

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of AKCINĖ BENDROVĖ „VILNIAUS BALDAI“

Report on the Audit of the separate and consolidated Financial Statements

Opinion

We have audited the separate and the consolidated financial statements of AB Vilniaus baldai and its subsidiaries (the Group), contained in file abvilniausbaldai-2025-08-31-en.zip (generated hashcode: 9+jTh2YoZlqmYZs=), which comprise the separate and the consolidated statement of financial position as at August 31, 2025, and the separate and the consolidated statement of comprehensive income, the separate and consolidated statement of changes in equity and the separate and consolidated statement of cash flows for the year then ended, and notes to the separate and the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements or present fairly, in all material respects of the consolidated financial position of the Group as at August 31, 2025, and (of) its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Law of the Republic of Lithuania on accounting and financial reporting, and International financial reporting Standards as adopted by European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the requirements of the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Each key audit issue and our response to it is described below.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition

See Note 2.17 "Revenue recognition" and Note 17 "Sales revenue."

For the year ended 31 August 2025, the Company's and the Group's net sales amounted to EUR 104,219 thousand and EUR 104,219 thousand, respectively. The Company and the Group generate revenue under a contract with the main customer for furniture manufacturing. These revenues are recognized at a point in time.

Grant Thornton Baltic UAB

Vilnius | Upės st. 21-1 | 08128 Vilnius | Lithuania | info@lt.gt.com
Kaunas | Jonavos st. 60C | 44192 Kaunas | Lithuania | kaunas@lt.gt.com
Klaipėda | Taikos av. 52C | 91184 Klaipėda | Lithuania | klaipeda@lt.gt.com

T +370 5 212 7856 | www.grantthornton.lt

The Company manufactures furniture units based on orders received from the main customer. Determining whether a performance obligation is satisfied over time or at a point in time requires significant management judgment. In addition, the contract with the main customer includes variable consideration; therefore, assessing the amount of revenue that can be recognized at the reporting date also requires significant judgment.

How we addressed the matter in our audit. Due to the subjectivity of key assumptions, significant audit judgment and effort were required. Among other procedures, we performed the following:

- We assessed the appropriateness of identifying performance obligations, determining the transaction price, allocating it to performance obligations, estimating variable consideration, and recognizing revenue. We evaluated whether the performance obligation is satisfied at a point in time or over time by performing an independent assessment of the Company's and the Group's IFRS 15 implementation process;
- We analyzed the contract with the main customer and assessed the appropriateness of key management judgments related to the timing of revenue recognition and variable consideration;
- We reviewed the contract terms and conditions and evaluated management's conclusion that the performance obligation is satisfied upon delivery of furniture units to the customer;
- We assessed the adequacy and appropriateness of the Company's and the Group's revenue recognition disclosures presented in the separate and consolidated financial statements.

Other information

The other information comprises the information included in the consolidated management report, including the requirements for the information on corporate governance matters, remuneration and consolidated sustainability matters, but does not include the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the separate and the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as specified below.

In connection with our audit of the separate and the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In addition, our responsibility is to consider whether information included in the consolidated management report for the financial year for which the financial statements are prepared is consistent with the financial statements and whether consolidated management report, including the requirements for the information on corporate governance matters and remuneration and excluding the requirements for the information on consolidated sustainability matters on which the separate assurance report on consolidated sustainability reporting is issued by us auditor on 11-12-2025, has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of financial statements, in our opinion, in all material respects:

- The information given in the consolidated management report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The consolidated management report, including the requirements for the information on corporate governance matters and remuneration and excluding the requirements for the information on consolidated sustainability matters, has been prepared in accordance with the requirements of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

Responsibilities of management and those charged with governance for the separate and the consolidated financial statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with the International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of the separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's consolidated financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the

audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Other requirements for the auditor's report under Regulation (EU) of the European Parliament and of the Council 537/2014.

In accordance with the decision made by shareholders on August 19, 2024 we have been chosen to carry out the audit of the Company's and the Group's separate and the consolidated financial statements. Our appointment to carry out the audit of Company's and the Group's separate and the consolidated financial statements in accordance with the decision made by shareholders has been renewed every 2 years and the period of total uninterrupted engagement is 7 years.

We confirm that our opinion in the section 'Opinion' is consistent with the additional report which we have submitted to the Company and Audit Committee.

We confirm that in light of our knowledge and belief, services provided to the Group are consistent with the requirements of the law and regulations and do not comprise non-audit services referred to in Article 5(1) of the Regulation (EU) No 537/2014 of the European Parliament and of the Council.

In the course of audit, we have not provided any other services except for audit of financial statements.

Report on the compliance of format of the consolidated financial statements with the requirements for European Single Electronic Reporting Format

We have been engaged based our agreement by the management of the Company to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the European single electronic reporting format of consolidated financial statements, including consolidated management report, for the year ended 31 August 2025 (the "Single Electronic Reporting Format of the consolidated financial statements") contained in file abvilniausbaldai-2025-08-31-en.zip (generated hashcode: 9+jTh2YoZIqmYZs=).

Description of a subject and applicable criteria

The Single Electronic Reporting Format of the consolidated financial statements has been applied by the management of the Company to comply with the requirements of art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Single Electronic Reporting Format of the consolidated financial statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Single Electronic Reporting Format of the consolidated financial statements and, in our view, these requirements constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibilities of management and those charged with governance

The management of the Company is responsible for the application of the Single Electronic Reporting Format of the consolidated financial statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in iXBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the Single Electronic Reporting Format of the consolidated financial statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Single Electronic Reporting Format of the consolidated financial statements complies with the ESEF Regulation.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (the „ISAE 3000 (R)”). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Single Electronic Reporting Format of the consolidated financial statements is prepared, in all material aspects, in accordance with the applicable requirements. Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance ISAE 3000 (R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Quality Management Requirements and Professional Ethics

Our company follows the International Standard on Quality Management, which requires the establishment, implementation, and operation of a quality management system, including policies and procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We adhere to independence and other ethical requirements as set out in the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Single Electronic Reporting Format of the consolidated financial statements was applied, in all material aspects, in accordance with the applicable requirements and such application is free from material errors or omissions. Our procedures included in particular¹:

- obtaining an understanding of the internal control system and processes relevant to the application of the Single Electronic Reporting Format of the consolidated financial statements, including the preparation of the XHTML format and marking up the consolidated financial statements;
- verification whether the XHTML format was applied properly;
- obtaining sufficient appropriate evidence as to the operating effectiveness of relevant controls over the marking up process when the assessment of the risks of material misstatement includes an expectation that such internal controls are operating effectively or procedures other than testing controls cannot alone provide sufficient appropriate evidence;

- evaluating the completeness of marking up the consolidated financial statements using the iXBRL markup language according to the requirements of the implementation of single electronic format as described in the ESEF Regulation;
- evaluating the appropriateness of the Group's use of XBRL markups selected from the ESEF taxonomy and the creation of extension markups where no suitable element in the ESEF taxonomy has been identified; and
- evaluating the appropriateness of anchoring of the extension elements to the ESEF taxonomy.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, the Single Electronic Reporting Format of the consolidated and company financial statements for the year ended 31 August 2025 complies, in all material respects, with the ESEF Regulation.

The engagement partner on the audit resulting in this independent auditor's report is Genadij Makušev.

11 December 2025

Certified auditor

Genadij Makušev¹

Auditor's certificate No.000162

21-1 Upės str, Vilnius, the Republic of Lithuania

Grant Thornton Baltic UAB

Audit firm certificate No. 001513

¹An electronic document signed with an electronic signature has the same legal force as a signed written document and is an admissible means of evidence. Only the Independent Auditor's Report is signed with the auditor's electronic signature.