



Independent Auditor's Report

To the Shareholder of PN Project AS

Report on the audit of the separate financial statements

Our opinion

In our opinion, the separate financial statements give a true and fair view of the separate financial position of PN Project AS (the "Company") as at 31 December 2025, and the Company's separate financial performance and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union (EU).

Our opinion is consistent with our additional report to the Audit committee dated 10 July 2026.

What we have audited

The Company's financial statements comprise:

- the separate statement of profit or loss and other comprehensive income for the year ended 31 December 2025;
- the separate statement of financial position as at 31 December 2025;
- the separate statement of changes in equity for the year ended 31 December 2025;
- the separate statement of cash flows for the year ended 31 December 2025; and
- the notes to the separate 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 adopted in the Republic of Latvia (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate 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 in accordance with the ethical requirements of Regulation (EU) No 537/2014 that are relevant to audits of financial statements of public interest entities, the ethical requirements of the Law on Audit Services that are relevant to audits of financial statements in the Republic of Latvia 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 ethical requirements of the Law on Audit 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, its parent and its controlled entities within the European Union, are in accordance with the applicable law and regulations in the Republic of Latvia and that we have not provided non-audit services that are prohibited under Article 37.⁶ of the Law on Audit Services of the Republic of Latvia.

During the period from 1 January 2025 to the date of issuing this report we have not provided any non-audit services to the Company, its parent and its controlled entity.

Material uncertainty related to going concern

We draw attention to Note 3.20 to the separate financial statements, which explains that the Company’s current liabilities exceed its current assets by EUR 21 046 thousand and future operations depend on raising external financing. This, along with other matters disclosed in Note 3.20, indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our audit approach

Overview

Materiality	Overall materiality: EUR 630 thousand, which represents approximately 0.8% of total assets.
Key audit matter	Fair value of investment property.

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 separate 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 separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the separate 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 separate financial statements as a whole.

Overall materiality	EUR 630 thousand
How we determined it	0.8% of total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is the most appropriate benchmark in situation when the Company is involved in construction of a multifunctional real estate centre . We chose 0.8%, which is consistent with the quantitative materiality thresholds used for companies in this sector.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above EUR 31.5 thousand, 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 separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter

How our audit addressed the key audit matter

Fair value of investment property

Refer to Note 3.1 “Investment property” of the separate financial statements.

As at 31 December 2025 investment property amounts to EUR 79,297 thousand and represents 98% of the total assets of the Company.

The management makes subjective judgements when determining the fair value of investment property.

Management obtained report from certified independent appraiser to assist them in determining the investment property’s fair value. The fair value of the investment property has been determined using income method.

The most significant judgements made by the management in respect of fair valuation of investment property are discounted cash flows, including construction cost, average rent price and rental growth, long-term vacancy rate and discount rate.

Due to the magnitude of related amounts and materiality of judgments to be made in respect of fair value of investment property, we considered this area to be associated with a significant risk of a material misstatement and a key audit matter.

We assessed whether the Company’s accounting policies in relation to the fair valuation of investment property comply with the requirements of IFRS Accounting Standards as adopted by the EU.

We obtained an understanding and evaluated management’s internal process for determining the fair value of investment property.

We inspected the independent valuation report the Company obtained in respect of the investment property.

We assessed the independence and experience of the valuer and involved our own expert to assess the appropriateness of the independent appraiser’s valuation.

We evaluated the reasonableness of inputs into the valuation model – actual construction costs, costs to complete, average rent price, income and expense growth rates, discount rate, capitalisation rate and checked the numerical accuracy of the model.

We evaluated the sensitivity analysis of the fair value of investment property to changes in key assumptions.

We assessed the adequacy of the disclosures in the separate financial statements in respect of investment properties.

How we tailored our audit scope

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

Reporting on other information including management report

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

- General information, as set out on page 3 of the annual report,
- Management report, as set out on pages 4 to 6 of the annual report,
- Statement of Corporate Governance, set out in a separate statement prepared by the Company's management and available on the Company's website https://lordslb.lt/presesnams_bonds/ as at the date of this audit report,

but does not include the separate financial statements and our auditor’s report thereon, which we obtained prior to the date of this auditor’s report.

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

In connection with our audit of the separate 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 separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the management report, we also performed the procedures required by the Law on Audit Services of the Republic of Latvia. Those procedures include considering whether the management report includes the disclosures required by the Law on Annual Reports and Consolidated Annual Reports of the Republic of Latvia.

In accordance with the Law on Audit Services of the Republic of Latvia with respect to the Statement of Corporate Governance, our responsibility is to consider whether the Statement of Corporate Governance includes the information required by section (3) of Article 56.² of the Financial Instruments Market Law.

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

- the information given in the other information identified above for the financial year for which the separate financial statements are prepared is consistent with the separate financial statements; and
- the management report has been prepared in accordance with the requirements of the Law on Annual Reports and Consolidated Annual Reports of the Republic of Latvia; and
- the Statement of Corporate Governance, available on the Company's website https://lordslb.lt/presesnams_bonds/ as at the date of this audit report, includes the information required by section (3) of Article 56.² of the Financial Instruments Market Law.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation of the separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company'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 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 responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate 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 separate 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, 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 our auditor's report to the related disclosures in the separate 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate 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.

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 separate 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 separate financial statements with the requirements of the European Single Electronic Format ("ESEF")

The electronic reporting format of the financial statements has been applied by the management of the Company to comply with the requirements of art. 3 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"). Based on these requirements the financial statements have to be presented in XHTML format. We confirm that the electronic reporting format of the separate financial statements for the year ended 31 December 2025 complies with the ESEF Regulation in this respect.

Appointment

We were first appointed as auditors of the Company on 3 February 2025 by shareholders resolution. We have been auditing the Company's financial statements without interruption since the financial year ended 31 December 2024, i.e. for 2 consecutive years.

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

PricewaterhouseCoopers SIA
Certified audit company
Licence No. 5

Ilandra Lejiņa
Chairperson of the Board

Jegors Podosiņņikovs
Certified auditor in charge
Certificate No.238

Riga, Latvia
10 July 2026

Independent Auditor's Report is signed electronically with a secure electronic signature and contains a time stamp.