

GENERAL CONDITIONS OF SALE AND SUPPLY

§ 1 Scope of application

1. Subject to mandatory provisions of the law, any transaction for the sale or supply ("**sale/supply**") of goods by SIA "KRONOSPAN Rīga" with its registered office in Rīga, Latvia ("**KRONOSPAN**") to entrepreneurs ("**Purchaser**") shall be governed exclusively by these General Conditions of Sale and Supply ("**Conditions**"), unless the parties agree otherwise in writing.
2. The Purchaser shall be deemed to have accepted these Conditions no later than on acceptance of the goods.
3. Where a contract has been concluded on the basis of these Conditions, they shall apply to all other sale/supply transactions with the Purchaser even if KRONOSPAN does not refer to them in future.
4. Only these Conditions apply to sale/supply transactions involving KRONOSPAN's goods. The Parties agree that the Purchaser's general conditions of purchase shall not apply to the extent they may conflict with or differ from the Conditions.

No purchase conditions stipulated by the Purchaser or comments the Purchaser may attach to the Conditions shall bind KRONOSPAN, even if they are not expressly rejected by KRONOSPAN. Where no copy of the Conditions is sent to the Purchaser, whether together with KRONOSPAN's offer or on some other occasion, the Conditions shall nevertheless apply as if the Purchaser already had or should have known them based on earlier commercial transactions with KRONOSPAN.

§ 2 Offers and conclusion of contract

1. KRONOSPAN's offer proposals are not binding as to prices and delivery dates. Any drawings, illustrations, dimensions, weights or other data are binding only if so expressly stipulated in writing.
2. An offer made by the Purchaser to KRONOSPAN shall be treated as binding. KRONOSPAN as the seller may accept such an offer within two weeks by sending an order confirmation to the Purchaser.
3. A contract of sale/supply must always be agreed in writing and in particular by KRONOSPAN issuing a written order confirmation. Contracts agreed verbally or over the telephone become valid only after they are confirmed in writing.
4. KRONOSPAN's silence in response to orders, requests or other declarations by Buyer shall only be deemed to constitute consent if this has been agreed in writing in advance.

5. In the event of unjustified cancellation of an order, KRONOSPAN shall be entitled to demand a cancellation fee of 10% of the net order value. Purchaser shall be entitled to prove that KRONOSPAN has incurred no loss or only a significantly lower loss. Further claims by KRONOSPAN shall remain unaffected.

§ 3 Prices and terms of payment

1. Prices for KRONOSPAN goods are CPT (Incoterms 2020), unless otherwise agreed in writing. Prices exclude, without limitation, freight, customs duties, import duties, ancillary levies. The prices are stated net and any applicable goods and service taxes shall be added to them. A price increase shall apply to all sale/supply transactions as from a date indicated by KRONOSPAN.
2. Where, between conclusion of the contract and sale/supply of the goods, a change in raw material prices, wages or other obvious price drivers occurs, then KRONOSPAN in its reasonable discretion shall be entitled to adjust its prices accordingly.

In the event of price increases of more than 5%, Purchaser shall be entitled to withdraw from the contract to this extent. At KRONOSPAN's request, Purchaser shall declare without delay whether it intends to exercise this right of withdrawal.

Kronospan will set prices for OSB products on a weekly basis. The prices valid at the time of delivery of the products shall apply. These prices may differ from the prices at the time of the order. In this respect, KRONOSPAN has a right to determine the price

3. Unless otherwise agreed in writing, payments to KRONOSPAN shall be made in advance in EUR or in another pre-agreed currency.
4. If the price is based on other currency and EUR exchange rate applicable on the invoice issuance date, any increase of that rate between the due date and the date on which the final payment is made (the funds are credited to KRONOSPAN's bank account) shall be at the cost of the Purchaser and shall be treated as a price increase to be settled under an adjusting invoice. If the rate depreciates between the due date and the date on which the final payment is made (the funds are credited to KRONOSPAN's bank account), the price will not be reduced.
5. In the event of late payment, the Purchaser shall automatically forfeit any rebates, discounts, price reductions, turnover bonuses, freight refunds and similar price concessions that have been granted to him. Furthermore, the Purchaser's obligations shall become immediately enforceable and KRONOSPAN shall be entitled to demand their immediate settlement and to claim a reimbursement of any costs of debt enforcement and reminder letters, including without limitation lawyers' costs, and even if KRONOSPAN has granted extra time for payment, it shall be entitled to withdraw from all sale/supply transactions with respect to the Purchaser.

As part of its reimbursement claim for debt enforcement costs, KRONOSPAN may, without limitation, demand the sum of EUR 40 as compensation for debt recovery costs.

In the event of late payment, KRONOSPAN may also claim, at KRONOSPAN's discretion, either late payment interest at 0.05% per day of delay or statutory interest or interest under any other legislative act which may be enacted. A claim for payment of interest shall not restrict any further claims by KRONOSPAN.

6. If, after a contract of sale/supply has been concluded and trade credit has been granted, there arise reasonable doubts as to the solvency or creditworthiness of the Purchaser, or if this fact, while existing at the time of contract conclusion, does not become apparent until later on, then KRONOSPAN shall be entitled to claim early payment or demand that the Purchaser provides such security within a time period requested by KRONOSPAN. If the requested action is not taken within such a time period, KRONOSPAN shall be entitled to withdraw from the sale/supply transaction, claim damages for its loss, withdraw its consent for deferred payment terms and/or demand immediate payment of all liabilities, whether or not already enforceable.
7. If the agreed payment security is not provided, and in particular if insufficient trade credit insurance cover has been obtained, KRONOSPAN shall set an extra period of time for the Purchaser to provide such agreed security, following which KRONOSPAN may withdraw from the contract. If sufficient insurance cover or agreed security is not provided, any delivery or price arrangements agreed earlier shall not apply.
8. Notwithstanding anything to the contrary raised by the Purchaser, KRONOSPAN shall be entitled to apply payments from the Purchaser firstly against the debt with the oldest due date. If any incidental claims (interests and costs) have already arisen, KRONOSPAN shall be entitled to apply such a payment firstly against costs, then interest, and lastly against the principal debt amount.
9. Even if the Purchaser has given KRONOSPAN a notice of defects or is seeking to make counterclaims, the Purchaser may offset, withhold or reduce payments only where the Purchaser's claims have been awarded under a final and definitive court judgement or are indisputable and enforceable. The Purchaser may exercise a right of retention only insofar as its counterclaim is based on the same contractual relationship.
10. KRONOSPAN may offset its claims as well as claims of associated companies of KRONOSPAN against claims of the Purchaser.

§ 4 Delivery and delivery terms

1. Deliveries are CPT (Incoterms 2020), unless the parties agree otherwise in writing. Where the sale is EX-WORKS *KRONOSPAN warehouse*, the Purchaser or the person collecting the goods on his behalf must take notice of and comply with traffic

rules applicable at KRONOSPAN's site. Where the sale is EX-WORKS *KRONOSPAN warehouse*, KRONOSPAN shall not be responsible for proper loading of the goods onto the means of transport.

2. KRONOSPAN shall have sole discretion as to the form, kind and scope of packaging, unless the parties agree otherwise in writing.

For orders of cut-to-size panels, deviations in quantity of up to 10% are accepted by the Purchaser as being in accordance with the contract.

KRONOSPAN's written order confirmation shall be authoritative for the scope of delivery. Changes to the scope of delivery by the Purchaser shall require KRONOSPAN's written confirmation in order to be effective. KRONOSPAN reserves the right to make modifications to the construction and design of the goods, provided that the modifications are customary in the industry or are within the DIN tolerances, or provided that the modifications are not substantial and are reasonable for Buyer. The same shall apply to the choice of material, the specification and the design

3. Any agreed delivery dates shall be set out in the order confirmation or otherwise agreed in writing, and KRONOSPAN shall exercise due care to comply with them.

Delivery dates can only be met if Purchaser fulfills its other obligations properly and in good time.

Delivery dates shall be met subject to KRONOSPAN being properly supplied by its own suppliers, in particular in good time, unless KRONOSPAN is responsible for the failure to be properly supplied by its own suppliers. KRONOSPAN shall be entitled to withdraw from the contract in the event of improper self-delivery. KRONOSPAN shall inform Purchaser immediately if KRONOSPAN exercises this right of withdrawal and shall refund any advance payments made by Purchaser.

If a delivery is late by more than two weeks, the Purchaser may give KRONOSPAN written notice setting an adequate extra time period for delivery. If the delivery is not completed within two weeks from the expiry of such extra time, then the Purchaser may withdraw from the contract. The notice of withdrawal from the contract must be given in writing. The right of withdrawal shall not apply if KRONOSPAN was unable to comply with the additional delivery deadline due to circumstances for which it is not responsible and the Purchaser could reasonably expect that the contract would be performed.

In the case of cross-border deliveries, the Purchaser shall make all declarations and actions necessary for export from Latvia and import into the country of destination to the competent authorities in good time, in particular to obtain the documents required for customs clearance and to comply with the requirements of any export controls or other restrictions on marketability.

Deliveries are subject to the provision that there are no obstacles to fulfillment due to

national or international regulations, in particular export control regulations, embargoes or other sanctions.

Delays due to export controls shall postpone delivery dates to a reasonable extent.

4. KRONOSPAN shall be discharged from performing its obligations for the duration of any circumstances beyond its control which prevent KRONOSPAN from performing them (Force Majeure), including without limitation: inability to supply raw materials or means of transportation, fires, explosions, earthquakes, storms, tempests, tidal bores and floods, wars, hostilities (whether declared or not), invasions, acts of external enemies, mobilization, confiscations or embargoes, rebellion, revolution, insurrection, military dictatorship, usurped power, civil war, any threat related to or event of radioactivity, toxicity or any other hazards or events, riots, disturbances, operation stoppages, strikes, blockades, or any other events or occurrences, whether or not expressly stated herein, which are beyond the control of KRONOSPAN and were unforeseeable or, if foreseeable, were unavoidable. The agreed delivery times will be extended for as long as a Force Majeure event is present. The Purchaser may not refuse to collect the goods as a result of delay caused by Force Majeure.
5. KRONOSPAN shall have the right to execute sale/supply transactions in parts.
6. In the case of "call-off orders", the Purchaser shall collect the goods within the agreed time or, if no time has been agreed, no later than 28 calendar days from notice of order fulfilment. Otherwise the goods shall be shipped automatically and/or, if collection is refused, they shall, at KRONOSPAN's discretion, either be stored at KRONOSPAN's premises for a net charge of EUR 3 (or equivalent in a different currency), plus goods and services tax, per day for each cubic metre of the goods ready for dispatch, or be given to third parties for storage at the Purchaser's cost. In such cases, the sale/supply shall be deemed to have been fulfilled.

§ 5 Transfer of risk

1. The risk of accidental loss of the goods shall in each case pass to the Purchaser when the goods are handed over to the party dealing with the transportation or when the goods leave KRONOSPAN's warehouse for dispatch purposes; this in particular applies to "freight prepaid" deliveries (FOB, Incoterms 2020).
2. If the goods cannot be dispatched within the agreed time for reasons for which KRONOSPAN is not responsible, the risk of accidental loss of the goods shall pass to the Purchaser on receipt by him of a notice that the goods are ready for dispatch.
3. The Purchaser shall take the goods within the agreed time, otherwise KRONOSPAN may charge customary storage costs of no less than EUR 3 (or equivalent in a different currency), plus goods and services taxes, per day for each cubic metre of the goods ready for dispatch.

§ 6 Warranty

- 1.** Any defects that become apparent on a proper inspection of the goods shall be reported by the Purchaser to KRONOSPAN in writing immediately on receipt of the goods. In such a case, the Purchaser must report the defects on the packing note or on the relevant shipping document, such as CMR/CIM waybill, and take photographs of the defects and these documents must also be sent by the Purchaser to KRONOSPAN. Any defects that cannot be detected even during a proper inspection of the goods shall be reported to KRONOSPAN immediately when discovered but in any case within 24 hours at the latest. The same shall apply to wrong delivery complaints and quantity complaints. Noncompliance with the complaints reporting procedure will invalidate any warranty claims.
- 2.** Before the delivered goods are processed, the Purchaser shall be required to check their suitability for use, even if samples of the goods have already been delivered.
- 3.** Complaints may only be made in relation to first grade goods which have not been sold under a promotion and which may be inspected or returned.
- 4.** Warranty remedies are granted on condition that full payment for the delivered goods has been made. Without prior written agreement the Purchaser shall not be entitled to return the goods to KRONOSPAN.
- 5.** If a defect in the goods has been duly and timely reported according to sub-par. 1 above, KRONOSPAN shall resolve the complaint by, at its choice, either remedying the defect, supplying defect-free goods or reducing the price. There are no claims for compensatory damages and reimbursements for expenses, except as provided for in § 8 hereinafter.
- 6.** Warranty obligations shall expire if the KRONOSPAN goods have been changed, processed, improperly stored, or used contrary to their intended uses, technical features or KRONOSPAN's recommendations, or if the Purchaser has not checked their suitability before use.
- 7.** KRONOSPAN shall not be liable for quality of the goods if they are used outside the territory of the European Union, unless the intended use and destination country have been notified to KRONOSPAN before the sale/supply and KRONOSPAN has given a written quality warranty for this use and destination.
- 8.** Subject to the above provisions, KRONOSPAN's warranty liability shall last for one year. The limitation period of one year shall also apply for claims in tort based on a defect of the contract products. The limitation period shall begin to run from the delivery of the contract products. Any comment of KRONOSPAN on a claim based on defects asserted by the Buyer shall not constitute entry into negotiations on such claim or on the facts giving

rise to the claim, provided that KRONOSPAN rejects the claim based on defects to the full extent.

9. Unless otherwise agreed by the parties in writing or provided by mandatory provisions of law, the above warranty clauses constitute the only obligations of KRONOSPAN in respect of liability for the quality of the goods. No other warranty obligations of KRONOSPAN exist.

§ 7 Retention of title

1. KRONOSPAN retains ownership title to the sold goods until full settlement of the price by the Purchaser.
2. Until such time as the purchase price and all receivables from the business relationship with the Purchaser and the companies associated with the Purchaser have been paid KRONOSPAN shall retain title (ownership) to the purchased goods. To the extent KRONOSPAN agrees with the Purchaser on payment of the purchasing price on the basis of check / bills of exchange procedure, the retention of title shall also extend to the encashment as well as any claims against the Purchaser in connection with a potential liability of KRONOSPAN towards respective third parties holding rights in such bills and does not expire with the receipt of money from such check / bills of exchange procedure.
3. Processing or reshaping, assembly or mixture of delivered goods subject to retention of title shall exclusively be made exclusively for KRONOSPAN and under maintenance of the securities of KRONOSPAN. The processed, reshaped, assembled or mixed product shall secure at its full value the receivables mentioned above. To the extent that goods are processed or reshaped with objects not belonging to KRONOSPAN, KRONOSPAN shall acquire co-ownership in the new product in the proportion of the value of the goods under reservation of title (invoice amount plus statutory value added tax) to the other processed or reshaped objects at the time of processing or reshaping.

To the extent that the goods under reservation of title are inseparably assembled or mixed with objects not belonging to KRONOSPAN, KRONOSPAN shall acquire co-ownership in the new product in the proportion of the value of the goods under reservation of title (invoice amount plus value added tax) to the other objects they have been assembled or mixed with at the time of assembly or mixture.

The Purchaser shall store the respective share of co-ownership of KRONOSPAN free of charge. In the case no acquisition of ownership in the sense of this section commences, the Purchaser already hereby assigns its future ownership or co-ownership in the new product in aforesaid proportion to KRONOSPAN by way of security. KRONOSPAN hereby accepts this assignment.

4. The Purchaser shall be entitled to sell the goods of KRONOSPAN in the ordinary course of business. The receivables of the Purchaser from selling or other receivables substituting the

goods shall already now be assigned to KRONOSPAN by way of security in their full amount with all ancillary rights irrespective whether the goods of KRONOSPAN have been delivered with or without processing, reshaping, assembling or mixing and whether KRONOSPAN's goods have been processed, reshaped, assembled or mixed with goods of other third party suppliers. KRONOSPAN accepts such assignment with effect as from today. If another supplier is entitled to lawfully claim extended reservation of title concerning receivables of the Purchaser, the Purchaser shall assign to KRONOSPAN the receivables concerned to the extent of the reservation of title of KRONOSPAN to the sold goods. KRONOSPAN accepts such assignment with effect as from today.

In the event of a global assignment by Purchaser, the claims assigned to KRONOSPAN shall be expressly excluded.

5. If the receivables of the Purchaser from selling the goods of KRONOSPAN under reservation of title or of goods in which KRONOSPAN holds co-ownership are put in a current account the Purchaser already now shall assign to KRONOSPAN its payment claim in the amount of the respectively acknowledged balance covering the amount of the claims of KRONOSPAN. KRONOSPAN accepts such assignment with effect as from today.
6. Until canceled, the Purchaser is entitled to collect the assigned claims. Out of legitimate reason, like default in payment or cessation of payment of the Purchaser, initiation of insolvency proceedings or other jeopardy to the satisfaction of the contract, the authorization of the Purchaser to collect the receivables may be canceled by KRONOSPAN. In this case the Purchaser shall be obliged among others to immediately label the reserved goods as property of KRONOSPAN in appropriate manner recognizable for each third party.

The Purchaser shall provide KRONOSPAN with a detailed list of any reserved goods also to the extent that they are processed etc. as well as a list of assigned receivables with naming of the third party debtors. Irrespective thereof, representatives of KRONOSPAN shall be entitled to conduct appropriate examinations with the Purchaser, inspect the documents necessary in this connection at any time during normal working hours and to demand the return of the goods subject to retention of title after KRONOSPAN has withdrawn from the contract.

7. The Purchaser bears the risk for the goods delivered by KRONOSPAN. It shall be obliged to keep the goods diligently in custody and sufficiently insure them against usual risks, like damage, loss, theft, fire etc. to usual terms and common extend. The Purchaser herewith assigns to KRONOSPAN any claim against the insurer for the case of damages namely a first ranking partial amount corresponding to the purchasing price of goods delivered under reservation of title. KRONOSPAN accepts such assignment with effect as from today. To the extent that the insurer does not cover the total damage, KRONOSPAN may not be referred to a proportionate compensation. Further claims of KRONOSPAN against the Purchaser shall remain unaffected.
8. Pledging or transfer of title for security purposes are excluded. The Purchaser has to inform

KRONOSPAN in written form without delay of any event concerning the title of KRONOSPAN and be obliged to use best efforts in particular to make all legal declarations towards KRONOSPAN or a third party in order to render the agreed reservation of title and the pre-assignment effective. The Purchaser shall be liable in particular for all cost of an intervention in court and / or out of court.

9. KRONOSPAN is obliged to release collaterals in their dutiful discretion, if and to the extent that the realizable value of the collateral, taking into account valuation discounts customary in banking, exceeds the total receivables of KRONOSPAN to be secured respectively, permanently by more than 10%.
10. In case of delivery to other legal systems in which the above provisions of retention of title do not have the same retaining effect as in the Republic of Latvia, the Purchaser hereby grants KRONOSPAN a corresponding security interest. The Purchaser will take all further measures that are necessary in this respect to promptly grant KRONOSPAN such corresponding security interest. The Purchaser shall assist in all measures necessary or conducive for the effectiveness and enforceability of such security interests.

§ 8 Limitations of liability

1. KRONOSPAN shall be fully liable for losses arising from breach of warranty, danger to life, injuries or harm to health, provided that KRONOSPAN shall be liable solely for losses caused by intentional misconduct or gross negligence. KRONOSPAN's liability shall be limited to losses ordinarily expected in connection with conclusion of the contract, and in particular shall not cover indirect or consequential losses.

Any exclusions and limitations of KRONOSPAN's liability shall likewise apply to personal liability of employees, management, sales representatives, authorised representatives and subcontractors.

2. The Purchaser shall bear exclusive liability for dangerous products where the causes of the loss are attributable to him, and in particular where the loss is a result of structural defects of the final product or inappropriate or improper advice. The Purchaser shall also be exclusively liable where KRONOSPAN goods are sold to third parties (including consumers). The Purchaser shall indemnify KRONOSPAN for all costs and expenses (including legal costs) incurred by KRONOSPAN as a result of claims, demands or court actions related to such liability.

Where KRONOSPAN is required to recall the goods from the market or publish a defect notice, the Purchaser shall support KRONOSPAN and become involved in any action which KRONOSPAN considers desirable or proper or which is required by relevant public authorities, and in particular the Purchaser shall be required to provide details of those consumers who purchased the defective goods.

The Purchaser must promptly notify KRONOSPAN in writing of any risks relating to use of goods manufactured by KRONOSPAN, if such risks have come to his notice, and of any defects in such goods.

§ 9 Governing law and jurisdiction

1. All contractual and extra-contractual relations between the parties shall be governed by the laws of the Republic of Latvia. The application of the United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980 shall be excluded to the maximum extent permitted by law.
2. The appropriate court to hear any disputes arising out of a contract of sale/supply of KRONOSPAN goods, including disputes as to its execution, shall be the court of jurisdiction at the location of KRONOSPAN's registered office or in Riga. KRONOSPAN may sue the Purchaser also before a court of jurisdiction at the location of his registered office. The foregoing does not apply where a different court has exclusive jurisdiction according to mandatory provisions of law. Arbitration clauses shall not apply.

§ 10 Data protection

1. The parties shall be obliged to comply with the statutory provisions on data protection, in particular the EU General Data Protection Regulation ("GDPR") in the execution of the contract and to impose compliance with these provisions on their employees.
2. The parties process the personal data received (names and contact details of the respective contact persons) exclusively for the fulfillment of the contract and will implement these technical security measures adapted to the current state of the art (Art. 32 GDPR). The parties shall be obliged to delete the personal data as soon as their processing is no longer necessary. Any statutory restrictions shall remain unaffected.
3. Should a party process personal data for the other party on behalf of the contract, the parties will conclude an agreement on the processing of orders pursuant to Art. 28 GDPR.

§ 11 Confidentiality

1. The parties are obliged to keep secret for a period of five years from delivery all information which becomes accessible to them and which is designated as confidential or which is recognizable as business or trade secrets according to other circumstances and, unless necessary for the business relationship, neither to record nor to pass on or exploit it.
2. The confidentiality obligation shall not apply if the information was proven to be already known to the receiving party prior to the commencement of the contractual relationship or was generally known or generally accessible prior to the commencement of the contractual relationship or becomes generally known or accessible through no fault of the receiving

party. The receiving party shall bear the burden of proof.

3. The parties shall ensure by means of suitable contractual agreements with the employees and agents working for them, in particular their freelance employees and the contractors and service providers working for them, that they also refrain from any exploitation, disclosure or unauthorized recording of such business and trade secrets for a period of five years from delivery.

§ 12 Other provisions

1. The Purchaser may not use any names, trademarks or other trade names used by KRONOSPAN without KRONOSPAN's written consent.
2. Should any clause of the Conditions be or become invalid, this shall not prejudice the validity of the other clauses. The parties to the contract shall agree a new clause that will achieve in the best way possible the purposes of the invalidated clause. The same shall apply in the case of a legal loophole in the contract.
3. The assignment of rights and obligations of the Purchaser to third parties is only possible with the prior written consent of KRONOSPAN.
4. Any amendments or variations of the Conditions must be in writing to be valid. This applies also to amendments to the clause that contains this requirement of writing.
5. Where the Conditions differ from any specific contract that has been concluded, the provisions of such contract shall prevail.
6. The Conditions shall become effective as of 2 February 2026 and shall apply to all sale/supply transactions made by KRONOSPAN after that date. A sale/supply transaction shall also include a transaction confirmed only by an invoice issued by KRONOSPAN and received by the Purchaser, stating the type, quantity and price of the goods.
7. The Conditions are published at www.kronospan-express.com (select Latvia).