

Latvenergo Group's unaudited results for the first nine months of 2024 are published

Today, on 29 November, the unaudited condensed interim consolidated financial statements of Latvenergo Group for the first nine months of 2024 are published.

2024 is the year of the breakthrough of Latvenergo Group in new renewable electricity generation capacity, which is marked by the dedicated development of a portfolio of three different energy sources – by complementing the existing use of hydropower with solar and wind power. At the end of the reporting period, the newly built capacity of Latvenergo Group or capacity under construction or under design reached 1,000 megawatts (MW). They will strengthen the energy independence of Latvia and promote the transition to more environmentally-friendly energy generation solutions, while strengthening Latvenergo's role in the regional energy market.

The investments of Latvenergo Group have seen significant growth in the first nine months of the year, with the primary focus on investment in new renewable energy projects in the Baltic states, reaching EUR 323.5 million, doubling from the previous year. During the reporting period, nine solar parks with a total capacity of 65 MW started operation in Latvia, two solar parks with a total capacity of 24 MW were launched in Estonia, and the Akmene wind farm (15 MW) began operations in Lithuania. The Telšiai wind farm in Lithuania is also advancing successfully, and large new RES power generation capacities are being acquired in Latvia.

In the first nine months of 2024, electricity and natural gas prices on European markets were lower than last year, which also had an impact on the financial results of Latvenergo Group, overall reducing revenues from energy sales compared to the previous year.

Latvenergo Group was the largest electricity producer in the Baltic states in the first nine months of 2024, with 4,147 GWh of electricity generated, which amounts to 30% of the total electricity generated in the Baltic states, 69% of which was generated from renewable energy sources. Daugava HPPs generated 2,810 GWh of electricity, meanwhile, due to the decrease in the price of natural gas, the amount of electricity generated by CHPPs of Latvenergo AS increased by 39% to 1,283 GWh.

The number of electricity, as well as natural gas customers in the Baltic states, gradually increased. Retail sales of electricity increased by 3% and that of natural gas – by 35% compared to the same period last year.

In the first nine months of 2024, the revenues of the Group amounted to EUR 1,305.1 million, down by 15% from the same period last year, which was mainly due to the lower sales prices of electricity. The EBITDA of Latvenergo Group increased by 7% to EUR 487.3 million, while the profit decreased by 8% year-on-year, reaching EUR 261.3 million.

2024 is the year of the breakthrough of Latvenergo Group in new RES generation capacity, which is marked by the dedicated development of a portfolio of three different energy sources – water, sun and wind energy, asserting the ambition of Latvenergo in the area of renewable energy in the Baltic states. The operations of the Group in export markets should also be emphasised – 42% of the total retail electricity sales have occurred outside Latvia.

At the end of September, our new renewable electricity capacity had already reached 105 MW – we have built nine solar parks in Latvia with a total capacity of 65 MW, 3 solar parks in Estonia with a total capacity of 25 MW and a wind farm in Lithuania (15 MW). In Lithuania, the Telšiai (124 MW) wind farm is being developed, which will start operation in 2026. At the same time, solar parks and wind farms with a total capacity of more than 890 MW are under design or construction in the Baltic states, which are expected to be commissioned gradually from 2024 to 2026.

Along with the development of renewable electricity generation capacity, the total investments have increased significantly, reaching EUR 323.5 million in the first nine months of 2024, which is a twofold increase from the investment figure for the same period a year ago. More than 60%, or EUR 200 million

invested in new wind and solar power generation capacities. To promote a high-quality and reliable energy supply, EUR 83.9 million invested in distribution system assets.

In September 2024, Latvenergo AS became a 100% shareholder in Laflora Energy SIA for the purposes of the construction of a wind power plant with a total capacity of 109 MW. A transaction of similar ambition was implemented in the area of solar energy after the end of the reporting period – in November, Latvenergo AS acquired the largest solar power plant to date, DSE Aizpute Solar SIA, with a capacity of 265 MW. In November 2024, Elektrum Next SIA, a subsidiary of Latvenergo AS, was established with the objective of ensuring the management and further development of new green energy projects.

The decline in electricity and natural gas prices continued in the reporting period. The average NordPool electricity system price was 33% lower, while the average TTF natural gas (Front Month) price was 37% lower than in the first nine months of 2023.

Latvenergo AS generated a total of 4,147 GWh of electricity at its power plants, which amounts to 30% of the total electricity generation in the Baltic states; furthermore, 69% of electricity was generated from renewable energy sources. The aforementioned decrease in natural gas prices boosted electricity generation at the CHPPs of Latvenergo AS, reaching 1,283 GWh, a 39% increase from the same period last year. Meanwhile, heat production reached 1,128 GWh as a result of an increase in demand, amounting to a 13% year-on-year increase. Despite slightly lower water inflows into the River Daugava this year, Daugava HPPs have retained a relatively high level of electricity generation – 2,810 GWh, which is a 7% decrease from last year, while being 23% more than the long-term average.

Thanks to its successful performance in the energy market, the number of electricity customers of Latvenergo Group increased by 6%, reaching 885,000, including 273,000 customers outside Latvia. Electricity sales to customers increased by 3% to 4,611 GWh. The number of natural gas customers also increased, reaching 62,000, which is a 47% increase compared to the previous year. A total of 769 GWh of natural gas was sold to customers, which is 35% more than in the same period a year earlier.

At the end of September, 592 charging ports were available in the *Elektrum Drive* electric vehicle charging network in the Baltic states, where more than 79,000 charges amounting to 1,700 MWh were made, resulting in the saving of 1,000 tonnes of CO₂ emissions. Meanwhile, together with the charging networks of our collaboration partners, a total of 789 charging points are available to the customers of *Elektrum Drive* in the Baltic states.

The financial results of the distribution segment have also improved in the reporting period. They were positively affected by a 2% increase in distributed electricity and the introduction of new tariffs in 2023.

In the first nine months of 2024, the revenue of Latvenergo Group amounted to EUR 1,305.1 million – which is a 15% year-on-year drop. Lower revenues were due to lower energy sales prices. The higher amount of energy sales and generation, as well as better results in the distribution segment, have contributed to a 7% increase in EBITDA, which reached EUR 487.3 million. The profit of the Group is EUR 261.3 million, down 8% compared to the same period last year.

During the reporting period, the Group supported society by donating EUR 200,000 to the [Ziedot.lv](#) programme for the support of oncology patients. In its continuous support to the Ukrainian defenders in their fight against Russia since the first day of the invasion, Latvenergo AS donated another 93 vehicles to the Ukrainian community.

In September, Latvenergo AS and the National Renewable Energy Laboratory (NREL) of the U.S. Department of Energy concluded a research and development agreement to implement an energy transformation and industrial research [project](#).

On 13 September 2024, the international credit rating agency Moody's reaffirmed the [credit rating](#) of Latvenergo AS, [keeping it unchanged](#) at the Baa2 level with a stable outlook. The Baa2 rating has been stable since 2015, confirming the stability and financial reliability of Latvenergo Group.

The unaudited condensed financial statements of Latvenergo Group for 2024 will be published on 28 February 2025. The unaudited condensed interim consolidated financial statements of Latvenergo Group covering the first nine months of 2024 are available in the [Investors/Reports](#) section.