8 June 2026

Application for Receipt of Noteholders' Consent on Amendments to SIA L. J. LINEN Notes Terms

1. Instigation of the Written Procedure

SIA L. J. LINEN, registration number 40003669025 (the "**Issuer**"), in accordance with the terms and conditions of the notes set out in the note issuance programme dated 5 June 2025 for the issuance of up to EUR 10,000,000 unsecured guaranteed notes (the "**Notes Terms**") and the Final Terms dated 5 June 2025 for the issuance of up to EUR 8,000,000 unsecured guaranteed notes due 31 May 2028 (the "**Final Terms**"), hereby initiates a written procedure (the "**Written Procedure**") to obtain Noteholders' consent for amendments regarding Financial Covenants as described in the Clauses 12 (a) and (c) and the definition of Accounting Principles under the Notes Terms.

Unless otherwise defined herein, capitalised terms used in this application (the "**Application**") shall have the meanings given to them in the Final Terms and the Notes Terms.

Approval of proposed resolutions in the Written Procedure requires:

1. A quorum in the Written Procedure representing at least 50% of the aggregate Nominal Value of the Notes; and
2. Consent from at least 75% of the aggregate nominal value of the Notes participating in the Written Procedure.

The Noteholder's approval requirements in more detail are stipulated in Section 20 of Notes Terms.

2. Proposed Amendments and Waiver

The Issuer requests Noteholders' consent to:

(1) amend the Financial Covenant threshold for Interest Coverage Ratio and Net Debt Leverage Ratio as described in the Clauses 12 (a) and (c) respectively under the Notes Terms, as set out in **Schedule 1**;

(2) amend the Accounting Principles definition under the Notes Terms, as set out in **Schedule 1**.

3. Description and Rationale

The Issuer requests Noteholder consent to amend two Financial Covenants and definition of Accounting Principles contained in the Notes Terms:

(1) the **Net Debt Leverage Ratio** (Net Debt / EBITDA) covenant, currently set at less than 4.0x until Q2 2026 and less than 3.0x starting from Q3 2026, to be revised to less than 5.0x until Q2 2027 and less than 3.5x starting from Q3 2027; and

(2) the **Interest Coverage Ratio** covenant, currently set at greater than 3.0x, to be revised to greater than 2.0x; and

(3) the **Accounting Principles** definition, to be revised that International Financial Reporting Standards (IFRS) apply starting from 1 January 2027 (for the Financial Year of 2026).

Although as of the date of the Application the Issuer is in compliance with all existing Financial Covenants, in light of the heightened global uncertainty which may result in increased volatility in the Issuer's future financial performance, the Issuer would like to temporarily amend the Financial Covenant thresholds in order to mitigate the risk of a potential breach of such covenants. The request is driven by external disruptions arising from the US-Israel-Iran conflict, which has effectively closed the Strait of Hormuz since late February 2026. Major shipping lines have rerouted through congested alternative ports, significantly extending transit times on the Issuer's key trade lanes to Africa and Asia. Longer transits mean more capital tied up in goods that have not yet generated revenue, affecting near-term profitability.

Shipping lines have simultaneously imposed a series of conflict-related surcharges - war risk, re-routing, fuel, and container detention - which they are legally entitled to pass on to cargo owners (in this case the Issuer). These costs are immediate, while price increases to buyers take time to implement, creating a temporary margin gap. To maintain supply continuity, the Issuer has also drawn on buffer stocks from alternative locations, adding incremental handling and logistics costs.

In light of the recent developments the Issuer has implemented several preventive measures. On the procurement side, the Issuer has renegotiated supplier terms to shift freight and delay risks away from the Issuer, and is sourcing more from regions closer to its destination markets to reduce exposure to long-haul sea freight. Price increases were implemented effective 1 April and 1 May 2026, billing cycles have been shortened, and customer payment terms tightened. Internally, the Issuer has restructured its administrative team, reduced headcount, and is refocusing its trading activity towards shorter, intra-regional routes where possible.

The disruptions are considered to be temporary, with their duration and financial impact tied directly to the resolution of the Middle East conflict. The Issuer remains committed to a healthy balance sheet and to pursuing further cost efficiencies throughout this period.

The Issuer also requests an amendment to the definition of Accounting Principles. Although the Issuer has already commenced the transition to IFRS, there is a risk that the audit process may take longer than initially anticipated. The Issuer will publish its audited 2025 financial statements prepared in accordance with Latvian GAAP within the deadlines specified in the Notes Terms. In addition, the Issuer undertakes to publish its audited 2025 financial statements prepared in accordance with IFRS no later than on 30 September 2026. The Issuer does not expect any material differences in its financial results as a result of the transition to IFRS.

4. Amendment and Waiver Fee

If the proposed amendments and waiver are approved, the Issuer shall, within 10 (ten) Business Days after publication of the approval notice, pay an **amendment and waiver fee equal to 1.0%** of the Nominal Value of the Notes held by each Noteholder who (i) is recorded in Nasdaq CSD as a Noteholder on 12 June 2026 and (ii) has voted “FOR”.

For tax purposes, the amendment and waiver fee shall be treated as interest and paid net of applicable withholding taxes via Nasdaq CSD.

5. Eligible Noteholders

Only persons registered as Noteholders in Nasdaq CSD at the end of the fifth Business Day following publication of the notice of the Written Procedure (i.e. 12 June 2026), or their duly authorised representatives, are entitled to vote. Voting rights are determined based on the Nominal Value of the Notes held.

6. Voting Procedure

Voting may be exercised directly, through authorised representatives, or through **custodians** in accordance with applicable arrangements. Powers of attorney must be submitted where relevant (**Schedule 3**). The Issuer may request confirmation of holdings.

Voting forms may be submitted by e-mail (janis.kulikovskis@lionpro.com), post, courier or in person to SIA L. J. LINEN, Antonijas street 5, Riga, LV-1010, Latvia, on Business Days between 9:00 and 17:00 (Riga time).

Noteholders shall submit duly completed and signed voting forms (**Schedule 2**) indicating “FOR” or “AGAINST” the proposed resolutions. Incomplete or ambiguous votes will be deemed as votes against.

7. Submission Deadline

Voting forms must be received by the Issuer no later than 17:00 (Riga time) on 19 June 2026. Late submissions will not be considered.

8. Contact Information

For further information, please contact:

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