Kvalificēts elektroniskais paraksts
JĀNIS KUĻIKOVSKIS
2026-06-08 17:19:05 GMT+3
Mērķis: Paraksts

LINEN

JUNE 2026
NOTEHOLDER’S MEETING

KEY HIGHLIGHTS

FAMILY-OWNED, GLOBALLY CONDUCTED

- **LIONPRO** is a leading European trader in the rendered animal protein trade, connecting Western European processors with end-users across Europe, Asia, and Africa
- Sources raw material from meat producers (160+ suppliers across 28 countries) — inedible byproducts (bones, intestines, offal) not destined for human consumption are processed into protein meal and animal fat
- Serves feed mills, pet food factories, and farms that use animal protein as a core feed ingredient
- **Products are carbon negative**, support circular economy, and serve as a fossil fuel and geopolitically sensitive commodity substitute across animal feed, human food, biofuels, fertilizers, and cosmetics
- **LIONPRO** trades over 10% of total EU animal protein export volume, positioning LIONPRO as one of the market's key players

59.6

Million EUR turnover

3.6

Million EUR consolidated EBITDA

6.0%

EBITDA margin

7054

Containers shipped

354

Clients in 4 continents

50+

Countries

145k

Metric tons of feed ingredients sold

10%

Y-o-y growth of sold tons

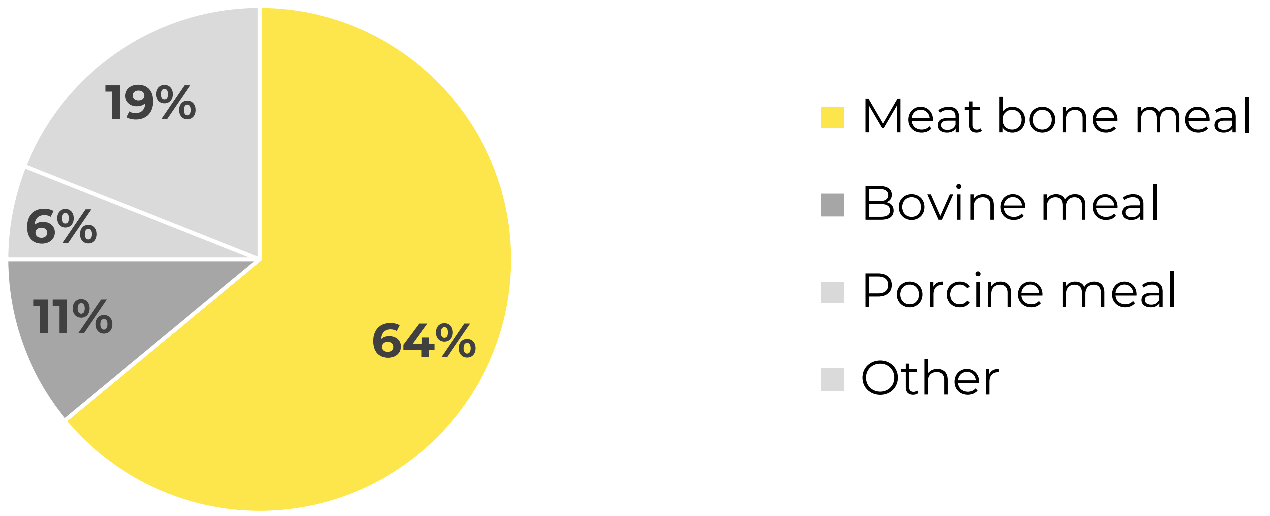
*Operational results 2025

SALES OVERVIEW

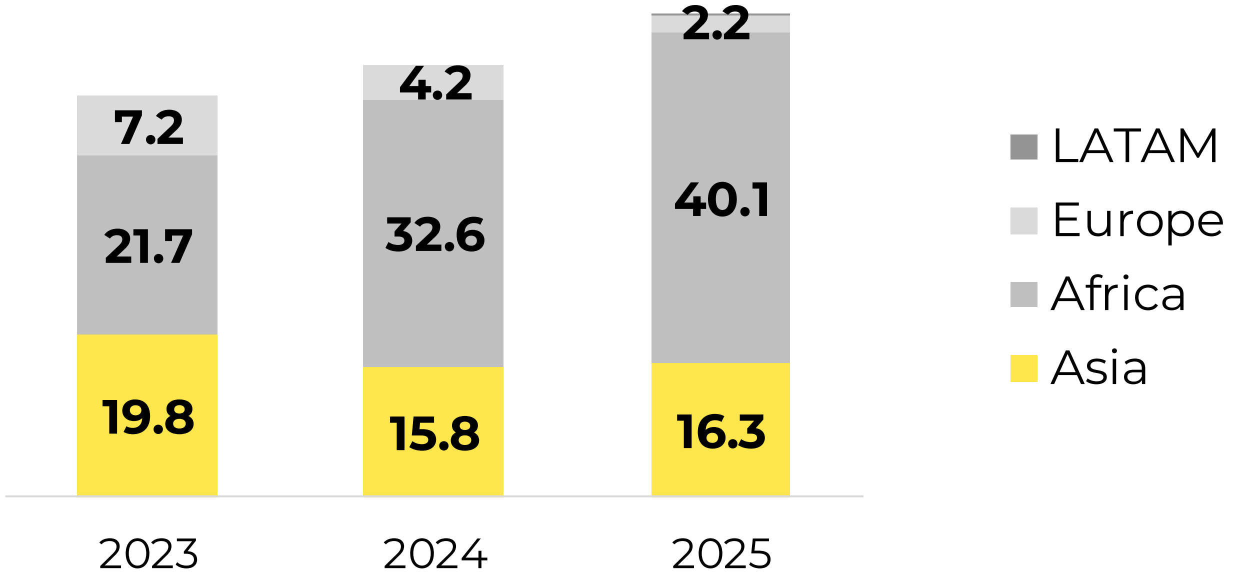
Key trends

- Sales growth was driven by development in Africa where sales grew **70% in 3 year period**
- This was largely driven by expansion of the **DDP** business which the Group achieved by setting up local warehouses in local African countries which offered unparalleled convenience to the African customers.

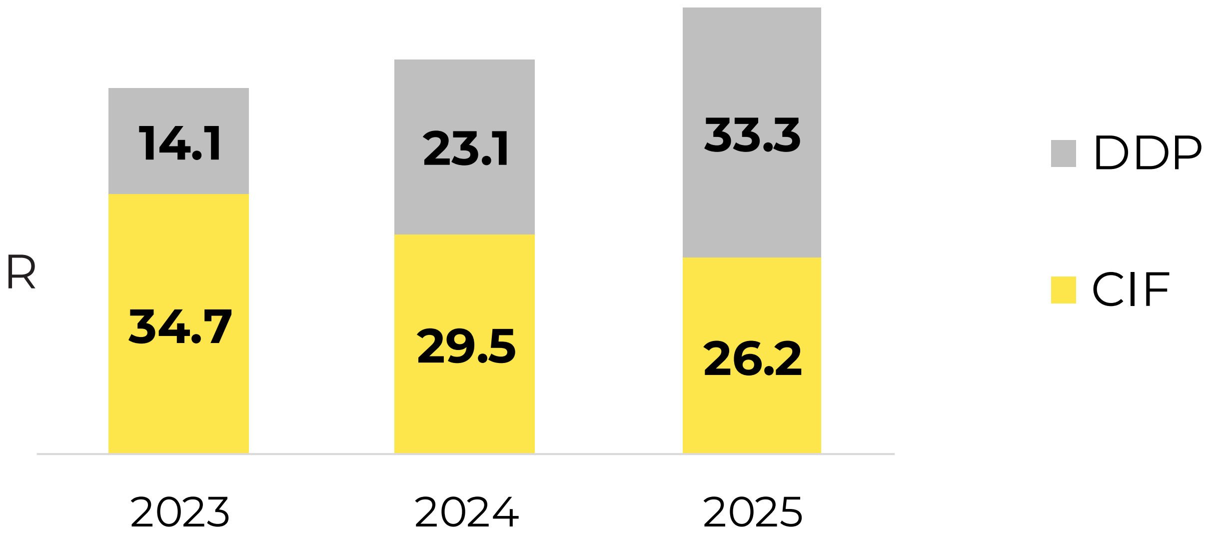
Sales breakdown by products, 2025



Sales by region 2023-2025, EURm



Sales volume by transaction type, EUR

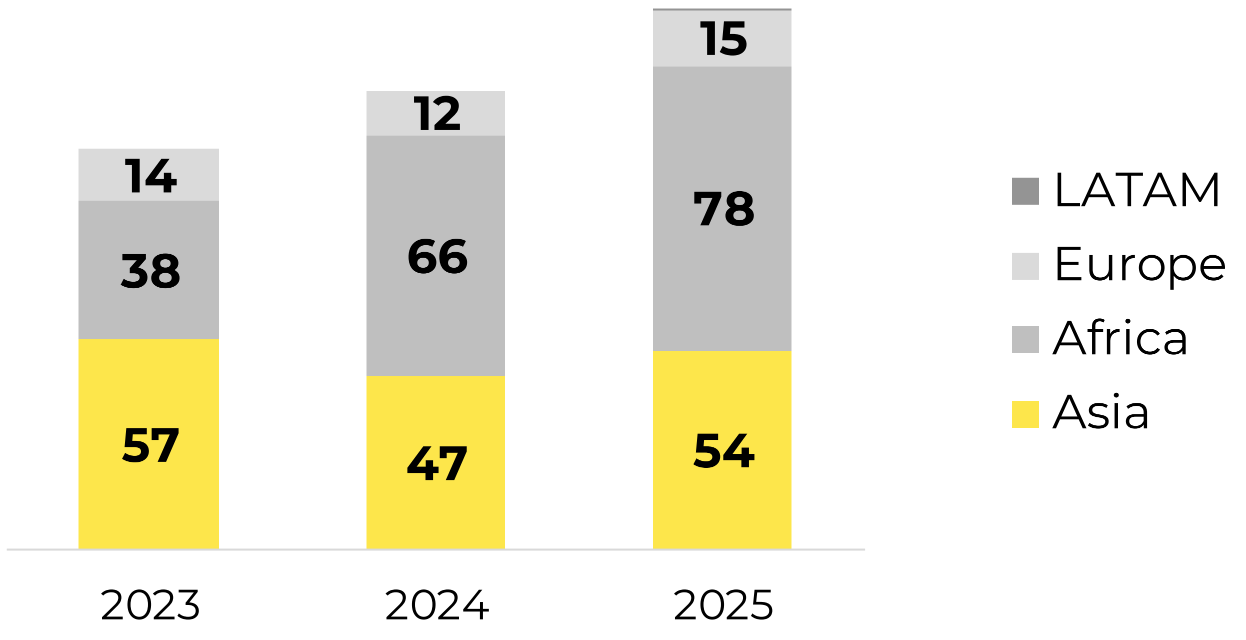


VOLUME OVERVIEW

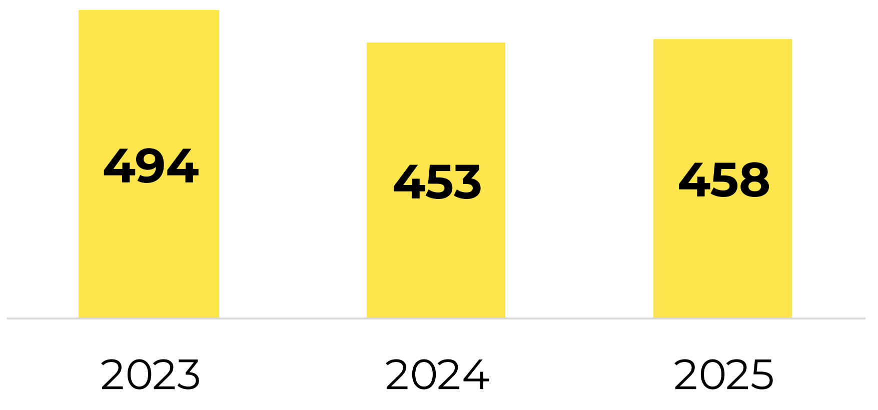
Impact of global commodity prices

- The price of the products the Group trades is loosely related to commodity prices such as soybean meal and corn.
- The Group has consistently grown its export volumes throughout the years, which offsets the downward pressure on the market prices of the Group’s produce.
- Apart from volatility in shipping and logistics, price volatility favors LIONPRO profitability and it is expected that with easing of tensions in sea transportation, the company will benefit from price rise of all commodities.
- Global animal protein complex prices have been trending firmer across multiple regions as of April 2026, a positive signal for LIONPRO's traded products; however, soybean meal — the key substitute benchmark — remains below its long-run average at ~$300–310/t, continuing to cap near-term pricing power until shipping cost normalisation allows the broader commodity uplift to materialize.

Sales volume in metric tons, ‘000



Average sales price per metric ton, EUR

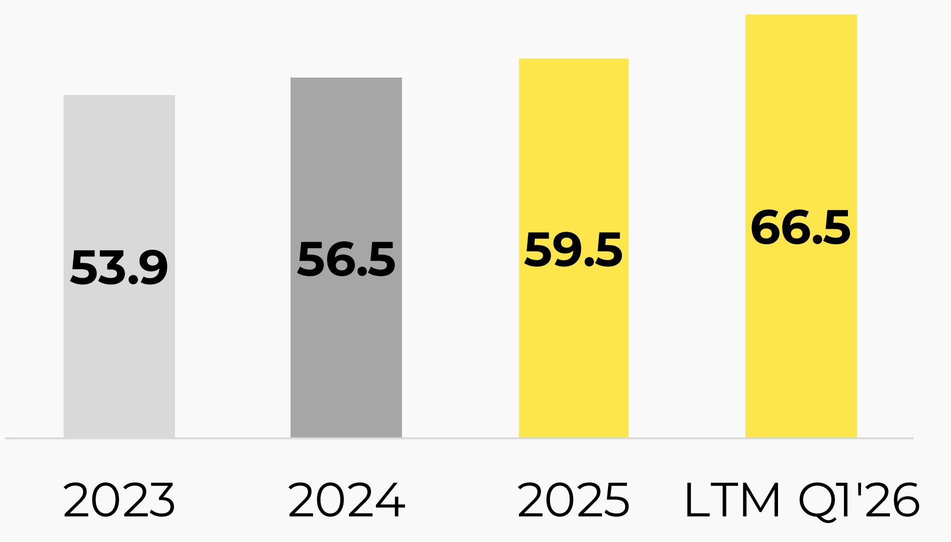


Soybean meal commodity price**

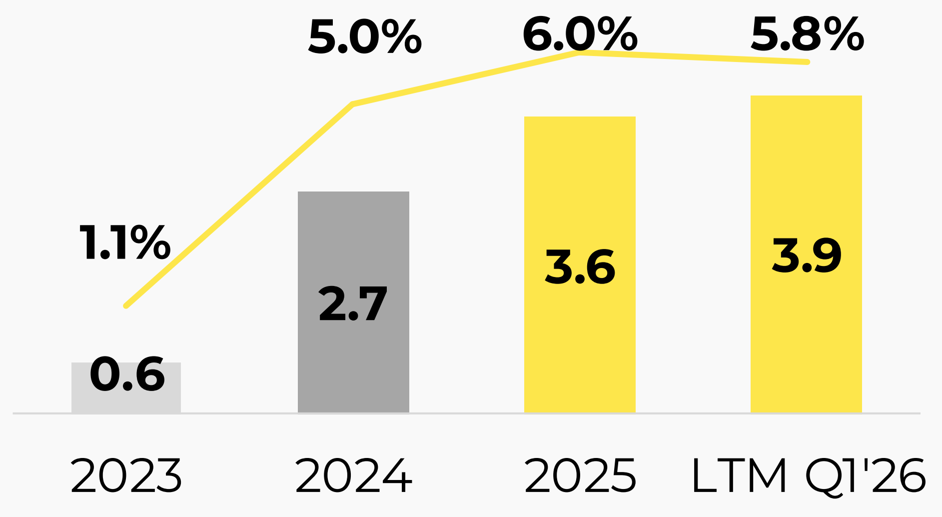
* Source: https://www.fastmarkets.com/insights/animal-protein-prices-trend-firmer-across-multiple-regions/
**Source: https://finance.yahoo.com/quote/ZM=F/

KEY FINANCIALS

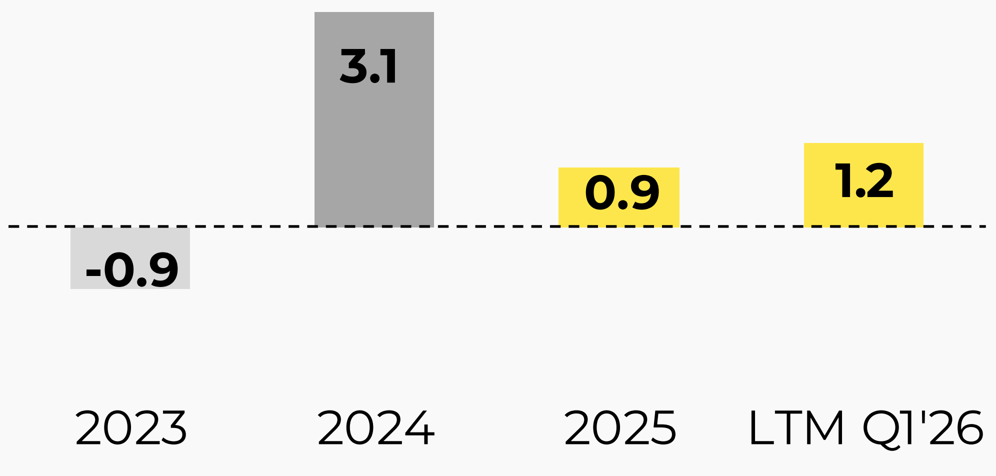
Revenue, EURm



EBITDA, EURm* and EBITDA margin

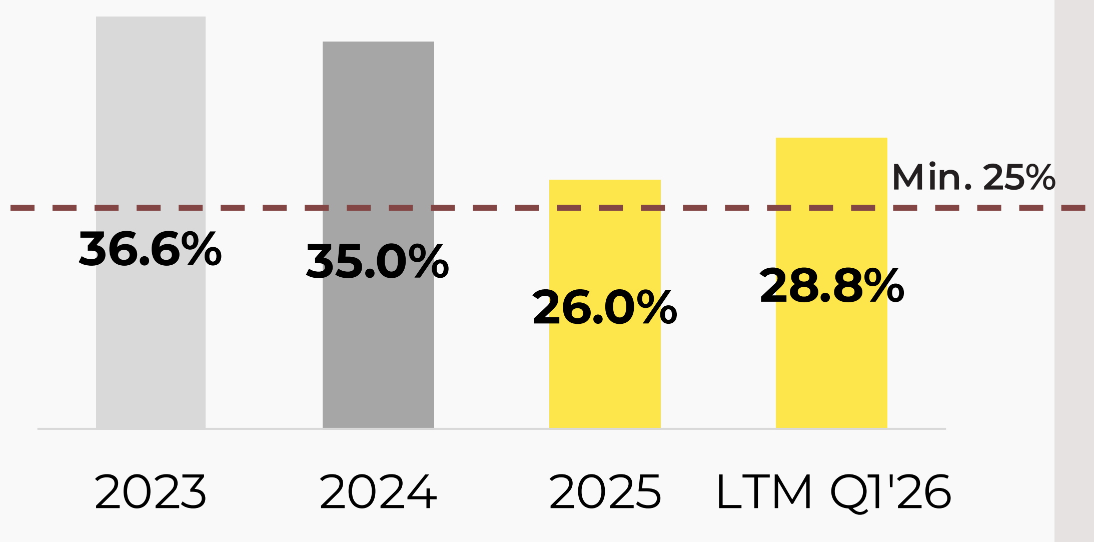


Net profit, EURm*

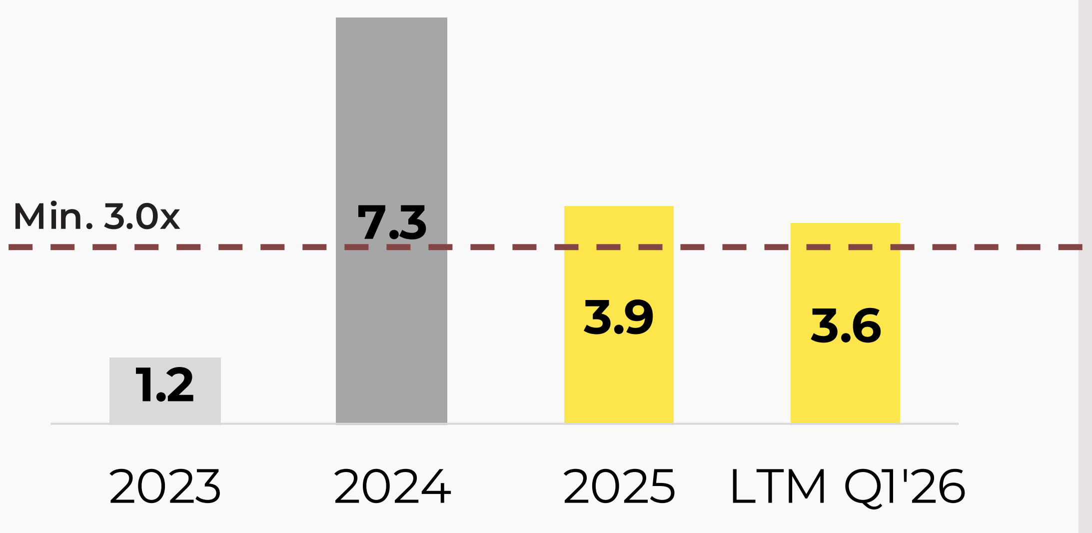


EXISTING BOND COVENANTS

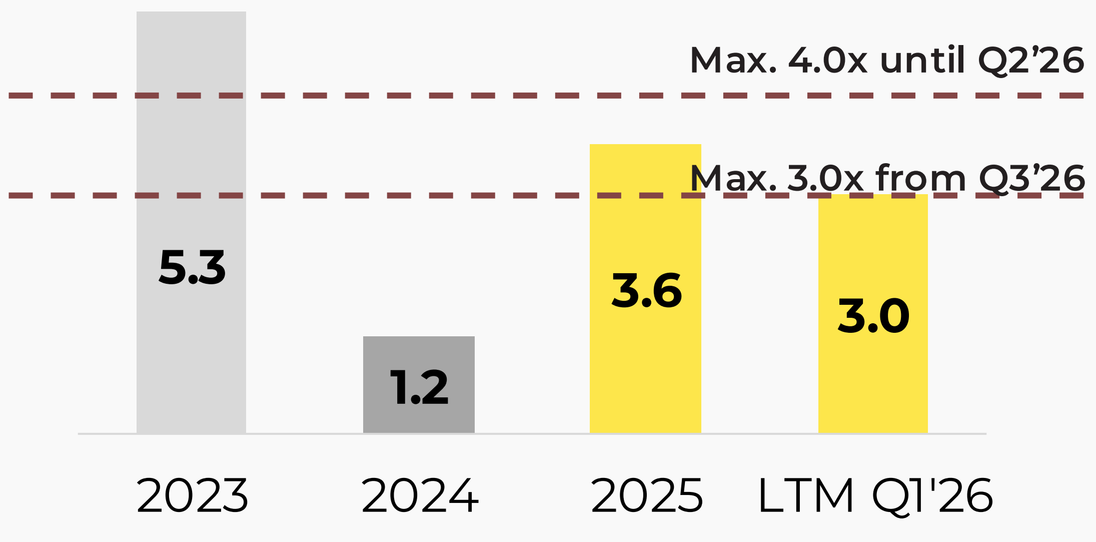
Equity ratio



Interest Coverage Ratio



Net debt / EBITDA



*In FY2022 and FY2023 there were a substantial write-offs of previously made investments into an unrelated business. These write-offs were a one-off item and not it any way related to the core business of the Group and hence are excluded from the results.

Q1 2026 TRADING UPDATE

- Q1 2025 revenue grew 61% y/y to reach EUR 18.3 million following bond proceeds deployment
- Profitability improved across all levels in Q1 2026, with EBITDA reaching EUR 0.9 million (+41% vs. Q1 2025), while net profit almost doubled to EUR 0.8 million (+90%)
- Equity ratio has improved since the end of 2025, reaching 29% as of 31.03.2026
- All covenants are met in Q1 and are in line with the tightened Q3 covenant levels
- Given the macroeconomic and geopolitical uncertainty, LIONPRO has adopted more conservative forward projections

EUR thousands	2025	Q1 2025	Q1 2026	YoY
Sold metric tons ('000)	145	27	35	+31%
Net Revenue	59 549	11 362	18 335	+61%
EBITDA	3 578	668	945	+41%
Net Profit	846	407	773	+90%
Total Assets	29 207	15 140	27 468	+81%
Total Equity	7 483	5 777	7 903	+37%
ISCR	3.90	8.20	3.58	
Net Debt/EBITDA	3.64	1.38	2.99	
Equity ratio	26%	38%	29%	

MARKET OVERVIEW

MARKET TRENDS

Global meat production is expected to rise by **44 million tonnes**, reaching **373 million** tonnes by 2030 (OECD), driving increased livestock output and demand for animal feed

Global animal proteins market is predicted to grow from **USD 12.56 billion** in 2021 to **USD 15.21 billion** in 2028**

In Africa, poultry consumption is expanding rapidly, with the industry projected to grow at a **CAGR of 4.7%,** from a current valuation of USD 25 billion.

Key growth markets include South Africa, Nigeria, Algeria, Ethiopia, and Morocco, fueled by population growth and urbanization

TARGETED MARKETS

AFRICA AND MIDDLE EAST

The adoption of protein-based animal feed products in the Middle East and Africa is increasing significantly. Sales of LINEN and the Group have doubled only in 2024 with even steeper growth in 2025 in terms of metric tons sold. That is supported by opening of new feed mills in the region

ASIA PACIFIC

Processed animal protein market in Asia accounts for **34%** (USD 4.3 billion) from the global market size**

EUROPE

Relaxing of restrictions and allow wider use of animal proteins in animal feeds, increasing possibilities for trade

GLOBAL TENSIONS

CLIMATE CHANGE

Extreme weather driven by climate change is disrupting crop-based feed supply chains, increasing demand for reliable alternative ingredients like animal proteins and fats

GEOPOLITICAL UNCERTAINTY

In today's volatile global markets, the role of trusted intermediaries is more important than ever. The Group meets this need by providing consistent, reliable supply solutions

PRICE SENSITIVITY

Animal proteins and fats offer price stability and strong nutritional value, making them highly attractive to customers - particularly in developing markets where food security and affordability are critical

*Source: OECD-FAO AGRICULTURAL OUTLOOK 2021-2030
**Source: Fortune Business Insights

FACTORS AFFECTING PROFITABILITY

TRANSIT TIMES

The US-Israel-Iran conflict has materially disrupted shipping routes to Africa and Asia, extending **transit times** for the following reasons:

1. Traditional Gulf transit hubs (UAE, Saudi Arabia, Oman) have been bypassed by major shipping lines
2. Vessels are rerouting through alternative ports (West India, Sri Lanka, Singapore) not originally planned for these trade lanes
3. Alternative ports are not optimised for Africa-bound cargo — ships wait to consolidate sufficient container volumes before dispatching
4. Singapore is experiencing severe congestion, extending transit times across both African and Asian corridors

Shipments remain insured and are not directly threatened. However, longer transit times mean more capital is tied up in goods-in-transit relative to revenue recognised, compressing near-term profitability.

*https://www.aljazeera.com/news/2026/5/1/turbulent-and-dangerous-how-shipping-is-the-new-global-battleground

SHIPPING COSTS

Under maritime law, shipping lines are **entitled to pass any costs, damages, or risks incurred onto cargo owners.**

The following surcharges have been imposed on both new and in-transit shipments:

1. War risk surcharge;
2. Re-routing surcharge;
3. Fuel price surcharge;
4. Demurrage and detention fees for containers offloaded at unplanned ports pending onward delivery.

While fuel cost increases are immediate, passing them through to buyers requires time and negotiation — creating a temporary margin gap that directly affects profitability.

https://www.reuters.com/business/energy/maersk-introduces-emergency-surcharge-fuel-prices-soar-2026-03-10/

LONG TERM COMMITMENTS

Supply disruptions have reduced product availability in LIONPRO's warehouses. **To honour commitments to key customers**, LIONPRO is drawing on buffer stocks held at other locations — incurring additional handling, transportation, and customs clearance costs in the process.

This approach compresses operating margins in the short term but preserves LIONPRO's market position and the foundation for price increases over time.

The factors outlined across all three sections are not existential — their duration and impact are tied to the length of the Middle East conflict. LIONPRO remains committed to maintaining a healthy Equity ratio and identifying further operational cost efficiencies

PREVENTIVE MEASURES ALREADY TAKEN

PROCUREMENT

Lionpro is doing the following preventive measures:

1. Prioritizing procurement on CIF basis, therefore shifting the freight cost change on the suppliers;
2. Prioritizing procurement from suppliers where Cash Against Documents payment terms is allowed, as a consequence shifting the risk of delays also on the suppliers;
3. Seeking procurement from regions and countries that are very close to countries of destination, to reduce sea freight exposure.
4. Additional insurance contracts are being put in place wit extended insurance cover.

PRICING

Already with the first days of Middle East war we have started the following:

1. Prusuing rapid price increases effective already since 01 of April and 01 of May;
2. Shifter from quarterly to monthly or volume based pricing strategies;
3. Payment terms with customers have been revised and they have been reduced that effectively reduces debtor amount and additional risks.

INTERNAL MEASURES

The company is pursuing strict internal cost monitoring and is focusing on administrative cost reduction.

Apart from cost reduction the company is shifting its focus on procurement and trade of goods within the regions, thus avoiding sea shipments at all.

As of June, the sales team will be strengthened in order to maintain strong position in the market.

More efficient stock rotation is being pursued thus reducing excess stock and focusing on core customers while the market stabilises.

Internal administrative team is restructured that leads to reduced head count and improved efficiency.

NOTEHOLDER’S VOTING

The Issuer seeks Noteholder consent to amend the Financial Covenants in response to recent global disruptions impacting transit times and shipping costs

Proposed amendments

Financial Covenant	Current level	Proposed level
Interest Coverage Ratio	> 3.0x	**> 2.0x**
Net Debt Leverage Ratio	< 4.0x until Q2’26 < 3.0x from Q3’26	**< 5.0x** **< 3.5x from Q3’27**

Definition	Proposed amendment
Accounting Principles	Initially, Latvian Accounting Standards (Latvian GAAP) in accordance with the Applicable Laws. Starting from **1 January 2027** (for the **Financial Year of 2026**), the International Financial Reporting Standards (IFRS).

Additional considerations

- The Equity Ratio covenant remains unchanged
- If the proposed amendments are approved, the Issuer undertakes to pay each Noteholder who has participated in the voting and voted **«FOR»** the proposed amendments an **amendment fee of 1% (one per-cent)**
- The Issuer undertakes to request **admission of the Notes to trading on Nasdaq First North** on or about **22 June 2026**, subject to approval from Nasdaq

VOTING PROCESS

Voting procedure

The Noteholder shall complete the Noteholder's voting form in printed or electronical form, by specifying the required information in respect of the Noteholder

The form can be submitted by sending the duly completed and signed form to the Noteholder's bank which holds the Notes; Or by sending an electronically signed form to **janis.kulikovskis@lionpro.com** or delivering a physical form to the Issuer's address at **Antonijas street 5, Riga, LV-1010**, the Republic of Latvia via post office, courier or delivering it in person.

Term of submission of voting forms

The Noteholders must submit their duly completed and signed Noteholder's voting forms to the Issuer or to their Custodian bank by 19 June 2026 (inclusive) by 17:00 o'clock (Riga time).

If the proposed amendments are approved, the Issuer undertakes to pay each Noteholder who has participated in the voting and voted «FOR» the proposed amendments **an amendment fee of 1% (one per-cent)**

Noteholders' Voting Timeline

June 8	**June 19**	**June 22**	**10 business days**
Start of voting	End of voting	Publication of results	Payment of amendment fee of **1%** to Noteholders who have voted "FOR"

KEY INVESTMENT HIGHLIGHTS

MARKET LEADER	The leading animal protein products trader in Europe
LONG-TERM STABILITY	The animal food industry is very stable and resilient to external shocks due to steady supply and demand
INNOVATIVE SUPPLY CHAIN	The build-out of supply chain with close-to-customer warehousese in African and Asian countries provide unparalleled customer convenience that no other competitor provides
SOURCE OF AFFORDABLE ANIMAL PROTEIN	Since the animal protein is sourced from animal food products waste, the price of the end product is favorable compared to commodity type products such as soybean meal
DIVERSIFIED CUSTOMER BASE	More than 300 customers in more that 50 countries provide superb diversification reduced reliance on a single customer
LONG HISTORY	Accumulated experience in the animal protein products market for more than 30 years
PROXIMITY TO CUSTOMER	Build-out of supply chain as close to customer as well as intensive customer educational activities forge long-term relationships and customer loyalty

LET’S MAKE A BETTER FUTURE TOGETHER!

L I N E N

Contacts:

Email:
info@lionpro.com

Phone: +371 29194221

APPENDIX

A BRIEF OVERVIEW

Established Latvian Trader - LIONPRO (the Group) is a Family-owned business with 30+ years experience in trade of animal proteins and other feed ingredients

Strategic Intermediary - Connects European producers of animal proteins in Europe with feed and pet food producers across Europe, Asia, and Africa

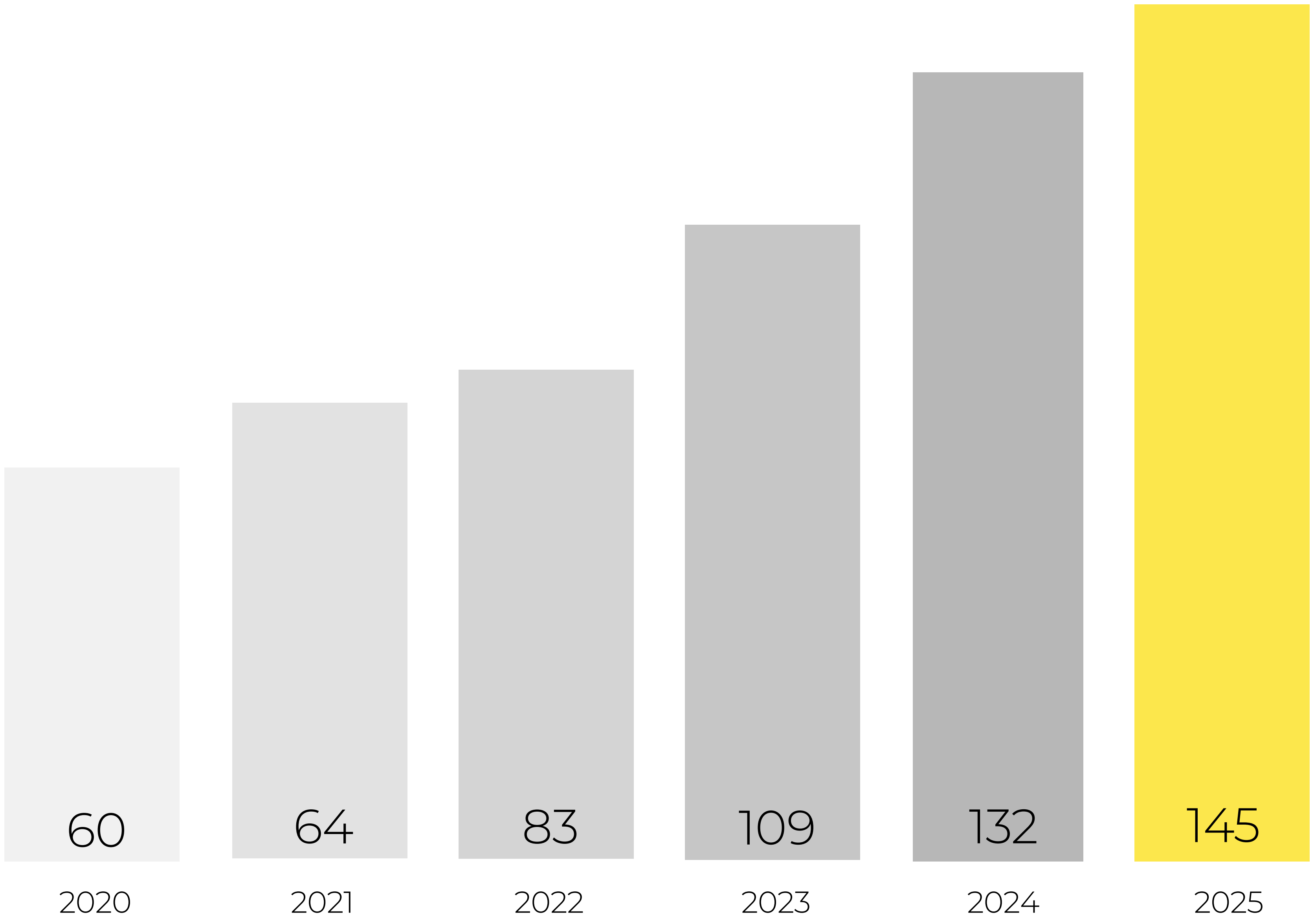
Market Leader - the Group trades over 10% of total EU animal protein exports

Global Client Base - Its clients are feed mills, pet food factories and farms in Europe, Africa, and Asia that use animal protein as one of the components in the final product (an ingredient of combined feed)

Operating in a growing market - as African and Asian countries become wealthier, more animals are required to be produced for food to satisfy the growing demand for protein in human diet.

CARG +20%

GROUP VOLUME GROWTH DURING THE LAST 6Y ('000 METRIC TONS SOLD)



DEVELOPMENT MILESTONES

1994 – 2004

ORIGINS

Founding members were engaged in representing Scandinavian trading companies in Eastern Europe.

The Group was founded to establish trade of animal origin products from the Baltic States to the Republic of South Africa.

2005

FIRST STEPS IN AFRICA

The Group hosts a visit of the ambassador of the Republic of South Africa and an Economic attache of RSA in Riga.

2008

FIRST STEPS IN ASIA

The Group starts trade deals with China, Vietnam, Bangladesh, and Indonesia and exports goods from Scandinavia to South East Asia.

2015

QUALITY

The Group implements GMP+ (highest quality standard in European Union for product traceability and quality management) quality assurance standard.

2016

NEW PRODUCTS AND R&D

The Group starts imports of vegetable proteins from India to Europe.

Together with Lantmännen - one of the largest Swedish agribusiness - The Group starts field trials for introduction of new vegetable proteins in dairy farming in Sweden.

2017

WESTERN AND EASTERN AFRICA

The Group starts trade with Nigeria and establishes long term partnership with one of the largest commodity trading companies in the world.

The Group participates in a trade mission and expo in Rwanda establish footprint in East Africa.

2022-2024

STRATEGIC CHANGE

2018 - 2022 the Group sets up offices in 7 countries in Sub-saharan Africa, establishes representative offices in South East Asia, Latin America

The Group is moving towards new opportunities and moving away from the highly saturated CIF (Cost, Insurance & Freight) market into rapidly growing DDP (delivered, duty paid) market.

2025

CREATING FOUNDATIONS

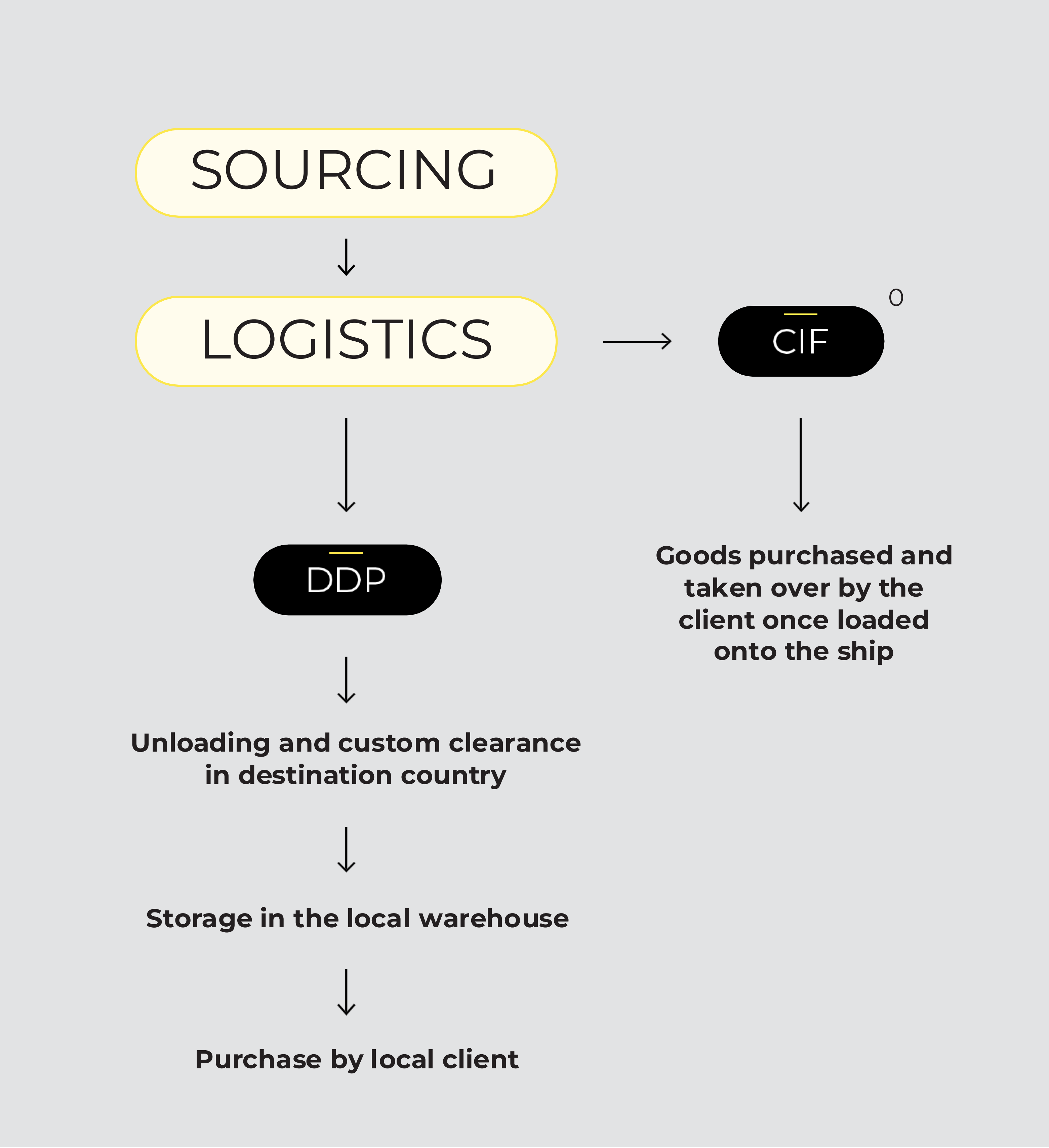
The company is creating solid grounds for future growth by standardizing internal processes and implementing of SAP Public Cloud. LIONPRO Group will be the first company in the Baltic States to implement this system as its primary ERP and accounting system.

LIONPRO has been granted MIGA investment guarantee and therefore it has attracted substantial interest from the local banks in Africa. Lionpro has obtained local financing as a result.

THE BUSINESS MODEL

In general, the Group operates under 2 business models:

CIF Cost Insurance Freight	The Group does the sourcing of the goods, organizes logistics and shipping to destination country, but passes over the ownership of the freight once the goods are loaded onto ship
DDP Delivered Duty Paid	The Group in addition to steps in CIF also manages the customs clearance process in the destination country, transportation to the local warehouse and sale to the end customer



WHY THE BUSINESS MODEL WORKS

1

ACCESS TO A GLOBAL MARKET

The meat processing plants in Europe have very limited market for animal protein waste. The Group has found access sales channels outside Europe and thus has become a key buyer of animal protein products in Europe.

2

CUSTOMS EXPERTISE ENSURES COMPETITIVE EDGE

The Group has mastered the highly complex customs clearance process in African and Asian countries which gives the company a major competitive advantage.

3

ANIMAL PROTEIN AS AN INNOVATION

The Group is introducing animal proteins as a component of animal food which increases the farming yields and thus cre-ates increased demand for the Group products.

4

PIONEERING EFFICIENT SUPPLY CHAINS IN THE REGION

The supply chain that the Group is building in the African continent is unrivaled and offers convenience and access to animal food components never seen before.

COMPETITIVE LANDSCAPE

ATTRACTIVE MARKETS

The Group is focusing on developing markets and has proven that by establishing access to high quality feed ingredients the demand is growing naturally

VALUE CREATOR

European and International feed ingredient producers and suppliers are praising complete service that the Group provides. Deeper vertical integration favours the Group over its competitors.

COMPETITION

Main competitors in the field are typically focusing either on very narrow range of markets or narrow range of services that they provide. The Group is having wider reach as well as better risk diversification.

		MARKET PRESENCE				
	DESCRIPTION	EUROPE	ASIA	NORTH AMERICA	SOUTH AMERICA	AFRICA
LINEN	International processed animal protein trading company, with presence in Europe, Asia and Africa.	✓	✓		✓	✓
SCOULAR	Manufacturer and international trader with presence in North America and Asia with plans to expand in Europe.		✓	✓		
CAGEMAX	International trader with presence in Asia and Europe.	✓				
K-PRO	International trader with presence in North America, Asia and Europe.	✓	✓	✓		

THE OPERATING MODEL

Goods purchased from producer	Transport to target destination	Customs clearance in target destination	Storage in local warehouse	Sale to final customer and collection of money
10 days	**45-60 days**	**15-30 days**	**15-30 days**	**7-30 days**
Group buys animal product waste in Europe from more than 200 major meat processing plants such as Saria, Sonac, Darling Ingredients.	Group organizes logistics and transportation across land and sea. The goods are picked up at the factories in Europe, then transported to the nearest port, loaded onto ships, and sent to target destination. Only major logistics partners such as Maersk, MSC, Mitchell Cotts are used.	Once goods arrive at port of destination, the unloading and customs clearance process is initiated. It is fully managed by Group employees in the local countries or agents employed by the Group.	In the local warehouse the goods are stored and repackaged if needed. The warehousing services are purchased from 3rd parties to provide flexibility. Only prominent warehousing agents such as Maersk are used.	The customers arrive to pick up the goods from the local warehouse. The clients are feed mills, farms and individual farmers.
CIF DDP	CIF DDP	DDP	DDP	DDP

PRODUCT PORTFOLIO

TRADED PRODUCTS IN 2024

PROCESSED
ANIMAL PROTEINS
(**98%** OF PORTFOLIO)

ANIMAL FATS
(**1%** OF PORTFOLIO)

SOYBEAN MEAL
(**1%** OF PORTFOLIO)

USED IN

- Animal feed
- Organic Fertilizer
- Pet food
- Aquafeed
- Biogas

SALES LOCATIONS

The Group headquarters are located in Latvia.

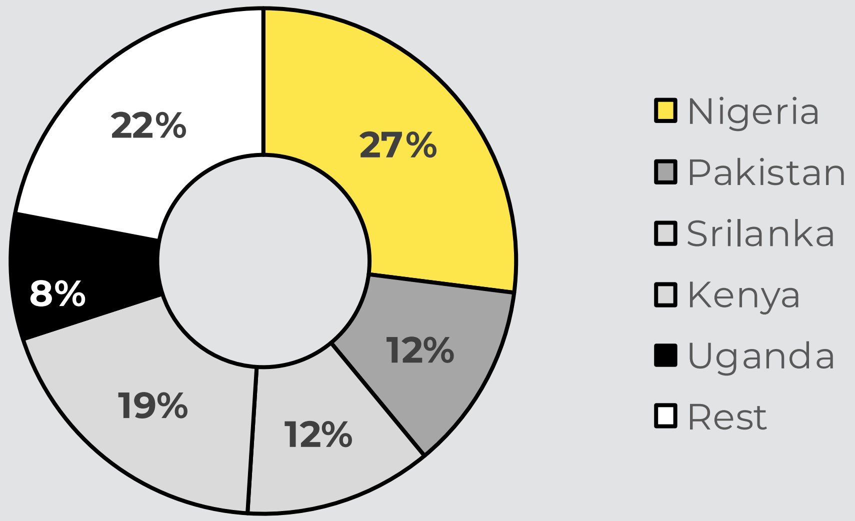
There are sales offices in all the locations denoted on the map.

The Group operates warehouses in all the sales locations in Africa, Asia, and South America.

CLIENT OVERVIEW

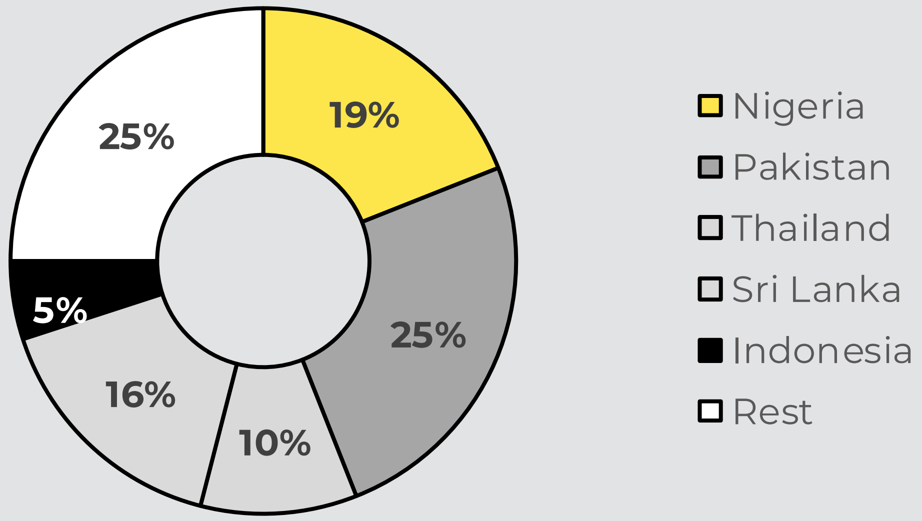
DIVERSIFIED CLIENT BASE

Top 5 clients contribute **30.3%** from total of EUR 59.5m in FY25. Top client countries are Nigeria, Kenya, Thailand, Pakistan



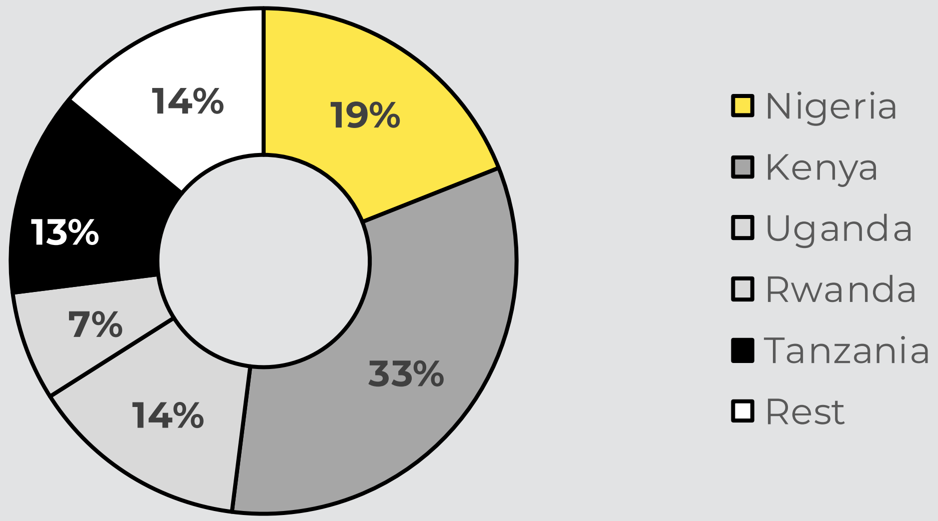
COST, INSURANCE & FREIGHT CLIENTS

CIF* sales client Group is well diversified with clients from **20 countries**



DELIVERED & DUTY PAID CLIENTS

DDP* sales are predominantly originated in Africa where **Kenya** is playing the leading role and **Nigeria** is steadily growing



*CIF = Cost, Insurance & Freight; DDP = Delivered Duty Paid, see more https://www.trade.gov/know-your-incoterms

SALES TRANSACTION PAYMENT TERMS

CURRENCIES USED

Sales in Europe are concluded in EUR, Asia - in USD and local currency, and Africa - in USD or local currency.

All expenses in Europe are in EUR, sea freight costs-in EUR/USD, while customs clearance and inland costs in Africa and Asia are in local currencies.

INTERCOMPANY SETTLEMENTS

Intercompany invoicing between Latvia and other entities take place in EUR and USD currency. There are hedging contracts in place to account for exchange rate fluctuations.

SECURED TRANSACTIONS

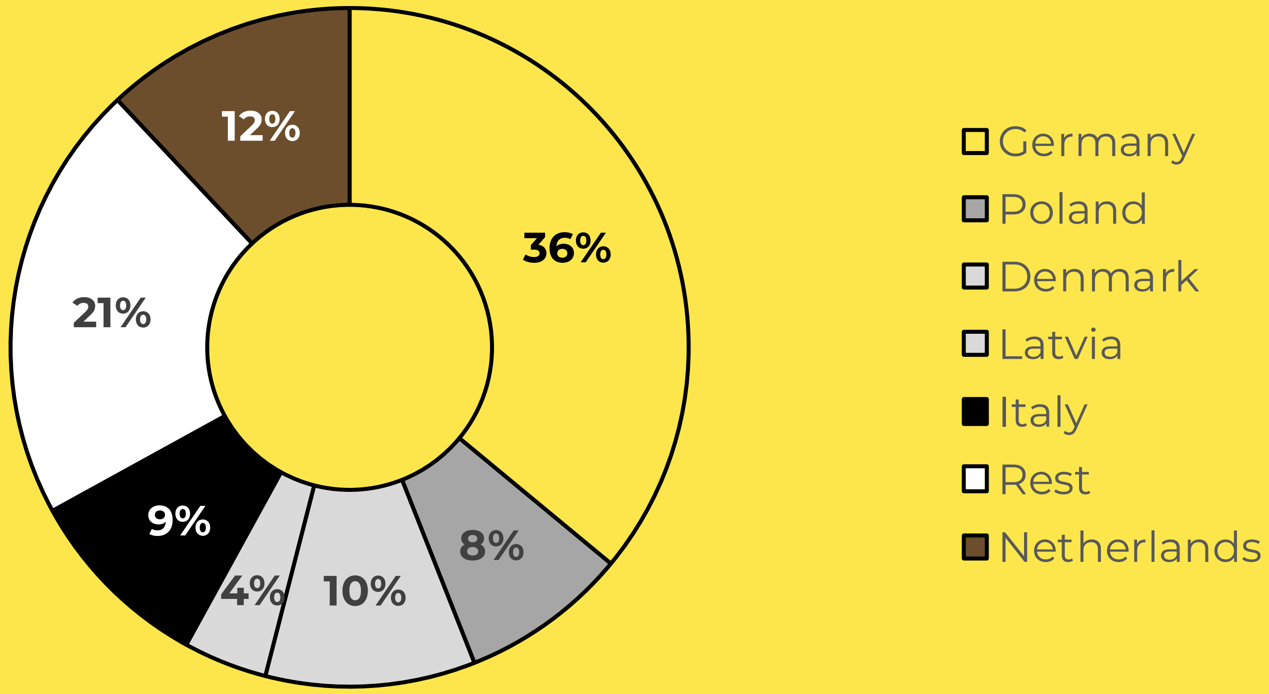
Absolute majority of transactions are wth Cash Against Documents payment method, prepayment of after payment for prime customers.

EU customers 4%	Asian customers 27%	African customers 69%
New customers – Advance payment	Advance payment	Advance payment
Long-term customers – 21-30 days from invoice issue date.	Letter of Credit	Letter of Credit
	Cash against documents	For multinationals – payment in 30 days from invoice issue date

SUPPLIER OVERVIEW

DIVERSIFIED PRODUCER BASE

Top 5 suppliers contribute **less than 50%** of all procurement in FY25. Top supplier countries are Germany, Netherlands, Denmark and Poland



KEY SUPPLIERS

SARIA

DARLING INGREDIENTS

sonac

THE LAURIDSEN GROUP

Main supplies are sourced by The Group from producers in Europe for customers in Europe, Asia, Africa

KEY LOGISTICS PARTNERS

msc

YANG MING

Mitchell Cotts

MAERSK

BETTER WAYS CMA CGM

COSCO SHIPPING 中远海运集装箱运输有限公司 COSCO SHIPPING LINES CO., LTD.

Due to high volume of shipments, the Group works directly with shipping lines and top tier warehousing providers

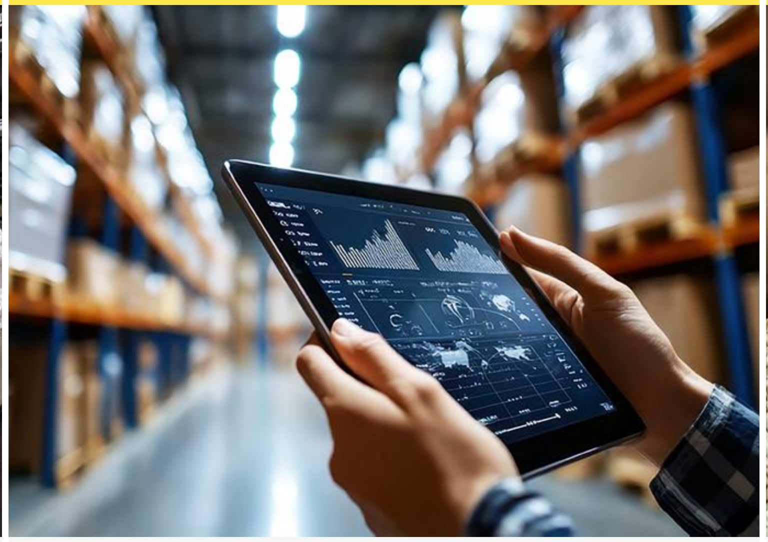
PILLARS OF FUTURE GROWTH

With almost 30 years of experience the Group has positioned itself favorably to be ahead of the market and has developed competitive advantages over time.

Unique Service

The Group is closely monitoring global markets and is offering a unique and complete combination of services. From sourcing raw materials, to developing supply chains with favorable financing options.

On-time deliveries



The Group has created client specific reporting to provide real time tracking of consignments and helping inventory planning to its clients.

Quality Control

The company is implementing highest international standards for quality assurance and product traceability. Every ton or product can be traced back to its very origin. Standards include GMP+, GAFTA, HACCP - highest global and European standards for animal feeds.

Education

The Group invests heavily in educating its customers about usage of its products. According to past experience such seminars lead to new customer generation and increase in demand.

Supplier and customer network expansion

The Group is expanding its distribution network across more countries, as well as, creating new distribution channels in each country by setting up regional warehouses, walk in stores that will target smaller customers and improve marketing and recognition of the company.

SUSTAINABILITY

By process of recycling, dependency on vegetable proteins and oils is decreased and it has a direct influence on CO_2 emissions due to less deforestation. Cost efficiency is a favorable side-effect.

- Less food waste, more re-usable materials
- Less deforestation
- Fewer greenhouse gas emissions
- Lower carbon emissions
- Food waste diverted from landfills
- Clean water reclaimed and returned to rivers

MANAGEMENT TEAM

JĀNIS KUĻIKOVSKIS

CEO, Chairman of the Board

Founder of successful businesses in waste management, international trade and fintech industries

Expertise lies in negotiation, business development and market research

EMBA education from SSE Riga

LLM from University of Latvia

ZANE KUĻIKOVSKA

COO, Board member

An experienced sales and business leader with over a decade of expertise in corporate management, strategic decision-making, and international business development.

Skilled in overseeing operations, opti- mising resources, and managing key relationships across Europe, Asia, and Africa.

MBA in Strategic Management from the Stockholm School of Economics in Riga

LL.M. in Law from both the Riga Graduate School of Law and the University of Latvia.

LĪVIJA KUĻIKOVSKA

Founder & advisor

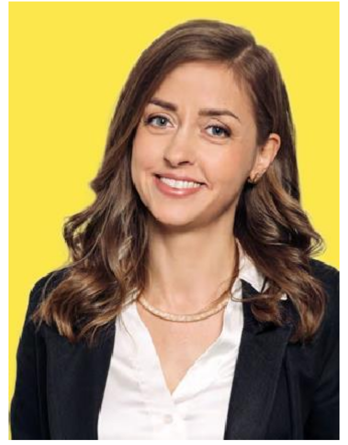
Uniquely qualified individual with broad experience in business development, international trade and supply chain management.

MSc in Food Technology and Processing.

SARMA JĒČA

CFO & Board member

Experienced finance and transformation leader with 20+ years of international experience across retail, e-commerce, supply chain, and manufacturing. Skilled in financial strategy, P&L management, cash flow control, business intelligence, and digital transformation, with proven expertise in multi-entity, multi-country environments.
At IKEA, Sarma held multiple senior finance roles across the Group, including CFO for IKEA Retail Baltic States (Estonia, Latvia, Lithuania), Finance Manager for IKEA's €1.2B Multichannel Transformation Programme, and CFO (Business Navigation Manager) at IKEA of Sweden.



GUNTA GRĪNVALDE

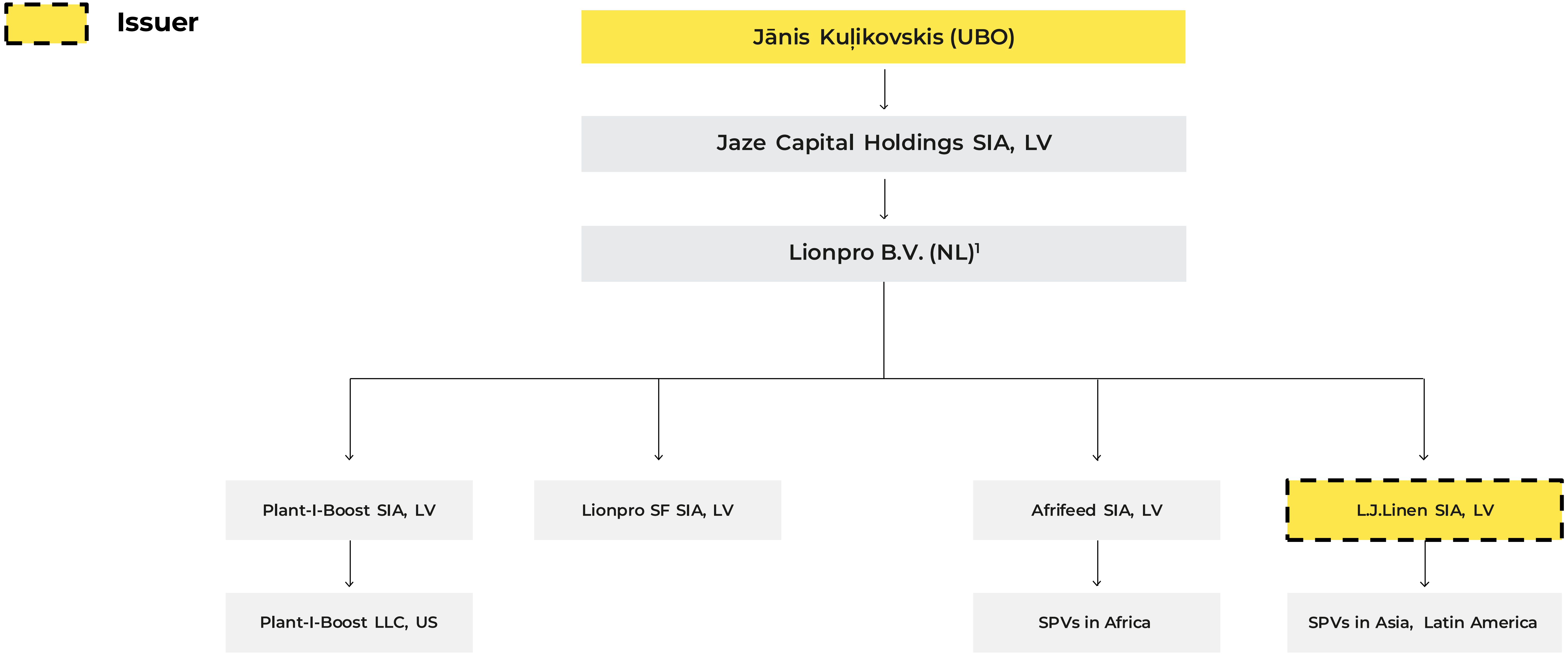
Head of Procurement, Board member

Skilled in leading multi-national teams, implementing process improvements and innovative services in various industries.

Previously Head of Sustainability and Innovations at Latvia Post, with nine year Management Consulting and Procurement Management experience in Ernst & Young Baltic.

Master in Business and Law from Riga Stradins University, Bachelor in Busi- ness Management from RISEBA and Ecole de Management de Normandie.

SIMPLIFIED GROUP STRUCTURE



For the full group structure refer to the Terms of the Notes Issue
1 As a result of the anticipated restructuring during 2025, Lionpro B.V. will become a same level subsidiary as the Issuer

INCOME STATEMENT

EUR'000	2023 (Audited)	2024 (Audited)	2025 (Unaudited)
Net turnover	53 862	53 837	59 549
Cost of sale	-49 248	-46 929	-50 952
Gross profit	**4 613**	**7 372**	**8 597**
Gross profit margin	*8.6%*	*13.7%*	*14.44%*
Selling expenses	-2 404	-3 069	-2 999
Administrative expenses	-1 629	-1 609	-2 020
Other operating income	72	25	26
Other operating expense[1]	-1 946	-408	-65 181
FX exchange rate impact		1 063	-1 612
Other interest and similar income	29	1	12
Interest expense and similar costs	-525	-375	-917
Earnings before taxes	**-1 791**	**2 918**	**938**
Income tax expense	-50	-163	-70
Net profit	**-1 841**	**2 755**	**868**
Adjustments due to one-off write off of previous investments[2]	904		
Adjusted net profit	**-936**	**2 755**	**868**

[1]Other operating expenses in 2023 include the writeoff of ALFA FINTECH PTE and HOPETCH PTE in response to the initiation of their liquidation process

In addition, this item includes both the realized and unrealized currency exchange loss, which stood at EUR 318k, respectively

[2]These adjustments correspond to the items written off that were described in note 1

Auditor: SIA Ernst & Young Baltic

BALANCE SHEET: ASSETS

EUR'000	2023 (Audited)	2024 (Audited)	2025 (Unaudited)
Intangible assets	40	30	31
Property, plant and equipment	254	301	325
Investment in related company capital	3	0	0
Other long-term receivables	0	43	287
Non-current assets	**297**	**373**	**643**
Inventories	2 598	8 621	15 905
Trade and other receivables	7 196	7 052	11 368
Cash and cash equivalents	755	1 291	1 295
Current assets	**10 549**	**16 968**	**28 564**
TOTAL ASSETS	**10 846**	**17 342**	**29 207**

Auditor: SIA Ernst & Young Baltic

BALANCE SHEET: EQUITY AND LIABILITIES

EUR'000	2023 (Audited)	2024 (Audited)	2025 (Unaudited)
Share capital	170	50	50
Retained earnings	6 354	3 622	6 195
Profit for the reporting period	-1 841	2 755	868
Dividends paid	0	-180	-180
Consolidation FX adjustment and reserves	-711	-52	549
Total Equity	**3 972**	**6 195**	**7 483**
Loans from third parties[1]	0	1 422	1 963
Bonds	0	0	6 700
Other loans	717	0	0
Non-current liabilities	**717**	**1 571**	**8 834**
Loans from financial institutions[2]	3 337	3 220	5 489
Loans from related parties[3]	172	171	171
Trade payables[4]	1 796	5 578	7 003
Taxes payable	65	31	113
Other current liabilities	19	12	10
Accrued income	69	162	0
Accrued liabilities	698	357	490
Current liabilities	**6 157**	**12 210**	**13 061**
TOTAL EQUITY & LIABILITIES	**10 846**	**17 342**	**29 207**

Auditor: SIA Ernst & Young Baltic

[1] Loans from private individuals with maturity in 2026 and 2027

[2] A credit line from Signet Bank with maturity in December 2026

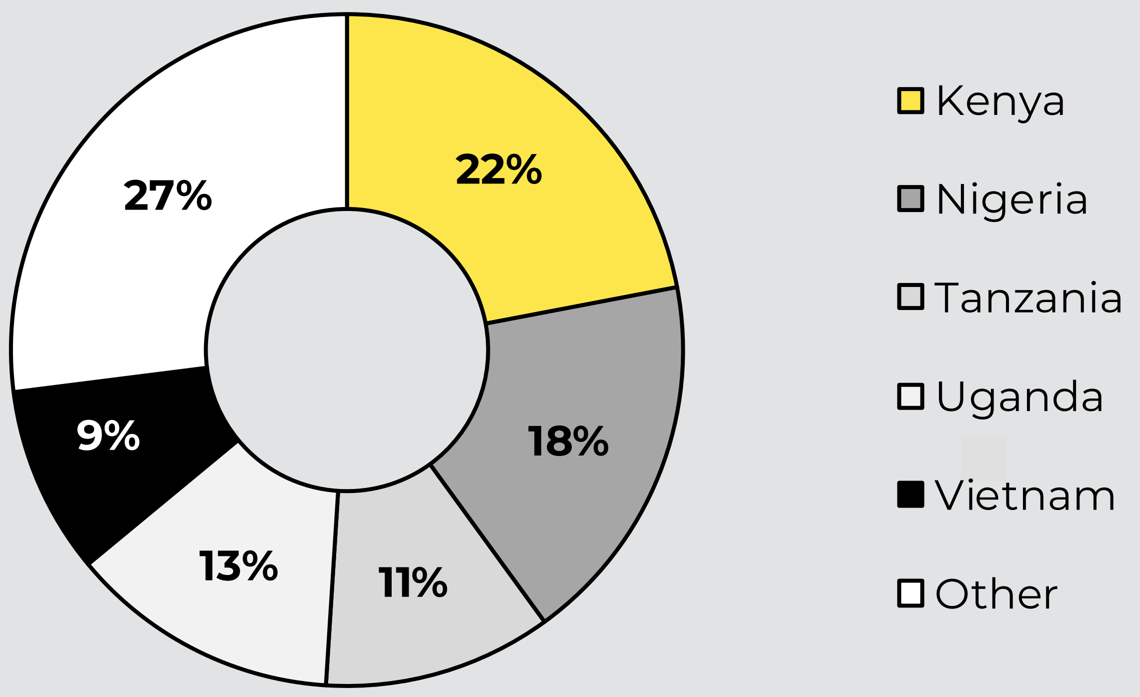
[3] A loan from Shareholders with maturity in 2026

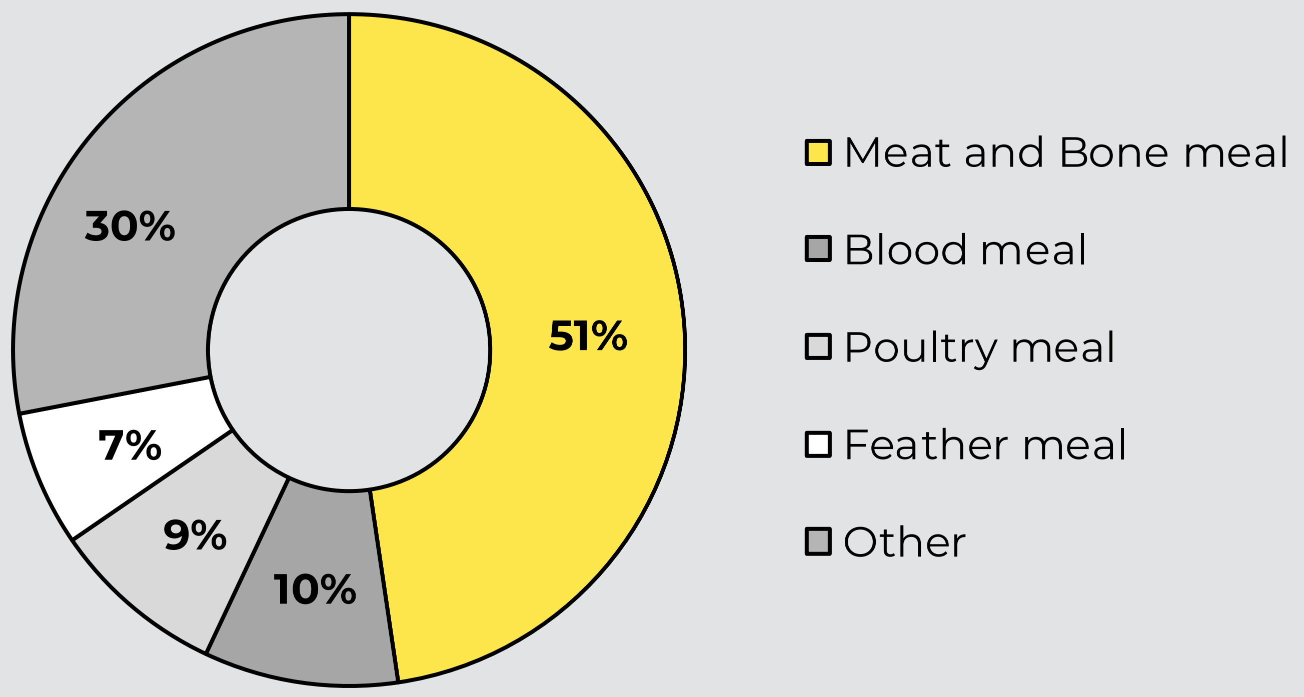
[4] Trade payables have decreased due to changes in the business model and streamlining of the business processes

INVENTORY MANAGEMENT AND ANALYSIS

Inventory amounts correlate with business activity – the most of the DDP sales take place in Kenya and Nigeria, and hence these two countries have the highest stock amount.

Inventory mostly consists of animal protein products (such as meat and bone meal) which are key ingredient in animal feed. Therefore these products are highly liquid and can be sold at any moment at least at book value.





Only DDP sales posess inventory. CIF sales ar sold immediately to the final customer and thus goods sold in CIF course do not appear on the balance sheet.

RISK FACTORS

BELOW IS THE DESCRIPTION OF RISK FACTORS THAT ARE MATERIAL FOR THE ASSESSMENT OF THE MARKET RISK ASSOCIATED WITH THE NOTES AND RISK FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES. SHOULD ONE OR MORE OF THE RISKS DESCRIBED BELOW MATERIALIZE, THIS MAY HAVE A MATERIAL ADVERSE EFFECT ON THE CASH FLOWS, RESULTS OF OPERATIONS, AND FINANCIAL CONDITION OF THE ISSUER AND THE Group. MOREOVER, IF ANY OF THESE RISKS MATERIALIZE, THE MARKET VALUE OF THE NOTES AND THE LIKELIHOOD THAT THE ISSUER WILL BE IN A POSITION TO FULFIL ITS PAYMENT OBLIGATIONS UNDER THE NOTES MAY DECREASE, IN WHICH CASE THE INVESTORS COULD LOSE ALL OR PART OF THEIR INVESTMENTS.

BEFORE DECIDING TO PURCHASE THE NOTES, POTENTIAL INVESTORS SHOULD CAREFULLY REVIEW AND CONSIDER THE FOLLOWING RISK FACTORS, IN ADDITION TO ALL OTHER INFORMATION PRESENTED IN THE TERMS, AND CONSULT WITH THEIR OWN PROFESSIONAL ADVISORS, IF NECESSARY. MOREOVER, POTENTIAL INVESTORS SHOULD BEAR IN MIND THAT SEVERAL OF THE DESCRIBED RISK FACTORS CAN OCCUR SIMULTANEOUSLY AND TOGETHER WITH OTHER CIRCUMSTANCES COULD HAVE A POTENTIALLY STRONGER IMPACT ON THE ISSUER OR THE Group. THIS IS NOT AN EXCLUSIVE LIST OF RISK FACTORS, AND ADDITIONAL RISKS, OF WHICH THE ISSUER IS NOT PRESENTLY AWARE, COULD ALSO HAVE A MATERIAL ADVERSE EFFECT ON THE ISSUER AND THE Group.

Important note:

The risks indicated in this Section, if some or all of them materialize, may reduce the Group's ability to fulfil its obligations or cause its insolvency or restructuring in the worst-case scenario. This Section may not feature all the potential risks, which may affect the Group.

Risks related to the economic and regulatory environment:

- Exposure to macroeconomic volatility and geopolitical developments accross key export markets may adversely affect the Group's operations and financial performance
- Changes in laws, regulations and enforcement activities may adversely affect the Group's products and the markets in which it operates
- Heightened geopolitical tensions and sanctions regimes, particularly relating to the Russia-Ukraine conflict, may adversely impact the Group's operations and financial performance
- Public health crisis such as pandemics may disrupt the Group's operations and global support chains
- The Group is exposed to risks related to changing policy decisions by supranational organizations governing business operations of the Group
- Changes in customs regulations may adversely affect the Group's ability to efficiently conduct its operations

Risks related to the Group's business and industry:

- Volatility in agricultural commodity prices and raw material availability may adversely affect the Group's margins and cash flow
- Revenue concentration in specific region may pose a risk, despite a diversified end-client base and structural mitigants
- Exposure to foreign exchange risk, particularly in emerging markets, may adversely affect the Group's profitability despite hedging measures
- The Group's strong supplier relationships are critical to its operations, and any disruption may adversely affect its market position and financial performances
- The Group is exposed to risks related to the management of inventory, including dependency on third-party providers of storage facilities
- The Group is exposed to risks related to the dependency on the third-party providers of transportation services
- Increased financial leverage following the Bond issue may limit the Group's financial flexibility and increase its vulnerability to adverse conditions
- Inadequate internal processes or controls may exposed the Group to operational risks and compliance failures
- Lack of a comprehensive intellectual property protection strategy may expose the Group to infringement risks and loss of competitive advantage
- Dependence on key personnel and lack of post-employment restrictions may expose the Group to talent retention and competitive risks
- Disruptions or failures in IT systems and cyber threats may significantly impair the Group's operations and reputation
- Natural disasters and other unforeseen business disruptions may adversely affect the Group's operations and financial condition despite existing contingency measures
- Changes in tax laws or exposure to additional tax liabilities could have a material impact on the Group's financial condition and results of operations

Risks related to the Notes:

- The Issuer may face refinancing or repayment risks at Maturity Date, which could impact its ability to fulfil obligations under the Notes
- As unsecured instruments, the notes are subordinated to secured obligations and expose Noteholders to higher recovery risk in the event of insolvency
- The Issuer and Guarantors may incur additional debt or grant Security, which could weaken the Noteholders' position and recovery prospects in insolvency
- There is no established trading market for the Notes
- The price of the Notes may be volatile and the market price of the Notes may drop below the initial price the Noteholders paid for the Notes
- The Issuer may choose to repurchase or redeem the Notes when prevailing interest rates are relatively low, including in open market purchases
- Changes in tax rates may impact net payments related to the Note
- Decisions of the Majority Noteholders may affect individual rights of the Noteholder
- Some Noteholders might have more preferential terms than others
- Investors may be exposed to foreign exchange risk if they measure returns in a currency other than EUR
- Admission to trading on First North may be rejected or discontinued, which could affect the liquidity and marketability of the Notes
- The effectiveness of the Guarantees depends on the Guarantors' financial condition and may be subject to legal procedural limitations