

## INDEPENDENT AUDITORS' REPORT

### Limited Liability Company "Latvijas Meža Attīstības Fonds"

To the shareholder and management

#### *Our opinion on the financial statements*

We have audited the financial statements included in the attached annual report of **Limited Liability Company "Latvijas Meža Attīstības Fonds" (the "Company")** on pages 6 to 22. The accompanying financial statements comprise:

- the Balance Sheet as at 31 December 2025;
- the Profit or Loss Statement for the year ended 31 December 2025;
- the Cash Flow Statement for the year ended 31 December 2025;
- the Statement of Changes in Equity for the year ended 31 December 2025; and
- the Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of **Limited Liability Company "Latvijas Meža Attīstības Fonds"** as at 31 December 2025, and of its financial performance and cash flows for the year then ended, in accordance with the Law on the Annual Financial Statements and Consolidated Financial Statements of the Republic of Latvia (the "Law on the Annual Financial Statements and Consolidated Financial Statements").

#### *Basis for opinion*

In accordance with the Audit Services Law of the Republic of Latvia (the "Audit Services Law"), we conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in the Republic of Latvia. Our responsibilities under those standards are further described in the section of our report titled Auditor's *Responsibility for the Audit of the Financial Statements*.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants and the independence requirements included in the Audit Services Law of the Republic of Latvia applicable to our audit of the financial statements in the Republic of Latvia. We have also complied with the other ethical principles and objectivity requirements set out in the International Code of Ethics for Professional Accountants (including International Independence Standards) and the Audit Services Law.

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

#### *Reporting on other information*

The management is responsible for the other information. The other information comprises:

- information about the Company presented on page 3 of the attached annual report;
- the Management Report presented on pages 4 to 5 of the attached annual report.

Our opinion on the financial statements does not cover the other information included in the annual report, and we do not express any form of assurance conclusion thereon, except as described in the section of our report titled *Other Reporting Responsibilities in Accordance with the Requirements of the Laws and Regulations of the Republic of Latvia*.

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

If, based on the work performed and in light of the knowledge and understanding of the Company and its environment obtained during the audit, we conclude that the other information contains a material misstatement, we are required to report that fact. We have nothing to report in this regard.

#### *Other reporting responsibilities in accordance with the requirements of the laws and regulations of the Republic of Latvia*

In addition, in accordance with the Audit Services Law, our responsibility is to express an opinion as to whether the Management Report has been prepared in accordance with the requirements of the applicable regulatory enactments and the Law on the Annual Financial Statements and Consolidated Financial Statements.

Based solely on the procedures performed during our audit, in our opinion:

- the information presented in the Management Report for the reporting year for which the financial statements are prepared is consistent with the financial statements; and
- the Management Report has been prepared in accordance with the requirements of the Law on the Annual Financial Statements and Consolidated Financial Statements.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Law on the Annual Financial Statements and Consolidated Financial Statements, 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 ability to continue as a going concern and, where applicable, disclosing matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

*Auditor's responsibility 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 auditors' 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 may arise from fraud or error and 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 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 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, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' 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 the auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

**Limited Partnership**  
**"S.VILCĀNES AUDITS"**  
Licence No. 88

**Sandra Vilcāne**  
Member  
Certified Sworn Auditor in Charge  
Certificate Nr.30

Rīga, Latvija

*The date of the document is the time of its electronic signing*