



Independent auditor's report

To the shareholders of VILKYŠKIŲ PIENINĖ AB

Report on the audit of the separate and consolidated financial statements

Our opinion

In our opinion, the separate and consolidated financial statements, contained in the file name *abvilkyskiupienine-2025-12-31-en.zip* (SHA-256-checksum: 1137E78470667C7AF11E176A663CCCC0D20210C4CD8D223C90D3CEFABEC5FA68), (the “financial statements”) give a true and fair view of the separate and consolidated financial position of VILKYŠKIŲ PIENINĖ AB (the “Company”) and its subsidiaries (together - the “Group”) as at 31 December 2025, and of the Company’s separate and of the Group’s consolidated financial performance and separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee dated 3 April 2026.

What we have audited

The Company’s separate and the Group’s financial statements comprise:

- the separate and consolidated statements of financial position as at 31 December 2025;
- the separate and consolidated statements of profit or loss and other comprehensive income for the year then ended;
- the separate and consolidated statements of changes in equity for the year then ended;
- the separate and consolidated statements of cash flows for the year then ended; and

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- the notes to financial statements, comprising material accounting policy information and other explanatory information.

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 financial statements section of our report.

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

Independence

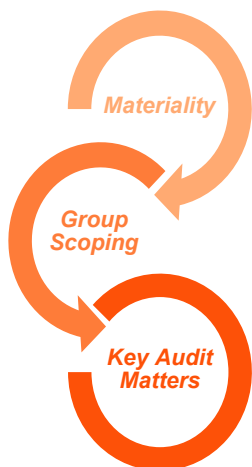
We are independent of the Company and the Group in accordance with the ethical requirements of Regulation (EU) No 537/2014 of 16 April 2014 on specific requirements regarding the statutory audit of public interest entities that are relevant to audits of financial statements of public interest entities, the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services that is relevant to audits of financial statements in the Republic of Lithuania and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Regulation (EU) No 537/2014, the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services and the IESBA Code.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Company and its controlled entities within the European Union are in accordance with the applicable law and regulations in the Republic of Lithuania and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014 considering the exemptions of Regulation (EU) No 537/2014 endorsed in the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services.

The non-audit services that we have provided to the Company and its controlled entities, in the period from 1 January 2025 to 3 April 2026 are disclosed in note 8 to the financial statements.

Our audit approach

Overview



Overall Group and Company materiality: EUR 2,000 thousand and EUR 1,800 thousand, respectively

We performed a full scope audit of the Company and its two subsidiaries. At the Group level, based on our assessment of risk of material misstatement of the financial statements and the significant accounts and disclosures, we tested the consolidation process and performed selected specified procedures over two of the subsidiaries in addition to the full scope audit entities.

- Bauska Cheese factory construction (Group)
 - Inventory write-down to net realisable value (Group and Company)
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As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement.

Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Company and Group materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the financial statements as a whole.

Overall Company materiality	EUR 1,800 thousand
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Overall Group materiality	EUR 2,000 thousand
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How we determined it	0.56% of the Company's and 0.70% of the Group's total revenue.
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Rationale for the materiality benchmark applied	<p>Significant fluctuations in the Company's and the Group's profit depend on the prevailing trends in global dairy markets. We have, therefore, chosen revenue as a benchmark for determining the materiality because, in our view, it provides the stakeholders consistent information year-on-year basis, reflecting the Company's and the Group's growth. Revenue and market share are also considered to be important business performance indicators.</p> <p>We chose the thresholds of 0.56% and 0.70%, which is within the range of acceptable quantitative materiality thresholds for this benchmark.</p>
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We agreed with the Audit Committee that we would report to them misstatements identified during our audit above EUR 90 thousand for Company and EUR 100 thousand for Group, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Key audit matter	How our audit addressed the key audit matter
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Bauska cheese factory construction (Group)	
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Refer to accounting policy on property, plant and equipment, borrowing costs and government grants, accounting estimates and assumptions, and notes 12, 23, 24 in the financial statements.

Property, plant and equipment of EUR 117,302 thousand is the largest line item on the consolidated statement of financial position, representing 62% of total Group assets of EUR 188,977 thousand.

We focused on this area due to significance Property, plant and equipment and the construction of a new cheese factory

We assessed the appropriateness of the Group's accounting policies and methodology used in respect of the capitalisation of borrowing costs and recognition of government grants.

We tested the significant additions to property, plant and equipment during 2025, including the costs capitalised in relation to Bauska cheese factory, by agreeing the samples to supporting documentation and evaluating whether the costs were eligible for capitalisation versus expensing.

We evaluated the borrowing costs capitalised by testing the capitalisation rate against the actual borrowing

in Bauska (Latvia) was completed by the Group's subsidiary Baltic Dairy Board SIA in 2025, thereby representing the largest capital investments in the Group's history. The Group's management was required to use judgement in determining which costs were directly attributable to the construction and were eligible for capitalisation; the timing of transferring the assets from construction in progress to land and buildings and plant and machinery; and the commencement of depreciation.

In addition, the Group's borrowings increased by EUR 26,033 thousand (70%) during 2025, largely as a result of financing this investment. Determination of the capitalisation rate and the amount of borrowing costs eligible for capitalisation involved the use of judgement and had a direct impact on both the consolidated statement of financial position and the consolidated statement of profit or loss.

Bauska cheese factory investment was partly financed by an Altum loan with a capital rebate arrangement, whereby the loan principal will be forgiven and recognised as a government grant upon successful completion of the project and achievement of the specified performance targets. As at 31 December 2025, the loan was recognised as a financial liability, capital rebate arrangement conditions planned to be fulfilled in 2027.

Inventory write-down to net realisable value (Group and Company)

Refer to accounting policy on inventory, accounting estimates and assumptions and note 18 'Inventories' in the financial statements.

We focused on this area due to the size of the inventory balance (EUR 17,635 thousand and EUR 7,605 thousand as at 31 December 2025 at the Group and the Company, respectively), and because the management's assessment of the net realisable value of inventory involved estimates about the future discounts and sales of goods below their cost.

As at 31 December 2025 the Group's and the Company's inventory (finished goods) write-down to net realisable value allowance amounted to EUR 722 thousand and EUR 350 thousand, respectively.

arrangements, verifying the qualifying asset period against the project milestones and drawdown schedules, and reconciling the amounts capitalised to the Group's total finance costs and borrowing balances.

We tested the transfer of assets from the construction in progress to the land and buildings and plant and machinery and verified whether the depreciation commenced once the assets became available for use.

We evaluated the loan received from Altum with capital rebate arrangement by reviewing the conditions and repayment terms, assessing the appropriateness of its classification as a financial liability.

We assessed the adequacy of disclosures in notes 12, 23, 24 in the financial statements relating to property, plant and equipment, including the borrowing costs capitalised and assets pledged.

We assessed that the Group's and the Company's policies and methodology in respect of inventory write-downs to net realisable value are based on IFRS.

We analysed, on a sample bases, sales prices of the finished goods items sold after the balance sheet date and compared results with the figures used in the management's calculation of inventory write-down allowance.

We analysed the ageing of inventories other than finished goods, by periods, to identify slow-moving or obsolete items. We also verified the reliability of the inventory ageing report and compared our estimated inventory write-down allowance to the management's calculations.

We found the assumptions used by management in the calculation of inventory write-down to net realisable value to be within acceptable range of our expectations.

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which Group operate.

The Group comprises of parent and 5 subsidiaries four of which operate in Lithuania and one in Latvia. For Group audit purposes, based on our risk and materiality assessment we determined that a full scope audit was required for the Company and its subsidiaries Kelmės Pieninė AB and Modest AB. For Kelmės pienas UAB and Baltic Dairy Board SIA we have carried audit work on selected balances and transactions which were assessed by us as material from the Group audit perspective and assessed other significant areas that may impact the consolidated financial statements. The remaining component of the Group was immaterial. Our audit addressed 99% of the Group's revenues and 95% of the Group's total assets.

Reporting on other information including the consolidated management report

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

Our opinion on the financial statements does not cover the other information, including the consolidated management report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the consolidated management report, including the information on corporate governance matters and remuneration and excluding the information on consolidated sustainability matters on which the separate assurance report on consolidated sustainability reporting is issued by us on 3 April 2026, we considered whether it includes the disclosures required by the Law of the Republic of Lithuania on Reporting by Undertakings and by Groups of Undertakings.

Based on the work undertaken in the course of our audit, in our opinion:

- 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 information on corporate governance matters and remuneration and excluding the information on consolidated sustainability matters, has been prepared in accordance with the Law of the Republic of Lithuania on Reporting by Undertakings and by Groups of Undertakings.

In addition, in light of the knowledge and understanding of the Company and the Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the consolidated management report and other information. We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and 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 Company and the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company's and 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 Company's and 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 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 Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

Report on the compliance of the presentation of financial statements with the requirements of the European Single Electronic Reporting Format (“ESEF”)

We have been engaged based on our audit agreement by the management of the Company to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the presentation of the financial statements, including the consolidated management report, contained in the file *abvilkyskiupienine-2025-12-31-en.zip* (SHA-256-checksum:

1137E78470667C7AF11E176A663CCCC0D20210C4CD8D223C90D3CEFABEC5FA68), for the year ended 31 December 2025 (the “Presentation of the Financial Statements”).

Description of a subject matter and applicable criteria

The Presentation of the 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 Presentation of the Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the

Presentation of the Financial Statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the management and those charged with governance

The management of the Company is responsible for the application of the Presentation of the 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 Presentation of the 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, which should also be understood as the preparation of financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Presentation of the Financial Statements complies, in all material aspects, 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’ (“ISAE 3000 (R)”). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Presentation of the Financial Statements complies, in all material aspects, 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 firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the

Presentation of the Financial Statements was applied, in all material aspects, in accordance with the applicable requirements and such compliance is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the Electronic Reporting Format of the Financial Statements, including the preparation of the XHTML format and marking up the financial statements;

- verification whether the XHTML format was applied properly;
- evaluating the completeness of marking up the financial statements using the iXBRL markup language according to the requirements of the implementation of electronic format as described in the ESEF Regulation;
- evaluating the appropriateness of the Company's and 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, based on the procedures performed, the Presentation of the Financial Statements complies, in all material respects, with the ESEF Regulation.

Appointment

We were first appointed as auditors of the Company and the Group on 28 April 2017. Our appointment has been renewed annually by shareholder's resolution representing a total period of uninterrupted engagement appointment of 9 years. Our appointment for the year ended 31 December 2025 was approved by the shareholder's resolution on 26 April 2024.

The key audit partner on the audit resulting in this independent auditor's report is Rasa Selevičienė.

On behalf of Uždaroji akcinė bendrovė „PricewaterhouseCoopers”

Rasa Selevičienė
Assurance Director
Auditor's Certificate No.000504

Vilnius, Republic of Lithuania
3 April 2026