

# LATVENERGO CONSOLIDATED UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST 9 MONTHS OF 2025

28.11.2025, Riga



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# Facts and events in 9M 2025

## Higher renewable output lowered Baltic electricity prices.

Electricity spot prices in the Baltics were on average 7% lower, reaching 79–82 EUR/MWh. Meanwhile, the average price of natural gas at the TTF (front month) reached 40 EUR/MWh, which is 26% higher than in the respective period a year ago. The price of CO2 emission allowances (EUA DEC futures) increased by 9%, reaching 73 EUR/t.

## Latvenergo Group produced 24% of the total electricity generated in the Baltics.

Electricity output at Latvenergo Group's plants reached 3.5 TWh, which is 15% less than a year ago. Electricity generation at the Daugava hydroelectric power stations (HPPs) decreased by 20% compared to 9M 2024, reaching 2.2 TWh. The amount of electricity generated at the Latvenergo AS combined heat and power plants (CHPPs) decreased by 14%, reaching 1.1 TWh. The amount of heat energy generation decreased to 1.0 TWh, which is 13% less than a year ago.

## Investments increased by 90%.

The total amount of investment increased by 90%, reaching EUR 614 million. Almost 3/4 of it or EUR 447 million was made in new wind and solar generation capacities.

## Elected member of the Latvenergo AS Supervisory Board.

On April 8, Rodžers Jānis Grigulis was appointed as a member of the Supervisory Board of Latvenergo AS for a five-year term.

## On Latvenergo AS dividend payments and share capital changes.

In June, Latvenergo AS paid EUR 185.9 million of the 2024 profit of Latvenergo AS to the state as dividends, paying a corporate income tax of EUR 39.0 million accordingly. In June, the Latvenergo AS share capital was increased by EUR 286.0 million.

## Latvenergo AS acquired the wind park project Pienava Wind.

Wind park Pienava wind will start wind power generation with a capacity of 147 MW as early as in the first half of 2027. The construction costs of the wind park are expected to be approximately EUR 215 million. Foundation work began in November.

## Memorandum of understanding signed with Telia Company AB.

Latvenergo AS and State Joint Stock Company Latvian Radio and Television Centre signed a memorandum of understanding with Telia Company AB, which provides the option to consider the acquisition of a portion of the shares in its subsidiaries Tet SIA and Latvijas Mobilais Telefons SIA.

## With a transaction at the Inkoo terminal in Finland, Latvenergo strengthens the country's energy supply.

Latvenergo AS concluded agreements for natural gas deliveries totalling about 2 TWh for the end of 2025, using the Inkoo LNG terminal.

## Moody's reaffirmed the credit rating of Latvenergo AS.

After the reporting period, on 31 October 2025, Moody's reaffirmed the Latvenergo AS credit rating at Baa2 with a stable outlook.

## Latvenergo AS issued international bonds to finance green projects.

After the reporting period, on 13 November 2025, Latvenergo AS carried out a EUR 400 million European green bond issue under its Euro Medium Term Note Programme.



# 9M 2025 results I

## Overview

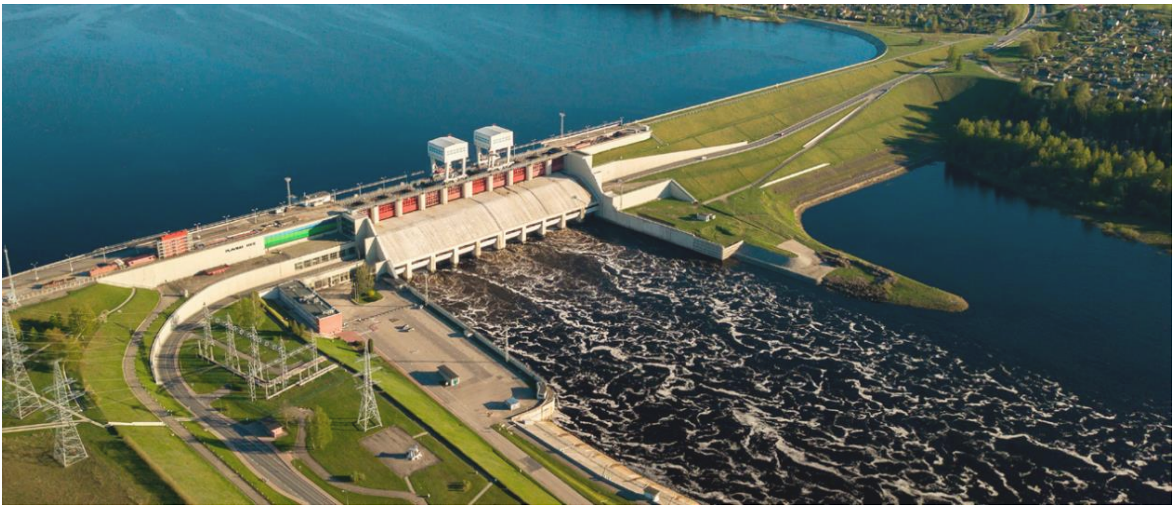
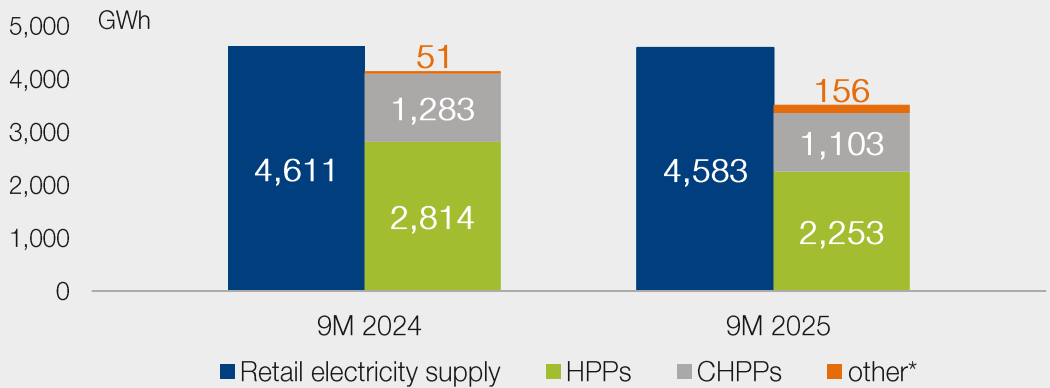
### Financial Figures

MEUR	9M 2025	9M 2024	Δ, %
Revenue	1,160.2	1,305.1	(11%)
EBITDA	350.2	487.3	(28%)
Profit for the period	163.9	261.3	(37%)
Assets	4,593.3	4,111.9	+12%
Net debt	906.3	505.0	+79%
Investments	613.9	323.5	+90%

### Financial objectives 2026

	Target 2026	Actual 9M 2025
ROE excluding distribution	> 7%	9.6%
Adjusted FFO / Net debt ratio	> 25%	50%
Moody's credit rating	≥ Baa3	Baa2

### Electricity generation and trade



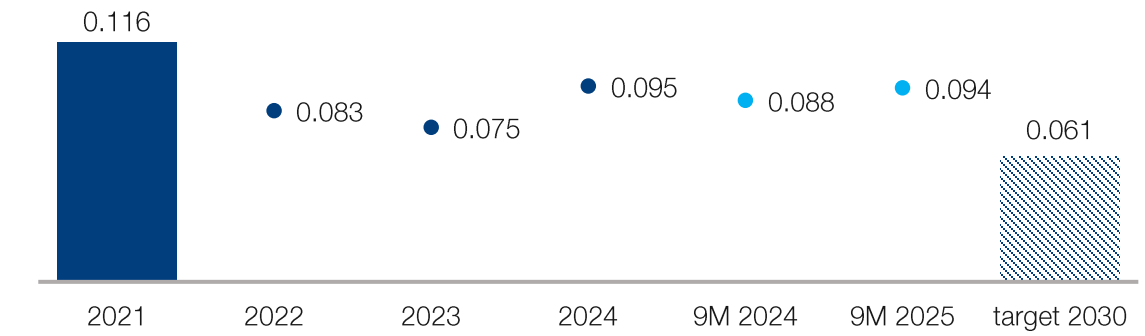
# 9M 2025 results II

## Overview

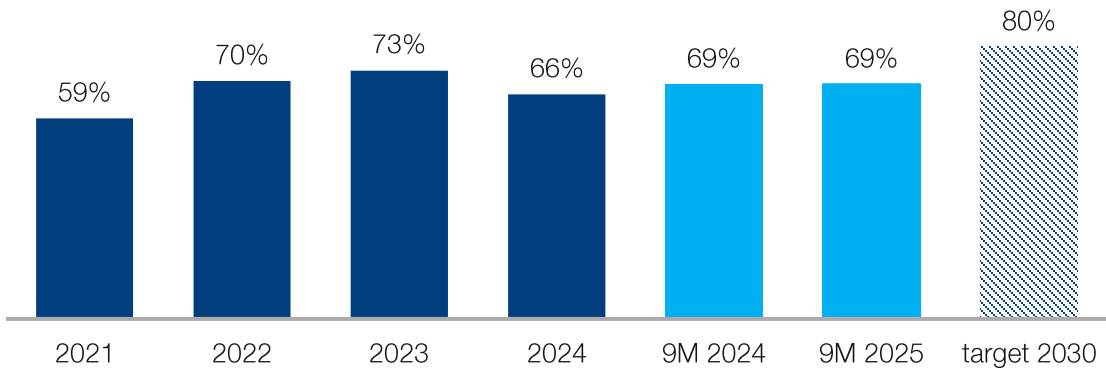
Non-financial objectives 2026		
	Target 2026	Actual 9M 2025
Available new RES capacity	600 MW	374 MW (1,144 MW)*
SAIFI (number)**	1.92	1.20
SAIDI (minutes)**	164	92
Electricity customers	855 thsd.	911 thsd.
Public EV charging ports***	1,200	1,252

### Target 2030: Reducing Scope 1 GHG emissions by 47% compared to 2021

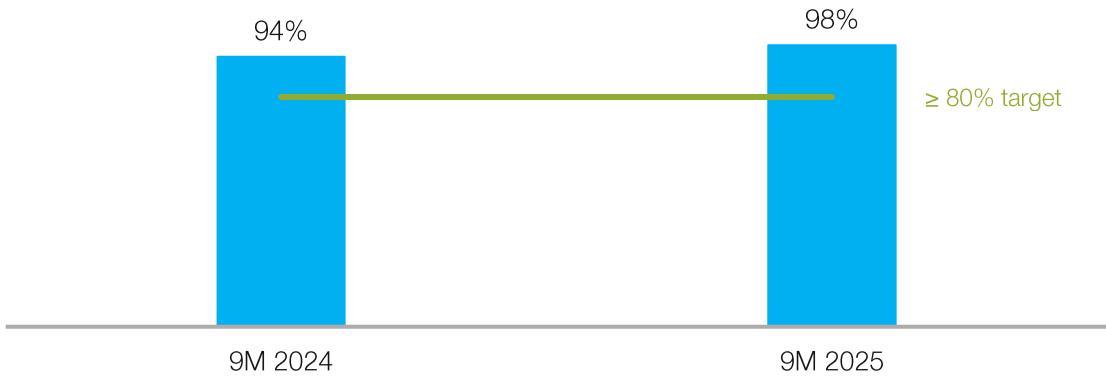
Electricity production- specific emissions, t CO<sub>2</sub>/MWh



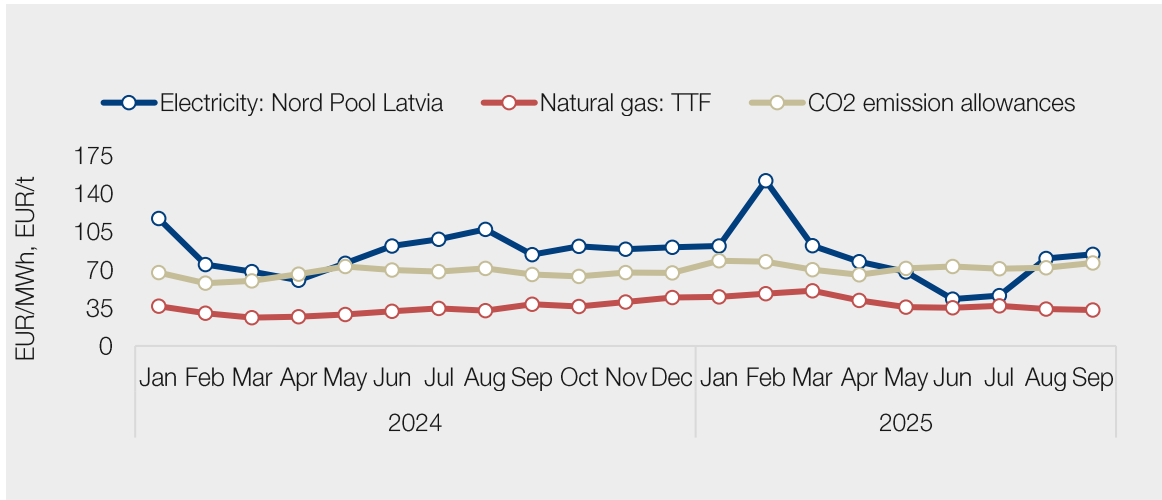
### Target 2030: Share of electricity produced from RES: at least 80%



### Target, annually: Investments in activities aligned with the EU Taxonomy: at least 80%



# Higher renewable output lowered Baltic electricity prices

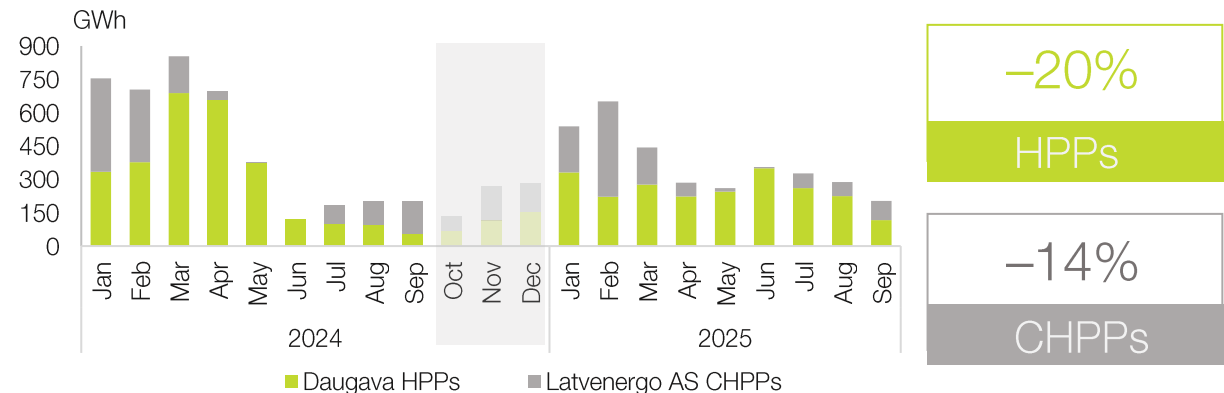


- Higher renewable output in the Baltics (SPPs +32%, WPPs +21%)
- The price of natural gas at TTF virtual trading point (front month) 26% higher, reaching 40 EUR/MWh
- The average price of CO<sub>2</sub> emission allowances (EUA DEC futures) 9% higher, reaching 73 EUR/t

Average electricity price in Nord Pool regions (monthly), EUR/MWh

Region	9M 2025	9M 2024	Δ, %
System price	36.2	37.8	(4%)
Latvia	81.6	86.3	(5%)
Lithuania	81.0	86.3	(6%)
Estonia	79.1	87.5	(10%)

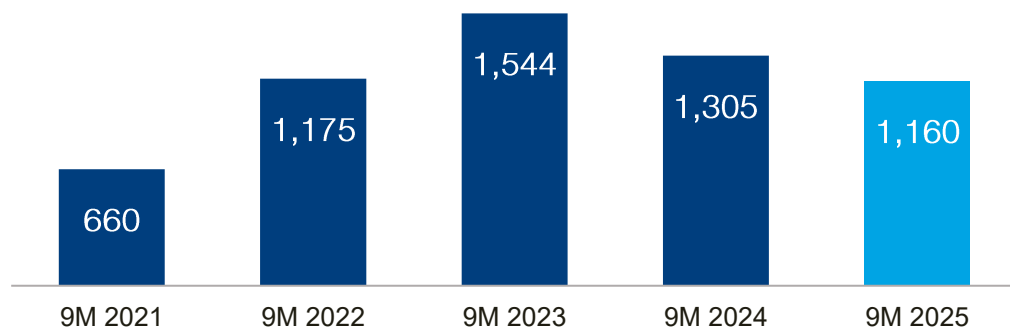
Inflow in the Daugava River is 9% below the long-term average level



# Key financial figures

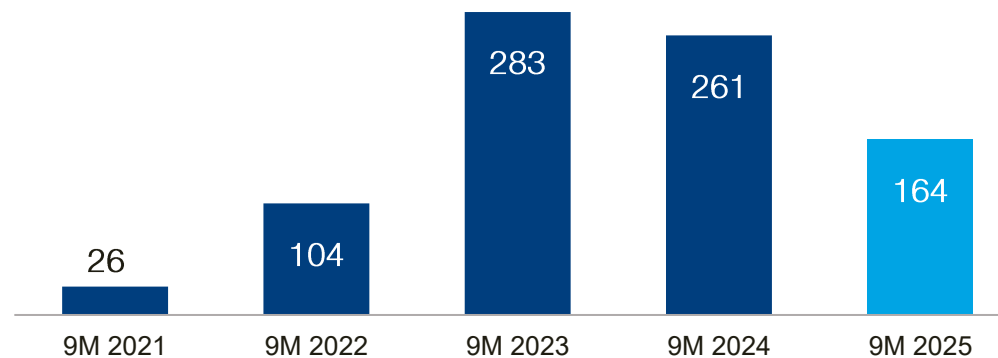
## Revenue

MEUR



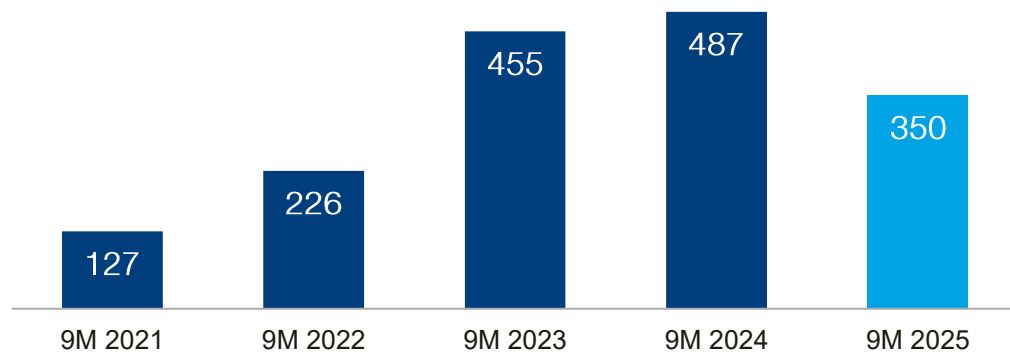
## Net profit

MEUR



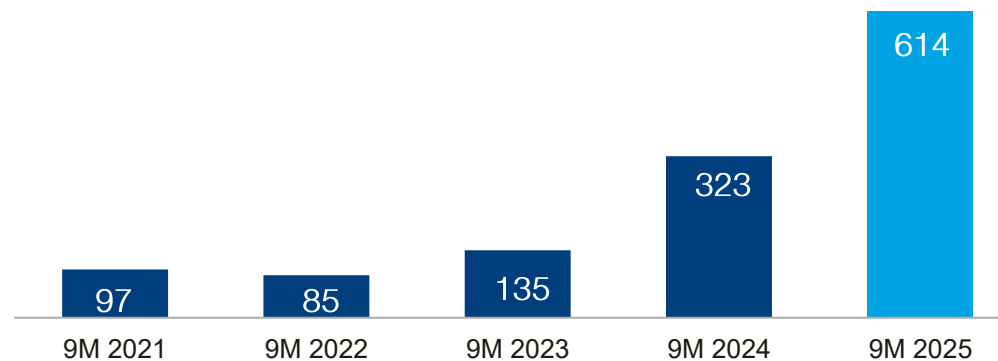
## EBITDA

MEUR



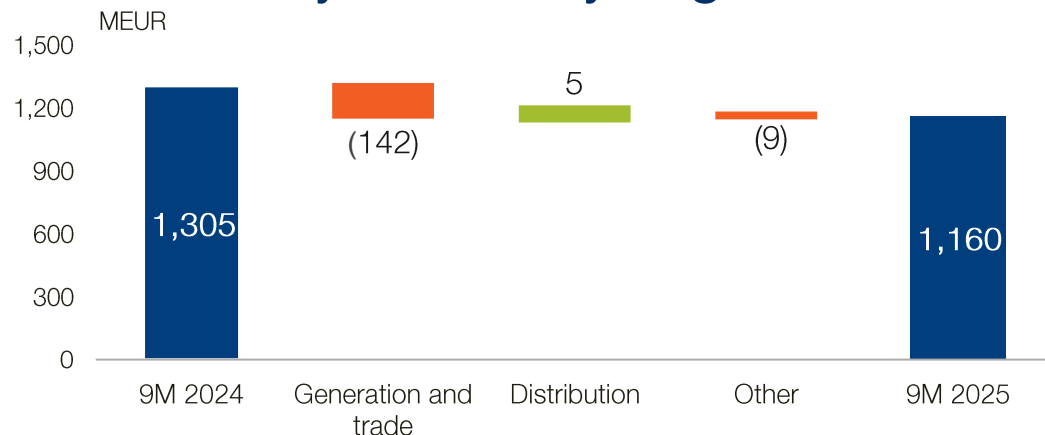
## Investments

MEUR

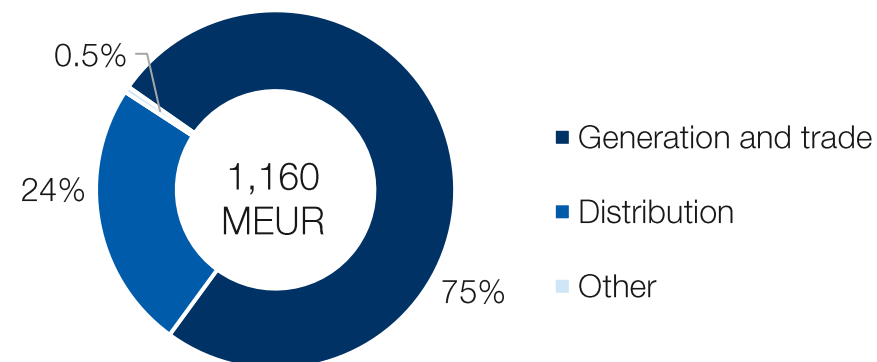


# Lower generation at the Daugava HPPs and lower energy sales prices impacted results

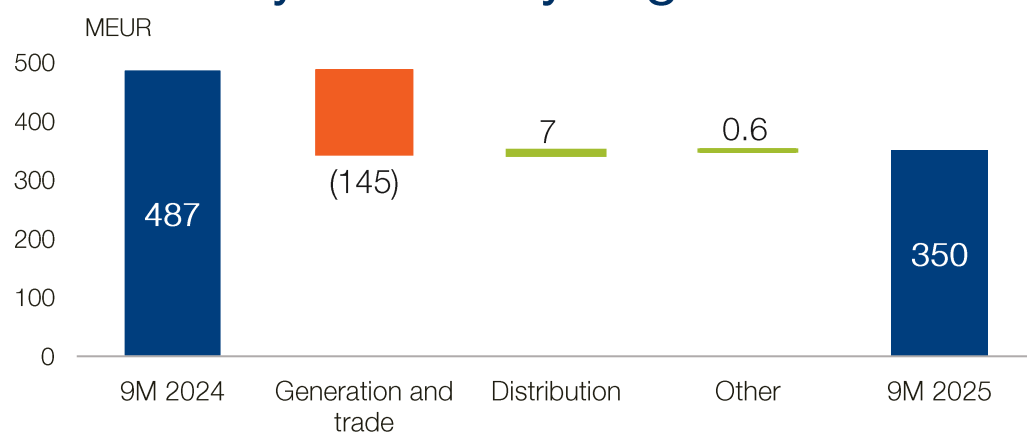
## Revenue dynamics by segments



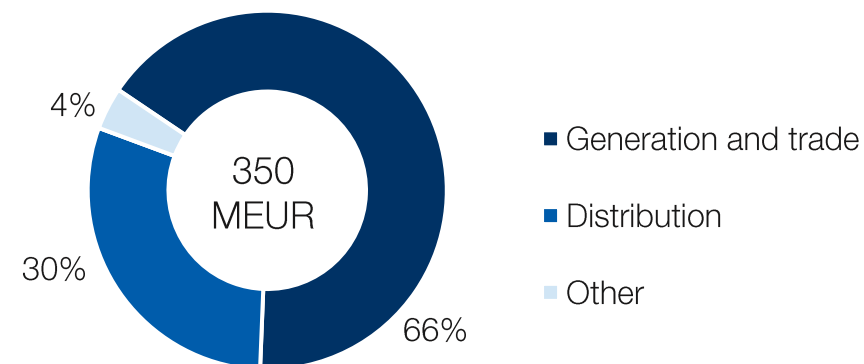
## Revenue weight by segments



## EBITDA dynamics by segments



## EBITDA weight by segments

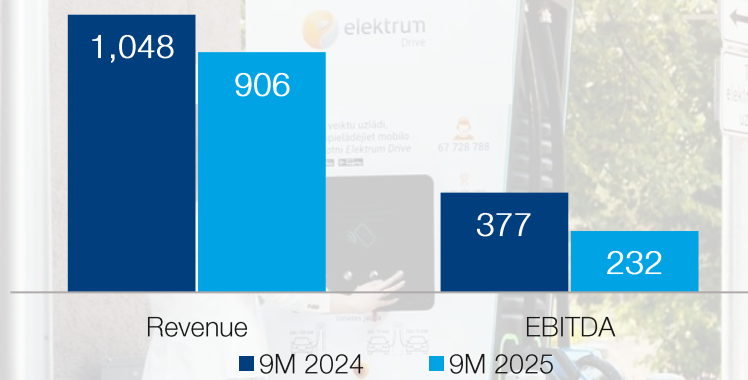




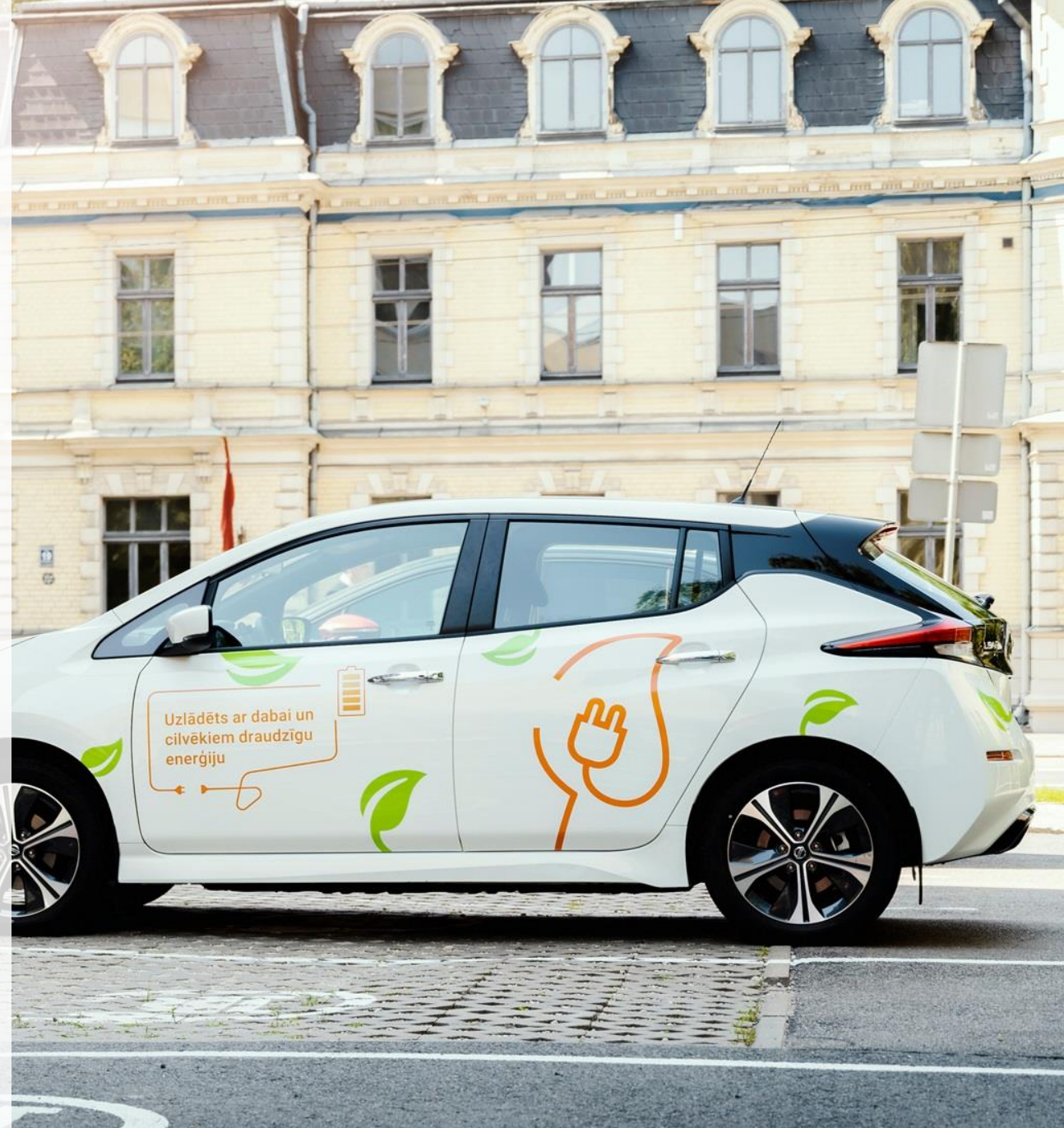
# Generation and trade

## Revenue and EBITDA

MEUR

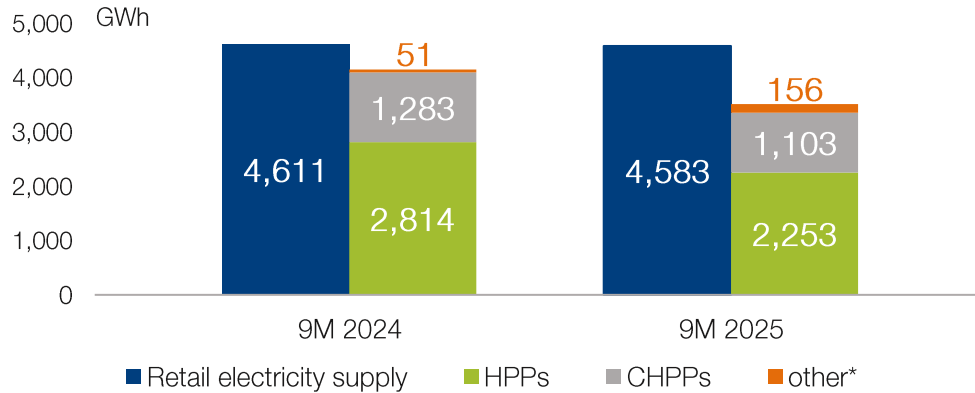


- Electricity consumption in the Baltic states decreased by 1.3%, while natural gas consumption decreased by 9%
- The segment's revenue was negatively impacted by lower energy sales prices and lower wholesale volumes
- The segment's EBITDA negatively impacted by
  - 20% lower output at the Daugava HPPs
  - 19% lower retail electricity sales prices
- Latvenergo Group operates in all energy trade segments in Latvia, Lithuania and Estonia



# Generation

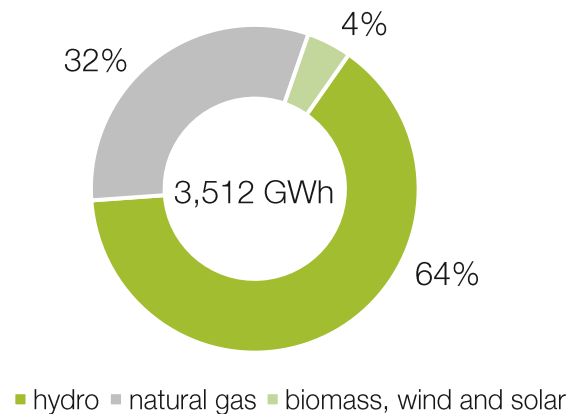
## 3,512 GWh of electricity generated



## Latvenergo produced 24% of the total electricity generated in the Baltics

- Electricity generated at *Latvenergo* corresponds to 77% of the electricity sold at retail
- Electricity generation at the Daugava HPPs reduced by 20%, and at Latvenergo CHPPs, it's down by 14%
- 144 GWh of electricity generated at SPPs and WPPs (+289%)
- 984 GWh of thermal energy generated (−13%)

## 69% of the electricity was generated from RES

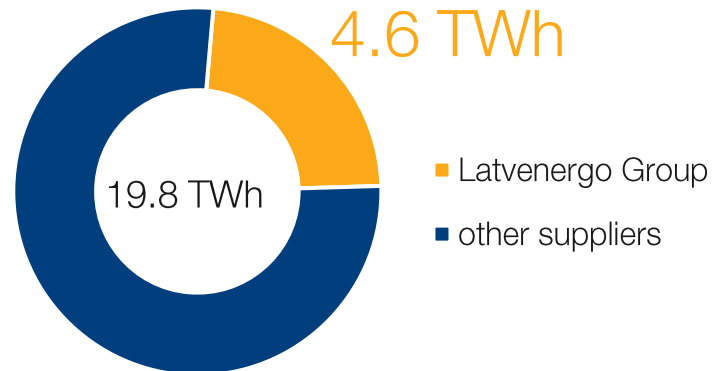




# Trade

The number of electricity customers is up by 3% and natural gas +17%

Electricity market in the Baltics

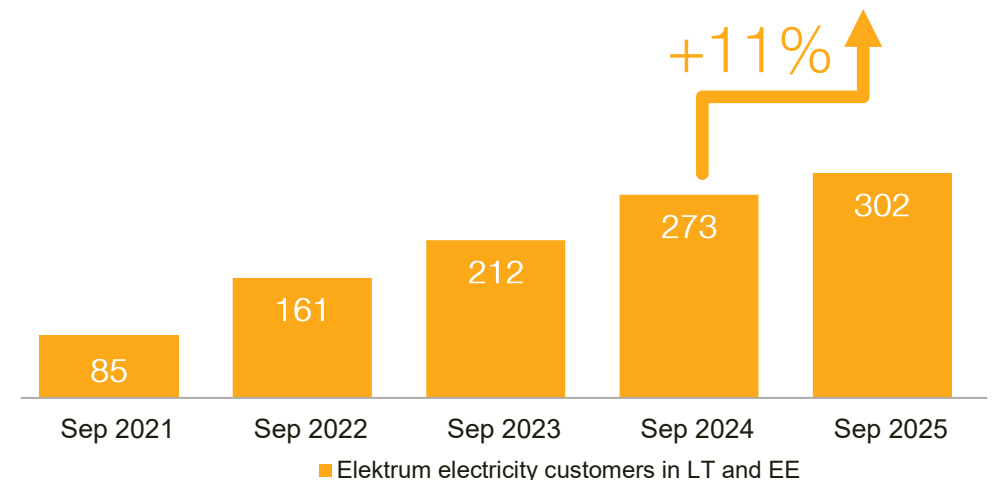


4.6 TWh of electricity\* sold to Baltic retail customers (-0.6%). ~1/2 of it sold outside Latvia. The number of customers exceeded 911 thsd.



1.1 TWh of natural gas sold to Baltic retail customers (+37%). The number of customers exceeded 73 thsd.

The number of *Elektrum* customers in neighbouring countries increased



*Elektrum Drive* public electric car charging network in the Baltics had 1,001 charging ports at the end of September

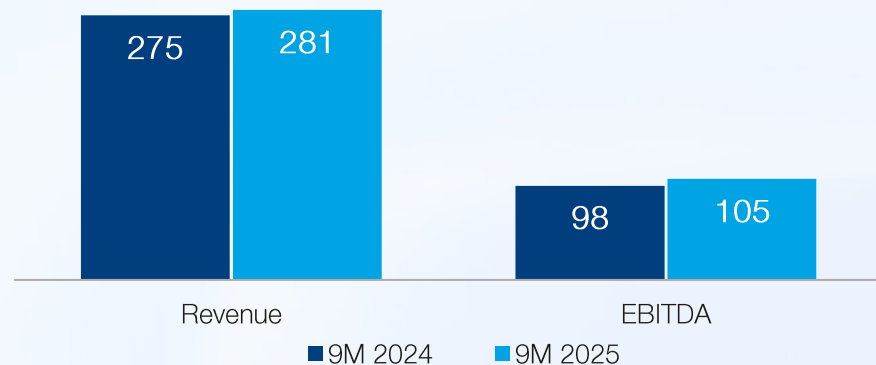


At the end of September, the total number of *Elektrum Insured* customers exceeded 167 thsd.

# Distribution

## Revenue and EBITDA

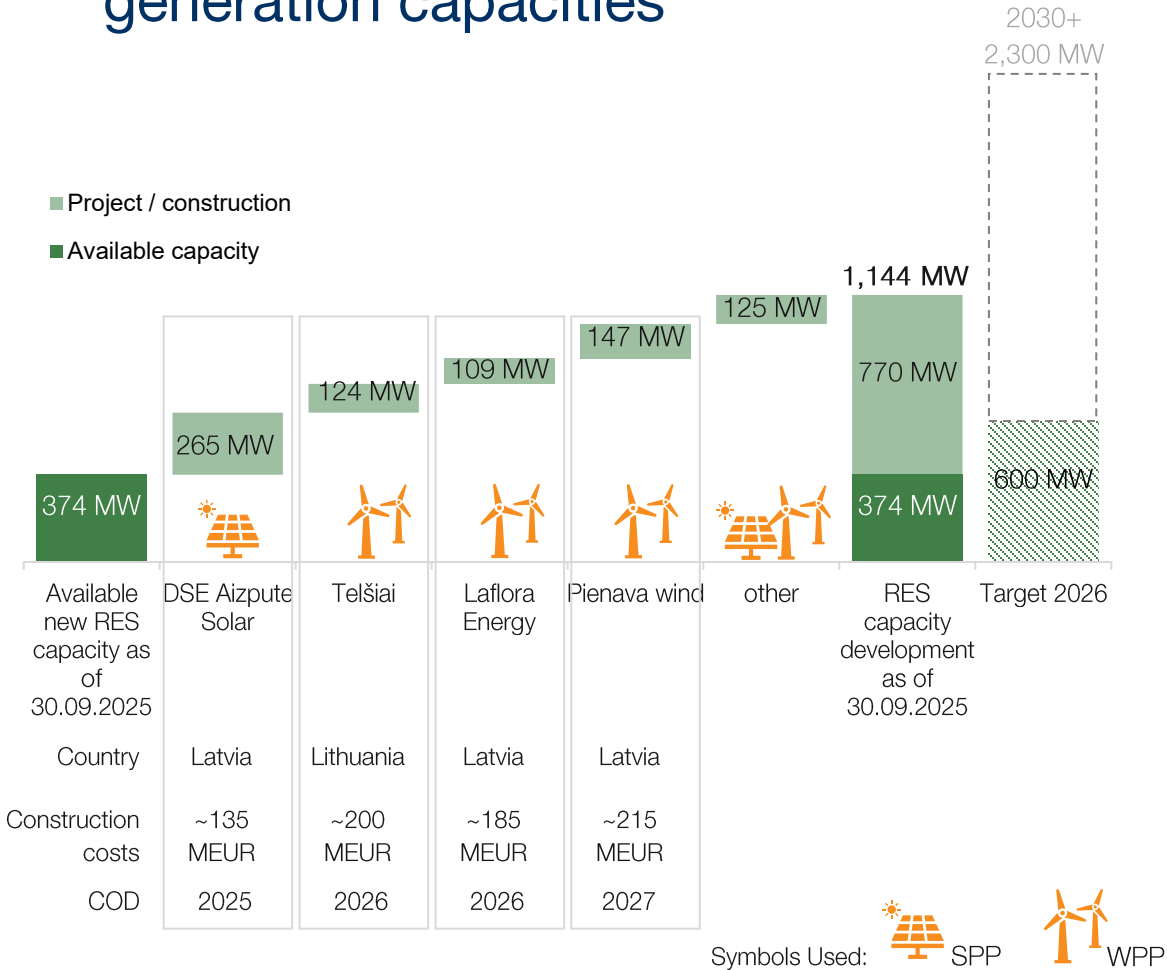
MEUR



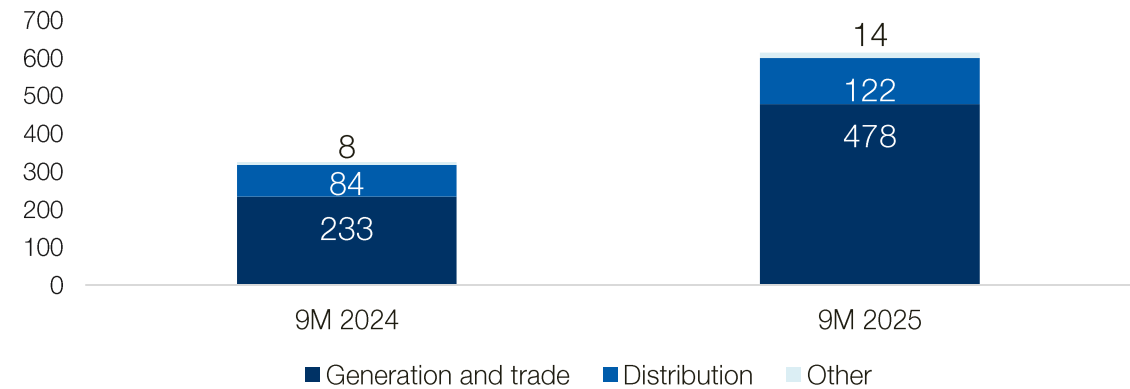
- Electricity distributed: 4,581 GWh (+2%)
- Financial results were positively affected by higher distributed electricity volumes
- 122 MEUR invested in distribution assets (+45%)
- Quality of the energy supply increased\*:
  - SAIFI: 1.3 times (−27%)
  - SAIDI: 101 min. (−43%)

# Investments

## Development of renewable energy generation capacities



## Investments grew by 90% to 614 MEUR

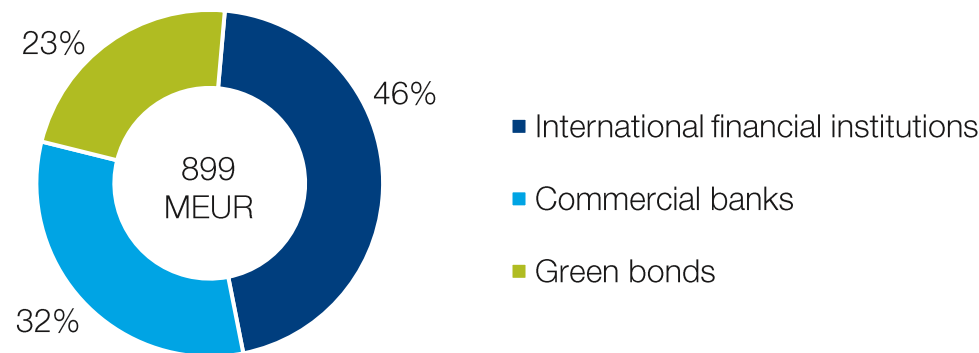


- 447 MEUR were allocated towards the development of wind and solar parks, which is 3/4 of the Group's total investments
- At the end of September, Latvenergo Group had 22 SPPs with an installed capacity of 353 MW and 2 WPPs with an installed capacity of 20.8 MW
- RES capacities currently in the project or construction stage are expected to be gradually commissioned in 2025-2027
- BESS projects are also being developed. At the end of September, 5 BESS projects with a total capacity of 48 MW and storage of 108 MWh are in procurement or under construction
- Investments in network assets allows to improve the quality of the power network services and technical parameters



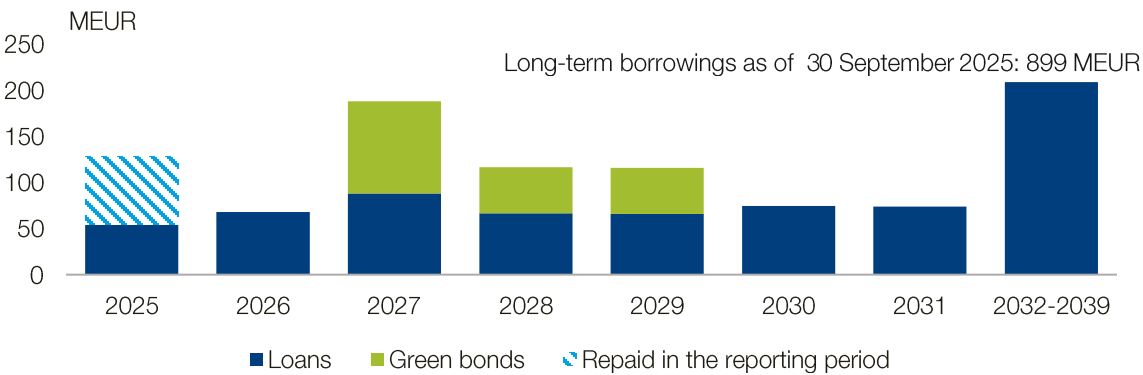
# Investment funding

## Diversified long-term funding



- In February, Latvenergo AS for the fourth time won the award for the best investor relations among all bond issuers on the Nasdaq Baltic regulated markets in the Baltic countries
- In the reporting period, Latvenergo AS secured a long-term loan of MEUR 200 from the European Investment Bank with a repayment term of 15 years and signed overdraft agreements with Swedbank AS, OP Corporate Bank plc Latvia branch, and AB SEB Bank, totalling MEUR 300
- On 31 October 2025, Moody's reaffirmed the Latvenergo AS credit rating at Baa2 with a stable outlook
- On 13 November 2025, Latvenergo AS carried out a EUR 400 million European green bond issue under its Euro Medium Term Note Programme

## Long-term debt repayment schedule



## Main figures of the long-term debt portfolio

	30.09.2025.
Share of fixed interest rate*	30%
Weighted average fixed interest rate duration*	1.0 year
Weighted average effective interest rate*	3.0%

# Thank you!

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# Abbreviations

CHPPs –	Latvenergo AS combined heat and power plants
Daugava HPPs –	Daugava hydropower plants
EBITDA –	Earnings before interest, corporate income tax, share of profit or loss of associates, depreciation and amortization, and impairment of intangible and fixed assets
EU –	European Union
IFRS –	International Financial Reporting Standards
MEUR –	Million euros
MWh –	Megawatt hour (1,000,000 MWh = 1,000 GWh = 1 TWh)
RES –	Renewable energy sources
SAIDI –	System Average Interruption Duration Index
SAIFI –	System Average Interruption Frequency Index
SPP –	Solar power plant

# Consolidated Statement of Profit or Loss\*

	EUR'000	
	01/01- 30/09/2025	01/01- 30/09/2024
Revenue	1,160,204	1,305,125
Other income	23,182	22,853
Raw materials and consumables	(664,933)	(675,904)
Personnel expenses	(119,231)	(115,024)
Other operating expenses	(49,015)	(49,800)
<b>EBITDA</b>	<b>350,207</b>	<b>487,250</b>
Depreciation, amortisation and impairment of intangible assets, property, plant and equipment (PPE) and right-of-use assets	(134,033)	(167,655)
<b>Operating profit</b>	<b>216,174</b>	<b>319,595</b>
Finance income	5,433	11,938
Finance costs	(12,120)	(16,384)
<b>Profit before tax</b>	<b>209,487</b>	<b>315,149</b>
Income tax	(45,540)	(53,851)
<b>Profit for the period</b>	<b>163,947</b>	<b>261,298</b>
<b>Profit attributable to:</b>		
– Equity holder of the Parent Company	163,413	260,476
– Non-controlling interests	534	822

# Consolidated Statement of Financial Position\*

	EUR'000	
	30/09/2025	31/12/2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	121,078	105,566
Property, plant, and equipment	3,985,270	3,523,090
Right-of-use assets	41,507	31,910
Investment property	1,889	2,098
Non-current financial investments	40	82
Non-current loans to related parties	–	22,244
Other non-current receivables	514	540
Deferred income tax assets	1,635	1,857
Derivative financial instruments	2,760	2,124
<b>Total non-current assets</b>	<b>4,154,693</b>	<b>3,689,511</b>
<b>Current assets</b>		
Inventories	181,326	169,562
Current intangible assets	28,599	54,616
Receivables from contracts with customers	142,524	190,108
Other current receivables	21,389	32,928
Deferred expenses	3,477	3,196
Prepayment for income tax	1,678	491
Derivative financial instruments	12,936	1,298
Other current financial investments	–	209,842
Cash and cash equivalents	46,706	86,554
<b>Total current assets</b>	<b>438,635</b>	<b>748,595</b>
<b>TOTAL ASSETS</b>	<b>4,593,328</b>	<b>4,438,106</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	1,076,324	790,368
Reserves	1,665,560	1,660,068
Retained earnings	245,715	549,328
<b>Equity attributable to equity holder of the Parent Company</b>	<b>2,987,599</b>	<b>2,999,764</b>
Non-controlling interests	6,082	7,162
<b>Total equity</b>	<b>2,993,681</b>	<b>3,006,926</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	802,164	615,280
Lease liabilities	40,051	29,828
Deferred income tax liabilities	6,323	8,003
Provisions	18,816	17,113
Derivative financial instruments	2,023	–
Deferred income from contracts with customers and advances received	152,577	150,842
Other deferred income	119,143	112,408
Other non-current liabilities	21,549	21,592
<b>Total non-current liabilities</b>	<b>1,162,646</b>	<b>955,066</b>
<b>Current liabilities</b>		
Borrowings	150,862	128,125
Lease liabilities	2,533	2,723
Trade and other payables	171,063	210,487
Deferred income from contracts with customers and advances received	52,281	48,700
Other deferred income	25,423	25,104
Provisions	31,020	48,010
Derivative financial instruments	3,819	12,965
<b>Total current liabilities</b>	<b>437,001</b>	<b>476,114</b>
<b>Total liabilities</b>	<b>1,599,647</b>	<b>1,431,180</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,593,328</b>	<b>4,438,106</b>



# Consolidated Statement of Cash Flows\*

	EUR'000	
	01/01- 30/06/2025	01/01- 30/06/2024
<b>Cash flows from operating activities</b>		
Profit before tax	209,487	315,149
<b>Adjustments:</b>		
– Depreciation, amortisation and impairment of intangible assets, property, plant and equipment (PPE) and right-of-use assets	134,033	167,655
– Loss from disposal of non-current assets	3,490	3,550
– Interest expense	11,515	16,208
– Interest income	(4,171)	(9,431)
– Fair value (gain) / loss on derivative financial instruments	(9,073)	810
– Decrease in provisions	(15,288)	(10,025)
– Share of profit of an associate and a joint venture	(196)	–
Interest paid	(19,669)	(17,293)
Interest received	5,399	9,786
Paid corporate income tax	(48,217)	(56,046)
<b>Funds from operations (FFO)</b>	<b>267,310</b>	<b>420,363</b>
Decrease in inventories and current intangible assets	14,396	38,402
Decrease in receivables from contracts with customers and other receivables	55,875	87,906
Decrease in other current financial investments	210,000	60,000
Decrease in trade and other liabilities	(63,144)	(85,347)
<b>Net cash flows generated from operating activities</b>	<b>484,437</b>	<b>521,324</b>
<b>Cash flows from investing activities</b>		
Loans issued to related parties	(7,737)	(20,744)
Purchase of intangible assets and PPE	(563,382)	(279,779)
<b>Net cash flows (used in) investing activities</b>	<b>(571,119)</b>	<b>(300,523)</b>
<b>Cash flows from financing activities</b>		
Proceeds on borrowings from financial institutions	283,541	57
Repayment of borrowings from financial institutions	(73,930)	(51,235)
Received financing from European Union	26,498	2,867
Lease payments	(1,758)	(1,405)
Acquisition of non-controlling interests	–	(400)
Dividends paid to non-controlling interests	(1,614)	(2,079)
Dividends paid to equity holder of the Parent Company	(185,903)	(212,199)
<b>Net cash flows from (used in) financing activities</b>	<b>46,834</b>	<b>(264,394)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(39,848)</b>	<b>(43,593)</b>
Cash and cash equivalents at the beginning of the period	86,554	118,456
<b>Cash and cash equivalents at the end of the period</b>	<b>46,706</b>	<b>74,863</b>