

ORDER AGREEMENT

Riga,

July 17th, 2024

Sadales tīkls AS (hereinafter referred to as the Customer)	and	Chint Electric Co. Ltd (hereinafter referred to as the Contractor)
Registration number: 40003857687 VAT payer number: LV40003857687 Address: Šmerļa Street 1, Riga, LV-1160 Credit institution: [...] SWIFT code: [...] Account number: [...] represented by its [...]		Registration number: 913100007579120289 VAT payer number: 913100007579120289 Address: No. 3555 Sixian Road, Songjiang district, Shanghai, P.R. China Credit institution: [...] SWIFT code: [...] Account number: [...] represented by its [...]

hereinafter severally referred to as the "Party" and jointly as the "Parties" agree on the following provisions of the agreement (hereinafter referred to as the Agreement):

SPECIAL PROVISIONS

1. Subject of the Agreement

- 1.1. The Contractor sells and delivers 110/20-10kV transformers within REPowerEU to the Customer (hereinafter referred to as the Order), but the Customer shall pay to the Contractor for the Order fulfilled pursuant to the terms of the Agreement. The Order specification is provided in the annex to the Agreement (Order Specification).
- 1.2. The Order includes:
 - 1.2.1. purchase of goods;
 - 1.2.2. delivery of goods to the place specified by the Customer;
 - 1.2.3. installation (assembly) of goods. Assembly on the foundation;
 - 1.2.4. provision of a service.

2. Contract Amount

- 2.1. According to the Contractor's submitted tender in procurement procedure the total payment for the performed Order shall be 7 526 065.00 EUR (seven million five hundred twenty-six thousand sixty-five euros and 00 cents) without VAT (hereinafter referred to as the Contract Price or the Contract Amount). All the taxes and duties are included in the Contract Amount and they shall be paid by the Contractor, except value added tax. VAT is calculated, specified in invoices and paid in accordance with applicable laws and regulations.
- 2.2. The Contract Price specified in Clause 2.1 of the Agreement is constant and is valid until price recalculation (indexation) in accordance with Annex No. 3 of the Agreement "Formula for recalculation of prices of Goods". Prices will be recalculated 6 months before the delivery of the Goods (data on the 1st working day of the month). The recalculation of the prices of the Goods performed by the Customer is attached to the Agreement and becomes an integral part of this Agreement.
- 2.3. Payments under the Agreement shall be made as follows:
 - 2.3.1. The Customer makes payment in the amount of 30% of the Contract Price, which is 2 257 820.00 EUR (two million two hundred fifty-seven thousand eight hundred and twenty euros and 00 cents) excluding VAT, within 30 (thirty) calendar days after the mutual signing of the Agreement, receipt of the performance security of the Agreement and the Advance Payment guarantee in accordance with the provisions of the Agreement as well as receipt of the corresponding advance invoice from the Contractor, by making a transfer to the credit institution account specified in the Agreement. The advance payment is cleared by deducting the part of the advance payment in the amount of 30% of each payment to the Contractor for the executed Order. The Contractor has the right to refuse to receive the Advance Payment by sending a written notice to the Customer;
 - 2.3.2. The Customer makes an advance payment in the amount of 20% of the indexed Contract Price, within 30 (thirty) calendar days after the FAT (factory tests) have been performed and submitted to the Customer, the receipt of the Advance Payment guarantee and the receipt of the corresponding advance invoice from the Contractor, by making a transfer to the credit institution account specified in the

Agreement. The advance payment is cleared by deducting the part of the advance payment in the amount of 20% of each payment to the Contractor for the executed Order. The Contractor has the right to refuse to receive the Advance Payment by sending a written notice to the Customer;

- 2.3.3. after delivery of the Order to the object, the Customer makes a payment in the amount of 30% of the indexed Contract Price on the basis of the invoice issued by the Contractor for the delivered Goods within 30 (thirty) calendar days after receiving the corresponding invoice from the Contractor;
- 2.3.4. after signing the deed of transfer of acceptance of the Goods and receiving a corresponding invoice from the Contractor, the Customer makes a payment in the amount of 20% of the indexed Contract Price, within 30 (thirty) calendar days after receiving the corresponding invoice from the Contractor.

3. Term of the Agreement

- 3.1. This Agreement enters in force on when signed by both Parties and is valid until complete fulfilment of obligations provided herein.
- 3.2. The Contractor shall fulfil the Order in accordance with the procedure set out in the Agreement and with the deadlines set in the annex.

4. Warranty period

- 4.1. The warranty period of the fulfilled Order shall be 36 (thirty-six) months from the date of transfer and acceptance of the Order.

5. Amount of performance security of the Agreement

- 5.1. Within 20 (twenty) days of signing the Agreement, the Contractor shall submit to the Customer a performance security of the Agreement of 376 303.00 EUR (three hundred seventy-six thousand three hundred three euros and 00 cents) (hereinafter referred to as the Performance Security of the Agreement).

6. Procedure of attraction of subcontractors

- 6.1. No subcontractors are attracted under the Agreement.
Section Subsection (B) (Procedure in accordance with the requirements of the Law On the Procurement of Public Service Providers) of the general provisions of the Agreement is applied to the attraction of subcontractors.

7. Additional penalties

- 7.1. Special provisions of the Agreement do not provide for additional penalties.

8. Additional provisions

- 8.1. The Customer, in fulfilling the Agreement, attracts investments from the planned investments of RePowerEU provided for in the appendices to the Recovery and Resilience Plan of Latvia for the modernisation of electricity transmission and distribution networks and increasing the share of renewable energy resources in the energy supply system (hereinafter - RePowerEU). Within the framework of RePowerEU, Annex No. 4 is attached to the Agreement in accordance with the requirements of the laws and regulations of RePowerEU, which is mandatory for the Parties. If the provisions of the Agreement conflict with the provisions of the laws and regulations within the framework of RePowerEU, the provisions of Annex No. 4 to this Agreement shall prevail over the other provisions of the Agreement and the Annexes.
- 8.2. The Parties agree on the following additional provisions:
 - 8.2.1. Advance payment guarantee is a credit institution guarantee or insurance policy acceptable to the Customer, which provides for the obligation of the issuer of the guarantee to pay to the Customer the amounts requested by the Customer in the amount of the guarantee unconditionally and at the first request of the Customer. The content of the advance payment guarantee must be agreed with the Customer.
 - 8.2.2. The Advance payment guarantee must be valid within the term of execution of the Order specified in Clause 3.2 of the Special Terms and Conditions of the Agreement and 30 (thirty) days after it. In the event that the Order is not executed within the term specified in Clause 3.2 of the Special Terms and Conditions of the Agreement, the Contractor shall, not later than by the 10th (tenth) business day before the expiry of the term of the Advance Payment guarantee, extend the advance payment guarantee by a term equal to the extension of the deadline for the execution of the Order.
 - 8.2.3. The Customer shall withhold the Advance Payment guarantee in order to compensate for the amount of the Contractor's outstanding obligations for which the advance payment has been received. However, if the Advance Payment guarantee has to be extended, but the Contractor has not done it within the specified time period, the Customer shall withhold the Advance Payment guarantee in the amount of the Contractor's outstanding obligations for which the advance payment has been received.
 - 8.2.4. Within 10 (ten) days after the execution of the Order (installation (assembly) of the Product on the foundation) and acceptance by the Customer, the advance payment guarantee shall be deleted by the

- Customer and sent or returned to the Contractor if the Contractor's request has been received. The Customer shall send a written notification to the credit institution regarding the cancellation of the guarantee issued by the credit institution regarding its release from the guarantee obligations.
- 8.2.5. The Contractor agrees that during the term of the Agreement the Customer may randomly carry out tests of the delivered transformers and compare the results with the tender and standards. In case of non-compliance, the Contractor will replace the product with the appropriate one.
- 8.2.6. The Contractor, when delivering transformers, will submit instructions for assembly and operation of goods in Latvian.
- 8.2.7. The Contractor shall attach a routine test report when delivering the Goods.
- 8.2.8. The Contractor shall ensure that inspection of the supply of the goods and production tests are carried out in the presence of the representatives of the Customer at the manufacturing plant within at least three working days before the goods are dispatched from the manufacturing plant. The Contractor shall inform the Customer's representative at least 10 (ten) working days prior to the departure of the goods from the manufacturing plant of the period during which the opportunity to inspect the goods may be performed.
- 8.2.9. To express Clause 6.4 of the General Terms and Conditions of the Agreement as follows: "6.4. The Contractor within the warranty period after receipt of written notice from the Customer at his own cost undertakes to eliminate damages, failures or inconformity to the requirement of the Agreement or the laws and regulations. If the Order consists of goods, in such cases the warranty period for respective Goods shall be extended for the period required for replacement of Goods or repairs (if Parties has agreed for Goods repair), as well as the replacement of Goods or its components in Customer's objects shall be performed without extra charge according to standard LEK 025 electrical safety regulations. When sending a notification, the Customer shall also indicate the place and time when the Contractor (Customer's responsible person or delegated) must arrive for the preparation of the deed of defects. The preparation of the Deed of Defects shall be determined on the 5th (fifth) working day following the date of dispatch of the notice, unless the Party agrees on a shorter time limit. If the Contractor (its responsible person or its delegate) does not attend the preparation of defects, the Customer considers that the Contractor agrees with the defect in the act written. On behalf of the Contractor, the following person arrives for the preparation of the defect report – [...].
- 8.2.10. The Parties shall be liable for the damages caused to the other Party as a result of their actions / inaction. The limit of the amount of losses related to the performance of the Agreement is set at EUR 5,000,000.00 (five million euro, 00 cents) excluding VAT.
- 8.2.11. To express Clause 4.3 of the General Terms and Conditions of the Agreement as follows: "4.3. For failure to respect any deadline under the Agreement (including also the Order fulfilment deadline) the Contractor shall pay a penalty of 0.2% (zero point two per cent) of the Contract Price for each day of delay, but no more than 10% (ten per cent) of the Contract Price".
- 8.2.12. If at any moment of performance of the Agreement the Contractor might encounter circumstances that will inevitably delay the proper performance of the obligations under the Agreement, the Contractor must immediately (not later than within 3 working days from the moment of occurrence of the event) notify the Customer in writing about the fact of the delay, its possible duration and the reason(s). After receiving the Contractor's notification, the Customer must assess the situation and, at its discretion, it may extend the deadline for the fulfilment of the Contractor's obligations. In such case, the Parties shall approve the extension by amending the Agreement in writing in accordance with the procedure laid down in Clause 13.3 of the General Terms and Conditions of the Agreement.
- 8.2.13. If in the course of performance of the Agreement delays in the delivery terms of the Goods arise due to reasons dependent on the Customer, then the final term of performance of the Agreement shall be extended accordingly for such a long period until the reasons for the delay are eliminated, and the Contractor shall be released from liability for the delay of the final term, for which an extension of the Agreement must be drawn up by making amendments to the Agreement in writing in accordance with the procedure laid down in Clause 13.3 of the General Provisions of the Agreement.
- 8.2.14. The Customer is entitled to unilaterally terminate the Agreement until the fulfilment of the obligations specified in Clause 2.3.1 of the Special Terms and Conditions of the Agreement by sending a written notice to the Contractor, and as a result of such actions the Customer shall not incur legal liability, including civil liability, if it is not possible to perform the Agreement due to the fact that the Customer has not been granted the requested financing within planned investments of RePowerEU for the modernisation of electricity distribution networks and renewable energy resources provided for in the appendices to the Recovery and Resilience Plan of Latvia to increase the share in the energy supply system.

9. Annexes to the Agreement

9.1. Annex 1 – Order Specification.

- 9.2. Annex 2 – Authorised Persons and Contact Persons.
- 9.3. Annex 3 - Price recalculation formula.
- 9.4. Annex 4 - Requirements RePowerEU's planned investments for the modernisation of electricity transmission and distribution networks and increasing the share of renewable energy sources in the energy supply system to attract financing in the additions to the Recovery and Resilience Plan of Latvia.

10. Signatures of the Parties

- 10.1. By signing these special provisions of the Agreement, the Parties agree to the general provisions of the Agreement and Annexes to the Agreement as appended.
- 10.2. The Agreement together with Annexes is signed in two copies, each on 133 (one hundred and thirty-three) pages, one copy for each Party. Both copies of the Agreement have equal legal force.

CUSTOMER

Sadales tīkls AS

CONTRACTOR

Chint Electric Co. Ltd

[...]

[...]

[...]

Annex 1 to the Agreement

ORDER SPECIFICATION

[...]

Annex 2 to the Agreement

AUTHORISED PERSONS AND CONTACT PERSONS

[...]

Annex 3 to the Agreement

PRICE RECALCULATION FORMULA

[...]

Annex 4 to the Agreement

REQUIREMENTS REPOWEREU'S PLANNED INVESTMENTS FOR THE MODERNISATION OF ELECTRICITY TRANSMISSION AND DISTRIBUTION NETWORKS AND INCREASING THE SHARE OF RENEWABLE ENERGY SOURCES IN THE ENERGY SUPPLY SYSTEM TO ATTRACT FINANCING IN THE ADDITIONS TO THE RECOVERY AND RESILIENCE PLAN OF LATVIA

[...]