (subject to Permitted Security) over the Pledged Shares, in each case initially with the maximum secured amount of EUR 11,200,000.00 (eleven million two hundred thousand euros) that may be increased as per this Information Document. The Pledged Shares comprise all present and future shares owned directly by the Issuer in each Material Subsidiary, other than the Timbro Subsidiary, the shares in which are pledged to Luminor under the Luminor Collateral. For the avoidance of doubt, save for the Pledged Shares, the Collateral does not extend to the shares in the Issuer's Subsidiaries.

If the Issuer directly acquires shares in a Material Subsidiary other than the Timbro Subsidiary, or a directly held Subsidiary becomes a Material Subsidiary, the Issuer shall notify the Collateral Agent within 5 (five) Business Days and, at its own cost, execute and submit the documents necessary to establish and register a first-ranking pledge over all those shares within 10 (ten) Business Days after the relevant event, subject to any earlier deadline required by Applicable Law. The Collateral Agent has no duty to monitor whether that event has occurred. The shares in the Timbro Subsidiary do not form part of the Collateral, as they are subject to the Luminor Collateral securing the Luminor Debt. As at the Issue Date, the Timbro Subsidiary is the Issuer's only Material Subsidiary, and accordingly there are no Pledged Shares on the Issue Date. The pledge over the Pledged Shares will become relevant only if and when the Issuer comes to own, directly, shares in a Material Subsidiary other than the Timbro Subsidiary, following the separate identification, execution and registration of the relevant share pledge in accordance with the Applicable Law, until then those shares will not be comprised in the Collateral.

Until all monetary claims of Luminor under the Luminor Debt have been satisfied in full, the Timbro Subsidiary shall not make, and the Issuer shall not demand, accept or receive, any payment, prepayment, repayment, distribution or other satisfaction in respect of the Timbro Intra-Group Claims, whether in cash, by way of set-off, novation, capitalisation or otherwise. If any such amount is nevertheless received by the Issuer, the Issuer shall hold it separately and pay it over to Luminor to the extent required under the Subordination Agreement.

The Timbro Intra-Group Claims are subordinated to the Luminor Debt in accordance with the Subordination Agreement. The Timbro Intra-Group Claims form part of the Collateral, and the Collateral over the Timbro Intra-Group Claims is created and held subject to the Subordination Agreement.

Until all monetary claims of Luminor under the Luminor Debt have been satisfied in full, the Issuer shall not sell, assign, transfer, novate, pledge, further encumber, subordinate, waive, release, set off, capitalise or otherwise dispose of or deal with any of the Timbro Intra-Group Claims, and shall not agree to any amendment of the terms on which they arise, except with the prior written consent of Luminor or as expressly permitted under the Subordination Agreement. For the avoidance of doubt, the creation of the Collateral over the Timbro Intra-Group Claims in favour of the Collateral Agent is permitted under the Subordination Agreement.

Notwithstanding any other provision of this Information Document, the Collateral may be enforced in respect of the Timbro Intra-Group Claims, and the Collateral Agent shall commence and continue enforcement in respect of the Timbro Intra-Group Claims, only after all monetary claims of Luminor under the Luminor Debt have been satisfied in full. Until that time the Collateral Agent shall not be obliged to take, and shall be entitled to refrain from taking, any enforcement action in respect of the Timbro Intra-Group Claims, notwithstanding any Instruction, and shall incur no liability to the Bondholders for so refraining. The standstill set out in this paragraph does not apply to, and does not restrict the enforcement of, any other asset comprised in the Collateral. The Collateral Agent may in any event take such action as is necessary to preserve and maintain the Collateral and its registration in the Commercial Pledge Register.

The amount of secured claim of the Collateral listed above comprises the principal amount of EUR 8,000,000.00 (eight million euros), or, in the event the Offering is increased to the Increased Maximum Amount, EUR 12,000,000.00 (twelve million euros), plus EUR 3,200,000.00 (three million two hundred thousand euros) initially or EUR 4,800,000.00 (four million eight hundred thousand euros) in case of Increased Maximum Amount as auxiliary claims. In case of the principal amount increase, upon the Issuer's request without Bondholders consent the Collateral Agent, acting solely as an administrative agent of the Bondholders and without exercising any discretion, shall sign (subject to the conditions set out in this Section 7.6 (*Collateral*) and to prior payment of its related fees and costs) relevant amendments to the Collateral Agreement to the Increased Maximum Amount and necessary pledge novation or amendments applications to register relevant changes with the Commercial Pledge Register provided that such request is accompanied by the Issuer's confirmation that the increase has been made in accordance with this Information Document and Applicable Laws.

The Collateral Agent holds the Collateral and performs certain duties in the interests of the Bondholders in accordance with this Information Document, the Collateral Agreement and the Collateral Agent Agreement. Detailed provisions regarding the role, rights and obligations of the Collateral Agent are set out in Section 7.7 (*Collateral Agent*).

Ranking of the Bonds as the liabilities of the Issuer shall be *pari passu* (equivalent with no priority) with the other secured liabilities of the Issuer, subject to the Permitted Security, secured in accordance with the Collateral Agreement. If any other secured liabilities of the Issuer are permitted under this Information Document to share the same Collateral or any part thereof with the Bonds on a *pari passu* basis, the Issuer shall procure that the relevant creditors, the Collateral Agent and, where applicable, any other security agent or creditor representative enter into an intercreditor agreement, security sharing agreement or other similar arrangement regulating, among other things, the ranking of claims, sharing of proceeds, enforcement procedures, amendments and releases of the Collateral and the rights and obligations of the relevant secured creditors. The Collateral Agent shall be authorised, without separate Bondholders' consent, to enter into, amend, accede to and perform any such intercreditor agreement, security sharing agreement or similar arrangement, provided that such arrangement is consistent with the *pari passu* ranking of the Bonds, the Permitted Security provisions of this Information Document and in the form and substance is satisfactory to the Collateral Agent (acting reasonably, it being understood that the Collateral Agent shall not be required to assess the commercial terms of any such arrangement, shall not be required to agree to any arrangement which imposes on it any obligation, liability or cost which is not indemnified or pre-funded to its satisfaction, and may, in its discretion, require a decision of the Majority Bondholders before entering into it).

Collateral Agent will hold the Collateral for the benefit of the Bondholders, and the Collateral Agent is authorised to act with the Collateral in favour of all the Bondholders and the Collateral Agent Agreement, as far as it relates to the fees and costs of the Collateral Agent, in accordance with this Information Document, the Collateral Agreement, the Collateral Agent Agreement and its amendments (if any) and any intercreditor agreement, security sharing agreement or similar arrangement entered into in accordance with this Section 7.6. According to Financial Instrument Market Law of the Republic of Latvia, the purpose of appointing a Collateral Agent is to facilitate the satisfaction of claims arising from the Bonds towards the Bondholders. By exercising the rights and obligations of the Collateral Agent provided in this Information Document, Collateral Agreement, the Collateral Agent Agreement and its amendments (if any), the Collateral Agent acts in its own name, but in the interests of the Bondholders.

Bondholders have no rights to act with the Collateral directly, yet at the same time there are no restrictions set for Bondholders' right to use any right that Applicable Law or this Information Document provide and create and/or authorize an organisation/person that represents and acts on behalf of all Bondholders or part thereof. In case of the insolvency of the Issuer, every Bondholder has the right to represent their own interests in creditors' meetings. The Bondholders will have equal rights for satisfaction of their claims with other creditors ranking in the same claims' group.

The Issuer shall be responsible for all the costs related to the registration of the Collateral and changes to the Collateral as specified herein, including any costs related to any amendment, release, novation, re-registration or intercreditor arrangement permitted under this Information Document.

Bondholders are entitled to get acquainted with the Collateral Agreement and, where applicable, any intercreditor agreement, security sharing agreement or similar arrangement entered into by the Collateral Agent in accordance with this Section 7.6 upon prior written request to the Issuer.

For avoidance of doubt, the Bondholders hereby irrevocably authorise and instruct the Collateral Agent, acting solely as an administrative agent of the Bondholders and without the need to obtain any further consent or instruction from the Bondholders, to execute, deliver and submit to the Commercial Pledge Register or any other relevant public register any documents or applications necessary solely to:

- (a) establish and register any Permitted Security in accordance with this Information Document;
- (b) give effect to any Refinancing expressly permitted under this Information Document, provided that the Collateral is preserved until irrevocable discharge or satisfactory replacement as provided below;
- (c) increase the maximum amount of the claims secured by the Collateral up to, but not exceeding, the Increased Maximum Amount, together with any applicable amount of auxiliary claims specified in the relevant security documents;
- (d) establish and register security over the Collateral in favour of creditors under any Permitted Debt on a *pari passu* basis with the security securing the Bonds and enter into or give effect to any related intercreditor arrangement expressly permitted under this Information Document and satisfactory to the Collateral Agent; or
- (e) give effect to a decision duly adopted by a Bondholders' Meeting that expressly authorises the relevant registration, filing or release.

The Collateral Agent shall take any action referred to above only upon receipt of: (i) a written request from the Issuer specifying the applicable paragraph above; (ii) a certificate signed by an authorised representative of the Issuer confirming that the applicable conditions under this Information Document have been satisfied; and (iii) the documents and information reasonably required to complete the relevant registration, filing or release. The Collateral Agent may rely on such certificate, documents and information without undertaking any independent investigation or verification. The Collateral Agent shall have no liability to the Bondholders or any other person for any action taken in reliance on such request, certificate, documents and information, and shall not be required to take any such action if, in its opinion, it would be contrary to Applicable Law or would adversely affect its own rights, protections, indemnities or limitations of liability.

The Issuer shall pay or reimburse all reasonable fees, costs and expenses incurred by the Collateral Agent in connection with any such action, to the extent required under this Information Document, the Collateral Agreement or the Collateral Agent Agreement.

The Issuer is entitled to request that the Collateral Agent amend or novate the Collateral if such amendment or novation is expressly permitted under this Information Document, including to the extent necessary to permit the creation, registration, amendment or sharing of any Permitted Security in accordance with this Information Document. For the purposes of this Information Document, any Financial Indebtedness incurred under, and any Security granted in connection with, any financing arrangement in connection with which such amendment or novation is requested shall constitute Permitted Debt and Permitted Security, respectively, provided that (i) all assets other than those specified in the Issuer's request as being amended, novated or shared remain subject to the Collateral, (ii) no Event of Default is continuing or would result and (iii) all Financial Covenants are satisfied immediately after giving effect to the relevant financing, Security and amendment or novation of the Collateral.

Any such request by the Issuer shall be made in writing and shall be accompanied by: (i) a description of the Collateral to be amended or novated, including, where relevant, a list of the relevant receivables, loan agreements or other assets; (ii) the Issuer's calculation of the Financial Covenants immediately after giving effect to the requested amendment or novation; (iii) a confirmation signed by an authorised representative of the Issuer confirming that the requested action is permitted under this Information Document, that no Event of Default is continuing or would result from such action and that all Financial Covenants will remain satisfied immediately after such action; and (iv) drafts of the relevant amendments, applications, consents, confirmations or other documents required to implement and register the requested action.

Upon receipt of such request and documents, the Collateral Agent shall, acting solely as administrative agent for the Bondholders and without exercising any discretion or obtaining the Bondholders' consent, be entitled and instructed to rely on the Issuer's confirmation, and calculations without independently verifying them, and shall execute and submit any documentation, applications, amendments, novations, registrations or other documents and take any other actions reasonably required to make effective and register the relevant amendment or novation of the Collateral, subject to prior payment of its related fees and costs. The Collateral Agent shall have no liability to the Bondholders or any other person for any amendment, novation, sharing or registration made in reliance on the Issuer's request, confirmation and calculations.

Where any Permitted Security is created over assets which form part of, or are intended to form part of, the Collateral and such Permitted Security is intended to rank *pari passu* with the Bonds, the Collateral Agent shall, upon the Issuer's written request and subject to receipt of the documents referred to above, be authorised and instructed to enter into any intercreditor agreement, security sharing agreement or similar arrangement satisfactory to the Collateral Agent and to execute any related amendments to the Collateral Agreement or pledge registration necessary to reflect such *pari passu* ranking and sharing of Collateral, provided that the Issuer confirms that such arrangement is permitted under this Information Document and that either: (i) all Financial Covenants will remain satisfied immediately after giving effect to such arrangement; or (ii) such arrangement is entered into as part of a Refinancing pursuant to which: (a) any temporary failure to comply with a Financial Covenant arises solely because the refinancing indebtedness and the Bonds remain outstanding concurrently for a limited transitional period; (b) such transitional period does not exceed 10 (ten) Business Days from the date on which the relevant refinancing indebtedness is advanced or the related Permitted Security is created, whichever occurs first; (c) the proceeds of such refinancing indebtedness are applied within that period towards the redemption in full of the Bonds and payment of all other amounts outstanding under or in connection with the Bonds; and (d) all Financial Covenants will be satisfied immediately following such redemption, calculated after giving effect to the Refinancing and the discharge of the Bonds. Paragraph (ii) above operates solely as a limited exception to the condition to the Collateral Agent's authority to act under this paragraph, and does not release, suspend, waive or otherwise modify the Issuer's obligation to comply with the Financial Covenants under Section 7.15 (*Financial Covenants*), nor does it prevent any failure to comply with a Financial Covenant as at a testing date falling within the relevant transitional period from constituting a breach of the Financial Covenants or an Event of Default under Section 7.17.2 (*Breach of Covenants*). For the avoidance of doubt, the Collateral Agent shall not be required, in connection with any Refinancing, to release, subordinate or share any Collateral unless legally effective arrangements reasonably satisfactory to it, whether by simultaneous settlement, an escrow where appropriate, an intercreditor agreement or otherwise, ensure that, when that action takes effect, either (i) the Bonds and all amounts owing to the Collateral Agent are irrevocably paid in full, (ii) equivalent replacement security has been validly established and registered without a gap in priority, or (iii) where the Bonds remain outstanding, they continue to benefit from the Collateral on ranking and enforcement terms permitted by this Information Document, with any required change of priority duly registered.

7.7 Collateral Agent

7.7.1 Appointment and Role of the Collateral Agent

By submitting the Subscription Order or acquiring the Bonds on the secondary market, each Bondholder:

- (a) appoints the Collateral Agent to act solely as its collateral agent for the limited purposes of performing the obligations and exercising the rights specifically set forth in this Information Document, the Collateral Agreement and the Collateral Agent Agreement and authorizes the Collateral Agent to exercise only the rights, powers, authorities and discretions expressly and unambiguously given to the Collateral Agent under or in connection with this Information Document, the Collateral Agreement, and the Collateral Agent Agreement. The Collateral Agent shall have no duty and no right to investigate, monitor, or assess the assets pledged under the Collateral, nor any obligation or right to take any discretionary or fiduciary action except as expressly required by the terms of the applicable agreements. The Collateral Agent's duties and rights shall be strictly administrative, and it shall not bear any responsibility for evaluating, interpreting, or enforcing any provisions of the Collateral Agreement or related documents that are not clearly defined. The above

does not limit in any manner the Collateral enforcement by the Collateral Agent under the Collateral Agreement or Applicable Laws;

- (b) acknowledges the Issuer has concluded the Collateral Agent Agreement with the Collateral Agent and that the change of ownership of Bonds (e.g., in case Bonds are acquired on the secondary market) does not affect the rights and obligations of the Collateral Agent;
- (c) acknowledges and confirms that the Collateral Agent acts: (i) under the Collateral Agent Agreement concluded with the Issuer; and (ii) in accordance with Applicable Law, including but not limited to the Financial Instruments Market Law of the Republic of Latvia;
- (d) confirms the fact that the Collateral securing, *inter alia*, the Issuer's obligations towards the Collateral Agent does not constitute any conflict of interests between the Collateral Agent and the Bondholder (for the avoidance of doubt, the Collateral Agent has the right to withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent in accordance with Section 7.7.13(a) (*Application of the Proceeds from Enforcement of the Collateral*) and other relevant provisions of this Information Document or to withhold performance of any Collateral Agent's actions, including the enforcement or realization of the Collateral, until the Collateral Agent's fees and costs are fully paid or compensated). Each Bondholder acknowledges the fact that the Collateral securing, *inter alia*, the Issuer's obligations towards the Collateral Agent does not impede or prevent the Collateral Agent from fulfilling its obligations and exercising its rights in accordance with this Information Document, the Collateral Agreement and the Collateral Agent Agreement, subject to the Collateral Agent's right to receive full compensation for its services and expenses;
- (e) agrees that in performing its obligations and exercising its rights in connection with the Collateral, the Collateral Agent shall act in accordance with this Information Document, the Collateral Agreement and the Collateral Agent Agreement and, in relation to any action other than enforcement of the Collateral, shall take into account the collective and general interests of the Bondholders as a whole, rather than the interests of any individual Bondholder. The Collateral Agent shall not initiate or take any action to enforce the Collateral unless and until it has received an Instruction in accordance with Section 7.7.11(c) (*Event of Default and Action Plan*) and may conduct such enforcement in accordance with that Instruction, subject to the Collateral Agent's express rights to clarification, funding, indemnity and to refrain from unlawful or personally prejudicial action, without prejudice to Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*);
- (f) agrees that the Collateral Agent shall have the right to advise the Issuer or any other third person and to provide any services to the Issuer or any other third person in any matters and in any fields of activity which do not directly relate to the performance of obligations of the Collateral Agent set forth in this Information Document, and the Bondholder does not consider this to cause any potential or actual conflict of interests, as well as expressly waive any claim or concern in this regard;
- (g) expressly acknowledges that neither the Collateral Agent nor any of its partners, employees, agents or affiliates has made any representation or warranty to it, that the Collateral Agent has verified any information contained in this Information Document and that no act by the Collateral Agent, including any review of the affairs of the Issuer or the Group, shall be deemed to constitute any representation or warranty by the Collateral Agent; and represents to the Collateral Agent that it has, independently and without reliance upon the Collateral Agent, made its own appraisal of and investigation into the business, operations, property, financial condition and creditworthiness of the Issuer and the Group, the value of the Collateral and the legality, validity and enforceability of the Collateral and the Parallel Debt, and has made its own decision to acquire the Bonds;
- (h) agrees that it and its authorised representatives are obliged, upon the request of the Collateral Agent, to disclose to the Collateral Agent all information and documents on it and its authorised representatives and the Collateral Agent is entitled to receive this information and documents for the purposes of performance of duties of the Collateral Agent. This information and documents also include those documents and information that are necessary to the Collateral Agent in order to fulfil the Collateral Agent's obligations regarding AML/CTPF and Sanctions compliance (e.g., information

and documents on the ultimate beneficial owner) and that the Collateral Agent may refrain from acting for, or making any payment to, such Bondholder until such information and documents have been provided to its satisfaction.

7.7.2 The Scope of Obligations of the Collateral Agent

The functions and obligations of the Collateral Agent are limited to those expressly specified in the Collateral Agent Agreement, the Collateral Agreement and this Information Document and, notwithstanding any other provisions of this Information Document, such functions are limited to the exercise of those rights which belong to the Collateral Agent in its capacity as the holder of the Collateral (pledgee) or, where applicable, assignee under the Collateral Agreement. The Collateral Agent is required to perform its obligations in relation to the Collateral only if the Issuer establishes the Collateral in the interests of the Bondholders and the Collateral Agent as far as it relates to the fees, costs, expenses, indemnities and other amounts payable to the Collateral Agent and under the name of the Collateral Agent (as the holder of the Collateral (pledgee)) in accordance with this Information Document to secure the Bonds.

Where any document, arrangement, action, confirmation, evidence or other matter is required under this Information Document, the Collateral Agreement or the Collateral Agent Agreement to be satisfactory or acceptable to the Collateral Agent, or is subject to the consent, approval or agreement of the Collateral Agent, such requirement shall be deemed satisfied if the relevant document, arrangement, action, confirmation, evidence or matter complies with the terms of this Information Document, the Collateral Agreement, the Collateral Agent Agreement and the Applicable Laws. The Collateral Agent shall not withhold, delay or refuse any such confirmation, consent, approval or agreement on any other ground, and shall not impose any additional requirement or condition, or make any commercial, valuation or creditworthiness assessment, beyond compliance with those documents and the Applicable Laws. This paragraph does not limit the Collateral Agent's right to withhold its consent, approval or agreement to any matter which would adversely affect its own rights, protections, indemnities, fees or limitations of liability, or to require instructions, indemnification, security or pre-funding in accordance with Section 7.7.8 (*Fees and Indemnification*).

7.7.3 Limitations of Obligations

The Collateral Agent does not have any obligation or right (without limiting in any manner the Collateral enforcement by the Collateral Agent under the Collateral Agreement or Applicable Laws):

- (a) to take any action (including, without limitation, to commence legal proceedings, compulsory enforcement proceedings, bankruptcy proceedings or any other proceedings) with the purpose to satisfy any claims arising under this Information Document in connection with any assets of the Issuer, except for enforcing the Collateral in accordance with this Information Document, the Collateral Agent Agreement and the Collateral Agreement upon the Collateral becoming enforceable and receiving the relevant instructions from the Majority Bondholders;
- (b) to ensure the existence, enforceability or validity of the Collateral or to preserve the Collateral or its value, or to assess any rights arising from or relating to the Collateral (except for the validity of the Collateral after its establishment to the extent within the direct control of the Collateral Agent and to the extent within the scope of its obligations under this Information Document); for the sake of clarity, the Collateral Agent shall have no duty or right to investigate, monitor, assess the assets pledged under the Collateral) and the Collateral Agent shall not be liable for any risk associated with the legality, validity, enforceability or establishment of the Collateral under the Parallel Debt arrangement;
- (c) to inform the Bondholders or the Issuer about any circumstances relating to the Collateral except to the extent such obligation to provide information is explicitly set forth in this Information Document;
- (d) to provide any advice to the Bondholders in legal, accounting, tax or other matters for free;
- (e) to monitor whether the Issuer complies with any provisions of this Information Document or any Financial Covenants, as well as correctness and completeness of any statements that the Issuer submits to the Collateral Agent;

- (f) to monitor whether any Event of Default, Change of Control, Listing Failure, De-listing or other event or circumstance specified in this Information Document has occurred or is continuing, and the Collateral Agent shall be entitled to assume that no such event or circumstance has occurred unless it has received written notice thereof in accordance with this Information Document; and
- (g) to become acquainted with changes of the ownership of the Bonds (for example, in case of alienation of the Bonds by the Bondholder) and it does not affect the rights and obligations of the Collateral Agent. Collateral Agent is not obliged to be informed on changes in identity of the Bondholder in order to enforce the Collateral, exercise any rights or powers, or perform other duties arising under this Information Document, the Collateral Agreement, the Collateral Agent Agreement and Applicable Law.

7.7.4 Bondholders' Rights and Enforcement

The Bondholders shall not have any independent power to enforce the Collateral or to exercise any rights or powers arising under the Collateral Agreement. Bondholders may exercise their rights in relation to the Collateral only through the Collateral Agent pursuant to this Information Document and Applicable Law.

Upon the performance of its obligations and exercising its rights, the Collateral Agent shall act at its sole discretion, but on the account of the Bondholders, taking into account the collective and general interests of the Bondholders as a whole, rather than the interests of any individual Bondholder, without having any independent interests of its own except payment or compensation of its fees and costs as per the Collateral Agent Agreement and the Collateral Agreement (for the avoidance of doubt, the Collateral Agent has the right to withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent in accordance with the provisions of this Information Document or to withhold performance of any Collateral Agent's actions, including the enforcement or realization of the Collateral, until the Collateral Agent's fees and costs are fully paid or compensated) and without any obligation to consider any interests of the Issuer and without any right of the Issuer to give any instructions to the Collateral Agent. In particular, in accordance with this Information Document, the Collateral Agent may refrain from acting where instructions are absent, unclear or conflicting and is not obliged to decide a commercial question for the Bondholders, provided that it shall continue to take such action as is reasonably necessary to preserve and maintain the Collateral to the extent required by its express obligations. However, the Collateral Agent shall not start the enforcement of the Collateral without instructions provided by the Majority Bondholders.

7.7.5 Liability of the Collateral Agent

The Collateral Agent is not a party to the legal relationship between the Issuer and the Bondholders and is under no circumstances liable for the performance of the obligations of the Issuer or impossibility to enforce the Collateral in accordance with this Information Document, the Collateral Agreement, the Collateral Agent Agreement, Applicable Law or any restrictions or delays thereof.

The Collateral Agent is not liable for any circumstances relating to or affecting the validity, enforceability, or perfection of the Collateral, to the extent that such matters are outside the direct control of the Collateral Agent. This includes, but is not limited to, any deficiencies in the creation, registration, or maintenance of the Collateral, or any external factors such as changes in law, regulatory actions, or third party actions or omissions that may impair the Collateral's validity or enforceability.

The Collateral Agent shall bear no responsibility for monitoring, verifying, or ensuring the sufficiency or legality of the Collateral. Its liability for direct loss resulting from its own breach of its obligations under this Information Document, the Collateral Agreement or the Collateral Agent Agreement is subject to an aggregate cap of EUR 300,000 (three hundred thousand euros) for all claims and claimants arising from the Bonds, whether framed in contract, tort or otherwise, save in case of fraud, wilful breach, wilful misconduct or gross negligence by the Collateral Agent. No indirect, consequential or special loss, loss of profit or diminution in the value of the Bonds is recoverable from the Collateral Agent to the fullest extent permitted by Applicable Law. The liability cap of the Collateral Agent under this Section 7.7.5 is separate and independent from, and shall not be aggregated, combined or merged with, the liability cap of the Trustee under Section 7.8.3 (*Limited Liability of the Trustee*), and each cap applies separately to the relevant capacity. Where the same person acts as both the Collateral

Agent and the Trustee, the EUR 300,000 (three hundred thousand euros) cap applicable to it in its capacity as Collateral Agent and the EUR 300,000 (three hundred thousand euros) cap applicable to it in its capacity as Trustee shall each apply separately, so that its aggregate maximum liability in both capacities taken together is EUR 600,000 (six hundred thousand euros).

The exclusions and limitations of liability in this Section and elsewhere in this Information Document apply in favour of the Collateral Agent and each of its partners, officers, employees and agents, in respect of claims by the Issuer and the Bondholders, and shall survive the termination of the Collateral Agent Agreement and the replacement of the Collateral Agent in respect of acts and omissions occurring prior to the Replacement Effective Date. No Bondholder shall bring any claim personally against any partner, officer, employee or agent of the Collateral Agent in respect of any act or omission in connection with the Bonds, the Collateral, the Collateral Agreement or the Collateral Agent Agreement, and any such claim shall be brought against the Collateral Agent only.

The Collateral Agent may rely on any notice, request, certificate, confirmation, voting result, minutes, register extract or other document which it reasonably believes to be genuine and to have been given or signed by the appropriate person, and on the advice of any lawyer, auditor, valuer or other expert selected and engaged by it with reasonable care, and shall not be liable for any consequence of such reliance. The Collateral Agent shall not be liable for any delay or failure in the performance of its obligations caused by a Force Majeure Event (the definition of which shall apply *mutatis mutandis* to the Collateral Agent, references therein to the Issuer being read as references to the Collateral Agent), by any act or omission of any court, bailiff, public register, Nasdaq CSD or other third party (other than a third party engaged by, or acting on behalf of, the Collateral Agent), or by its compliance with Applicable Law, any AML/CTPF or Sanctions requirements or the rules of professional conduct applicable to it, provided that the Collateral Agent shall notify the Issuer without undue delay of any such circumstance which prevents or delays the performance of its obligations.

7.7.6 Use of Third Parties

Upon the performance of its obligations and exercising of its rights hereunder the Collateral Agent shall have the right at its sole discretion and at the Issuer's cost to use the services of third parties and to appoint third-party representatives (including, during the performance of its tasks and acts as stipulated in this Information Document, the Collateral Agent Agreement and the Collateral Agreement).

In case of use of the services of third parties and/or appointment of third-party representatives, the Collateral Agent shall evaluate and appoint only reputable third parties having professional expertise for the fulfilment of the tasks and acts as stipulated in this Information Document, the Collateral Agent Agreement and the Collateral Agreement.

In case of use of the services of third parties and/or appointment of third-party representatives, the Collateral Agent shall also ensure: (a) to the extent reasonably possible and known to it, no conflict of interest exists in respect to the Issuer; (b) the fees, costs and expenses of such third party services are in the Collateral Agent's opinion at a reasonable market price; (c) the fees, costs and expenses for using the services of third parties (other than state fees, notaries, sworn bailiffs, valuers, auctioneers, foreign counsel and other providers of services which the Collateral Agent is not licensed or customarily able to perform itself) and/or appointment of third-party representatives would not exceed costs, fees and expenses of the Collateral Agent if the latter would perform its obligations under this Information Document, the Collateral Agreement and the Collateral Agent Agreement on its own; and (d) involvement of third parties and/or appointment of third-party representatives does not entirely replace the Collateral Agent for performing its Collateral Agent's services (or the substantial part thereof) under this Information Document, the Collateral Agreement and the Collateral Agent Agreement and not of the appointed third-party.

In case the use of services of third parties or appointment of third-party representatives is required for the fulfilment of obligations arising from this Information Document, the Collateral Agreement or the Collateral Agent Agreement, Section 7.7.8 (*Fees and Indemnification*) is applicable. The Collateral Agent shall not be responsible for the losses and damage caused by the acts and omissions by third parties.

7.7.7 Information and Cooperation

At the request of the Collateral Agent, the Bondholder shall provide the Collateral Agent with any information required for the purposes of identification of the Bondholder and/or for the performance of other obligations arising from Applicable Laws. The Collateral Agent may refuse the payment to the Bondholder until respective information is submitted to the Collateral Agent.

At the request of the Collateral Agent, the Issuer shall provide the Collateral Agent with an updated list of Bondholders specifying the outstanding Nominal Value of the Bonds each of them is holding and their latest known email addresses or other Bondholders' contact information if such information is available to the Issuer. Furthermore, the Issuer agrees to and authorizes the Collateral Agent to directly request from Nasdaq CSD any information and documents concerning the Bondholders, private individuals, legal entities, and their authorized representatives for the purpose of fulfilling the duties of the Collateral Agent in accordance with this Information Document, the Collateral Agreement, the Collateral Agent Agreement and Applicable Law.

The Collateral Agent may rely on any list of Bondholders or other information provided by the Issuer or Nasdaq CSD without verification and shall not be liable for any inaccuracy or incompleteness thereof. The Issuer and each Bondholder acknowledge that the Collateral Agent will process personal data of the Bondholders and their representatives for the purposes of performing its functions and complying with Applicable Law, in accordance with Regulation (EU) 2016/679.

7.7.8 Fees and Indemnification

The Collateral Agent shall have the right to receive fees and advance payments of the Collateral Agent's fees or payment of particular costs from the Issuer and to be compensated by the Issuer for the costs relating to the performance of its obligations under this Information Document, the Collateral Agent Agreement and the Collateral Agreement in accordance with the Collateral Agent Agreement, provided that such fees, costs and advance payments are reasonable, properly incurred or reasonably anticipated and, upon request, supported by reasonable details or evidence. The Collateral Agent shall have the right to withhold or stop the performance of its duties and obligations in case of delay or failure by the Issuer to make payment or provide any reasonably requested advance payment or pre-funding in respect of payment of the relevant fees and costs.

For the avoidance of doubt, the Collateral Agent shall not be obliged to commence or continue any action, including any action relating to the establishment, perfection, registration, maintenance, release or enforcement of the Collateral, if the Collateral Agent reasonably determines that such action will require it to incur fees, costs, expenses or liabilities, unless it has first received such advance payment, pre-funding, security or indemnity as it may reasonably require in accordance with the Collateral Agent Agreement. Any request for advance payment or pre-funding shall, to the extent reasonably practicable, specify the relevant action and provide a reasonable estimate of the anticipated fees, costs and expenses.

Before withholding, suspending or stopping the performance of any material duty due to non-payment or lack of pre-funding, the Collateral Agent shall notify the Issuer and, where the interests of the Bondholders may be materially affected, the Bondholders in accordance with Section 7.19 (*Disclosure of Information*), specifying the relevant unpaid or unfunded amount and the action that will not be commenced or continued. The Collateral Agent shall commence or resume the relevant action as soon as reasonably practicable after receipt of the required payment, pre-funding, security or indemnity.

The Issuer's failure to pay or pre-fund any amount payable under this Section 7.7.8 shall not release the Issuer from the relevant payment obligation or prejudice any rights or remedies of the Bondholders under this Information Document. Where the Issuer fails to provide the required pre-funding, the Collateral Agent may, but shall not be obliged to, accept such pre-funding or indemnity from the Bondholders in accordance with the Collateral Agent Agreement; any amounts so provided by Bondholders shall be reimbursed to them out of the enforcement proceeds of the Collateral in priority to the other claims of the Bondholders in accordance with Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*). No individual Bondholder shall be obliged to provide any such pre-funding or indemnity unless it expressly agrees to do so.

As regards the costs, the Issuer shall compensate or pay to the Collateral Agent also all payments made or necessary to be made by the Collateral Agent to third parties for the purposes of establishment, amendment, termination, assignment, novation and enforcement of the Collateral in accordance with this Information

Document, the Collateral Agent Agreement and the Collateral Agreement (including, without limitation, state fees and taxes, other fees and payments established by Applicable Laws, costs and expenses incurred by the Collateral Agent), as well as all damages incurred by the Collateral Agent in relation to the same.

Any advance payment or pre-funded amount shall be applied solely towards the relevant fees, costs, expenses and liabilities, and any unused balance shall be returned to the Issuer or, where applicable, the Bondholders that provided it, without undue delay following completion or discontinuation of the relevant action. The Collateral Agent shall not be entitled to recover the same fee, cost, expense or liability more than once.

This provision prevails over any other provision in this Information Document, other than Section 7.7.10 (*Termination of the Collateral Agent Agreement*), to the extent of any inconsistency concerning the payment or pre-funding of the Collateral Agent's fees, costs and expenses, but shall remain subject to mandatory Applicable Laws and the express liability standards set out in the Collateral Agent Agreement.

7.7.9 Notices

Notices and documents to the Collateral Agent shall be valid only if made and forwarded in writing either by post or e-mail by using the contact details set forth in this Information Document. All notices of the Bondholder to the Collateral Agent shall be sent in writing (letter and email) to the Collateral Agent and copied to the Issuer and the Arranger. If the Collateral Agent has doubts that a notice from a Bondholder has not been sent to the Issuer, then the Collateral Agent shall immediately forward such notice to the Issuer.

7.7.10 Termination of the Collateral Agent Agreement

The Collateral Agent has the right unilaterally to terminate the Collateral Agent Agreement in case: (a) the Collateral described in Section 7.6 (*Collateral*) has not been established within the relevant term stipulated in Section 7.7.11(a) (*Establishment of Collateral*); and/or (b) the Collateral Agent withdraws from performance of the tasks set out in this Information Document on the grounds set out in Section 7.7.12 (*Replacement of the Collateral Agent*); and/or (c) the Issuer fails to pay any fees, costs or expenses due to the Collateral Agent within 30 (thirty) calendar days after their due date. Fees and payments already paid to the Collateral Agent shall not be refunded in the event of termination of the Collateral Agent Agreement, and all fees accrued and costs incurred up to the Replacement Effective Date shall remain payable by the Issuer.

Notwithstanding any other provision of this Information Document, Collateral Agent Agreement and any other agreement/document, the Issuer, provided that the Collateral Agent has not already initiated enforcement of the Collateral, has the right to terminate the Collateral Agent Agreement in case the Issuer decides not to proceed with the Bonds issue and/or if in Issuer's opinion the Collateral Agent allows gross negligence/malicious intent in exercising their rights, abuses in any way its discretionary powers, the foundation of trust between the Issuer and the Collateral Agent has been damaged or compromised or the Collateral Agent does not act honestly. In such case the Issuer must send a notice on termination per email to the Collateral Agent at least 2 (two) Business Days prior to the intended termination date. The Collateral Agent Agreement is then terminated on the termination date regardless of whether the Collateral Agent agrees to the underlying circumstances/legal basis of the termination and is not entitled to challenge the termination. Notwithstanding such termination, the retiring Collateral Agent shall continue to perform limited duties until the Replacement Effective Date (as defined in Section 7.7.12 (*Replacement of the Collateral Agent*)), including: (a) taking all actions reasonably necessary to preserve and maintain the Collateral; (b) cooperating with the Issuer and any successor Collateral Agent in completing the substitution or re-registration of the Collateral; and (c) upon appointment and registration of a successor Collateral Agent, releasing (deregistering) the Collateral in accordance with this Section 7.7.10; provided that the retiring Collateral Agent shall not be required to take any new discretionary action, incur any material unfunded liability or commence any new enforcement action unless it has received the instructions, indemnification, security or pre-funding required under this Information Document and the Collateral Agent Agreement. The Issuer must appoint a new Collateral Agent immediately but no later than within 30 (thirty) calendar days as of sending termination notice to the Collateral Agent by choosing a reputable services provider for Collateral Agent functions with prior experience in capital markets transactions. If the Issuer has not appointed a successor Collateral Agent within such 30 (thirty) calendar day period despite using commercially reasonable efforts, the Issuer shall promptly convene a Bondholders' meeting to consult with Bondholders on the appointment of a successor Collateral

Agent or alternative arrangements for the Collateral; provided that the retiring Collateral Agent's duties to preserve and maintain the Collateral shall continue until the Replacement Effective Date. The Issuer shall procure that the new Collateral Agent is, to the extent possible under Applicable Laws, registered as the subsequent rank Collateral holder. After a new Collateral Agent is appointed and, to the extent possible under Applicable Laws, registered as the subsequent rank Collateral holder, the retiring Collateral Agent must release (deregister) the Collateral within 60 (sixty) days as of the appointment of such new Collateral Agent and is entitled to request the Issuer to cover in advance the costs related to Collateral release as well as outstanding invoices not objected to by the Issuer within 14 (fourteen) Business Days as of receipt. For avoidance of doubt, provisions of this Section 7.7.10 have priority over all other provisions of this Information Document to the extent of any inconsistency concerning the termination of the Collateral Agent Agreement and the replacement of the Collateral Agent.

7.7.11 Establishment, Release and Enforcement of the Collateral

(a) Establishment of Collateral

For the purpose of constituting security for the due and timely payment, discharge and performance of the Bonds, the Collateral shall be established in the interests of Bondholders and the Collateral Agent, as far as it relates to the fees and costs of the Collateral Agent, and under the name of the Collateral Agent (as the holder of the Collateral (pledgee)) under the Collateral Agreement which, in legal terms, serves as security for the Bonds of the Issuer and the Collateral Agent Agreement towards the Collateral Agent. The Issuer shall conclude the relevant Collateral Agreement to secure the Bonds with the Collateral Agent and ensure the Collateral is registered in the Commercial Pledge Register within 30 (thirty) calendar days after the Issue Date. The Issuer shall, at its own cost, obtain or procure all consents, approvals, waivers, releases and other authorisations required from any existing or future creditor, security holder, contractual counterparty or other third party under any financing document, security document, contractual arrangement or Applicable Law for the valid establishment, perfection and registration of the Collateral. The Issuer shall promptly provide the Collateral Agent with copies or other evidence of any such consent, approval, waiver, release or authorisation upon request. If a Promissory Note (or similar document of a technical nature) is required to register the Collateral, the Issuer and the Collateral Agent shall conclude such Promissory Note in the form suitable to the Commercial Pledge Register. For the avoidance of doubt, a Promissory Note does not constitute an independent or separate claim and the Collateral Agent may demand payment of any sum under a Promissory Note only in the amount and to the extent such equivalent sum has become due and payable to Bondholders under this Information Document. Neither the Collateral Agent nor any Bondholder shall be responsible for, and the Collateral Agent shall have no liability in respect of, any delay in or failure of the establishment, registration or perfection of the Collateral, save to the extent directly caused by the Collateral Agent's failure to execute a document which it is required to execute under this Information Document following receipt of all documents, information, fees and costs required by it.

Notwithstanding any other provision of this Information Document, for the purpose of ensuring and preserving the enforceability of the Collateral, the Issuer irrevocably and unconditionally undertakes to pay to the Collateral Agent, as creditor in its own right and not as representative of the Bondholders and as a joint and several creditor together with the Bondholders for the purposes of the Applicable Law, sums equal to and in the currency of each amount payable by the Issuer to each of the Bondholders (whether present or future and whether actual or contingent) in accordance with this Information Document as and in case the amount falls due for payment under this Information Document. The Collateral Agent shall be entitled to act as a joint creditor (jointly with the Bondholders) of each and every Bond (whether present or future and whether actual or contingent) of the Issuer to the Bondholders or any of them and, accordingly, the Collateral Agent shall have its own independent right to demand performance by the Issuer of any of those obligations (in any case in accordance to the procedure stated in this Information Document, the Collateral Agreement or the Collateral Agent Agreement). For the avoidance of doubt, the aggregate amount due by the Issuer under the Parallel Debt will be decreased to the extent the Issuer has paid any amounts to the Bondholders under this Information Document. For the avoidance of doubt, to the extent the Issuer has paid any amounts to the Collateral Agent under the Parallel Debt the aggregate Outstanding Amount due by the Issuer to the Bondholders under this Information Document will be decreased accordingly. The Parallel Debt shall become due and payable at the same time and to the same extent as the obligations of the Issuer to the Bondholders

under this Information Document have become due and payable. The Parallel Debt is intended to create a separate and independent claim of the Collateral Agent which is secured by the Collateral, and any amount received by the Collateral Agent in payment of the Parallel Debt shall be applied in accordance with Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*).

The Issuer shall provide written confirmation on the registration of the Collateral in the Commercial Pledge Register to the Collateral Agent within 3 (three) Business Days after the registration has taken place, together with an extract from the Commercial Pledge Register evidencing such registration.

(b) Sale of Assets

By subscribing to the Bonds, each Bondholder acknowledges and confirms that the Issuer may, within its ordinary course of business, sell its assets provided that, in the Issuer's reasonable opinion, the sale is arranged via fair market value and on standard market terms, except assigning intra-group receivables included in the Collateral to any third-party. The Bondholders further acknowledge that the Collateral Agent shall have no responsibility or obligation to assess, monitor, or verify whether any such sale of the assets is within the Issuer's ordinary course of business, or whether the terms of any sale meet fair market value or standard market conditions. The Collateral Agent shall rely solely on the Issuer's representations in this regard and shall not be held liable for any actions taken in reliance on such representations.

(c) Event of Default and Action Plan

Upon receipt of a notification by the Issuer that an Event of Default has occurred pursuant to Section 7.17.6 (*Establishment of an Event of Default*), the Issuer shall have the right to submit the proposed action plan within 20 (twenty) Business Days in respect to the claim settlement to the Bondholders ("**Action Plan**"). The Issuer shall act in accordance with Section 7.22 (*Bondholders' Meetings and Decisions*) and the Majority Bondholders may vote for the approval of the Action Plan.

If no Action Plan is submitted within the stated period or if the Majority Bondholders have not approved the Action Plan, the Issuer shall promptly act in accordance with Section 7.22 (*Bondholders' Meetings and Decisions*) and Majority Bondholders shall vote on whether to instruct the Collateral Agent to enforce the Collateral ("**Instruction**"). The Bondholders agree that the Collateral Agent will enforce the Collateral upon receipt of the Instruction, subject to Section 7.6 (*Collateral*) and the other provisions of this Section 7.7.11. The Instruction shall be clear, specific, and in full compliance with the terms and conditions set forth in this Information Document, the Collateral Agreement, and the Collateral Agent Agreement. The Instruction shall specify, at a minimum, the Collateral (or part thereof) to be enforced, the proposed enforcement method or requested action, and any relevant authorisations, limitations or priorities. If the Issuer fails to initiate a vote within 5 (five) Business Days, the Majority Bondholders or the Collateral Agent may request or initiate a Procedure in Writing at the Issuer's cost.

(d) Notification of Instruction

If the Majority Bondholders in accordance with Section 7.7.11(c) (*Event of Default and Action Plan*) have provided to the Collateral Agent the Instruction, the Collateral Agent shall immediately notify (by letter or e-mail) the Issuer of receipt of the Instruction. The Issuer shall immediately inform all Bondholders of the receipt and contents of the Instruction by publishing a notice through the Communication Channels. If the Issuer fails to publish such notice immediately, the Collateral Agent shall be entitled, on the following Business Day, to publish the relevant notice to the Bondholders through Nasdaq CSD or any other medium referred to in Section 7.19 (*Disclosure of Information*), at the cost of the Issuer.

Upon receipt of a valid Instruction to enforce the Collateral, and subject to the conditions applicable to the Collateral Agent's performance, including any funding and indemnity requirements under the Collateral Agent Agreement and the standstill in respect of the Timbro Intra-Group Claims set out in Section 7.6 (*Collateral*), the Collateral Agent shall commence enforcement of the Collateral in accordance with Applicable Laws, the Collateral Agreement and the Collateral Agent Agreement. The Collateral comprises the Issuer's property effectively subject to the registered all-assets commercial pledge, including its receivables against its Subsidiaries under intra-group loan and credit facility agreements, and the Pledged Shares. It does not comprise assets owned by the Subsidiaries or shares in the Subsidiaries that have not been separately identified and pledged, and, for the avoidance of doubt, does not comprise the shares in the Timbro Subsidiary.

The Collateral Agent may exercise its rights under the registered all-assets commercial pledge in accordance with Applicable Laws, this Information Document, the Collateral Agent Agreement and the Collateral Agreement. The Collateral Agreement also provides for the assignment by the Issuer of its intra-group receivables to the Collateral Agent, subject, in the case of the Timbro Intra-Group Claims, to the Subordination Agreement and any required Luminor consent. To the extent an assignment has taken effect under its terms, the Collateral Agent may exercise the rights of an assignee, including notifying the relevant Subsidiary of the assignment and requiring it to pay amounts due under the assigned receivable to the Collateral Agent or as it directs, subject to the terms of the Collateral Agreement, this Information Document, the Collateral Agent Agreement and Applicable Laws. If the Collateral Agent instead seeks payment in its capacity as commercial pledgee in respect of a pledged receivable, it shall comply with the statutory notice and registration requirements applicable to that route. Any payment received by the Issuer in respect of an assigned receivable shall be dealt with as required by the Collateral Agreement.

Where the Collateral Agent is entitled under an effective assignment to direct payment of an intra-group receivable, or has complied with the statutory requirements to collect it as commercial pledgee, it may notify the relevant Subsidiary to pay amounts as they fall due to the Collateral Agent or as it directs, in each case subject to the Subordination Agreement and the underlying receivable. No obligation to give notice to every Subsidiary arises merely because enforcement of another part of the Collateral has commenced. Any amount received by the Issuer shall be dealt with under the Collateral Agreement and, where applicable, the Subordination Agreement. Upon the Collateral Agent's request, the Issuer shall promptly, at its own cost, provide complete and accurate documents and information reasonably required to identify, preserve or enforce the Collateral, including the underlying intra-group agreements, outstanding amounts, due dates, set-off rights, contractual restrictions and details of other pledged assets. The Collateral Agent may rely on information supplied by the Issuer without independently verifying it, subject to its express obligations under the Collateral Agent Agreement.

The Collateral Agent may assume that no violation of the Bonds has occurred unless the Collateral Agent has received a written notice (letter or e-mail) to the contrary from the Issuer or the Majority Bondholders. The Collateral Agent shall have no duty to enquire, investigate or verify whether any Action Plan, Instruction or other direction is valid, accurate, complete or in the best interests of the Bondholders, and may act on the basis of any notice or certificate it receives without further investigation.

(e) Instructions, Discretion and Limitations

The Collateral Agent shall be entitled (but is not under any circumstances obliged) to request instructions, or clarification of any direction, from the Bondholders as to whether, and in what manner, the Collateral Agent should exercise or refrain from exercising any rights, powers and discretions with regard to the enforcement of the Collateral or the performance of any other obligations or the exercise of any other rights of the Collateral Agent under this Information Document, the Collateral Agreement or the Collateral Agent Agreement. Upon such request, the Bondholders' Meeting shall be convened in accordance with the terms of this Information Document and accordingly give their instructions or clarifications to the Collateral Agent within the time period specified in the Collateral Agent's request for instructions or clarifications, such a time period is to be at least 10 (ten) Business Days. If the Issuer fails to initiate the required decision process within 5 (five) Business Days, the Collateral Agent may, at its option and at the Issuer's cost, initiate the Procedure in Writing or convene a Bondholders' Meeting. The Collateral Agent may refrain from acting unless and until Majority Bondholders have provided the Collateral Agent with requested instructions or clarifications. For the avoidance of doubt, the Collateral Agent shall not incur any liability, and the Bondholders hereby waive any claims against the Collateral Agent, for any actions taken or omitted in reliance on the instructions or lack of instructions from the Bondholders, or for any delays in taking action resulting from the Bondholders' failure to provide timely instructions or clarifications. The Majority Bondholders may further authorise the specific Bondholder or the Bondholders' group to provide such instructions or clarifications of the directions to the Collateral Agent without obtaining further Majority Bondholders instruction or clarification. The Collateral Agent may approach directly the respective authorised person to provide such instructions or clarifications of the directions.

Subject to the following provisions of this Section 7.7.11(e) (*Instructions, Discretion and Limitations*), if the Majority Bondholders have duly given an Instruction pursuant to Section 7.7.11(c) (*Event of Default and Action Plan*) or have duly instructed the Collateral Agent following its request 7.7.11 for instructions or clarifications

as set out in this Section 7.7.11(e) (*Instructions, Discretion and Limitations*), the Collateral Agent is obligated to comply with a duly evidenced Instruction or such instructions, subject only to the funding, clarification, legality and liability protections in this Section 7.7.11 and Section 7.7.8 (*Fees and Indemnification*) and to the standstill in respect of the Timbro Intra-Group Claims set out in Section 7.6 (*Collateral*). If the Instruction or such instructions are unclear or incomplete, the Collateral Agent shall promptly notify the Bondholders and may refrain from taking any action until further instructions or clarifications are received from the Majority Bondholders. In such cases, the Collateral Agent shall not be liable for any delays, omissions, or failures to act while awaiting clear instructions. Any such Instruction or instructions from the Majority Bondholders will be binding on all Bondholders. The Collateral Agent shall not be liable for any consequences or damages that result from complying with the Instruction or such instructions.

Notwithstanding the foregoing provisions of this Section 7.7.11(e) (*Instructions, Discretion and Limitations*) regarding the Collateral Agent's obligations to comply with instructions, the Collateral Agent may refrain from taking any action pursuant to an Instruction only to the extent, and for so long as, it reasonably determines that taking such action would be manifestly contrary to this Information Document, the Collateral Agreement, the Collateral Agent Agreement or Applicable Laws or would expose the Collateral Agent to liability for which it is not adequately indemnified in accordance with Section 7.7.8 (*Fees and Indemnification*)). In such case, the Collateral Agent shall promptly notify the Majority Bondholders and the Issuer in writing, specifying in reasonable detail the grounds on which it considers that it is unable to act, and shall request such clarification, modification or confirmation of the Instruction as is reasonably necessary to remove the relevant impediment.

The Collateral Agent shall not be entitled to refrain from acting merely because it considers that another course of action may be more appropriate or commercially preferable, and shall not be required or entitled to assess the commercial merits of an Instruction duly given by the Majority Bondholders. Following receipt of a clarified or modified Instruction that removes the relevant impediment, the Collateral Agent shall act in accordance with such Instruction without undue delay. The Collateral Agent may take such limited action as is reasonably necessary to comply with Applicable Laws or to preserve the Collateral pending clarification of the Instruction, provided that such action is not materially inconsistent with the Instruction.

The Collateral Agent may refrain from acting in accordance with an Instruction or other instructions of the Majority Bondholders until it has received such indemnification or security as it may reasonably require for all costs, claims, losses, expenses (including but not limited to legal fees) and liabilities which it will or may expend or incur in complying with such Instruction or instructions. The Collateral Agent shall promptly inform the Majority Bondholders of the amount and form of the required indemnification or security and shall act without undue delay once such indemnification or security has been provided. The Collateral Agent shall not be liable for any consequences or damages that result from such refrainment, provided that it has complied with the requirements of this 7.7.11(e) (*Instructions, Discretion and Limitations*) and has not acted fraudulently, with wilful misconduct or gross negligence. If any Bondholder (or Bondholders group) has agreed to pay (and has paid) respective costs, claims, losses or expenses, then such paid amounts are included in the amounts that are satisfied in the Collateral enforcement pursuant to Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*).

Without prejudice to the foregoing provisions of this Section 7.7.11(e) (*Instructions, Discretion and Limitations*) regarding the Collateral Agent's obligations to comply with instructions, the Collateral Agent may (but is not obligated to) act (or refrain from acting) as it in its own discretion reasonably believes is in the best interests of the Bondholders, provided that it shall not act in a manner inconsistent with an Instruction or other instructions duly given by the Majority Bondholders. The Collateral Agent shall not be liable to Bondholders for acting (or refraining from acting) as described in this Information Document or in accordance with the instructions of the Bondholders and/or Applicable Laws.

The Collateral Agent shall not be liable to Bondholders for the outcome of the enforcement of the Collateral, provided the Collateral Agent has acted in accordance with this Information Document, the Collateral Agent Agreement and the Collateral Agreement.

The Collateral Agent shall, at all times, act in good faith and with a view to ensuring fair and equal treatment of all Bondholders, acting solely within the scope and limits of this Information Document, the Collateral Agreement and the Collateral Agent Agreement. The Collateral Agent shall not favour or give preferential

treatment to any individual Bondholder or group of Bondholders over others, and shall treat all Bondholders equally, in accordance with this Information Document, the Collateral Agent Agreement, the Collateral Agreement, and Applicable Law. The Collateral Agent shall not be required to take any action, nor shall it be liable for any inaction, except as expressly provided for in the Collateral Agent Agreement or as required by Applicable Law.

The Collateral Agent is obliged to submit to the Commercial Pledge Register an application duly executed by the Collateral Agent for deletion of the entries made in respect of the Collateral within 5 (five) Business Days from the date when the Issuer has informed the Collateral Agent in writing that Issuer's obligations under the Bonds have been fully discharged and that all undisputed amounts due to the Collateral Agent under this Information Document and the Collateral Agent Agreement have been paid, and the Collateral Agent has independently verified that the Bonds have been fully discharged.

(f) Release of Collateral

If for any reason the repayment or redemption of the Bonds, including with the Refinancing, is arranged through an escrow account, the Collateral Agent shall execute and submit, or release for submission an application duly executed by the Collateral Agent for deletion of the entries made in the Commercial Pledge Register in respect of the Collateral prior to the actual receipt by the Bondholders of all amounts outstanding under the Bonds only if the following preconditions have been met:

1. the Collateral Agent has received a copy of an escrow account agreement which, among other, provides that (i) the funds deposited in the escrow account should be transferred to the Bondholders through the intermediary of Nasdaq CSD in full discharge the Issuer's obligations under the Bonds, (ii) the deletion of the entries made in the Commercial Pledge Register in respect of the Collateral is the sole and final outstanding precondition for the release of such funds from the escrow account, (iii) no further consent, approval, instruction, action, document or exercise of discretion by the Issuer, the refinancing creditor, the escrow bank or any other person is required following such deletion; and (iv) the escrow bank is irrevocably obliged to release the funds immediately upon receipt of evidence satisfactory to it that the relevant entries have been deleted from the Commercial Pledge Register;
2. the Collateral Agent has received a copy of the bank's, which holds an escrow account, confirmation about (i) the amount of funds deposited with the escrow account, and such amount is sufficient to discharge in full all of the Issuer's obligations under the Bonds and all amounts due to the Collateral Agent, and (ii) the bank will release such funds immediately following deletion of the relevant entries from the Commercial Pledge Register; and
3. the Collateral Agent has received written confirmation from the escrow bank that all other preconditions for the release of the funds from the escrow account have been irrevocably and unconditionally fulfilled or waived and that deletion of the relevant entries from the Commercial Pledge Register is the sole remaining condition for such release.

The deletion of the Collateral prior to the receipt of the relevant funds by the Bondholders shall be permitted only in the circumstances and subject to the safeguards set out above.

If the Issuer requests the Collateral Agent to conclude a Refinancing agreement (such as a refinancing agreement or escrow account agreement), the Collateral Agent shall conclude such agreement without Bondholders' consent, provided that (i) the respective refinancing agreement contains typical market refinancing provisions (including obligations for the Collateral Agent to issue consents for lower ranking collaterals); (ii) any release of the Collateral by the Collateral Agent shall be effective only concurrently with the irrevocable and unconditional payment in full of all amounts outstanding under the Bonds or immediately thereafter (i.e., within a reasonable time period after) such payment, except that the Collateral may be deleted immediately prior to such payment solely pursuant to the escrow arrangements and subject to all conditions set out above.

7.7.12 Replacement of the Collateral Agent

The Collateral Agent shall have the right to unilaterally terminate the performance of its duties described in this Information Document in accordance with the Collateral Agreement and the Collateral Agent Agreement

(including, without limitation, terminate the enforcement of the Collateral) in case:

- (a) in the reasonable opinion of the Collateral Agent: (i) (further) enforcement of the Collateral on reasonable terms is not possible or feasible due to the commencement of insolvency or reorganisation proceedings of the Issuer, or enforcement of the Collateral on reasonable terms may not be possible for any other reason; or (ii) the estimated proceeds of the enforcement of the Collateral will not be sufficient to cover the claims under Section 7.7.13(a) (*Application of the Proceeds from Enforcement of the Collateral*); and/or
- (b) in the opinion of the Collateral Agent, the Collateral (or the substantial part thereof) ceases to exist for any reason; and/or
- (c) the Issuer, any of its Management Board or Supervisory Board (if any) member, Ultimate Beneficial Owner(s) or shareholder(s) is recognized as subject of Sanctions; and/or
- (d) the Issuer, any of its Management Board or Supervisory Board (if any) member, Ultimate Beneficial Owner(s) or shareholder(s) violates the laws, regulations on AML/CTPF or the Sanctions; and/or
- (e) the Issuer fails to pay any fees, costs or expenses due to the Collateral Agent, or the Bondholders fail to provide any instructions, clarifications, indemnity, security or pre-funding requested by the Collateral Agent in accordance with this Information Document, in each case within 30 (thirty) calendar days after the Collateral Agent's written request; and/or
- (f) a conflict of interest arises which, in the reasonable opinion of the Collateral Agent, prevents it from continuing to act, or it becomes unlawful for the Collateral Agent, or contrary to the rules of professional conduct applicable to it, to continue to perform its function.

In order to exercise its right of termination under this Section 7.7.12 (*Replacement of the Collateral Agent*), the Collateral Agent shall submit a respective written notice stating the basis of exercising the right of termination to the Issuer and all of the Bondholders. The submission of such notice shall initiate the replacement procedure set out in this Section 7.7.12 (*Replacement of the Collateral Agent*) but shall not, by itself, terminate the appointment, duties or obligations of the retiring Collateral Agent. The appointment, duties and obligations of the retiring Collateral Agent shall terminate only when:

- (a) a successor Collateral Agent has been duly appointed and has accepted its appointment, and all Collateral has been validly transferred to, established or re-registered in the name of the successor Collateral Agent as the holder of the Collateral; or
- (b) where no successor Collateral Agent has been appointed within the applicable period specified below and the retiring Collateral Agent is entitled to procure deletion of the Collateral under this Section 7.7.12 (*Replacement of the Collateral Agent*), all registrations of the Collateral in the name of the retiring Collateral Agent have been duly deleted from the relevant registers,

in each case, the date on which the relevant actions have been completed being the “**Replacement Effective Date**”.

Until the Replacement Effective Date, the retiring Collateral Agent shall remain appointed and shall continue to perform its duties and obligations under this Information Document, the Collateral Agreement and the Collateral Agent Agreement. During this transitional period, the retiring Collateral Agent shall take all actions reasonably necessary to preserve and maintain the Collateral, complete the substitution or deletion process and avoid prejudice to the collective interests of the Bondholders. The retiring Collateral Agent shall not be required to take any new discretionary action, incur any material unfunded liability or commence any new enforcement action unless it has received the instructions, indemnification, security or pre-funding required under this Information Document and the Collateral Agent Agreement.

The Collateral Agent shall have the right to resign due to reasons other than those stated in the first paragraph of this Section 7.7.12 (*Replacement of the Collateral Agent*) by submitting a respective written notice to the Issuer. Such notice shall initiate the replacement procedure but shall not, by itself, terminate the appointment, duties or obligations of the retiring Collateral Agent. The Collateral Agent resignation or dismissal shall only take effect upon the appointment of a successor Collateral Agent and acceptance by such successor Collateral Agent of such appointment and the execution of all necessary documentation to effectively substitute the

retiring Collateral Agent, including, for the avoidance of doubt, registration of all necessary amendments to the Collateral with the Commercial Pledge Register to ensure that the Collateral is established and maintained in the interests of the Bondholders and under the name of the successor Collateral Agent (as the holder of the Collateral). Accordingly, the appointment, duties and obligations of the retiring Collateral Agent shall continue until the Replacement Effective Date.

The Majority Bondholders may at any time, by a decision adopted at a Bondholders' Meeting or in a Procedure in Writing, dismiss the Collateral Agent and appoint a successor Collateral Agent, and Bondholders holding at least 10% (ten percent) of the aggregate Nominal Value of the outstanding Bonds (disregarding any Bonds held by the Issuer or its Related Parties) may require that such a decision be put to the Bondholders in accordance with Section 7.22 (*Bondholders' Meetings and Decisions*). Any such dismissal shall take effect only on the Replacement Effective Date. Unless the dismissal results from the Collateral Agent's fraud, wilful misconduct or gross negligence, all reasonable costs of the replacement (including registration costs and the reasonable costs of the retiring Collateral Agent in making documents and records available and assisting with the substitution) shall be borne by the Issuer.

The retiring Collateral Agent shall cooperate with the Issuer and the successor Collateral Agent and shall execute and submit all documents, applications and notifications reasonably necessary to transfer, establish or re-register the Collateral in the name of the successor Collateral Agent or, where permitted under this Section 7.7.12 (*Replacement of the Collateral Agent*), to delete the Collateral registrations.

Within the time periods specified below following receipt by the Issuer of the relevant notice of termination under paragraphs (a) to (f) of the first paragraph of this Section 7.7.12 (*Replacement of the Collateral Agent*) or notice of resignation under this Section 7.7.12 (*Replacement of the Collateral Agent*) by the Issuer, a successor Collateral Agent must be designated – either by the Issuer and the Majority Bondholders (where applicable) or solely by the Issuer, in accordance with this Information Document. The successor Collateral Agent must take over the obligations of the retiring Collateral Agent and ensure that all necessary registration changes are duly completed. The time periods are as follows:

- (a) 45 (forty-five) calendar days – in the case of a notice of termination under paragraph (a), (b), (e) or (f) of the first paragraph of this Section 7.7.12 (*Replacement of the Collateral Agent*);
- (b) 14 (fourteen) calendar days – in the case of a notice of termination under paragraph (c) or (d) of the first paragraph of this Section 7.7.12 (*Replacement of the Collateral Agent*);
- (c) 90 (ninety) calendar days – in the case of a notice of resignation under this Section 7.7.12 (*Replacement of the Collateral Agent*).

If a successor Collateral Agent is not appointed and the necessary pledgee registration changes are not completed within the applicable period above, the retiring Collateral Agent shall be entitled to submit the necessary applications and perform all actions required to delete the Collateral registrations from the relevant registers. The appointment, duties and obligations of the retiring Collateral Agent shall continue until such deletion has been completed and shall terminate only on the Replacement Effective Date. The retiring Collateral Agent shall notify the Issuer and the Bondholders before submitting any application for deletion of the Collateral and shall not procure such deletion if a successor Collateral Agent has been duly appointed and the transfer or re-registration of the Collateral in its name is capable of being completed without undue delay.

Each Bondholder and the Issuer expressly waives any and all claims against the retiring Collateral Agent for any actions or omissions in relation to the Collateral after the Replacement Effective Date, except for claims arising from any breach of duty, fraud, wilful misconduct or gross negligence occurring before the Replacement Effective Date, or from any failure to perform an obligation expressly stated to survive the termination of its appointment.

Upon the Replacement Effective Date, the retiring Collateral Agent shall be discharged from any further obligation under this Information Document, the Collateral Agreement and the Collateral Agent Agreement, but shall remain entitled to the benefit of Section 7.7.5 (*Liability of the Collateral Agent*), Section 7.7.8 (*Fees and Indemnification*) and Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*) in respect of any action taken or omitted by it while acting as Collateral Agent and in respect of all fees, costs, expenses and indemnities accrued up to the Replacement Effective Date. The successor Collateral Agent shall

be a reputable person with professional experience in capital markets transactions and expertise for the fulfilment of the tasks of a collateral agent, and shall be entitled to fees and indemnities no less favourable than those of the retiring Collateral Agent unless otherwise agreed with the Issuer.

The Collateral Agent shall evaluate that no conflict of interest exists with regard to the Issuer; however, the existence of conflict of interest shall not prevent the Collateral Agent from fulfilling its obligations to the extent and scope as described in this Information Document, in the Collateral Agreement and in the Collateral Agent Agreement.

The Issuer shall promptly notify the Bondholders of the receipt of any notice of termination or resignation under this Section 7.7.12 (*Replacement of the Collateral Agent*) by publishing the notice on the Communication Channels. The Issuer shall also notify the Bondholders of the appointment of the successor Collateral Agent and the occurrence of the Replacement Effective Date.

The Issuer shall use commercially reasonable efforts to assist with such substitution of the Collateral Agent, where needed, but shall not be responsible for any delay or failure caused by the retiring Collateral Agent, the successor Collateral Agent, the Bondholders, any public authority, registry, Nasdaq CSD or any other third party.

7.7.13 Application of the Proceeds from Enforcement of the Collateral

The proceeds from the enforcement of the Collateral shall be applied in the following order of priority:

- (a) as the first priority: to the satisfaction and payment of all fees, costs, expenses, claims, indemnities, liabilities and damages (including, without limitation, state duties, notary fees, valuation costs and fees, and costs and expenses of third parties engaged by the Collateral Agent pursuant to conditions set out, inter alia, in Section 7.7.6 (*Use of Third Parties*) and Section 7.7.8 (*Fees and Indemnification*)) related to the performance of its duties by, or otherwise payable to, the Collateral Agent under this Information Document, the Collateral Agent Agreement and the Collateral Agreement, including, but not limited to, the establishment, amendment, termination, assignment, novation and enforcement of the Collateral incurred by the Collateral Agent or any of the third parties engaged by the Collateral Agent, provided that the fees, costs and expenses have occurred on a reasonable market price and pursuant to conditions specified in Section 7.7.6 (*Use of Third Parties*) and/or Section 7.7.8 (*Fees and Indemnification*) and, thereafter, in reimbursement to the relevant Bondholders, *pro rata*, of any amounts paid or pre-funded by them in accordance with Section 7.7.8 (*Fees and Indemnification*) or Section 7.7.11(e) (*Instructions, Discretion and Limitations*);
- (b) as the second priority (after full satisfaction, payment and deduction of all claims and amounts set forth in Section 7.7.13(a)): in payment of the claims of the Bondholders arising under this Information Document *pro rata* to the Nominal Value of the Bonds held by the Bondholders entitled to payment as at the relevant record date and, where any Permitted Security ranks *pari passu* with the Collateral, *pro rata* with the claims of the relevant *pari passu* secured creditors in accordance with the applicable intercreditor arrangement, in each case subject to the Applicable Law.

The Collateral Agent shall withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent specified in Section 7.7.13(a) and transfer the remaining proceeds to the Bondholders for satisfying the claims under Section 7.7.13(a). The Collateral Agent shall return the proceeds from the enforcement of the Collateral remaining after satisfying all claims set forth in this Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*) to the Issuer.

In case the proceeds remaining after covering the fees, costs, expenses, damages and claims under Section 7.7.13(a) do not cover the claims of the Bondholders under Section 7.7.13(b) in full, these claims of the Bondholders shall be satisfied *pro rata* in accordance with the Applicable Law.

The Collateral Agent is not obliged to pay to the Bondholders or any other persons any interest on the proceeds from the enforcement of the Collateral (whether deposited or not).

In case the Collateral Agent is required, under Applicable Laws, to withhold or pay any taxes in connection with payments to be made by the Collateral Agent hereunder, the amount to be paid by the Collateral Agent shall be reduced by the amount of respective taxes and only the net amount shall be paid by the Collateral Agent.

If any Bondholder receives any amount in respect of the Bonds out of the proceeds of the Collateral (or from the Issuer or any Subsidiary after the Collateral has become enforceable) otherwise than through the Collateral Agent in accordance with this Section 7.7.13, it shall promptly pay such amount to the Collateral Agent for application in accordance with this Section 7.7.13. The Collateral Agent may hold any proceeds pending distribution on a deposit with any credit institution and shall have no liability for any negative interest, bank charges or insolvency of such credit institution.

7.8 Trustee

7.8.1 Appointment of the Trustee

By subscribing for Bonds, each initial Bondholder appoints the Trustee to act as its agent in all matters relating to the Bonds and this Information Document, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by this Information Document) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation or insolvency (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Trustee to act on its behalf. No Bondholder shall have any right to take individual enforcement action against the Issuer, except as expressly permitted under this Information Document.

The functions of the Trustee and the Collateral Agent are distinct. The Collateral Agent acts solely as security agent (pledgee) and is responsible only for holding, administering, releasing and enforcing the Collateral on behalf of the Bondholders in accordance with Section 7.7 (*Collateral Agent*), the Collateral Agreement and the Collateral Agent Agreement. The Trustee acts as the representative of the Bondholders in respect of all other matters relating to the Bonds, including convening and conducting Bondholders' Meetings and Procedures in Writing, receiving notices and information on behalf of the Bondholders, and taking enforcement and recovery action against the Issuer (other than enforcement of the Collateral) in accordance with this Information Document and the Trustee Agreement.

The Trustee and the Collateral Agent may be the same or different persons, and initially the same entity will act in both capacities. Where the same entity acts as both Trustee and Collateral Agent, the Trustee Agreement and the Collateral Agent Agreement may be documented in a single combined agreement, and that entity shall perform each role in accordance with the provisions of this Information Document and that agreement applicable to the relevant role.

Each Bondholder shall, immediately upon request by the Trustee, provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), as the Trustee reasonably deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Information Document. The Trustee is under no obligation to represent, or take any action on behalf of, any Bondholder which does not comply with such request.

The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in this Information Document and the Trustee Agreement, and the Trustee's obligations under this Information Document are conditioned upon the due payment of such fees and indemnifications. The Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability (including, but without limitation, legal fees) in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds is not reasonably assured to it. For this purpose, the Trustee may demand, prior to taking any such action, payment in advance as it considers (without prejudice to any further demand) shall be sufficient to prefund it.

The Issuer shall on demand by the Trustee pay all costs for external experts engaged by it:

- (i) after the occurrence of an Event of Default,
- (ii) for the purpose of investigating or considering (A) an event or circumstance which the Trustee reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Bonds which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under this Information Document,

- (iii) in connection with any Bondholders' Meeting or Procedure in Writing, or
- (iv) in connection with any amendment (whether contemplated by this Information Document or not) or waiver under this Information Document.

When acting pursuant to this Information Document, the Trustee is always acting with binding effect on behalf of the Bondholders. Any advice or opinion from the Trustee does not bind the Bondholders, the Collateral Agent or the Issuer.

The Trustee is entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as trustee, without having to first obtain any consent from the Bondholders, the Collateral Agent or the Issuer. If the Trustee engages third persons or legal experts, the Trustee shall evaluate and appoint only reputable third parties having professional expertise for the fulfilment of the respective tasks and acts. In case of use of the services of third parties and/or appointment of third-party representatives, the Trustee shall also ensure: (a) to the extent reasonably possible and known to it, no conflict of interest exists in respect to the Issuer; (b) the fees, costs and expenses of such third party services are in the Trustee's opinion at a reasonable market price; (c) the fees, costs and expenses for using the services of third parties (other than state fees, notaries, sworn bailiffs, valuers, auctioneers, foreign counsel and other providers of services which the Trustee is not licensed or customarily able to perform itself) and/or appointment of third-party representatives would not exceed costs, fees and expenses of the Trustee if the latter would perform its obligations under this Information Document or the Trustee Agreement on its own; and (d) involvement of third parties and/or appointment of third-party representatives does not entirely replace the Trustee for performing its services (or the substantial part thereof) under this Information Document and the Trustee Agreement. If the Trustee has engaged such third parties without having first obtained consent from Majority Bondholders or the Issuer, as applicable, the Trustee shall remain fully responsible and liable for the acts, omissions or defaults of any such third party as if they were the acts, omissions or defaults of the Trustee itself.

The Trustee may act as agent for several issues of securities issued by or relating to the Issuer or any companies related with the Issuer notwithstanding potential conflicts of interest.

7.8.2 Duties of the Trustee

The Trustee shall represent the Bondholders in accordance with this Information Document, the Trustee Agreement and Applicable Law, and shall carry out its duties under this Information Document, the Trustee Agreement and Applicable Law in a reasonable, proficient and professional manner, with reasonable care and skill. However, the Trustee is not responsible for the execution or enforceability of this Information Document. The Trustee shall keep the latest version of this Information Document (including any document amending this Information Document) and they will be available via Communication Channels.

Upon request by a Bondholder, the Trustee shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Trustee). The Trustee may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Trustee in doing so (including a reasonable fee for the work of the Trustee) before any such information is distributed. The Trustee shall, upon request by a Bondholder, disclose the identity of any other Bondholder who has consented to the Trustee in doing so.

The Trustee shall treat all Bondholders equally and, when acting pursuant to this Information Document, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in this Information Document and the Trustee Agreement.

If, in the Trustee's reasonable opinion, the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer or compensated by any of the Bondholders (or any of the Bondholder(s)), the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require. The Trustee shall give a notice to the Bondholders:

- (i) before it ceases to perform its obligations under this Information Document or the Trustee Agreement by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under this Information Document or the Trustee Agreement, or
- (ii) if it refrains from acting for any reason described in this Section 7.8 (*Trustee*).

Other than as specifically set out in this Information Document, the Trustee shall not be obliged to monitor:

- (i) whether any Event of Default has occurred,
- (ii) the performance, default or any breach by the Issuer or any other party of its obligations under this Information Document, and
- (iii) whether any other event specified in any finance document of the Issuer has occurred. Should the Trustee not receive such information, the Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Trustee does not have actual knowledge of such event or circumstance.

The Trustee shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Trustee, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

The Trustee shall give a notice to the Bondholders:

- (i) before it ceases to perform its obligations under this Information Document by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under this Information Document or the Trustee Agreement, or
- (ii) if it refrains from acting for any reason described above.

7.8.3 Limited Liability of the Trustee

The Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with this Information Document, unless directly caused by its negligence or wilful misconduct. The Trustee shall never be responsible for indirect loss.

The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

The Trustee shall have no liability to the Issuer, the Collateral Agent or the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with this Information Document unless directly caused by its negligence or wilful misconduct.

The Trustee may rely on any notice, request, certificate, confirmation, voting result, minutes, register extract or other document which it reasonably believes to be genuine and to have been given or signed by the appropriate person, and on the advice of any lawyer, auditor, valuer or other expert selected and engaged by it with reasonable care, and shall not be liable for any consequence of such reliance. The Trustee shall not be liable for any delay or failure in the performance of its obligations caused by a Force Majeure Event (the definition of which shall apply *mutatis mutandis* to the Trustee, references therein to the Issuer being read as references to the Trustee), by any act or omission of any court, bailiff, public register, Nasdaq CSD or other third party (other than a third party engaged by, or acting on behalf of, the Trustee), or by its compliance with Applicable Law, any AML/CTPF or Sanctions requirements or the rules of professional conduct applicable to it, provided that the Trustee shall notify the Issuer without undue delay of any such circumstance which prevents or delays the performance of its obligations.

The liability of the Trustee is limited to EUR 300,000.00 (three hundred thousand euros), except in case of fraud, wilful breach, wilful misconduct or gross negligence by the Trustee. The liability cap of the Trustee under this Section 7.8.3 is separate and independent from, and shall not be aggregated, combined or merged with, the liability cap of the Collateral Agent under Section 7.7.5 (*Liability of the Collateral Agent*), and each cap applies separately to the relevant capacity. Where the same person acts as both the Trustee and the Collateral

Agent, the EUR 300,000.00 (three hundred thousand euros) cap applicable to it in its capacity as Trustee and the EUR 300,000.00 (three hundred thousand euros) cap applicable to it in its capacity as Collateral Agent shall each apply separately, so that its aggregate maximum liability in both capacities taken together is EUR 600,000.00 (six hundred thousand euros). The professional liability of the Trustee is insured with an insurance company, and the Trustee shall ensure that its professional liability continues to be insured with an insurance company until the Bonds are redeemed.

7.8.4 Replacement of the Trustee

The Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Procedure in Writing initiated by the retiring Trustee or the Issuer, if the retiring Trustee has not convened the Bondholders' Meeting or initiated of Procedure in Writing within 10 (ten) Business Days from the date on which the Issuer has received such notice.

The Bondholders who, on the day of the request, collectively hold at least 10% (ten percent) of the aggregate Nominal Value of all outstanding Bonds (other than the Bonds held by the Issuer, its direct or indirect shareholders and the Related Parties) may, by notice to the Trustee and the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. If the Event of Default has occurred and is continuing, the Majority Bondholders may decide on the Trustee replacement without the Issuer's consent.

Notwithstanding any other provision of this Information Document, the Trustee Agreement and any other agreement or document, the Issuer, provided that the Trustee has not already commenced enforcement or other legal or Insolvency Proceedings against the Issuer on behalf of the Bondholders in accordance with this Information Document, has the right to terminate the Trustee Agreement and dismiss the Trustee in case the Issuer decides not to proceed with the Bonds issue and/or if in the Issuer's opinion the Trustee allows gross negligence/malicious intent in exercising its rights, abuses in any way its discretionary powers, the foundation of trust between the Issuer and the Trustee has been damaged or compromised or the Trustee does not act honestly. In such case the Issuer must send a notice on termination per email to the Trustee at least 2 (two) Business Days prior to the intended termination date. The Trustee Agreement is then terminated, and the Trustee dismissed, on the termination date regardless of whether the Trustee agrees to the underlying circumstances/legal basis of the termination, and the Trustee is not entitled to challenge the termination. Notwithstanding such termination, the retiring Trustee shall continue to perform its duties until a successor Trustee is appointed, including making available documents and records and providing assistance to the successor Trustee in accordance with this Section 7.8.4. The Issuer must appoint a successor Trustee (which shall correspond to the requirements set out in this Section 7.8.4) as soon as possible but no later than within 30 (thirty) calendar days as of sending the termination notice to the Trustee; if the Issuer has not appointed a successor Trustee within such period despite using commercially reasonable efforts, the Majority Bondholders may appoint a successor Trustee in accordance with this Section 7.8.4. For the avoidance of doubt, the provisions of this paragraph have priority over all other provisions of this Information Document to the extent of any inconsistency concerning the termination of the Trustee Agreement and the dismissal and replacement of the Trustee.

The Issuer shall without undue delay inform the Bondholders of receipt of the relevant notice of the resignation of the Trustee under this Section 7.8.4. Unless provided otherwise in this Information Document, the duties and obligations of the Trustee shall be deemed to have terminated upon the appointment of a successor Trustee, acceptance by such appointment of the successor Trustee and the execution of all necessary documentation to effectively substitute the retiring Trustee. In any case, the successor Trustee shall be an independent Financial Institution, law firm or other reputable company with the necessary resources to act as Trustee in respect of the Bonds.

If the Trustee is insolvent or becomes subject to Insolvency Proceedings, the Trustee shall be deemed to resign, and the Issuer shall within 10 (ten) Business Days appoint a successor Trustee which shall be an independent Financial Institution or other reputable company which regularly acts as agent under debt issuances.

No later than 60 (sixty) Business Days after the receipt of the relevant notice of the resignation of the Trustee under this Section 7.8.4 by the Issuer, a successor Trustee must be appointed by the Majority Bondholders, who must take over the obligations of the retiring Trustee. If a successor Trustee has not been appointed within the term set out in this paragraph, the duties and obligations of the retiring Trustee shall be deemed to have terminated and all references in this Information Document to the Trustee would apply to the Issuer only for administrative matters relating to convening Bondholders' Meetings or initiating Written Procedures and publishing notices, but not for any matter requiring independent determination, discretion, judgment, confirmation or representation of the Bondholders by the Trustee. However, afterwards, at any time, the Majority Bondholders may appoint a new Trustee, and, from the effective date of such appointment, all references in this Information Document to the Trustee shall refer to the new Trustee.

If the Trustee is insolvent, the Trustee shall be deemed to resign as Trustee and the Issuer shall, unless a successor Trustee has already been appointed by the Majority Bondholders, within 10 (ten) Business Days appoint a successor Trustee which shall correspond to the requirements provided in this Section 7.8.4.

The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under this Information Document.

Upon the appointment of a successor Trustee or if duties and obligations of the retiring Trustee shall be terminated in accordance with this Section 7.8.4, the retiring Trustee shall be discharged from any further obligation in respect of this Information Document, but shall remain entitled to the benefit of this Information Document and remain liable under this Information Document in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under this Information Document as they would have had if such successor had been the original Trustee. Any accrued rights and obligations of the Issuer, the retiring Trustee and the Bondholders existing prior to the effective date of replacement shall remain unaffected.

In the event that there is a change of the Trustee, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligations of the Trustee and releasing the retiring Trustee from its further obligations under this Information Document and the Trustee Agreement. Unless the Issuer and the new Trustee agree otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee, provided that the Issuer shall not be required to agree to any materially higher fees, broader indemnities or more onerous terms than those applicable to the retiring Trustee unless approved by the Issuer and the Majority Bondholders.

7.8.5 Conflict of Interest

The Bondholders acknowledge and agree that the Trustee may act and continue to act as advisor to the Issuer and its related parties in matters unrelated to this Information Document or the Bonds and may receive fees for such services, provided that such advisory roles do not result in an actual conflict with the Trustee's obligations under this Information Document. The provision of such services shall not be deemed to give rise to a conflict of interest or impair the Trustee's ability to act in its capacity as trustee under this Information Document. The Trustee shall maintain appropriate internal safeguards to ensure separation between its trustee functions and any advisory services provided to the Issuer or its affiliates. The Trustee shall not be required to disclose to the Bondholders any confidential or privileged information obtained in the course of such services. The Bondholders acknowledge and agree that the Trustee's engagement by the Issuer and/or its related parties as advisor shall not of itself constitute a breach of duty, conflict of interest or any grounds for removal of the Trustee under this Information Document.

7.8.6 Other Provisions

For the purpose of or in connection with any Bondholders' Meeting or any Procedure in Writing, at the request of the Trustee, the Issuer shall promptly obtain the list of the Bondholders and provide it to the Trustee.

The Issuer shall issue any necessary power of attorney to Trustee, or such persons employed by the Trustee, as notified by the Trustee, in order for such individuals to independently obtain information directly from the

Nasdaq CSD in respect of the Bonds and Bondholders. The Issuer may not revoke any such power of attorney unless directed by the Trustee or unless consent thereto is given by the Bondholders.

7.8.7 Notices

Notices and documents to the Trustee shall be valid only if made and forwarded in writing either by post or e-mail by using the contact details set forth in this Information Document or otherwise notified by the Trustee in accordance with this Information Document. All notices of the Bondholder to the Trustee shall be sent in writing (letter and email) to the Trustee and copied to the Issuer. If the Trustee has doubts that a notice from a Bondholder has not been sent to the Issuer, then the Trustee shall immediately forward such notice to the Issuer.

7.8.8 Trustee's Privacy Notice

The Trustee may collect and process personal data relating to the Bondholders, their representatives and other persons nominated to act on behalf of the Bondholders pursuant to this Information Document (name, contact details and, when relevant, holding of Bonds) for the purposes of performing its duties and exercising its rights under this Information Document, the Trustee Agreement and Applicable Law.

The Trustee's addresses, information regarding its processing of personal data and the contact details for its data protection officers can be found on the Trustee's website <https://www.eversheds-sutherland.com/lv/latvia/legal/privacy-notice>.

7.9 Rights and Restrictions Connected with the Bonds

Each Bondholder has the right to receive Coupon and Nominal Value payments in accordance with the Section 7.13 (*Coupon*) and Section 7.14 (*Repayment of the Bonds*), as well as exercise other rights provided in this Information Document and Applicable Laws.

The Issuer has the right to purchase the Bonds on the secondary market directly from the Bondholders. The Bonds that are purchased by the Issuer shall be held in the Issuer's financial instruments' custody account and the Issuer has the right to sell the purchased Bonds to Potential Investors and other Bondholders. The Issuer cannot cancel the purchased Bonds held in the Issuer's financial instruments' account, therefore decreasing the size of the Bonds issue, except within 30 (thirty) calendar day time period before the Maturity Date.

The Bonds held by the Issuer, its direct or indirect shareholders and the Related Parties are not eligible to participate in the voting in accordance with this Information Document.

7.10 Restrictions on Free Circulation of the Bonds

The Issuer organises the registration of the Bonds in the Nasdaq CSD and their deletion from Nasdaq CSD upon their redemption. Only persons who have securities accounts (whether directly or via a nominee structure) with Nasdaq CSD can subscribe for or purchase the Bonds.

The Bonds are freely transferable debt securities and may be pledged, subject to Applicable Laws. The Bonds may not be offered, sold, resold, transferred or delivered in any jurisdiction or under any circumstances in which such actions would be unlawful or require measures beyond those required under Applicable Laws. Bondholders wishing to transfer or offer the Bonds must ensure that any such offering related to such transfer of offer would not be qualified as a public offering under Applicable Laws. It is the obligation and responsibility of each Bondholder to ensure that any transfer or offering of the Bonds complies with all the Applicable Laws.

The Bonds can be transferred from one securities account to another by the registrar of Nasdaq CSD by way of debiting the first securities account and crediting the other securities account in the amount of the corresponding number of securities. Ownership of a Bond is deemed to have changed in respect of the Issuer as from the moment a relevant entry is made in Nasdaq CSD, i.e., when a Bond is transferred to the securities account of the respective Bondholder.

7.11 Issue Date of the Bonds

The Issue Date of the Bonds is 22 October 2026, on which Coupon starts to accrue.

7.12 Listing

The Issuer plans to request the admission to trading of the Bonds on First North within 12 (twelve) months after the Issue Date and submit this Information Document with Nasdaq Riga. The Issuer does not undertake to prepare or register a prospectus with the Bank of Latvia or to list the Bonds on any regulated market. The Issuer has not signed any agreement with any person for Bonds liquidity maintenance on the secondary market.

Admission to trading on First North is subject to the approval of Nasdaq Riga and there can be no assurance that such approval will be obtained.

7.13 Coupon

7.13.1 Coupon Rate

The Coupon Rate for the Bonds is 10% (ten percent) per annum and is fixed until the Maturity Date, subject to the step-up set out below.

If, as at any testing date referred to in Section 7.15 (*Financial Covenants*), the Net Leverage Ratio exceeds 5.0x (five point zero times), the Coupon Rate shall be increased by 0.5 (zero point five) percentage points per annum to 10.5% (ten point five percent) per annum with effect from the first day of the Coupon Period following publication of the Financial Report for the Relevant Period in which such Net Leverage Ratio is evidenced. Such increased Coupon Rate shall continue to apply until the first day of the Coupon Period following publication of a Financial Report evidencing that the Net Leverage Ratio does not exceed 5.0x (five point zero times), as from which date the Coupon Rate shall revert to 10% (ten percent) per annum.

The Issuer shall notify the Bondholders and Nasdaq CSD of any increase or decrease of the Coupon Rate pursuant to this Section 7.13.1 (*Coupon Rate*) by publishing a notice on the Communication Channels, and the Net Leverage Ratio as at each testing date shall be set out in each Financial Report.

7.13.2 Coupon Payment Procedure

Coupon payments are made 12 (twelve) times per year – on every 28th (twenty-eighth) date of every calendar month (“**Coupon Payment Date**”), except the first Coupon payment and the last Coupon payment. The first Coupon payment of the Bonds will be made on 28 November 2026 and the last Coupon payment will be made on Maturity Date, which is 22 October 2029. The first Coupon Period commences on the First Settlement Date and ends on the first Coupon Payment Date specified in this Information Document. The last Coupon Period commences on the last Coupon Payment Date preceding the Maturity Date, being 28 September 2029, and ends on the Maturity Date.

The Coupon record date is the 5th (fifth) Business Day prior to the Coupon Payment Date. At the end of the Coupon record date the list of Bondholders, who are eligible for the Coupon payments, will be fixed. The Coupon payment shall be made to the Bondholders in accordance with the relevant Bondholders’ list, on each Coupon Payment Date for the preceding Coupon Period.

The Issuer shall pay the Coupon through the intermediary of Nasdaq CSD and in accordance with the applicable Nasdaq CSD regulations, which regulate the procedure for paying income from debt securities. The Nasdaq CSD regulations applicable on the date of this Information Document are the Nasdaq CSD Rulebook and Corporate Action Service Description.

If a Coupon Payment Date is not a Business Day, the Issuer shall make the payment on the next Business Day. Such postponement shall not affect the amount payable, and no default shall be deemed to have occurred solely due to such postponement.

If the Issuer has failed to make Coupon payments in accordance with the deadlines specified in this Information Document, Bondholders shall have the right to submit claims regarding the payment of the Coupon not earlier than 20 (twenty) Business Days following the relevant Coupon Payment Date.

7.13.3 Coupon Calculation

Monthly Coupon payments are determined according to the following formula:

$CPN = F * C * n / 360$, where:

CPN – the amount of the Coupon payment in EUR per Bond;

F – Nominal Value of one Bond;

C – Coupon Rate (% with six digits after the decimal separator);

n – number of days since the First Settlement Date or the last Coupon Payment Date (as applicable) calculated on 30-day basis.

7.13.4 Accrued Coupon Calculation

Coupon accrues from the Issue Date. The accrued Coupon is calculated presuming that there are 360 (three hundred and sixty) days in one year (day count convention – “European 30/360”).

Accrued Coupon between Coupon Payment Dates shall be calculated as follows:

$AC = F * C / 360 * D$, where:

AC – accrued Coupon per one Bond;

F – Nominal Value of one Bond at the beginning of the relevant Coupon Period, i.e., the initial Nominal Value at the time of the issue of a Bond, as may be reduced by the redemption or repurchase amounts paid during the previous periods in accordance with this Information Document;

C – Coupon Rate (%);

D – the amount of days from the beginning of the Coupon accrual period calculated according to the European 30/360-day count method.

7.14 Repayment of the Bonds

7.14.1 Repayment at Maturity

The Nominal Value of one Bond is EUR 1,000.00 (one thousand euros), and the Issuer shall repay the Nominal Value of the Bonds on the Maturity Date, which is 22 October 2029.

The Issuer shall pay the Nominal Value through Nasdaq CSD in accordance with the applicable Nasdaq CSD regulations. Nasdaq CSD regulations applicable on the date of this Information Document are Nasdaq CSD Rulebook and Corporate Action Service Description. The list of Bondholders eligible to receive the Nominal Value shall be fixed at the end of the previous Business Day before the Maturity Date.

If the Maturity Date is not a Business Day, the Issuer shall pay the Nominal Value of the Bonds on the next Business Day after the Maturity Date, in which case no default shall be deemed to have occurred solely due to such postponement. The postponement of the payment date shall not have an impact on the amount payable.

If the Issuer fails to make the Nominal Value payment in accordance with the deadlines specified in this Information Document, the Bondholders shall have the right to submit claims regarding the repayment of the Nominal Value not earlier than 20 (twenty) Business Days following the Maturity Date.

7.14.2 Early Redemption at the Option of the Issuer (call option)

The Issuer may redeem the Bonds, in whole or in part, by paying:

- (a) 101% (one hundred and one percent) of the Nominal Value amount of the redeemed Bonds plus accrued and unpaid Coupon, if the redemption occurs from 22 October 2027 (inclusive) until 21 April 2029 (inclusive);

- (b) 100% (one hundred percent) of the Nominal Value amount of the redeemed Bonds plus any accrued and unpaid Coupon, if the redemption occurs from 22 April 2029 (inclusive) until the Maturity Date.

The Issuer may redeem the Bonds in part or an aggregate Nominal Value calculated in accordance with Section 7.14.2(a) or (b), as applicable, provided that any partial redemption amount shall be no less than 10% (ten percent) of the total Nominal Value of the Bonds outstanding immediately prior to such redemption (excluding accrued and unpaid Coupon that is paid in addition to this amount). Starting from the second partial redemption of the Bonds, the Issuer may increase the redeemed amount of the total Nominal Value in increments of 5% (five percent) or more for every case of early partial redemption. Any partial redemption shall be applied proportionally among all Bonds.

If the Issuer takes a decision on early (full or partial) redemption of the Bonds, the Issuer shall notify Nasdaq CSD and the Bondholders at least 20 (twenty) Business Days prior to the redemption date of the Bonds by publishing notice on the Communication Channels. The Issuer shall also notify the Trustee of such early redemption by email without undue delay and in any case no later than simultaneously with such publication. Such notice shall be irrevocable and shall specify at the redemption date, whether the redemption is in whole or in part, the aggregate Nominal Value amount to be redeemed, the redemption price, the amount of accrued and unpaid Coupon payable, and the record date for determining the Bondholders entitled to receive the redemption payment.

If the Issuer redeems the Bonds, the Issuer will pay the redemption payment through the intermediary of Nasdaq CSD in accordance with applicable regulations of Nasdaq CSD. The regulations of Nasdaq CSD applicable on the date of this Information Document are the Nasdaq CSD Rulebook and Corporate Action Service Description. The list of the Bondholders eligible to receive the redemption payment will be fixed at the end of the previous Business Day before the redemption payment date.

7.14.3 Early Redemption at the Option of the Bondholders (put option)

In case a Change of Control, Listing Failure or De-listing has occurred or is anticipated to occur, the Issuer has the obligation (in case of anticipated Change of Control – a right) to inform the Bondholders by publishing a relevant notice with sufficient details on the Communication Channels no later than 20 (twenty) Business Days after the Change of Control, Listing Failure or De-listing has occurred and at any time before the anticipated occurrence of a Change of Control:

- (a) stating that the Change of Control, Listing Failure or De-listing has occurred or is anticipated to occur, and that each Bondholder within a period of 10 (ten) Business Days has the right to require the Issuer to redeem all of such Bondholder's Bonds at a price equal to 101% (one hundred and one percent) of the Nominal Value plus accrued and unpaid Coupon;
- (b) stating the redemption date, which shall be no earlier than 10 (ten) Business Days and not later than 20 (twenty) Business Days from the date such notice is delivered to the Bondholders; however, if the notice is delivered prior to the occurrence of a Change of Control, the Issuer may state that the redemption of the Bonds is conditional upon the occurrence of a Change of Control, in which case the Bonds will be redeemed not later than 20 (twenty) Business Days following the occurrence of a Change of Control;
- (c) stating the record date;
- (d) stating that any Bond redeemed will cease to accrue Coupon after redemption and any Bonds not redeemed will continue to accrue Coupon;
- (e) describing the circumstances and relevant facts regarding the transaction or transactions that constitute a Change of Control;
- (f) describing the procedures determined by the Issuer that the Bondholder must follow to have its Bonds redeemed; and
- (g) including, as an attachment, the form of notice of exercise to be completed and submitted by a Bondholder wishing to exercise its right to require early redemption of its Bonds following the Change

of Control, the Listing Failure or the De-listing, as applicable, and a description of the procedures determined by the Issuer in cooperation with the Trustee.

The Issuer shall also notify the Trustee of the Change of Control, Listing Failure or De-listing and provide the notice provided above by email without undue delay and in any case no later than simultaneously with such publication.

To exercise the Change of Control, Listing Failure or De-listing put option, the Bondholder must within a period of 10 (ten) Business Days after the date of publication of the Issuer's notice submit to the Trustee a duly signed and completed notice of exercise put option in the form provided by the Issuer. The completed form shall be submitted to the Trustee by the Bondholder directly (physically signed form delivered by post or courier or electronically signed delivered by e-mail) or indirectly via the Bondholder's Custodian, following the procedure described in the Change of Control, Listing Failure or De-listing put notice. The Trustee shall forward all the notices of exercise received during the designated time period to the Issuer within the next Business Day following the last day of the designated time period. If no response from the Bondholder has been received within the designated time period, it shall be considered that the Bondholder will not execute its put option. No option so exercised may be withdrawn without a prior consent of the Issuer.

7.15 Financial Covenants

The Issuer undertakes to comply and/or, where applicable, undertakes to ensure compliance with the following Financial Covenants as at each relevant testing date from the Issue Date of the Bonds and as long as any Bonds are outstanding:

- (a) to maintain Equity Ratio of at least 25% (twenty-five percent);
- (b) to maintain Interest Coverage Ratio of at least 1.8x (one point eight times).

Financial Covenants stated above shall be tested at the end of each quarter on a consolidated Group level and proof of compliance with these Financial Covenants shall be included in every Financial Report. For the avoidance of doubt, the Issuer is required to comply with the Financial Covenants only as at the relevant testing date, and not on a continuous daily basis. The Financial Covenants shall be calculated in accordance with this Information Document, based on the Financial Reports prepared on a consolidated Group level in accordance with the Accounting Principles.

7.16 Undertakings

The Issuer undertakes to comply with the following undertakings from the Issue Date and for as long as any Bonds are outstanding:

- (a) not to make or permit any Change of Business without the prior approval of the Bondholders;
- (b) to procure that the Issuer is always the direct or indirect majority shareholder of the Material Subsidiaries and has Control over them, save where the Issuer ceases to be such shareholder or to have Control as a result of the enforcement of the Collateral or any Permitted Security;
- (c) not to initiate or permit the initiation of the Issuer's reorganization, liquidation or similar proceedings and not to reduce the share capital of the Issuer of any class (whether Class A (voting), Class B (non-voting) or any other class of shares of the Issuer now existing or created in the future), other than a reduction of share capital constituting a Permitted Distribution, except where the Management Board is required to do so under mandatory provisions of Applicable Law, including where the Management Board is under a statutory obligation to file for Insolvency Proceedings. In such case, the Issuer shall, to the extent permitted by Applicable Law, notify the Bondholders without undue delay of the circumstances giving rise to such obligation and of any steps taken or proposed to be taken in connection therewith;
- (d) not to declare, pay or make any dividends or other distribution of profits to its shareholders, or make any repayment or return of share capital to its shareholders, other than a Permitted Distribution;
- (e) not to commence any type of new economic activity outside the scope of Permitted Business except if revenue from such activity does not exceed 5% (five percent) of consolidated revenue of the Group;

- (f) not to sell, present, change, rent, license, invest or otherwise transfer into utilization the right to use the trademarks of the Issuer;
- (g) not to dispose, donate or in any other manner alienate any of its assets where such disposal would have a material adverse effect on the Issuer's commercial operations, business or financial situation, as well as not to assign to any third-party intra-group receivables included in the Collateral;
- (h) any transactions with Related Parties should be carried out at Fair Market Value or increasing the potential value of the Group;
- (i) all existing and future loans from the shareholders of the Issuer or their Related Parties must be subordinated to the Bonds;
- (j) to ensure that no Change of Control occurs in relation to the Issuer;
- (k) to ensure the admission to trading of the Bonds on Nasdaq Baltic First North within 12 (twelve) months after the Issue Date and to maintain such listing thereafter;
- (l) by the end of the second month following the end of each respective calendar quarter to prepare and publish on the Communication Channels quarterly Financial Reports and to include in each quarterly Financial Report a statement confirming compliance with the Financial Covenants as at the relevant reporting date and setting out the calculation of each Financial Covenant;
- (m) to prepare and publish on the Communication Channels annual Financial Report within 4 (four) months after the end of each consecutive Financial Year, which shall be audited by the Auditor starting from 1 January 2027 (for Financial Year of 2026), and to include in each annual Financial Report, a statement confirming compliance with the Financial Covenants as at the relevant year-end and setting out the calculation of each Financial Covenant;
- (n) to deliver each Financial Report (a statement confirming compliance with the Financial Covenants as at the relevant reporting date and setting out the calculation of each Financial Covenant) to the Trustee at the same time as it is published on the Communication Channels;
- (o) to publish Financial Reports, notices and any other information to Bondholders as required under this Information Document and the Applicable Laws on the Communication Channels;
- (p) to ensure that the net cash proceeds from the issue of the Bonds are used in accordance with Section 5 (*Purpose of the Offering and Use of Proceeds*);
- (q) not to purchase or otherwise acquire any Subordinated Debt, whether in the secondary market or otherwise, or to redeem or otherwise repay any principal amount of any Subordinated Debt, in each case unless the Equity Ratio is at least 35% (thirty-five percent) immediately following such acquisition, redemption or repayment and no Event of Default is continuing or would result therefrom, or unless such acquisition, redemption or repayment is expressly permitted under this Information Document or has been approved by the Majority Bondholders. For the avoidance of doubt, the payment of any coupon, default interest or other amounts payable in respect of the Subordinated Debt in accordance with the applicable terms and conditions shall be permitted and shall not constitute a breach of this undertaking;
- (r) to ensure that the Collateral is established and registered in the Commercial Pledge Register within 30 (thirty) calendar days after the Issue Date and is thereafter maintained in full force and effect, not to create or permit to subsist any Security over any of its assets other than Permitted Security, and not to incur or permit to subsist any Financial Indebtedness other than Permitted Debt;
- (s) to provide to the Collateral Agent, promptly upon its request, copies of the intra-group loan and credit facility agreements comprised in the Collateral, a list of the amounts outstanding thereunder and any other information reasonably requested by the Collateral Agent for the purposes of performing its functions under this Information Document, the Collateral Agreement and the Collateral Agent Agreement.

For avoidance of doubt, any undertaking provided in this Section 7.16 (*Undertakings*) above does not limit or restrict any of the following: (i) reorganization of legal type of the Issuer from SIA (limited liability company) to AS (joint stock company); (ii) performing any action in relation to the preparation for, commencement or completion of the IPO Event; (iii) any action taken in relation to the non-voting (including, but not limited to, Class B) shares of the Issuer, other than a reduction of share capital, which remains subject to paragraph (c) above and the Permitted Distribution requirements; or (iv) the granting of security over, or a pledge of, shares in the Issuer.

7.17 Events of Default

Each of the events or circumstances set out below shall constitute an Event of Default:

7.17.1 Non-payment

The Issuer fails to pay any amount of principal in respect of the Bonds on the due date for payment thereof or fails to pay any amount of Coupon in respect of the Bonds on the due date for payment thereof, unless such failure is caused by an administrative or technical error in payment systems or Nasdaq CSD and payment is made within 20 (twenty) Business Days after the due date of the relevant payment. The Bondholders shall have the right to submit claims to the Issuer and to the Trustee regarding failure to make payment not earlier than 20 (twenty) Business Days after the due date of the relevant payment.

7.17.2 Breach of Covenants

The Issuer does not comply with any Financial Covenant and fails to remedy such breach in accordance with Section 7.17.3 (*Covenant Cure*), or the Issuer does not comply with any undertaking set out in Section 7.16 (*Undertakings*), unless such non-compliance (a) is capable of being remedied and (b) is remedied within 20 (twenty) Business Days after the Issuer becoming aware of the non-compliance.

7.17.3 Covenant Cure

The Issuer may cure or prevent a breach of the Financial Covenants if, prior to or within 90 (ninety) calendar days of the earlier of: (a) the date on which the relevant Financial Report is to be published pursuant to this Information Document; and (b) the date such Financial Report was in fact published pursuant to this Information Document for any Relevant Period in which such failure to comply was (or would have been) first evidenced ("**Breach Period**"), the Group has taken corrective actions to restore compliance with the Financial Covenants, including but not limited to: (i) receiving cash proceeds of new injections from the shareholders of the Issuer or their affiliates in a form of equity and/or Subordinated Debt, and such proceeds have been applied to reduce senior debt in an amount at least sufficient to ensure compliance with the Financial Covenants, including the Interest Coverage Ratio (the "**Equity Cure**").

Any Equity Cure provided to the Issuer in respect of such Breach Period shall be deemed to have been provided during the Breach Period and shall be included (without double counting) in all relevant calculations of the Financial Covenants until the date it was deemed provided falls outside any subsequent Relevant Period. For the purposes of calculating the Interest Coverage Ratio only, to the extent the proceeds of the Equity Cure are applied to reduce Financial Indebtedness, the relevant reduction of Financial Indebtedness shall be deemed to have occurred on the first day of the Relevant Period to which the relevant Interest Coverage Ratio relates, and the interest expense in respect of such reduced Financial Indebtedness shall be recalculated accordingly on a *pro forma* basis for such Relevant Period. If after Equity Cure the relevant Financial Covenant is met, the requirement thereof shall be deemed to have been satisfied as at the relevant original date of determination of an Event of Default, and the breach shall be deemed remedied for the purposes of this Information Document. For the avoidance of doubt, any *pro forma* recalculation made pursuant to this Section 7.17.3 (*Covenant Cure*) shall apply only for the purposes of determining compliance with the Financial Covenants and shall not affect the Issuer's actual payment obligations, accounting treatment or historical financial statements.

7.17.4 Cross Default

If, in respect of the Issuer:

- (a) any Financial Indebtedness of the Issuer is neither paid when due nor within any applicable grace period;
- (b) any Financial Indebtedness of the Issuer is declared to be or otherwise becomes due and payable prior to its specific maturity, as a result of an event of default (however described);
- (c) any commitment for Financial Indebtedness of the Issuer is cancelled or suspended by a creditor, as a result of an event of default (however described); or
- (d) any security securing Financial Indebtedness of the Issuer over any asset is enforced by a secured creditor;

provided, however, that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above exceeds EUR 300,000.00 (three hundred thousand euros) (or the equivalent thereof in any other currency), if there is no dispute on the obligation to pay and that the above does not apply to any Financial Indebtedness owed to the Related Party or Subordinated Debt.

7.17.5 Insolvency

If the Issuer:

- (a) is declared insolvent or bankrupt by a court of competent jurisdiction or admits inability to pay its debts in case of lawful claims, save for the claims by the Related Parties or within the Group;
- (b) enters into any arrangement with majority of its creditors by value in relation to the restructuring of its debts or any meeting is convened to consider a proposal for such arrangement, other than any solvent reorganisation, refinancing, rescheduling or restructuring permitted under this Information Document or approved by the Majority Bondholders; or
- (c) an application to initiate Insolvency Proceedings or administration of the Issuer or any other proceedings for the settlement of the debt of the Issuer is submitted to the court by the Issuer or by any Related Parties, other than the proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 90 (ninety) calendar days of commencement or, if earlier, the date on which it is advertised.

7.17.6 Establishment of an Event of Default

Bondholders representing at least 10% (ten percent) of the principal amount of the outstanding Bonds may by written notice to the Trustee and the Issuer declare the occurrence of an Event of Default at any time after such event has occurred (and as long as it continues). Any such notice shall identify the alleged Event of Default in reasonable detail and be accompanied by evidence of the relevant Bondholders' holdings of Bonds as at the date of the notice, including, without limitation, a statement or confirmation issued by the relevant Custodian or account operator.

Within 30 (thirty) Business Days after receipt of a notice referred to above, the Issuer shall notify the Bondholders by publishing this information on the Communication Channels and the Trustee by submitting this information at the same time as it is published on the Communication Channels whether it: (a) confirms that the relevant Event of Default has occurred and is continuing; (b) disputes that the relevant Event of Default has occurred, providing reasonable grounds for such position; or (c) states that the relevant circumstance, matter or event has ceased to exist or has been remedied, to the extent capable of remedy. If the Issuer confirms that the relevant Event of Default has occurred, or if the Issuer fails to submit to the Trustee and publish any notice in accordance with this Section 7.17.6 (*Establishment of an Event of Default*) within such 30 (thirty) Business Day period, the Event of Default shall be deemed established only for the purposes of this Information Document, and the date of such confirmation or, as applicable, the last day of such 30 (thirty) Business Day period shall be the "**Enforcement Date**".

If an Event of Default in accordance with Section 7.17 (*Events of Default*) is deemed established in accordance with this Section 7.17.6 (*Establishment of an Event of Default*) and unless otherwise decided by the Majority Bondholders, the Issuer shall, within 20 (twenty) Business Days following the Enforcement Date, redeem all

outstanding Bonds by paying the Outstanding Amount, subject in each case to any mandatory provisions of Applicable Law. For the avoidance of doubt, the Issuer's right to submit an Action Plan and the Majority Bondholders' right to instruct the Collateral Agent to enforce the Collateral, each as set out in Section 7.7.11(c) (*Event of Default and Action Plan*)), shall apply in parallel with this Section 7.17.6 (*Establishment of an Event of Default*), and the exercise of rights under Section 7.7.11(c) (*Event of Default and Action Plan*)) shall not be prejudiced by the redemption obligation set out in this paragraph.

The Issuer shall publish: (a) promptly, and in any event no later than 2 (two) Business Days after receipt thereof, a notice that it has received a notice under this Section 7.17.6 (*Establishment of an Event of Default*); and (b) promptly, and in any event no later than 2 (two) Business Days after making the relevant determination, its confirmation, dispute or statement referred to in this Section 7.17.6 (*Establishment of an Event of Default*), in each case on the Communication Channels, and shall notify the same the Trustee in accordance with the notice procedure provided in the Trustee Agreement at the same time as it is published on the Communication Channels. Such publication shall include a summary of the alleged Event of Default and the Issuer's position in respect thereof.

For the avoidance of doubt, an Event of Default shall not be deemed established pursuant to this Section 7.17.6 (*Establishment of an Event of Default*) if, within the 30 (thirty) Business Days period referred to above, the Issuer has published on the Communication Channels a notice disputing the occurrence of the relevant Event of Default with reasonable substantiation, or stating that the relevant circumstance, matter or event has ceased to exist or has been remedied, to the extent capable of remedy. If the Issuer disputes the occurrence of an Event of Default, the Majority Bondholders may, by a decision adopted at a Bondholders' Meeting or in a Procedure in Writing, resolve that such Event of Default has occurred and is continuing, in which case it shall be deemed established for the purposes of this Information Document and the date of such decision shall be the Enforcement Date, without prejudice to the Issuer's right to challenge such decision before the competent court. The Collateral Agent shall not be required to determine or resolve any dispute as to whether an Event of Default has occurred and may rely conclusively on any such decision or on the Issuer's confirmation.

7.18 Default Interest and Penalty

If the Issuer fails to pay to the Bondholders any overdue principal amount payable by it under this Information Document, but excluding any Coupon, then the Issuer shall pay to the Bondholders default interest (in Latvian: *nokavējuma procenti*) accruing on the overdue principal amount from the due date up to the date of actual payment at a rate which is 0.05% (zero point zero five per cent) per day.

If the Issuer fails to pay any Coupon payment when due under this Information Document, the Issuer shall pay to the relevant Bondholders a penalty (in Latvian: *līgumsods*) accruing on the overdue Coupon amount from the due date up to the date of actual payment at a rate of 0.05% (zero point zero five percent) per day, provided that the aggregate amount of such penalty shall not exceed 10% (ten percent) of the relevant overdue Coupon amount.

7.19 Disclosure of Information

Up until the Maturity Date, the Issuer shall publish all information required by this Information Document, the rules of Nasdaq Riga (if the Bonds are admitted to trading on First North) and the Applicable Laws.

Unless otherwise provided in this Information Document, for as long as the Bonds are not admitted to trading on First North, all notices and reports to the Bondholders shall be published on the Issuer's webpage.

The Issuer shall notify Nasdaq CSD of any Bondholders' Meeting or Written Procedure in accordance with the applicable Nasdaq CSD rules and procedures.

As of the date when the Bonds are admitted to trading on First North, all notices and reports to the Bondholders shall be published on the Nasdaq Riga website, as well as on the Issuer's webpage.

Any notice or other communication to be made under or in connection with the Bonds to the Trustee, shall sent by email by the Issuer, to the email address notified by the Trustee from time to time, initially birojs@eversheds-sutherland.lv.

If under this Information Document, the Applicable Law or the Trustee Agreement the Trustee is obligated to notify or inform the Bondholders, then upon request of the Trustee, the Issuer shall publish any notices of the Trustee to the Bondholders in the manner specified in this Section 7.19 (*Disclosure of Information*) as soon as reasonably practicable and, in any event, within 2 (two) Business Days after receipt of such request. For this purpose, the Issuer hereby irrevocably authorizes the Trustee to publish such notices or information directly on the Communication Channels or any other permitted medium, including via Nasdaq CSD or the Trustee's website, should the Issuer fail to do so within the time period set out above or if the Trustee otherwise considers such direct publication necessary to properly inform the Bondholders, provided that such publication relates to the Bonds, the Trustee Agreement or the rights of the Bondholders under this Information Document. If required by the Trustee, the Issuer shall issue the necessary power of attorney to the Trustee regarding such publication and communication in a form and content reasonably acceptable to the Trustee.

Any notice or report published in the manner described above shall be deemed to have been received on the same Business Day when it is published.

If under this Information Document, the Applicable Laws or the Collateral Agreement the Collateral Agent is obligated to notify or inform the Bondholders, then upon request of the Collateral Agent, the Issuer shall publish any notices of the Collateral Agent to the Bondholders in a manner specified in this Section 7.19 (*Disclosure of Information*) as soon as reasonably practicable and, in any event, within 1 (one) Business Day after receipt of such request. For this purpose, the Issuer hereby irrevocably authorises the Collateral Agent to publish such notices or information directly on any other permitted medium, including via Nasdaq CSD, the Collateral Agent's website (in each case at the cost of the Issuer), should the Issuer fail to publish the information within the time period set out above or if the Collateral Agent otherwise considers such direct publication necessary to properly inform the Bondholders, provided that such publication relates to the Bonds, the Collateral, the Collateral Agent Agreement, the rights of the Bondholders under this Information Document. If required by the Collateral Agent, the Issuer shall issue the necessary power of attorney to the Collateral Agent regarding such publication and communication in a form and content reasonably acceptable to the Collateral Agent.

7.20 Force Majeure and Limitation of Liability

The Issuer shall be entitled to postpone the fulfilment of its obligations under the Bonds only to the extent and for so long as the Issuer is prevented from performing such obligations due to a Force Majeure Event (as defined below) by publishing notice on the Communication Channels. For the purposes of this Information Document, a "**Force Majeure Event**" means an event or circumstance which:

- (a) is beyond the reasonable control of the Issuer;
- (b) was not reasonably foreseeable by the Issuer on the Issue Date;
- (c) could not reasonably have been avoided, prevented or overcome by the Issuer or the consequences of which could not reasonably have been mitigated by the Issuer exercising due care and taking all reasonable steps;
- (d) materially prevents or delays the performance of the affected obligation; and
- (e) renders the performance of the relevant obligation objectively impossible, and not merely more onerous, more expensive or less profitable.

Subject to the criteria above, a Force Majeure Event may include, but is not limited to:

- (a) action of any authorities, war or threat of war, armed hostility or a serious threat thereof, including but not limited to enemy attacks, blockades, military embargoes, actions by a foreign enemy, general military mobilization, military actions, declared or undeclared war, actions by a public enemy, commotions, acts of terrorism, diversions, piracy, disorders, invasion, revolution, coup, insurrection, mass unrest, introduction of curfews, quarantine established by the governments in the jurisdictions of the Issuer or its Subsidiaries, expropriation, enforced withdrawal, takeover of enterprises, requisition, sanctions, trade restrictions, emergency measures, mandatory orders or restrictions imposed by any governmental, regulatory, supervisory or other competent authority;

- (b) disturbances in postal, telephone or electronic communications due to circumstances beyond the reasonable control of the Issuer and materially affecting the operations of the Issuer, Nasdaq CSD, any paying agent, account bank, custodian, settlement system, trading venue or other infrastructure provider relevant to the performance of the Issuer's obligations under this Information Document;
- (c) any interruption of or delay in the operations of the Issuer as a result of fire, frost or other similar disaster, including flood, storm, lightning, earthquake, epidemic, pandemic, explosion, cyberattack, failure of information technology systems, failure of payment or settlement systems, power outage, grid failure or other event affecting critical infrastructure;
- (d) any industrial action, such as strike, lockout, boycott or blockade materially affecting the activities of the Issuer, the Group or any material service provider, counterparty, settlement system, account bank, custodian or infrastructure provider relevant to the performance of the Issuer's obligations under this Information Document; or
- (e) any other similar force majeure event or circumstance beyond the Issuer's reasonable control which materially prevents or delays the performance of the affected obligation.

In case of occurrence of a Force Majeure Event, the Issuer's fulfilment of the affected obligations may be postponed only for the duration of the Force Majeure Event and only to the extent affected thereby, and shall be resumed immediately after such circumstances cease to exist, provided that the Issuer shall put all best efforts to limit the effect of the Force Majeure Event and to resume the fulfilment of its obligations as soon as possible. The Issuer shall, without undue delay after becoming aware of the Force Majeure Event, publish a notice describing the Force Majeure Event, the obligations affected, the expected effect on performance and, if reasonably available, the expected duration of the postponement. The Issuer shall also publish a notice promptly after the Force Majeure Event has ceased.

For the avoidance of doubt, a Force Majeure Event shall not constitute an Event of Default, and no Event of Default shall arise under Section 7.17.1 (*Non-payment*) or Section 7.17.2 (*Breach of Covenants*) by reason of a failure to perform an affected obligation during the period for which its fulfilment is postponed in accordance with this Section 7.20 (*Force Majeure and Limitation of Liability*). This Section does not release the Issuer from any obligation, and the relevant obligation shall be performed upon expiry of the postponement. Nothing in this Section shall prevent an Event of Default from arising under Section 7.17.5 (*Insolvency*) or Section 7.17.4 (*Cross Default*), or affect the rights of the Bondholders and the Collateral Agent to enforce the Collateral in accordance with this Information Document, in each case irrespective of whether the relevant event, matter or circumstance arises as a result of a Force Majeure Event.

7.21 Representation of the Bondholders

7.21.1 Representation by the Collateral Agent

The Bondholders are represented by the Collateral Agent in respect of the Collateral in accordance with Section 7.7 (*Collateral Agent*). Save for the Collateral Agent in respect of the Collateral, within the framework of this Information Document it is not planned, yet not prohibited, to create an organization of authorized persons which would represent all or relevant Bondholders of the relevant Issue. In case of the Insolvency Proceedings of the Issuer, each Bondholder has the right to represent their own interests, including in creditors' meetings, without prejudice to the rights and obligations of the Collateral Agent in respect of the Collateral. The Bondholders will have equal rights for satisfaction of their claims with other creditors in the same claims' group.

There are no restrictions set for the Bondholders' right to create and/or authorize an organization/person that represents the legal interests of all Bondholders or part thereof, provided that the rights in respect of the Collateral may be exercised only through the Collateral Agent in accordance with Section 7.7 (*Collateral Agent*).

7.21.2 Representation by the Trustee

The Trustee is appointed to act on behalf of the Bondholders in accordance with this Information Document and the Trustee Agreement. The Trustee will exercise certain rights and powers in its discretion or upon

instruction by the Majority Bondholders, subject to indemnification as set out therein. Individual enforcement rights are limited and may be exercised by Bondholders only in specific circumstances.

Bondholders may, at their own expense, appoint separate representatives to protect their interests, provided such appointments do not conflict with the role or powers of the Trustee.

Upon the occurrence and continuation of an Event of Default, or if the Bonds have been accelerated in accordance with Section 7.17 (*Events of Default*), the Majority Bondholders may give binding instructions to the Trustee to take enforcement action against the Issuer by delivering a written instruction (an “**Enforcement Instruction**”) to the Trustee.

Upon receipt of a valid Enforcement Instruction, the Trustee shall, subject to the indemnification and prefunding provisions of this Section 7.21.2 (*Representation by the Trustee*), take such enforcement action as instructed by the Majority Bondholders as soon as reasonably practicable. The Trustee shall not be liable to any Bondholder for acting in accordance with a valid Enforcement Instruction.

Without limiting the generality of the foregoing, an Enforcement Instruction may direct the Trustee to:

- (a) commence or continue legal proceedings against the Issuer for recovery of amounts due under the Bonds;
- (b) file claims on behalf of Bondholders in any Insolvency Proceedings, liquidation or similar proceedings of the Issuer;
- (c) take any steps to preserve or enforce the rights of the Bondholders under this Information Document;
- (d) engage legal counsel, financial advisors, or other professionals on behalf of the Bondholders, with such costs to be borne by the Issuer or, failing which, by the Bondholders in accordance with the indemnification and prefunding provisions of this Section 7.21.2 (*Representation by the Trustee*); or
- (e) take any other action which the Trustee is entitled to take under this Information Document in respect of the Bonds.

The Trustee shall notify the Bondholders in accordance with Section 7.19 (*Disclosure of Information*) of the receipt of any Enforcement Instruction and the actions it intends to take pursuant thereto within 5 (five) Business Days of receipt of a valid Enforcement Instruction.

If the Issuer is declared insolvent, or the Issuer has not repaid funds in cases where the Bonds are accelerated due to an Event of Default, upon exercise of a call option under Section 7.14.2 (*Early Redemption at the Opinion of the Issuer (call option)*) or a put option under Section 7.14.3 (*Early Redemption at the Opinion of the Bondholders (put option)*) or on the Maturity Date, the Trustee may take the steps expressly required of it to recover amounts outstanding under the Bonds upon receipt of a valid Enforcement Instruction and the documents, authority, information and advance funding or indemnity required under this Information Document and the Trustee Agreement, subject to any mandatory Applicable Law. The Trustee shall not be required to receive payments on the Bonds or operate an escrow or interest-bearing account. If it agrees to receive funds in that capacity, it shall hold and distribute them in accordance with Applicable Law, the Trustee Agreement and any applicable client-money requirements, and shall have no obligation to earn interest. Proceeds of the Collateral received by the Collateral Agent shall instead be dealt with solely under Section 7.7.13 (*Application of the Proceeds from Enforcement of the Collateral*). Where the Trustee has agreed to receive and distribute funds other than proceeds of the Collateral, it shall apply them, subject to Applicable Law, in the following order of priority as soon as reasonably practicable:

- (a) first, in or towards payment *pro rata* of: (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee; (ii) other costs, expenses and indemnities relating to the protection of the Bondholders’ rights; (iii) any non-reimbursed costs incurred by the Trustee for external experts; and (iv) any non-reimbursed costs and expenses incurred by the Trustee in relation to a Bondholders’ Meeting or a Written Procedure;

- (b) secondly, in or towards payment *pro rata* of accrued but unpaid Coupon under the Bonds (Coupon due on an earlier Coupon Payment Date to be paid before any Coupon due on a later Coupon Payment Date);
- (c) thirdly, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) fourthly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under this Information Document.

If the Trustee makes a distribution under this Section, the Trustee shall, as applicable, notify the Bondholders of any such payment at least 5 (five) Business Days before the payment is made. Such notice shall specify the record date, which is the Business Day preceding the due date for the payment, the payment date and the amount to be paid.

Notwithstanding anything to the contrary in this Information Document, the Trustee shall not be obliged to take any action, initiate or participate in any legal proceedings, or incur any expense in connection with the performance of its duties under this Information Document unless it has received, to its satisfaction and in advance, such indemnity, security and/or prefunding (in each case in form and amount satisfactory to the Trustee) for all fees, costs, and expenses (including legal fees) as it may incur in connection with such action or proceedings from the Issuer or, failing which, from Bondholders.

7.22 Bondholders' Meetings and Decisions

7.22.1 General information

Decisions of the Bondholders relating to the Bonds, including on termination of the Trustee Agreement and the consequent designation of a new Trustee, and any Enforcement Instructions, may be taken either at a Bondholders' Meeting or by way of a Procedure in Writing, as determined by the Trustee in consultation with the Issuer. Consultation with the Issuer is not required if the matters to be decided relate to an Event of Default (including an Event of Default that may arise), enforcement or the Enforcement Instructions, the Issuer's insolvency or restructuring, or other similar matters. Where the Issuer seeks a waiver or other consent from the Bondholders, it shall notify the Trustee accordingly, and the Trustee shall decide whether the matter is to be resolved at a Bondholders' Meeting or through a Procedure in Writing. Within 3 (three) Business Days of such notification, the Trustee shall instruct the Issuer to notify the Bondholders by way of a relevant announcement published on the Communication Channels. The Trustee shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Procedure in Writing unless and to the extent it contains information provided by the Trustee.

The Issuer, after coordinating with the Trustee, shall have a right to amend the technical procedures relating to the Bonds in respect of payments or other similar matters, and to amend and clarify any manifest errors or other inconsistencies, in each case without the consent of the Bondholders, if such amendments are not prejudicial to the interests of the Bondholders.

The Trustee shall have the right to convene a Bondholders' Meeting or initiate a Procedure in Writing at any time and shall do so following a written request from the Issuer or from the Bondholders who, on the day of the request, represent no less than 10% (ten percent) of the principal amount of the outstanding Bonds (in each case excluding any Bonds held, directly or indirectly, by the Issuer or the Related Parties). Any such request shall describe the matter to be decided in reasonable detail and shall be accompanied by evidence of the requesting Bondholders' holdings satisfactory to the Trustee, including, without limitation, statements or confirmations issued by the relevant custodians or account operators.

The Trustee may refrain from convening the Bondholders' Meeting or instigating the Procedure in Writing if (a) the suggested decision does not fall under the competence of the Bondholders, or (b) the suggested decision is not in accordance with the Applicable Law.

In case convening of the Bondholders' Meeting or instigation of a Procedure in Writing is requested to the Trustee by the Issuer or the Bondholders in accordance with this Section 7.22.1 (General information), the

Trustee shall be obliged to convene the Bondholders' Meeting or instigate the Procedure in Writing within 1 (one) month after receipt of the respective written request. If the Trustee fails to do so within such period, the requesting Bondholders may themselves, or through a person authorised by them, convene the Bondholders' Meeting or instigate the Procedure in Writing, in each case with effect as if convened or instigated by the Trustee. The Issuer shall provide all reasonable cooperation required for such purpose, including providing or procuring access to the relevant procedural arrangements customarily used for communication with the Bondholders and the implementation of the meeting or a Procedure in Writing.

Only those Bondholders who were appearing in Nasdaq CSD as the Bondholders by the end of the 5th (fifth) Business Day prior to convening the Bondholders' Meeting (in case of the Bondholders' Meeting is convened) and only those Bondholders who were appearing in Nasdaq CSD as the Bondholders by the end of the 5th (fifth) Business Day after publishing an announcement on instigation of the Procedure in Writing (in case the Procedure in Writing is instigated) or proxies authorised by such Bondholders, may exercise their voting rights at the Bondholders' Meeting or in the Procedure in Writing. The voting rights of the Bondholders will be determined on the basis of the principal amount of the Bonds held on the relevant record date, excluding Bonds held by the Issuer. Any Bonds held, directly or indirectly, by the Issuer shall be disregarded for the purposes of quorum and voting.

Quorum at the Bondholders' Meeting or in respect of the Procedure in Writing only exists if one or more Bondholders holding 50% (fifty percent) in aggregate or more of the principal amount of the Bonds outstanding and eligible to vote (as applicable):

- (a) if at a Bondholder's Meeting, are present or represented at the meeting; or
- (b) if in respect of a Procedure in Writing, have submitted a valid reply within the prescribed time limit.

If the Issuer is the Bondholder, its principal amount of the Bonds will be excluded when a quorum and voting results are calculated.

If quorum does not exist at the Bondholders' Meeting or in respect of a Procedure in Writing, the Trustee shall convene a second Bondholders' Meeting^{7.22.1} or instigate a second Procedure in Writing^{7.22.1}, as the case may be. If the Trustee fails to do so within 10 (ten) Business Days after it has been established that quorum did not exist, Bondholders entitled to request a meeting or Procedure in Writing under this Section 7.22.1 (*General information*) may themselves convene such second Bondholders' Meeting or instigate such second Procedure in Writing. The quorum requirement in this Section 7.22.1 (*General information*) above shall not apply to such second Bondholders' Meeting or Procedure in Writing, except for exclusion of the Issuer, its direct and indirect shareholders and the Related Parties from calculation of a quorum and voting results.

The Trustee may agree with the Issuer that the Issuer arranges the Bondholders' Meeting or the Procedure in Writing pursuant to this Information Document. In such case, all references to the Trustee in this Section 7.22.1 (*General information*) shall refer to the Issuer, and the Issuer shall have the same rights and obligations as the Trustee in arranging the Bondholders' Meeting or the Procedure in Writing, except that the Issuer shall not determine any matter where this Information Document expressly requires the Trustee's independent determination or decision. The Issuer shall also have a right to appoint and authorize an agent to convene and hold the Bondholders' Meeting or a Procedure in Writing.

If the Issuer offers Bondholders a fee for relevant decision of the Bondholders, the Issuer shall transfer the fee through the intermediary of Nasdaq CSD and in accordance with applicable Nasdaq CSD regulations, which regulate the procedure for paying income from debt securities.

All expenses in relation to the convening and holding the Bondholders' Meeting or a Procedure in Writing shall be covered by the Issuer. This shall also apply where the Bondholders' Meeting or Procedure in Writing is convened or instigated by Bondholders in accordance with this Section 7.22.1 (*General information*), provided that such expenses have been reasonable, properly documented and incurred in accordance with this Information Document.

For the purposes of facilitating any Bondholders' Meeting or Procedure in Writing, or performing its functions under this Information Document, the Trustee shall be entitled to obtain information regarding the identity

and holdings of the Bondholders directly from Nasdaq CSD. The Issuer shall, upon request of the Trustee, promptly issue any necessary authorisations to enable such access.

Without amending or varying this Information Document, the Trustee may prescribe such further regulations regarding the convening and holding of the Bondholders' Meeting or the Procedure in Writing as the Trustee may deem appropriate. Such regulations may include, for example, a possibility for Bondholders to vote without attending the meeting in person and holding the Bondholders' Meeting in the form of a video conference.

If the adopted decision of the Bondholders refers to specifications of the Bonds and/or the Coupon calculation method, as well as the procedure of Coupon payments and/or repayment of the Nominal Value, the Issuer shall inform Nasdaq CSD of these changes in accordance with the applicable Nasdaq CSD rules; however, failure to notify does not render the relevant decision ineffective.

7.22.2 Majority and Voting

Consent of the Majority Bondholders is required for the following decisions:

- (a) agreement with the Issuer to amend Section 7.5 (*Status and Ranking of the Bonds*), Section 7.6 (*Collateral*), Section 7.7 (*Collateral Agent*), Section 7.8 (*Trustee*), Section 7.15 (*Financial Covenants*), Section 7.16 (*Undertakings*), Section 7.17 (*Events of Default*), Section 7.22 (*Bondholders' Meetings and Decisions*), enforcement of the Collateral, approval of Action Plan;
- (b) agreement with the Issuer to change the date, or the method of determining the date, for the payment of principal, Coupon or any other amount in respect of the Bonds, to reduce or cancel the amount of principal, Coupon or any other amount payable on any date in respect of the Bonds or to change the method of calculating the amount of Coupon or any other amount payable on any date in respect of the Bonds;
- (c) agreement with the Issuer to release or reduce the Collateral, other than any release, amendment, novation or sharing of the Collateral expressly permitted under this Information Document;
- (d) agreement with the Issuer to change the currency of the Bonds.

Notwithstanding the above, any amendment to this Information Document which relates to the Collateral Agent and would adversely affect the rights, obligations, protections, indemnities, fees or limitations of liability of the Collateral Agent under this Information Document, the Collateral Agreement or the Collateral Agent Agreement shall require the prior written consent of the Collateral Agent (such consent not to be unreasonably withheld or delayed), and any such amendment made without such consent shall not be binding on the Collateral Agent. The same rule applies, with the Trustee's prior written consent, to any amendment adversely affecting the Trustee's rights, obligations, protections, indemnities, fees or limitations of liability under this Information Document or the Trustee Agreement.

7.22.3 Procedure in Writing

The Trustee may initiate the Procedure in Writing itself or through the intermediary of an authorised person (the "**Agent**").

If a decision of the Bondholders is intended to be passed by a Procedure in Writing, then a respective communication of the Procedure in Writing shall be provided to the Bondholders by the Issuer in English and Latvian on the Communication Channels, and to the Collateral Agent in accordance with the disclosure provisions of this Information Document. If the Issuer fails to publish such communication on the Communication Channels within 1 (one) Business Day after the Trustee's request, the Trustee may publish such communication pursuant to Section 7.19 (*Disclosure of Information*). Any such communication shall be deemed to have been received by the Bondholders when sent or published in the manner specified in this Section 7.22.3.

Communication above shall include:

- (a) each request for a decision by the Bondholders;

- (b) a description of the reasons for each request;
- (c) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote “yes” or “no” for each request) as well as a form of a power of attorney; and
- (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least 10 (ten) Business Days from the communication pursuant to paragraph above) and a manner of a reply.

When the requisite majority consents pursuant to Section 7.22.2 (*Majority and Voting*) have been received in a Procedure in Writing, the relevant decision shall be deemed to be adopted pursuant to Section 7.22.2 (*Majority and Voting*) even if the time period for replies in the Procedure in Writing has not yet expired.

If a Bondholder does not notify the Trustee of its decision on the respective matter submitted for approval within the term specified in the communication, such Bondholder shall be deemed not to have voted on the respective decision.

The Bondholders shall submit signed voting forms either directly to the Trustee or through their respective Custodian by the deadline set in the communication of the consent (waiver). The consent (waiver) is deemed to be granted if the Majority Bondholders (excluding the Bonds owned by the Issuer, the direct and indirect shareholders of the Issuer and the Related Parties) have voted for granting the consent (waiver).

The Trustee shall count the votes received in the Procedure in Writing and notify the Bondholders of the results of the voting within 1 (one) Business Day after the deadline for submitting the voting forms by publishing a relevant announcement on the Communication Channels.

The Issuer shall inform the Collateral Agent on the results of the Procedure in Writing and the status of the relevant decision and shall deliver to the Collateral Agent the voting results of the Bondholders’ Meeting certified by an authorised representative of the Issuer (or, where the Procedure in Writing was instigated by Bondholders or the Collateral Agent, by the person who instigated it), on which the Collateral Agent may rely without further enquiry.

7.22.4 Bondholders’ Meeting

If a decision of the Bondholders is intended to be passed at the Bondholders’ Meeting, then a respective notice of the Bondholders’ Meeting shall be provided to the Bondholders in accordance with the disclosure provisions of this Information Document no later than 10 (ten) Business Days prior to the meeting. If the Issuer fails to publish such notice on the Communication Channels within 1 (one) Business Day after the Trustee’s request, the Trustee may publish such notice pursuant to Section 7.19 (*Disclosure of Information*). Any such notice shall be deemed to have been received by the Bondholders when sent or published in the manner specified in this Section 7.22.3. If the Bondholders’ Meeting is convened by Bondholders in accordance with this Information Document due to the Issuer’s failure to cooperate or act, such notice may be given by such Bondholders or their duly authorised representative by publishing information through available public means designed to notify as many Bondholders as possible (including, without limitation, an official gazette, press release or publication on a Bondholders’ website), and shall be deemed valid for all purposes of this Information Document.

Furthermore, the notice shall specify the time, place and agenda of the meeting, as well as any action required on the part of the Bondholders that will attend the meeting, unless all Bondholders eligible to vote are present or represented and unanimously agree otherwise. No matters other than those referred to in the notice may be resolved at the Bondholders’ Meeting.

The Bondholders’ Meeting shall be held in Riga, Latvia, or, if determined by the Trustee, by video conference or other electronic means, and its chairperson shall be appointed by the Bondholders’ Meeting based on the proposal of the Trustee. If the Bondholders’ Meeting is convened by Bondholders in accordance with this Information Document, or if no chairperson is proposed or the proposed chairperson is not present at the

meeting, the chairperson shall be appointed by the Bondholders present or represented at the Bondholders' Meeting.

The Bondholders' Meeting shall be organized by the chairman of the Bondholders' Meeting. If the Bondholders' Meeting is convened by Bondholders in accordance with this Information Document, the meeting may be organized by such Bondholders or their duly authorised representative, and the chairman shall thereafter conduct the meeting.

The Bondholders' Meeting shall be held in English with translation into Latvian, unless the Bondholders present in the respective Bondholders' Meeting unanimously decide that the respective Bondholders' Meeting shall be held only in Latvian or English.

Minutes of the Bondholders' Meeting shall be kept, recording the day and time of the meeting, attendees, their votes represented, matters discussed, results of voting, and resolutions which were adopted. The minutes shall be signed by the keeper of the minutes, which shall be appointed by the Bondholders' Meeting. The minutes shall be attested by the chairman of the Bondholders' Meeting, if the chairman is not the keeper of the minutes, as well as by one of the persons appointed by the Bondholders' Meeting to attest the minutes. The minutes from the relevant Bondholders' Meeting shall at the request of a Bondholder be sent to it by the Issuer. If the Bondholders' Meeting has been convened by Bondholders in accordance with this Information Document, the minutes may be prepared and distributed by such Bondholders or their duly authorised representative, and the Issuer shall promptly publish or otherwise communicate the adopted resolutions in accordance with disclosure provisions provided in this Information Document. If the Issuer fails to do so within 2 (two) Business Days after receipt of the minutes or the adopted resolutions, such Bondholders or their duly authorised representative may themselves publish or otherwise communicate the same, and such publication or communication shall be deemed valid for the purposes of this Information Document.

The Collateral Agent shall have a right to participate in all Bondholders' Meetings as observer, shall be given notice of each Bondholders' Meeting at the same time as the Bondholders, and shall be provided with a copy of the minutes of each Bondholders' Meeting certified by its chairman as soon as possible after the meeting, on which the Collateral Agent may rely without further enquiry.

Representatives of the Issuer and persons authorised to act for the Issuer may attend and speak at the Bondholders' Meeting.

The Trustee shall have the right to participate in all Bondholders' Meetings.

7.22.5 Effect of Decisions

Information about decisions taken at a Bondholders' Meeting or by way of a Procedure in Writing shall promptly be provided to the Bondholders in accordance with disclosure provisions set forth in this Information Document, provided that a failure to do so shall not invalidate any decision made or voting result achieved.

Decisions passed at the Bondholders' Meeting or by way of the Procedure in Writing shall be binding on all Bondholders irrespective of whether they participated at the Bondholders' Meeting or in the Procedure in Writing, voted against the decision, abstained from voting or acquired the Bonds after the relevant decision was adopted.

The Issuer shall inform Nasdaq CSD of any decisions made by the Bondholders, changes to the specifications of the Bonds and/or the Coupon calculation method, as well as any modifications to the procedure for Coupon payments and/or the repayment of the Nominal Value, according to the regulation determined in the Nasdaq CSD rules, provided that a failure to do so shall not invalidate any decision made or voting result achieved.

8. TERMS OF THE OFFERING

8.1 General structure of the Offering

The Offering consists of: (a) a public offering of the Bonds to retail investors and institutional investors in the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania (the “**Public Offering**”); and (b) a private placement of the Bonds to institutional investors and other selected investors in the Republic of Latvia, the Republic of Estonia, the Republic of Lithuania and, where applicable, other member states of the European Economic Area and other jurisdictions, in each case pursuant to an exemption under Article 1(4) of the Prospectus Regulation or other applicable exemptions (the “**Private Placement**” and, together with the Public Offering, the “**Offering**”). Within each of the Public Offering and the Private Placement, the Bonds may be subscribed for against payment in cash or, in the case of the Existing Bondholders, acquired in exchange for the Existing Unsecured Notes under the Exchange Offering (each as defined in Section 8.4 (*Exchange Offering*) below). The Bonds will be offered and issued by the Issuer in a single series in an aggregate nominal amount of up to EUR 8,000,000.00 (eight million euros), subject to the Issuer’s right to increase the aggregate nominal amount of the Bonds up to EUR 12,000,000.00 (twelve million euros) if and to the extent such higher amount is permitted under Applicable Laws and regulations and as described in this Information Document.

Potential investors participating in the Public Offering or the Private Placement (including during any Gradual Placement) and Existing Bondholders participating in the Exchange Offering are together referred to as **Investors**. Where the Exchange Offering is addressed to Existing Bondholders who are not qualified investors, it forms part of the Public Offering and is made on the basis of this Information Document in reliance on the exemption referred to in Section 7.2 (*Applicable Law and Dispute Resolution*). Where the Exchange Offering is addressed solely to qualified investors or to a limited number of persons, it forms part of the Private Placement in reliance on an exemption under Article 1(4) of the Prospectus Regulation.

The Offering shall commence on 6 October 2026 at 10:00 Riga time and shall remain open on a continuous basis until the date falling 12 (twelve) months after the commencement of the Offering, or until all Bonds are sold or the Offering is discontinued by the Issuer, whichever is earlier. In no circumstances shall the aggregate duration of the Offering, including the Initial Subscription Period and any Gradual Placement, exceed 12 (twelve) months from the commencement of the Offering, and in no circumstances shall the Offering remain open after the expiry of the validity period of this Information Document.

The placement of the Bonds against payment in cash may be conducted in two stages:

- (a) an Initial Subscription Period conducted through the Nasdaq Riga auction system and the auction system of the Estonian CSD (together, the “**Auction**”); and
- (b) if applicable, a subsequent gradual placement of any Bonds not subscribed for or not issued during the Auction and/or any additional Bonds issued as a result of an increase of the aggregate nominal amount of the Bonds (the “**Gradual Placement**”).

In addition to, and in parallel with, the stages referred to above, the Issuer conducts the Exchange Offering, pursuant to which the Existing Bondholders may exchange the Existing Unsecured Notes for the Bonds. The Exchange Offering has its own offer period and is described in Section 8.4 (*Exchange Offering*). The Bonds allocated in the Exchange Offering form part of the same single series and count towards the same aggregate nominal amount of the Bonds referred to above.

For the purposes of calculating the aggregate consideration of the offer to the public over any 12 (twelve)-month period, the consideration for the Bonds allocated in the Exchange Offering as part of the Public Offering is taken into account together with the consideration received in cash in the Public Offering. The Issuer shall ensure that such aggregate consideration does not at any time exceed the maximum threshold then in force under the Applicable Laws.

The Private Placement shall be conducted in parallel with the Public Offering throughout the entire Offering period, including during the Initial Subscription Period. Institutional investors participating in the Private Placement may at any time submit Subscription Orders directly to the Arranger. The Issue Price applicable to the Private Placement shall be determined by the Issuer based on prevailing market conditions at the time of subscription and may differ from the Issue Price applicable to the Public Offering.

For the avoidance of doubt, any Gradual Placement following the Initial Subscription Period shall form part of the same Offering and the same single series of Bonds and shall not constitute a separate securities programme or a separate issue of bonds, unless expressly stated otherwise by the Issuer. Any continuation, opening or re-opening of the Gradual Placement shall remain subject to the maximum 12 (twelve)-month duration of the Offering specified above.

For the purposes of this Information Document, references to the “**Subscription Period**” shall, where the context requires, include the Initial Subscription Period conducted by way of the Auction and any Gradual Placement period opened following the end of the Initial Subscription Period, provided that the aggregate duration of such periods shall not exceed 12 (twelve) months from the commencement of the Offering.

The Offering is conducted in accordance with the Applicable Laws, this Information Document, the applicable rules and procedures of Nasdaq Riga, Nasdaq CSD and the Estonian CSD and, in respect of the Auction, the Auction Rules and, in respect of the Estonian CSD Auction, the Estonian CSD Agreement. The Bonds may not be offered, sold or otherwise distributed in any jurisdiction where such offer, sale or distribution would be unlawful or would require any additional measures other than those required under the Applicable Laws.

8.2 Initial Subscription

8.2.1 Indicative timetable of the Initial Subscription Period

The indicative timetable for the Initial Subscription Period is as follows:

6 October 2026 at 10:00 Riga time	Start of the Initial Subscription Period
19 October 2026 at 15:30 Riga time	End of the Initial Subscription Period
On or about 20 October 2026	Publication of the results of the Initial Subscription and the decision whether to continue with the Gradual Placement
22 October 2026	Settlement of the Initial Subscription and Issue Date

The Issuer may decide on shortening or lengthening the Initial Subscription Period, by notifying the Investors in accordance with Section 7.19 (*Disclosure of Information*), provided that any such extension and any subsequent Gradual Placement shall not result in the aggregate duration of the Offering exceeding 12 (twelve) months from its commencement. The Subscription Order collection deadline might differ depending on the Investor’s Custodian. Investors shall consult their Custodian for a specific collection deadline.

8.2.2 Issue Price during the Initial Subscription Period

During the Initial Subscription Period, the Issue Price shall be 100% (one hundred percent) of the Nominal Value (i.e. EUR 1,000.00 per Bond).

8.2.3 Participation in the Initial Subscription

The Initial Subscription will be conducted through the Nasdaq Riga auction system and the auction system designated by the Estonian CSD (together, the “**Auction System**”). During the Initial Subscription Period, Subscription Orders collected by the Custodians shall be filed through the relevant Auction System in accordance with the applicable Auction Rules. The Estonian CSD Auction is organised and conducted on the basis of the Estonian CSD Agreement and the Auction Rules agreed thereunder, which shall be published before the opening of the Subscription Period.

For the purposes of the Offering, only such prospective Investors will be eligible to participate in the Auction who, at or by the time of placing their Subscription Orders, have opened securities accounts with the Custodian of their choice.

Investors wishing to subscribe for the Bonds in the Auction shall submit their Subscription Orders to their Custodian during the Initial Subscription Period, using the Subscription Order forms and methods made

available by the respective Custodian, including without limitation in person, over the internet or by other means made available by the Custodian.

At the time of placing a Subscription Order, each Investor shall give a binding instruction for depositing the Bonds in a securities account maintained in its name and opened with a Custodian.

Subscription Orders submitted through a nominee account shall be eligible only if the relevant investor details are provided to Nasdaq Riga, Nasdaq CSD, the Estonian CSD, the Arranger and/or the Issuer in accordance with the applicable Auction Rules and Applicable Law.

Institutional investors may also submit Subscription Orders directly to the Arranger during the Initial Subscription Period.

8.2.4 Allocation in the Initial Subscription

On or about the day at the end of the Initial Subscription Period, the Issuer shall decide whether to proceed with the Offering or cancel the Offering.

If the Issuer decides to proceed with the Offering, the Issuer will determine the exact number of Bonds to be allocated to each Investor in the Auction and decide whether to continue with the Gradual Placement.

As a general principle, if the total number of Bonds subscribed for in the Initial Subscription Period is equal to or lower than the number of Bonds offered and the Issuer decides to proceed with the Offering, the Bonds may be allocated on the basis of the Subscription Orders received.

If the total number of Bonds subscribed for during the Initial Subscription Period exceeds the number of Bonds offered, the Bonds will be allocated to Investors at the sole discretion of the Issuer. The division of the Bonds between retail investors and institutional investors has not been predetermined. The Issuer will determine the exact allocation at its sole discretion.

The Issuer may allocate to an Investor a smaller number of Bonds than the number specified in the Investor's Subscription Order or may decide not to allocate any Bonds to a particular Investor.

The allocation shall be aimed at creating a solid and reliable investor base for the Issuer.

By placing a Subscription Order, each Investor shall be deemed to have consented to being allocated a lower number of Bonds than the number specified in its Subscription Order, or to not being allocated any Bonds at all.

8.2.5 Notification and publication of results of the Initial Subscription

After completion of the allocation in the Initial Subscription, each Investor shall receive a notification on full or partial satisfaction or rejection of the Subscription Order and the number of Bonds allotted, if any. Such confirmation shall be provided by the Custodian through which the Subscription Order was submitted.

The Issuer shall announce the results of the Initial Subscription and its decision whether to continue with the Gradual Placement via the Communication Channels.

8.2.6 Settlement of the Initial Subscription

The settlement for the Subscription Orders submitted during the Initial Subscription Period shall take place on the Issue Date, unless another settlement date is determined by the Issuer in coordination with the Arranger and Nasdaq CSD.

Settlement shall be carried out through Nasdaq CSD in accordance with the Auction Rules and the applicable rules and procedures of Nasdaq CSD.

The Bonds allocated to Investors participating in the Initial Subscription will be transferred to their securities accounts through the "delivery versus payment method" (DVP) pursuant to the applicable rules of Nasdaq CSD simultaneously with the transfer of payment for such Bonds. Title to the Bonds will pass to the relevant

Investors when the Bonds are recorded in their securities accounts. All fully paid Bonds shall be treated as issued.

8.3 Gradual Placement

8.3.1 General terms of the Gradual Placement

After settlement of the Initial Subscription, if the total number of Bonds subscribed for during the Initial Subscription Period is less than the number of Bonds available in the Issue, the Issuer may decide to continue with gradual placement (the “Gradual Placement”) of any Bonds not subscribed for or not issued during the Initial Subscription, up to the applicable maximum aggregate nominal amount of the Bonds. The Gradual Placement may be conducted at Issue Prices determined by the Issuer based on prevailing market conditions at the time of subscription.

If the aggregate nominal amount of the Bonds is increased up to EUR 12,000,000.00 (twelve million euros) in accordance with this Information Document, the Issuer may continue the placement of Bonds with respect to such additional amount, provided that the aggregate consideration of the offer to the public, calculated over any 12-month period, does not at any time exceed the applicable threshold under Applicable Laws.

The Gradual Placement, if opened, shall commence on the date announced by the Issuer via the Communication Channels and shall remain open until the date falling 12 (twelve) months after the commencement of the Offering, or until all Bonds are sold, whichever is earlier, unless discontinued earlier by the Issuer. For the avoidance of doubt, the opening or re-opening of the Gradual Placement, including following an increase of the aggregate nominal amount of the Bonds, shall not commence a new 12 (twelve)-month period or otherwise extend the maximum duration of the Offering.

The start date, end date, settlement date or dates and other operational details of the Gradual Placement shall be announced by the Issuer via the Communication Channels and, where required, described in a supplement to this Information Document. The announced end date of the Gradual Placement may not fall after the date falling 12 (twelve) months after the commencement of the Offering.

8.3.2 Subscription during the Gradual Placement

During the Gradual Placement, Investors wishing to subscribe for the Bonds shall submit their Subscription Orders:

- (a) directly to the Arranger during normal working hours on each Business Day during the Gradual Placement period. More detailed information on the submission of the Subscription Orders is available on phone: +371 67 081 069; or
- (b) to the Investor’s Custodian during the Gradual Placement period, using the Subscription Order forms and methods made available by the respective Custodian (including without limitation, in person, over the internet, or other means).

During the Gradual Placement period, the Subscription Orders collected by Custodians shall be submitted to the Arranger.

8.3.3 Allocation during the Gradual Placement

In case the Issuer decides to proceed with the Gradual Placement, the Bonds shall be allocated to Investors on a first-come, first served basis, based on the submitted Subscription Orders, subject to the Issuer’s right to reject any Subscription Order in accordance with this Information Document.

The Issuer may discontinue the Gradual Placement at any time. In such case, the total issue size shall equal the aggregate Nominal Value of Bonds already issued and placed prior to such decision.

8.3.4 Issue Price and accrued interest during the Gradual Placement

During the Gradual Placement, the Issue Price of one Bond shall be determined by the Issuer based on prevailing market conditions at the time of subscription and may be equal to, higher or lower than the Nominal Value. The Coupon applicable to Bonds acquired during the Gradual Placement depends on the applicable Issue Price and the date of acquisition. The Nominal Value of one Bond is EUR 1,000.00 (one thousand euros), but the amount payable by an Investor for one Bond shall be calculated on the basis of the applicable Issue Price, together with accrued Coupon, if applicable.

All Subscription Orders submitted after the end of the Initial Subscription Period with a settlement date after the Issue Date shall be executed together with accrued Coupon, calculated from and including the Issue Date, or such later date from which Coupon accrues in respect of the relevant Bond, to but excluding the relevant settlement date, unless the settlement date for the relevant Subscription Orders falls during the period from the Coupon record date until the Coupon Payment Date, in which case the Subscription Orders shall be executed without accrued Coupon.

8.3.5 Settlement of the Gradual Placement

For Subscription Orders submitted during the Gradual Placement, the settlement date may be any Business Day which is not earlier than the 2nd (second) Business Day and not later than the 20th (twentieth) Business Day after the Subscription Order is duly submitted to the Arranger.

The Bonds allocated to Investors participating in the Gradual Placement will be transferred to their securities accounts through the “delivery versus payment method” (DVP) pursuant to the applicable rules of Nasdaq CSD simultaneously with the transfer of payment for such Bonds. Title to the Bonds will pass to the relevant Investors when the Bonds are recorded in their securities accounts. All fully paid Bonds shall be treated as issued.

Dealing with the Bonds may begin once the Bonds allocated to Investors have been transferred to their securities accounts.

8.4 Exchange Offering

8.4.1 General terms of the Exchange Offering

In addition to subscription for the Bonds against payment in cash, the Issuer addresses an exchange offering to the holders of the Issuer’s existing unsecured notes with ISIN LV0000850360 and LV0000112118 (the “**Existing Unsecured Notes**” and the holders thereof, the “**Existing Bondholders**”), pursuant to which the Existing Unsecured Notes may be exchanged for the Bonds (the “**Exchange Offering**”). The Exchange Offering shall commence on 6 October 2026 at 10:00 Riga time and shall end on 19 October 2026 at 15:30 Riga time (the “**Exchange Offering Period**”). No Exchange Instructions shall be accepted after the close of the Exchange Offering Period. The Issuer may shorten or extend the Exchange Offering Period by giving notice to the Investors in accordance with this Information Document, provided that the Exchange Offering Period shall in no event extend beyond the maximum 12 (twelve)-month duration of the Offering specified in Section 8.1 (*General structure of the Offering*).

The exchange ratio shall be one Existing Unsecured Note to one Bond. Any number of the Existing Unsecured Notes may be used for the exchange, subject to the exchange ratio and the final allotment decision of the Issuer. The Bonds allocated in the Exchange Offering shall be issued at 100% (one hundred percent) of the Nominal Value (at par).

8.4.2 Exchange Instructions

Existing Bondholders wishing to exchange the Existing Unsecured Notes for the Bonds shall submit their exchange instructions through their Custodian in the form and manner provided by the relevant Custodian, stating the number of Existing Unsecured Notes to be exchanged for the Bonds (the “**Exchange Instruction**”). The Custodian shall in turn inform Nasdaq CSD of the total number of the Existing Unsecured Notes to be exchanged for the Bonds and of the Existing Bondholders who requested the exchange by the end of the

Exchange Offering Period. The deadlines set by the Custodian or Nasdaq CSD may be earlier than the end of the Exchange Offering Period.

By submitting an Exchange Instruction, each Existing Bondholder authorises and instructs the Custodian to block the total number of the Existing Unsecured Notes to be exchanged for the Bonds on the Existing Bondholder's securities account until settlement of the transaction is completed or until the respective Existing Unsecured Notes are released. Each Existing Bondholder also authorises Nasdaq CSD, Nasdaq Riga, the Issuer, the Arranger and the relevant Custodian to process, forward and exchange information on the identity of the Existing Bondholder, the number of Existing Unsecured Notes offered for exchange and the contents of the respective Exchange Instruction before, during and after the Exchange Offering Period to the extent required for the purposes of carrying out the Exchange Offering, determining the allocation and completing settlement.

An Existing Bondholder may withdraw an Exchange Instruction only in accordance with the rules and procedures of Nasdaq CSD and the relevant Custodian, provided that such withdrawal is technically possible and is submitted before the applicable deadline set by Nasdaq CSD or the relevant Custodian. Each Existing Bondholder shall be liable for payment of all fees and costs charged by its Custodian in connection with the submission, withdrawal or amendment of an Exchange Instruction. The Issuer and the Arranger assume no responsibility for any Exchange Instruction that is not submitted, processed or received within the applicable deadline set by the relevant Custodian or Nasdaq CSD.

8.4.3 Allocation in the Exchange Offering

The Issuer shall determine the allocation of the Bonds to Existing Bondholders participating in the Exchange Offering at its sole discretion and may decide to allocate the Bonds in full, in part or not at all, applying such allocation principles as it considers appropriate. For the purpose of determining the allocation of the Bonds in the Exchange Offering, Nasdaq CSD, the Arranger and the relevant Custodians shall be entitled to provide the Issuer with information regarding the Exchange Instructions, including information on the Existing Bondholders who submitted Exchange Instructions, the number of Existing Unsecured Notes offered for exchange and the number of Bonds requested by each Existing Bondholder. For the avoidance of doubt, submission of an Exchange Instruction does not guarantee that the relevant Existing Bondholder will receive the Bonds in the full amount requested.

The aggregate nominal amount of Bonds allocated under the Exchange Offering shall not exceed the aggregate nominal amount of the Bonds referred to in Section 8.1 (*General structure of the Offering*), and the remaining amount (if any) shall be available for allocation under the Public Offering and the Private Placement. If the aggregate nominal amount of the Existing Unsecured Notes outstanding at the opening of the Exchange Offering Period exceeds the aggregate nominal amount of the Bonds, or if for any other reason the aggregate nominal amount of Bonds requested under valid Exchange Instructions exceeds the amount available for allocation under the Exchange Offering, the Exchange Offering cannot be satisfied in full and the Bonds shall be allocated among the Existing Bondholders *pro rata* to the nominal amount of the Existing Unsecured Notes covered by their respective Exchange Instructions, rounded down to the nearest whole Bond. In no event shall the aggregate nominal amount of Bonds allocated under the Exchange Offering, the Public Offering and the Private Placement together exceed the aggregate nominal amount of the Bonds referred to in Section 8.1 (*General structure of the Offering*). In addition, to the extent that the Exchange Offering is addressed to Existing Bondholders who are not qualified investors and therefore forms part of the Public Offering, the consideration for the Bonds so allocated counts towards the aggregate consideration of the offer of securities to the public for the purposes of the exemption referred to in Section 7.2 (*Applicable Law and Dispute Resolution*). The Issuer shall determine the allocations under the Exchange Offering and the Public Offering so that the aggregate consideration of the offer to the public, calculated over any 12 (twelve)-month period, does not at any time exceed the maximum threshold applicable under the Bank of Latvia Regulations as then in force, and shall scale back allocations to the extent necessary to comply with that threshold. Existing Unsecured Notes which are not exchanged shall remain outstanding and shall be repaid by the Issuer in accordance with their terms.

After completion of the allocation, each Existing Bondholder shall receive a notification on full or partial satisfaction or rejection of the Exchange Instruction submitted by it and the number of Bonds allocated, if any.

Such notification shall be provided by the Custodian through which the Exchange Instruction was submitted.

8.4.4 Settlement of the Exchange Offering

Settlement of the Exchange Offering shall be carried out through Nasdaq CSD in accordance with the applicable rules of Nasdaq CSD. For all Existing Unsecured Notes to be exchanged for the Bonds, as a result of the settlement processing in Nasdaq CSD, the relevant Nasdaq CSD participant's account shall be credited with the total number of Bonds allocated to its clients, and such Nasdaq CSD participant shall in turn transfer the relevant number of Bonds to each Existing Bondholder. On the Issue Date, Nasdaq CSD shall delete the number of Existing Unsecured Notes exchanged for the Bonds from the relevant Nasdaq CSD participants' accounts. The settlement shall take place on the Issue Date, unless another settlement date is determined by the Issuer in coordination with the Arranger and Nasdaq CSD. All exchanged Bonds shall be treated as issued.

For the avoidance of doubt, each Existing Bondholder shall be entitled to receive the coupon payment on the Existing Unsecured Notes payable on the relevant coupon payment date, irrespective of whether the Existing Bondholder participates in the Exchange Offering, as the record date for such coupon payment falls prior to the Issue Date of the Bonds.

8.5 Rules applicable to the Offering

This Section 8.5 applies to the Offering as a whole, comprising the Public Offering (including the Initial Subscription through the Auction and any Gradual Placement), the Private Placement and the Exchange Offering. Provisions of this Section 8.5 that refer to Subscription Orders apply to Exchange Instructions *mutatis mutandis*, save where the context requires otherwise or where the matter is separately regulated in Section 8.4 (*Exchange Offering*).

8.5.1 Minimum Investment Amount

The total amount of Bonds to be acquired and indicated in each Subscription Order shall be at least the Minimum Investment Amount.

The Minimum Investment Amount is one Bond. The Nominal Value of one Bond is EUR 1,000.00 (one thousand euros); however, the actual amount payable for one Bond may be lower or higher than its Nominal Value depending on the applicable Issue Price. Additional Bonds may be subscribed for in multiples of one Bond. For the avoidance of doubt, the subscription amount payable by an Investor shall be calculated on the basis of the applicable Issue Price multiplied by the number of Bonds subscribed for, together with accrued interest, if applicable.

8.5.2 Subscription Orders

Investors wishing to subscribe for the Bonds in the Offering shall submit their Subscription Orders during the relevant Subscription Period in accordance with this Information Document.

Multiple Subscription Orders submitted by the same Investor may be merged for the purposes of allocation.

All Subscription Orders shall be binding and irrevocable commitments to acquire the allotted Bonds, subject to the provisions of this Information Document regarding amendment, cancellation and withdrawal of Subscription Orders. Subscription Orders shall not be considered valid and shall not be processed if the purchase amount indicated in the Subscription Order is less than the Minimum Investment Amount or if the Subscription Order is received after the end of the Subscription Period.

8.5.3 Investor confirmation

By submitting a Subscription Order, each Investor:

- (a) confirms that it has read and understands this Information Document and, in respect of the Auction, acknowledges that the Auction Rules apply to the technical submission, processing, allocation and

settlement of Subscription Orders through the Auction and undertakes not to raise any objections related to the Auction Rules;

- (b) agrees and commits to adhere to the terms and conditions set out in this Information Document and, in respect of the Auction, the Auction Rules;
- (c) authorizes and instructs the relevant Custodian, Nasdaq Riga, Nasdaq CSD, the Arranger and the Issuer to process, forward and exchange information on the identity of the Investor and the contents of the Subscription Order to the extent necessary for the purposes of conducting the Offering, processing the Subscription Order, determining allocation, arranging settlement and fulfilling the Issuer's obligations under this Information Document;
- (d) confirms that, when submitting a Subscription Order, it has sufficient funds on the cash account connected to its securities account or investment account to cover the subscription amount, being the Issue Price multiplied by the number of Bonds subscribed for, together with accrued Coupon if applicable;
- (e) authorizes and instructs the relevant Custodian to block or reserve the relevant subscription amount on the Investor's cash account connected to its securities account or investment account until settlement is completed or the funds are released in accordance with this Information Document, the Auction Rules, if applicable, and the procedures of the relevant Custodian; and
- (f) acknowledges that the submission of a Subscription Order does not in itself entitle the Investor to acquire the Bonds and does not result in a contract for the sale of the Bonds between the Issuer and the Investor unless and until the Bonds are allocated to the Investor and transferred to the Investor's securities account.

All expenses associated with the acquisition and custody of the Bonds shall be borne by the Investor in accordance with the price list of the Custodian through which the Investor acquires and holds the Bonds. The Issuer is not obligated to compensate any such expenses incurred by the Investor.

8.5.4 Invalidity and rejection of Subscription Orders

The Issuer reserves the right to reject any Subscription Order that is incomplete, incorrect, inaccurate, ambiguous, ineligible or non-compliant with this Information Document, the Auction Rules, if applicable, or Applicable Law, or which has not been submitted and/or accompanied by the required documents within the Subscription Period.

A Subscription Order shall not be considered valid and shall not be processed if:

- (a) the Subscription Order does not contain all information required by the relevant Custodian, the Arranger, the Auction Rules, if applicable, or this Information Document;
- (b) the purchase amount indicated in the Subscription Order is less than the Minimum Investment Amount;
- (c) the Subscription Order is received after the end of the relevant Subscription Period;
- (d) the Investor is not eligible to participate in the Offering; or
- (e) the Subscription Order is rejected due to any other reason, including AML/CTPF, Sanctions, investor eligibility or other legal or regulatory requirements.

The Issuer, the Arranger, Nasdaq Riga, Nasdaq CSD and the relevant Custodian shall have no obligation to inform an Investor that its Subscription Order is invalid, except to the extent required under the procedures of the relevant Custodian, the Auction Rules, if applicable, or Applicable Law.

Any consequences of a Subscription Order being incorrectly completed, submitted or processed shall be borne by the Investor.

8.5.5 Amendment, cancellation and withdrawal of Subscription Orders

An Investor may amend, cancel or withdraw a Subscription Order before the end of the relevant Subscription Period by submitting the relevant instruction to the Custodian or Arranger through which the Subscription Order was submitted, in accordance with the procedures and deadlines applied by the relevant Custodian or Arranger and, in respect of the Auction, the Auction Rules.

An Investor shall bear all fees and costs charged by the relevant Custodian, Arranger or account operator in connection with the submission, amendment, cancellation or withdrawal of a Subscription Order.

8.5.6 Settlement and delivery

If an Investor has submitted several Subscription Orders through several securities accounts, the Bonds allocated to such Investor may be transferred to all such securities accounts proportionally to the number of Bonds indicated in the Subscription Orders submitted for each account, rounded up or down as necessary, or otherwise in accordance with the Auction Rules, if applicable, and the procedures of Nasdaq CSD.

8.5.7 Payments for the Bonds

By submitting a Subscription Order, each Investor authorizes and instructs the relevant Custodian through which the Subscription Order is submitted to block or reserve the whole subscription amount on the Investor's cash account connected to its securities account or investment account until settlement is completed or the funds are released.

The subscription amount to be blocked or reserved shall be equal to the Issue Price multiplied by the number of Bonds subscribed for by the Investor, together with accrued Coupon if applicable. An Investor may submit a Subscription Order only if there is sufficient funds on its cash account connected with the relevant securities account.

8.5.8 Return and release of the funds

If the Offering is cancelled, suspended or postponed, if an Investor has not been allocated any Bonds, if an Investor has been allocated fewer Bonds than subscribed for, or if a Subscription Order has been cancelled, withdrawn, rejected or deemed invalid, the funds blocked or reserved on the Investor's cash account, or the excess part thereof, shall be released by the relevant Custodian in accordance with the procedures of such Custodian, the Auction Rules, if applicable, and Applicable Law.

Regardless of the reason for which funds are released, neither the Issuer nor the Arranger shall be responsible for any relationship between the Investor and the relevant Custodian in connection with any operations on the cash account connected to the Investor's securities account or investment account.

Any released funds shall be returned or made available to the Investor without interest or any other compensation.

8.5.9 Cancellation, suspension or postponement of the Offering

The Issuer may cancel the Offering at any time prior to each settlement date without disclosing any reason for doing so. The Issuer may also suspend or postpone the Offering, extend or shorten the Subscription Period or the Exchange Offering Period, or decide that new dates of the Offering will be announced later, provided that no suspension, postponement, extension, continuation, opening or re-opening of the Subscription Period or the Exchange Offering Period shall result in the Offering remaining open for more than 12 (twelve) months from its commencement.

In the event of cancellation of the Offering, all Subscription Orders and Exchange Instructions will be disregarded, any blocked or reserved funds will be released and any blocked Existing Unsecured Notes will be released, in each case without interest or any other compensation and in accordance with the procedures of the relevant Exchange Member or Custodian, the Auction Rules, if applicable, and Applicable Law.

Any decision on cancellation, suspension, postponement or amendment of the dates of the Offering will be published on the Communication Channels, and, where applicable, in any other manner required under Applicable Laws or the Auction Rules, if applicable.

8.5.10 Reduction of the Bonds Issue Size

At any time during the Subscription Period or the Exchange Offering Period, the Issuer may decide to discontinue placement of the Bonds. In such case, the total issue size shall equal the aggregate Nominal Value of Bonds already placed prior to such decision.

8.5.11 Restrictions on sale to certain persons

Article 5f of Regulation (EU) No. 833/2014 and Article 1f of Regulation (EC) No. 765/2006 prohibit the sale of euro-denominated transferable securities issued after 12 April 2022, or units of undertakings for collective investment providing exposure to such transferable securities, to any Russian or Belarusian national, any natural person residing in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State of the EU or to natural persons holding a temporary or permanent residence permit in a Member State of the EU.

8.5.12 Data protection

The Issuer, the Arranger, Nasdaq Riga, Nasdaq CSD and the Custodians shall process personal data of Investors to the extent necessary for the purposes of the Offering, including submission and processing of Subscription Orders and Exchange Instructions, investor identification, Sanctions and AML checks, allocation, settlement, registration of the Bonds and compliance with legal and regulatory obligations.

Such processing shall be carried out in accordance with Regulation (EU) 2016/679, applicable data protection laws and the relevant privacy notices and data protection policies of the parties involved in the Offering.

8.5.13 No assignment or transfer of subscription rights

The rights arising out of this Information Document in relation to the subscription for or exchange into the Bonds, including any rights arising from any Subscription Order or Exchange Instruction or any acceptance thereof, are not assignable, tradable or transferable in any way. Any assigned or transferred rights will not be recognized by the Issuer and will not be binding on the Issuer.

There are no pre-emption rights associated with the Bonds. Therefore, no procedure for the exercise of any pre-emption rights has been adopted for the purposes of the Offering. Subscription rights are non-negotiable and non-tradeable.

8.6 Listing and Admission to Trading

The Issuer shall submit an application to list and admit the Bonds to trading on First North within 12 (twelve) months from the Issue Date.

The decision as to the listing and admission of the Bonds to trading on First North shall be adopted by the Board of Nasdaq Riga. The Issuer shall take all measures established in the applicable Nasdaq Riga rules required for the Bonds to be admitted to trading on First North as soon as reasonably practicable.

The Issuer shall use its best efforts to ensure that the Bonds remain listed on First North. Following the listing and admission to trading, the Issuer shall take all reasonable actions required on its part as a result of such listing or trading of the Bonds.

The Issuer will cover all costs related to the listing of the Bonds on First North.

The Issuer does not undertake to register this Information Document with Latvijas Banka or to list the Bonds on any regulated market.

The Issuer has not entered into any agreement with any person for liquidity maintenance of the Bonds on the secondary market.

9. TAXATION

Tax legislation of the Investor's member state and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. The following is a general summary of certain tax considerations in the Republic of Latvia in relation to the Bonds. It is not exhaustive and does not purport to be a complete analysis of all tax consequences relating to the Bonds, as well as does not consider or discuss the tax implications of any country other than the Republic of Latvia. The information provided in this Section 9 shall not be treated as legal or tax advice. Tax rates and conditions for paying taxes may change during the life of the Bonds. Investors are advised to consult their own tax advisors as to the tax consequences of the subscription, ownership and disposal of the Bonds applicable to their circumstances.

This summary is based on the laws of Latvia as in force on the date of this Information Document and is subject to any change in law that may take effect after such date, including any change that may apply retroactively.

Latvia has entered into a number of tax conventions on elimination of the double taxation, which may provide a more favorable taxation regime. Therefore, if there is a valid tax convention with the country of a non-resident prospective investor, it should be also examined. The procedures for application of tax conventions are provided in the Republic of Latvia Cabinet of Ministers' Regulations No. 178 of 30 April 2001 "*Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion*" (as amended).

9.1 Taxation of the Bondholders individuals

9.1.1 Resident individuals

Tax residence

An individual will be considered as a resident of Latvia for taxation purposes:

- if the individual's declared place of residence is in the Republic of Latvia; or
- if the individual stays in the Republic of Latvia for more than 183 days within any 12-month period, starting or ending in the taxation year; or
- if the individual is a citizen of the Republic of Latvia employed abroad by the government of the Republic of Latvia.

Interest and capital gains

In accordance with the Law on Personal Income Tax (in Latvian: *Likums "Par iedzīvotāju ienākuma nodokli"*), the interest income and interest equivalent income from the Bonds for resident individuals will be subject to 25.5% (twenty five point five percent) personal income tax, which shall be withheld at source by the Issuer or another person responsible for withholding tax under Applicable Laws, unless an exemption or special taxation regime applies, including where such income is paid into an investment account within the meaning of the Law on Personal Income Tax.

The capital gains from the sale of the Bonds will be subject to 25.5% personal income tax, but the tax would be payable by the individual by self-assessment.

If the total annual taxable income of an individual tax resident exceeds EUR 200,000.00 (two hundred thousand euros), a tax surcharge of 3% will apply to the portion of income exceeding EUR 200,000.00 (two hundred thousand euros). This surcharge is payable by the individual through self-assessment.

Investment account regime

Special rules apply if the transactions with the Bonds are made through an investment account within the meaning of the Law on Personal Income Tax. If the investment in the Bonds is made through an eligible investment account held with a licensed credit institution or an investment service provider which is a tax resident of Latvia, another EU/EEA Members State, OECD Member State or a tax resident of a country with whom Latvia has concluded a treaty for the avoidance of double taxation and fiscal evasion, personal income

tax on interest income and capital gains is deferred until the moment the income is distributed from this investment account to the Investor.

The investment account has to meet certain requirements (e.g. it has to be notified to the State Revenue Service) in order to qualify as eligible investment account for tax purposes. The personal income tax is levied at 25.5% on the part of the amount paid out of the eligible investment account which exceeds the amount paid into the account. In case a 25.5% tax on interest from the Bonds has already been withheld at the moment of the payment of the interest to the eligible investment account, this income is excluded from the taxable income derived from the investment account. The personal income tax on this income is payable by self-assessment.

9.1.2 Non-resident individuals

An individual will be considered as a non-resident of Latvia if the individual does not qualify as a resident individual under Latvian laws.

Interest income and equivalent income are subject to 5% withholding tax in Latvia if all of the following criteria are met:

- (i) the payment is made through an investment service provider, including Nasdaq CSD, and the issue of the Bonds is arranged by an investment services provider supervised by the competent authority responsible for supervising financial markets and their participants (such as the Bank of Latvia);
- (ii) the recipient of such income is a tax resident of the European Union or the European Economic Area and is not carrying on economic activity (in Latvian: *nav saimnieciskās darbības veicējs*); and
- (iii) the Bonds are not publicly traded (i.e. they are not traded on a regulated market).

The 5% withholding tax rate will not apply automatically merely because the recipient is an individual tax resident of Lithuania, Estonia or another Member State of the European Union or the European Economic Area. The 5% rate will be applied only if, before the relevant payment is made, the Issuer or the person responsible for withholding tax has received, through Nasdaq CSD, the relevant Custodian, account operator or investment service provider, or otherwise in accordance with applicable tax laws, sufficient information to establish that the recipient is a tax resident in the European Union or the European Economic Area and is not a person carrying on economic activity. The Investor's tax residence is determined on the basis of the Investor's self-certification provided to the investment services provider or through Nasdaq CSD, in accordance with the due diligence procedures for the automatic exchange of financial account information. Each Investor is responsible for ensuring that its tax residence and non-business status are correctly recorded with, and communicated by, its custodian, account operator or investment service provider.

If any of the conditions for applying the 5% withholding tax rate is not satisfied, or if the Issuer or the person responsible for withholding tax has not received sufficient information to verify that those conditions are satisfied, the Issuer or the relevant withholding agent will generally withhold Latvian personal income tax at the rate of 25.5% from the relevant interest income and equivalent income, unless a lower rate or an exemption is applicable under the applicable double taxation treaty in accordance with the procedures prescribed by Latvian law. The Issuer and the relevant withholding agent may rely on the information received through Nasdaq CSD and the relevant custody chain and shall not be required to undertake any independent investigation of an Investor's tax status.

For an individual who is tax resident in Lithuania or Estonia, an applicable double tax treaty may provide tax relief or exemption. In particular, interest beneficially owned by a qualifying Lithuanian tax resident is generally taxable only in Lithuania under the Latvia – Lithuania double tax treaty, while Latvian tax on interest beneficially owned by a qualifying Estonian tax resident is generally limited to 10% of the gross amount under the Latvia – Estonia double tax treaty. Any treaty exemption or reduced rate at source is not automatic and may be applied only if the required tax residence certificate and any other necessary information or documentation have been provided in due time and in accordance with the Cabinet of Ministers Regulations No. 178 of 30 April 2001 "Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion" (in Latvian – *Ministru kabineta 2001. gada 30. aprīļa noteikumi Nr. 178 "Kārtība, kādā piemērojami starptautiskajos līgumos par nodokļu dubultās uzlikšanas un nodokļu*

nemaksāšanas novēršanu noteiktie nodokļu atvieglojumi"; the "Cabinet of Ministers Regulations No. 178"). If treaty relief is not applied at source, the Investor may request a refund of excess Latvian tax in accordance with the applicable procedures.

Latvian taxpayers (e.g. Latvian companies and Latvian individual tax residents performing economic activity) have to withhold 3% withholding tax from capital gains derived by a non-resident individual from the alienation of Bonds. Where applicable, the 3% withholding tax is calculated on the gross consideration received from the alienation. Subject to the applicable Latvian declaration procedures, the non-resident individual may request a recalculation of Latvian personal income tax at the rate of 25.5% on a net basis, a refund of overpaid tax. However, an exemption may apply under an applicable tax treaty, provided that the non-resident individual has submitted a tax residence certificate and any other required documentation in accordance with Cabinet of Ministers Regulations No. 178. Tax is payable through self-assessment.

Each non-resident individual should seek professional advice and determine, in each individual case, whether any tax or reporting obligations apply under the domestic law of his or her country of residence.

9.2 Taxation of the Bondholders entities

9.2.1 Resident entities

An entity will be considered as a resident of Latvia for tax purposes if it is, or should have been, established and registered in the Republic of Latvia in accordance with the legislative acts of the Republic of Latvia. Permanent establishments of foreign entities in Latvia are treated as domestic legal entities for tax purposes.

Interest (coupon) income and a capital gain from the Bonds form a part of the beneficiary's overall income. The corporate income tax obligation is deferred until the legal entity makes a profit distribution (dividends, interim dividends) or is deemed to have made a profit distribution (e.g., deemed dividends, non-business expenditure, bad debts provisions/write-off, loans to the related persons, transfer pricing adjustments, liquidation quota). Corporate income tax is assessed and paid based on the corporate income tax return filed for the relevant taxation period, which may be a month or year.

Profit distributions are taxed at the rate of 20% of the gross amount of the distributions. The tax base is the grossed-up amount of distributed profits, calculated by dividing the amount of distributed profits by 0.8, with corporate income tax then applied at the rate of 20%.

Resident entities whose shareholders consist exclusively of individuals may elect to apply an alternative tax regime under which:

- profit distributions at the level of legal entity are subject to corporate income tax at the rate of 15%. The taxable amount is a grossed-up amount of distributed profits, which is determined by dividing the amount of distributed profits by a coefficient of 0.85; and
- dividends received by an individual are subject to personal income tax at the rate of 6% on the amount of such dividends.

Where the alternative tax regime applies, personal income tax paid in Latvia may be available as credit against the individual's tax liability in the country of residence, subject to the laws of that country.

9.2.2 Non-resident entities

An entity will be considered as a non-resident of Latvia if the entity does not qualify as a resident entity under Latvian laws.

In accordance with the Corporate Income Tax Law of Latvia (in Latvian: *Uzņēmumu ienākuma nodokļa likums*), interest (coupon) income and income from the alienation of the Bonds for non-resident entities (without a permanent establishment in Latvia) will not be taxable in Latvia.

The interest income from the Bonds attributable to a non-resident entity's permanent establishment in Latvia is not subject to withholding tax in Latvia. However, corporate income tax is levied upon the distribution of the permanent establishment's profits or deemed profits to its head office.

Each non-resident entity should seek professional advice and determine, in each individual case, whether any tax or reporting obligations apply under the domestic law of his or her country of residence.

9.3 Payments to no-tax or low-tax jurisdictions

Any payments (including interest payments) to non-residents located, registered or incorporated in a no-tax or low-tax country or territory, as prescribed by Regulations of the Cabinet of Ministers No. 333 of 27 June 2023 "*List of Low-Tax or No-Tax Countries and Territories*" ("**Low-Tax Non-Latvian Residents**"), are subject to withholding tax of 20% if the payer is a Latvian legal entity, or 25.5% if the payer is a Latvian individual resident having obligation to withhold tax. The Latvian list of no-tax or low-tax countries and territories corresponds to the EU list of non-cooperative jurisdictions for tax purposes, as endorsed by the European Council conclusions of December 5, 2017 (Annex I), as updated from time to time.

10. BUSINESS AND FUTURE OUTLOOK OF THE ISSUER

10.1 Business of the Issuer

Overview

The Issuer, established in March 2024, aims to raise up to EUR 8,000,000 for refinancing of Existing Unsecured Notes and business development. The Issuer conducts activities through the Group, which is based in Cēsis, Latvia. Currently the Issuer has 7 (seven) Subsidiaries. The Group's core activities are in forestry, primarily operating in the Vidzeme and Latgale regions, with plans to expand across Latvia and the Baltic States.

The Group operates in the following business areas:

- **Logging:** The Group purchases logging rights and performs logging operations. Harvested timber is subsequently sold to sawmills, pulp mills and timber exporters.
- **Forest and agricultural land trading:** The Group purchases rural properties, conducts logging activities and sells the land to large forest and agricultural land aggregators.
- **Timber and energy wood trading:** The Group purchases pre-harvested timber, either roadside or at its collection points, and sells it to sawmills and pulp mills across the Baltics and Nordics.
- **Rural property management:** The Group assists rural property owners with property management to maximize value sustainably, offering services such as management plans, documentation management, and all necessary forestry activities.
- **Forest land and logging rights auction management:** The Group, through its subsidiary SIA E-Silva, manages an auction platform for forest land and logging rights in Latvia (www.e-silva.lv). The platform provides a full-scope service to forest owners to achieve the best price for their forest assets.

In 2025, the Group sold approximately 530 thousand cubic meters of timber corresponding to c. 7.6% of the total harvested timber volume from privately held forests in Latvia.

Group employs advanced data-driven decision-making in land valuation. Its state-of-the-art valuation system, developed with top Latvian forest valuation experts and built on BI tools, allows the Group to accurately assess the value of any forest property within seconds. The Group is also investing in automation and data analytics to increase competitiveness, improve operational efficiency and evaluate business performance.

To reduce reliance on external service providers, the Group has grown its heavy machinery park to 3 harvesters, 5 forwarders and 7 timber trucks, which provides stability while maintaining flexibility in managing its resources between internal equipment and external service providers. The Group has approximately 100 FTEs across management, IT, accounting, customer relations, forestry operations and logistics.

10.2 Key Strengths of the Issuer

The following constitute the key strengths of the Issuer:

- **Diversified supplier and customer base.** The Issuer sources from a network of 400+ timber suppliers and sells to 250+ timber clients, supported by 40+ service partners, limiting dependency on any single counterparty across both procurement and sales channels.
- **Significant market scale.** The Issuer holds an estimated 10%+ share of the Latvian timber market, delivering over 16,700 truckloads of timber in H1 2026 alone - scale that supports both pricing leverage with suppliers and reliability as a counterparty to large buyers.
- **Rapid revenue growth on an integrated platform.** Timber sales grew 139% year-on-year in H1 2026, reflecting the Issuer's ability to scale trading volumes across its vertically integrated model spanning forestry operations, timber and by-product trading, and logistics.
- **Experienced, full-service management team.** The Issuer's management team combines experience across forestry operations, timber and by-product trading, logistics and finance, supporting operational execution across the full value chain from sourcing through delivery.

10.3 Financing structure of the Group

Following the issue of the Bonds, the Group's financing will be built around three principal sources: the Bonds, the Luminor Debt, being the credit line made available by Luminor to the Timbro Subsidiary, as well as the Subordinated Debt (including the Subordinated Bonds). Luminor's credit line will remain in place after the issue of the Bonds.

As at the date of this Information Document, the Group finances its operations through a combination of the following sources:

- Existing Unsecured Notes with ISIN LV0000850360 and LV0000112118 maturing on 8 November 2026 and outstanding amount of EUR 5,710,000;
- Luminor Debt (a credit line made available by Luminor to the Timbro Subsidiary) with a maximum limit of up to EUR 5,000,000, of which around 80-90% is utilised at any given time and which is secured by the Luminor Collateral;
- Subordinated notes with ISIN LV0000850378 maturing on 14 May 2027 and outstanding amount of EUR 1,090,000 that constitute Subordinated Debt.
- Subordinated notes with ISIN LV0000113256 maturing on 22 March 2030 and outstanding amount of EUR 3,955,000 that constitute Subordinated Debt.

In parallel with the issue of the Bonds, the Issuer is issuing the Subordinated Bonds in an aggregate nominal amount of up to EUR 6,000,000.00 (six million euros). The Subordinated Bonds are unsecured, constitute Subordinated Debt and are being issued alongside the Bonds in order to support the Issuer's capital structure and its compliance with the Financial Covenants.

10.4 Market overview and competition

The Issuer specializes in logging and timber trading, primarily serving Latvian businesses in the forestry, logging, and agricultural sectors. These industries are strategically vital to Latvia's economy, contributing EUR 1,725.2 million to the total gross value added in 2025, which accounts for roughly 4.6% of the country's total gross value added, with forestry and logging alone generating EUR 936.5 million, or 2.7% of total gross value added, in 2023. After a decline in 2023, caused mainly by falling commodity prices and a reduction in both harvest and crop yields, the forestry and agriculture sector has returned to growth, with its gross value added increasing in both 2024 and 2025.

The forestry and timber sectors are the cornerstone of Latvian exports. In 2024, exports of wood and articles of wood reached EUR 3.0 billion, or approximately 16% of Latvia's total exports, keeping wood products among

the country's top export commodities. Export value recovered by approximately 6% from EUR 2.9 billion in 2023, after timber prices had fallen from their 2022 record levels, and, with wood product imports of only EUR 0.55 billion in 2024, the forest industry remains one of the few sectors of the Latvian economy with a substantially positive foreign trade balance.

In Latvia, the forestry sector plays a vital role in shaping the landscape and economy. Forest land encompasses an impressive 3.45 million hectares, accounting for approximately 53% of the country's territory, and the forest area continues to expand both naturally and through targeted afforestation, with the total growing timber stock estimated at around 2.0 billion cubic meters. Approximately 48% of forests are owned by the state, while private forests account for 49% of the total area and are divided among roughly 135,000 owners, resulting in a highly fragmented private ownership structure. This substantial and expanding forest resource base supports biodiversity and sustainable forest management, and secures a stable long-term supply of raw materials for the Latvian forestry industry.

Employment in the forestry and agricultural sector remains significant, particularly in rural areas. In 2025, the agriculture, forestry and fishing sector accounted for approximately 21,600 occupied posts, or around 2.4% of all occupied posts in Latvia, of which roughly 11,300 related to forestry and logging. Including wood processing and furniture manufacturing, the wider forest sector employs approximately 40,000 people.

The Issuer operates in a distinctive niche by exclusively focusing on logging and timber trading, as well as forest and agricultural land trading and rural property management, serving forestry and agricultural enterprises in Latvia. This focus enables the Issuer to gain a deep understanding of the specific needs and challenges within these sectors. The market in which the Issuer operates is substantial – over the last three years (2023–2025), the average annual logging volume in Latvia was around 15 million cubic meters, split roughly evenly between state-owned and private forests. The primary competitors are logging and timber trading companies, as well as property management firms within the forestry and agricultural industries. The logging and timber trade is marked by intense competition, with numerous industry players—both large and small—fiercely competing for market share, driving down margins and pushing companies to constantly innovate to stay ahead.

To compete in highly competitive environment the Issuer leverages advanced data-driven decision-making for land valuation, using a cutting-edge system developed with leading Latvian forest experts and BI tools to provide instant, accurate property assessments. The Group is also investing in automation and data analytics to enhance customer relations, timber flow management, and overall business performance. To reduce reliance on external service providers, the Group has grown its heavy machinery park to 3 harvesters, 5 forwarders and 5 timber trucks, which provides stability while maintaining flexibility in managing its resources between internal equipment and external service providers.

10.5 Issuer's share capital and equity securities

As at the date of this Information Document, the Issuer's share capital amounts to EUR 2,500,000.00 (two million five hundred thousand euros) and is divided into 3,490,000 (three million four hundred ninety thousand) shares, each with a nominal value of EUR 1.00 (one euro).

The Issuer's shares are divided into two classes: 1,000,000 (one million) Class A shares, which are voting shares, and 2,490,000 (two million four hundred ninety thousand) Class B shares, which are non-voting shares. All shares have been fully paid up. There are no unpaid share capital contributions.

Class A shares carry voting rights, including the right to vote at the General Meeting. Class B shares are non-voting shares and do not carry voting rights. All shares carry equal economic rights, including the right to participate in the distribution of profits (dividends) and the right to receive a share of assets upon liquidation.

Other than Class A and Class B shares, the Issuer has not issued any other classes or categories of equity securities.

As at the date of this Information Document, the General Meeting of the Issuer has made a decision to decrease the Class B share capital of the Issuer.

Under this Information Document, a reduction of the Issuer's share capital completed during Q4 2026 in an aggregate amount not exceeding EUR 1,000,000 (one million euros) constitutes a Permitted Distribution, and

the 35% (thirty-five percent) Equity Ratio condition otherwise applicable to distributions does not apply to such reduction.

For further information on the Shareholders of the Issuer, please see Section 12.2 (*Shareholders of the Issuer*).

10.6 Distribution of profits and other benefits

The Issuer or the Subsidiaries have not adopted any share-based incentive schemes, option programmes or similar employee participation arrangements. Any distribution of profits, including dividend payments, is decided by the General Meeting of the Issuer in accordance with Applicable Law and the Articles of Association of the Issuer. The Issuer's management and the Group's employees receive remuneration in the ordinary course of business.

10.7 Information on litigation, insolvency and regulatory proceedings involving the Issuer

As at the date of this Information Document, the Issuer is not aware of any governmental, legal, arbitration, insolvency or regulatory proceedings involving the Issuer, its Subsidiaries, or members of their management bodies which may have, or have had during the last 5 (five) years, a material adverse effect on the Issuer's financial condition or profitability, other than as disclosed in this Information Document.

10.8 Material changes in the financial position of the Issuer

Since the date of the most recent Financial Report, there has been no material adverse change in the financial position or performance of the Issuer. The Issuer is not aware of any factors, claims, obligations or events which could have a material adverse effect on the financial position or performance of the Issuer.

10.9 Material agreements

Except as disclosed in this Information Document, the Issuer is not aware of any material agreements outside the ordinary course of business which may materially affect the Issuer's ability to fulfil its obligations under the Bonds. For transactions with related parties, please see Section 12.3 (*Transactions with the Related Parties and the Group Companies*).

10.10 Significant recent trends and known future developments

As at the date of this Information Document, the Issuer is not aware of any other known trends or uncertainties that have had, or are reasonably expected to have, a material adverse effect on the Group's operations since the last published audited financial statements, other than as disclosed in this Information Document.

11. FINANCIAL INFORMATION AND AUDIT OF ANNUAL FINANCIAL STATEMENTS

11.1 Accounting standards applied and financial reporting frequency

The Issuer's financial statements for the years 2024 and 2025 have been prepared in accordance with Latvian Accounting Principles, as set forth in Law on Annual Statements and Consolidated Annual Statements of the Republic of Latvia and have been audited by AS "RSM Latvia", registration number: 40003858822 (licence No. 134), a member of the Latvian Association of Sworn Auditors (in Latvian: *Latvijas Zvērinātu revidentu asociācija*).

The Issuer prepares and publishes consolidated condensed unaudited quarterly reports, together with management commentary, in accordance with the Accounting Principles within two months following the end of each respective quarter. Proof of compliance with the Financial Covenants is included in each quarterly report.

The Issuer prepares and publishes audited consolidated annual reports in accordance with the Accounting Principles within 4 (four) months after the end of each financial year.

The Issuer publishes financial reports, non-financial reports, notices and any other information to Bondholders as required under this Information Document and Applicable Law on the Communication Channels.

The audited annual report of the Issuer for the financial year ended 31 December 2025, including the management report and the independent auditor's report, is available on the Issuer's website at <https://www.timbro.group> and on the Nasdaq Riga website. Selected financial information of the Issuer is set out in Section 11.2 below.

11.2 Financial information for the previous year and reference to audited financial statements

The Issuer's audited Financial Report for the financial year ended 31 December 2025, including the management report and the independent auditor's report, is available on the Issuer's website and via the Nasdaq Riga website.

The tables below present key selected financial information of the Issuer, derived from its audited Financial Reports as at the end of and for the financial years ended 31 December 2025 and 31 December 2024, and for the 6 month periods ended 30 June 2025 and 30 June 2026.

Audited statement of income data of the Issuer (in EUR, thousands)

<i>Values: € '000</i>	<i>audited</i>		<i>unaudited</i>	
	FY2024	FY2025	H1 2025	H1 2026
Revenue	8,251	49,222	21,455	48,803
Cost of Goods Sold	(7,919)	(46,759)	(19,983)	(46,470)
Gross Profit	332	2,463	1,472	2,334
Operating Expenses	(338)	(1,417)	(579)	(902)
Other Income	571	4,331	114	79
Other Expenses	(39)	(128)	-	(78)
EBITDA	526	5,248	1,007	1,432
Depreciation & Amortisation	(94)	(773)	(368)	(422)
EBIT (Operating Profit)	432	4,475	639	1,010
Net Interest Expense	(151)	(1,295)	(568)	(767)
Profit Before Tax (EBT)	281	3,180	71	243
Corporate Income Tax	(25)	(104)	(0)	(383)
Net Income	255	3,076	71	(140)

Audited statement of Financial Position of the Issuer (in EUR, thousands)

Values: € '000	Dec 2024	Jun 2025	Dec 2025	Jun 2026
Property, Plant and Equipment	4,683	6,627	6,914	7,106
Intangible Assets	23	22	21	58
Non-Current Assets	4,707	6,649	6,936	7,165
Inventory	5,617	9,512	8,606	9,944
Receivables	2,804	3,980	10,295	6,807
Cash	781	360	363	1,791
Current Assets	9,202	13,851	19,264	18,542
TOTAL ASSETS	13,909	20,501	26,199	25,707
Financial Liabilities	3,937	3,736	6,807	7,350
Subordinated Bonds	1,300	2,000	2,000	1,090
Unsecured Bonds	3,725	8,125	8,475	8,785
Operational Liabilities	1,405	2,625	2,407	3,643
Total Liabilities	10,367	16,486	19,689	20,868
Equity	3,542	4,014	6,510	4,839
TOTAL EQUITY + LIABILITIES	13,909	20,501	26,199	25,707

11.3 Important financial information regarding the Issuer, key financial indicators and alternative performance measures

The Issuer's Funding Structure as of 30 June 2026 (in EUR, thousands)

Values: € '000	Jun 2026
Financial Liabilities	7,350
Subordinated Bonds (ISIN LV0000850378)	1,090
Unsecured Bonds (ISIN LV0000850360)	8,785
Operational Liabilities	3,643
Total Liabilities	20,868
Equity	4,839
TOTAL EQUITY + LIABILITIES	25,707

Key financial ratios calculated based on the Issuer's data

The following key financial ratios have been calculated based on the Issuer's financial data. The Issuer believes that such key financial ratios are a useful way of understanding trends in the performance of the business of the Issuer over time.

% unless stated otherwise	FY2024	FY2025	H1 2025	H1 2026
EBITDA margin	6.4%	10.7%	4.7%	2.9%
Net margin	3.1%	6.2%	0.3%	-0.3%
Adjusted equity ratio	34.8%	28.6%	32.5%	19.2%
ICR (LTM), x	3.1x	4.1x	n/a	3.8x

11.4 Working capital statement

In the opinion of the Issuer, subject to the successful completion of the Offering, the working capital available to the Issuer will be sufficient for the Issuer's present requirements, that is, for at least 12 months from the end of the Subscription Period of the Bonds. This assessment is based on the Issuer's current business plan and available financing sources.

12. MANAGEMENT AND SUPERVISORY BODIES OF THE ISSUER, ADVISORS AND AUDITORS

12.1 The Management Board of the Issuer

The management board of the Issuer serves as the executive body entrusted with the pivotal responsibilities of overseeing and directing the entirety of its business operations. This includes not only the efficient management and representation of the organization but also the diligent fulfilment of various obligations.

At the date of the Information Document, the Management Board of the Issuer consists of Ringolds Grāpis (Chairman) and Raimonds Cipe, both Members of the Board with the rights of collective representation:

Name	Position	Group
Ringolds Grāpis	Chairman of the Management Board	SIA Timbro Group
Raimonds Cipe	Member of the Management Board	SIA Timbro Group

Ringolds Grāpis

Joined Timbro in 2024, bringing 18+ years of experience in large multinational organisations across operational leadership, process implementation, performance management, and organisational development. Leads financial management, operational execution, process standardisation, and data analytics.

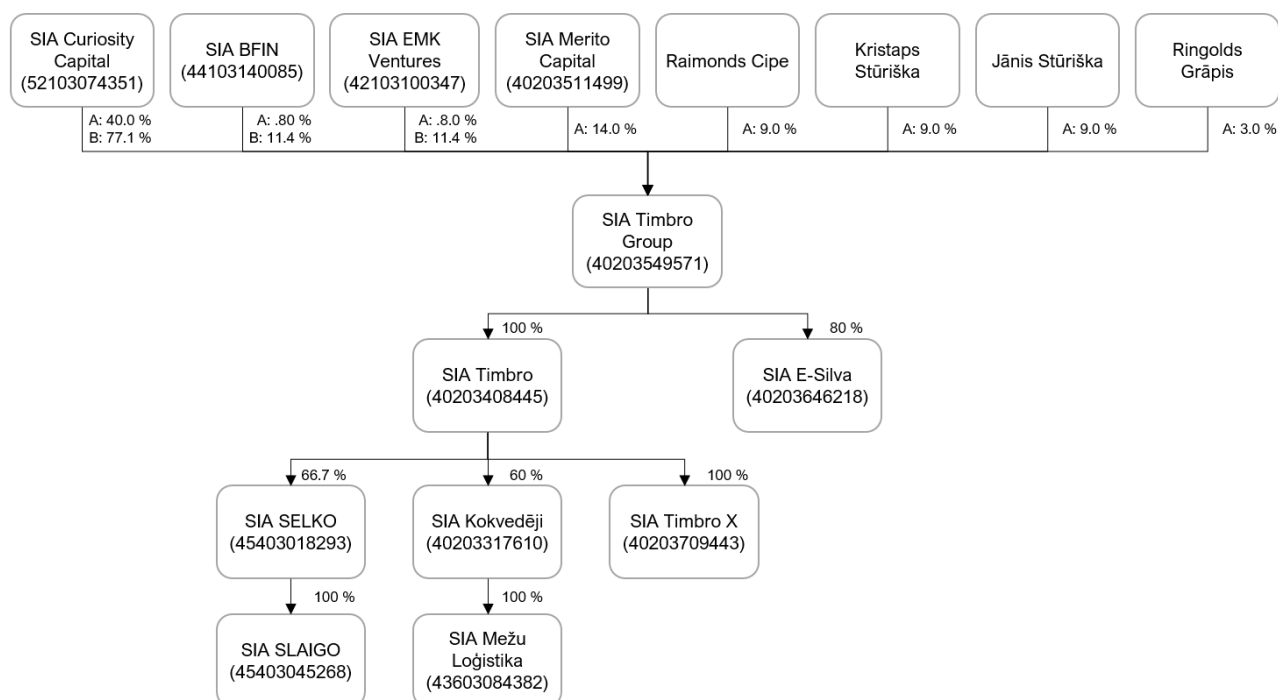
Raimonds Cipe

Founder of Timbro (2022), with 9+ years of forestry industry experience and a track record of business scaling across multiple industries, including forestry. Led three successful company acquisitions in three years, driving the Group's expansion into adjacent forestry-chain activities. Leads strategy, forest acquisition, commercial development, and key customer relationships.

12.2 Shareholders of the Issuer

At the date of this Information Document, the Issuer has two classes of shares outstanding – 1,000,000 (one million) Class A shares, which are voting shares, and 2,490,000 (two million four hundred ninety thousand) Class B shares, which are non-voting shares. Class A shares carry voting rights, including the right to vote at the General Meeting, and Class B shares do not carry voting rights. The rights attaching to each class of shares are described in Section 10.5 (*Issuer's share capital and equity securities*).

The ownership of Class A shares of the Issuer is distributed as follows – 14.0% is owned by SIA Merito Capital (Reg. No. 40203511499), 40.0% owned by AS Curiosity Capital (Reg. No. 52103074351), 8.0% owned by SIA BFIN (Reg. No. 44103140085), 8.0% owned by SIA EMK Ventures (Reg. No. 42103100347), 9.0% owned by Raimonds Cipe, 9.0% owned by Kristaps Stūriška, 9.0% owned by Jānis Stūriška, and 3.0% owned by Ringolds Grāpis.



The ownership of Class B shares of the Issuer is distributed as follows – 77.1% is owned by AS Curiosity Capital (Reg. No. 52103074351), 11.4% owned by SIA BFIN (Reg. No. 44103140085), and 11.4% owned by SIA EMK Ventures (Reg. No. 42103100347).

12.3 Transactions with the Related Parties and the Group companies

The Issuer is not aware of any other material related party transactions outside the ordinary course of business which may materially affect the Issuer's ability to fulfil its obligations under the Bonds.

12.4 Decisions of the Issuer on the Bonds Issue

On 25 September 2026, the General Meeting of the Shareholders of the Issuer passed a resolution to issue the Bonds and authorised the Management Board to prepare, approve and sign this Information Document and other documents required for the offering, registration and admission to trading of the Bonds, and to take all other actions necessary in connection with the issuance of the Bonds.

On 25 September 2026, the Management Board of the Issuer approved the issuance of the Bonds and the signing of this Information Document and resolved to execute all documents and take all actions related to the offering, registration and admission to trading of the Bonds.

12.5 Persons responsible for Offering of the Bonds

The Issuer, represented by the members of its Management Board, accepts responsibility for the information contained in this Information Document. For further details, please see Section 6 (*Responsibility Statement*).

12.6 Auditor

The financial auditor of the Group for the year 2025 is AS "RSM Latvia", registration number: 40003858822, legal address: Rīga, Mihaila Tāla iela 1, LV-1045 (licence No. 134), a member of the Latvian Association of Sworn Auditors (in Latvian: *Latvijas Zvērinātu revidentu asociācija*).

12.7 Advisors involved in the issue of the Bonds

12.7.1 Arranger

The Issuer has concluded an agreement with the Arranger to organise the Issue, to communicate with Nasdaq CSD, market the Bonds to investors and conduct settlement of the Bonds during the Subscription Period. The

Arranger may provide other services to the Issuer in the future and may receive remuneration for such services. The arranger may also invest in the Bonds.

12.7.2 Certified Adviser

The Issuer has engaged Signet Bank AS, registration No. 40003043232 as the Certified Adviser in connection with the admission of the Bonds to trading on Nasdaq First North.

12.7.3 Collateral Agent

The Issuer has engaged the Collateral Agent, which will hold the Collateral on behalf of the Bondholders. The Collateral Agent is authorized to act with the Collateral in favour of all the Bondholders in accordance with this Information Document, Collateral Agreement and the Collateral Agent Agreement. The Collateral Agent may provide other services to the Issuer in the future and receive remuneration for it. The Collateral Agent acts solely in its capacity as collateral agent, does not act as legal adviser to the Issuer or the Bondholders in connection with the Bonds, has not been involved in the preparation of this Information Document (other than in respect of the provisions relating to its own role) and has not independently verified any information contained herein.

12.7.4 Trustee

The Issuer has engaged the Trustee, which represents the Bondholders in relation to all matters concerning the Bonds other than the Collateral, in accordance with this Information Document and the Trustee Agreement. Initially, the same entity acts as both Trustee and Collateral Agent. The Trustee may provide other services to the Issuer in the future and receive remuneration for it. The Trustee acts solely in its capacity as trustee, does not act as legal adviser to the Issuer or the Bondholders in connection with the Bonds, has not been involved in the preparation of this Information Document (other than in respect of the provisions relating to its own role) and has not independently verified any information contained herein.

12.7.5 Legal Adviser

Legal advice to the Issuer in respect of the Bonds issue has been provided by Sorainen ZAB SIA, a law firm registered with the Latvian Bar Association and registered with the Commercial Register of Latvia under registration No. 50203349641, with its registered address at Antonijas iela 21, Riga, LV- 1010, Latvia.

12.7.6 Disclaimer of Liability

The Arranger, the Certified Adviser, the Collateral Agent, the Trustee and the Legal Adviser expressly disclaim any liability in relation to the information contained in this Information Document or any part thereof and shall not accept any responsibility for the accuracy, completeness or relevance of such information.

No information contained in this Information Document or otherwise disseminated by the Issuer in connection with the Issue or the admission to trading shall be construed as a warranty or representation, whether express or implied, made by the Arranger, the Certified Adviser, the Collateral Agent, the Trustee or the Legal Adviser.

12.8 Conflicts of Interest

Certain Advisors involved in the Bonds issue may provide other services to the Issuer in the ordinary course of their business and receive remuneration for such services. Such advisors may also invest in the Bonds.

13. ADDITIONAL INFORMATION

13.1 Information on whether the Issuer applies a corporate governance code

The Issuer does not apply any corporate governance code.

13.2 Information on the Group's AML/CTPF and Sanctions compliance measures

The Group applies customer onboarding and compliance procedures aimed at ensuring compliance with applicable AML/CTPF and Sanctions requirements. Prior to establishing cooperation with a customer, the Group's administration personnel (customer service personnel) verify whether the customer or its shareholders are subject to Sanctions by using publicly available databases and information sources, including Firmas.lv and Lursoft.

13.3 External audit of the information included in this Information Document

The information contained in this Information Document has not been verified by auditors.

13.4 Statements or reports included in this Information Document

This Information Document does not contain any expert statements or reports.

13.5 Credit Ratings

Neither the Issuer nor the Bonds have been assigned a credit rating.

13.6 Amendments to the Information Document

If, after the publication of this Information Document but prior to the end of the Subscription Period or the commencement of trading on First North operated by the Nasdaq Riga, the Issuer becomes aware of any material new factor, mistake or inaccuracy relating to the information included in this Information Document which is capable of affecting the assessment of the Bonds, the Issuer shall prepare a supplement or amendments to this Information Document.

The Issuer shall also amend the summary of this Information Document as necessary to reflect such changes.

The Issuer shall amend or supplement this Information Document in accordance with Applicable Law.

Any amendments or supplements to this Information Document shall be published in the same manner as this Information Document and shall form an integral part thereof. Any such amendments or supplements will be published on the Communication Channels.

If, at any time after the Issue Date, the threshold below which an offer of securities to the public is exempt from the obligation to publish a prospectus under the applicable laws and regulations of the Republic of Latvia is increased to an amount of at least EUR 12,000,000 (twelve million euros), the Issuer shall be entitled, by way of an amendment to this Information Document, to increase the maximum aggregate Nominal Value of the Bonds that may be issued under this Information Document up to EUR 12,000,000 (twelve million euros), provided that the aggregate consideration of the offer to the public, calculated over any relevant 12-month period, does not exceed the then-applicable exemption threshold.

Any amendment made pursuant to the preceding paragraph shall become effective upon publication by the Issuer and shall not require the consent, approval or confirmation of any Bondholder, the Majority Bondholders, the Collateral Agent or any other person, without prejudice to Sections 7.1 (*General Information*) and 7.6 (*Collateral*) (including the requirement that the corresponding increase of the maximum secured amount of the Collateral be registered before any Bonds in excess of an aggregate Nominal Value of EUR 8,000,000.00 (eight million euros) are issued) and to the rights and protections of the Collateral Agent under Section 7.7 (*Collateral Agent*).