

Latvenergo Group publishes unaudited financial results for the first half of 2025

Today, on 29 August, Latvenergo Group published its unaudited condensed interim consolidated financial statements for the first six months of 2025.

In the first half of 2025, Latvenergo generated 24% of the electricity produced in the Baltic states, but overall generation at the production facilities of the Group decreased by 26% year-on-year. This was determined by generation at the Daugava hydropower plants (HPPs) – it decreased by 36% compared to the first half of 2024. Generation of electricity at the combined heat and power plants (CHPPs) of Latvenergo AS has also seen a 7% decrease, while electricity generation at new solar and wind power plants has increased almost fivefold. As part of the growth strategy in the regional sector of electricity generation from renewable energy sources, investments increased 2.2 times, reaching EUR 392 million.

Latvenergo sold 4,071 GWh of electricity and natural gas to its customers in the Baltic states, which accounts for a 3% year-on-year increase. Meanwhile, the number of electricity customers of Elektrum increased by 3%, and natural gas customers – by 20%.

Due to the reduction in generation by the Daugava HPPs and the developments affecting market conditions, the revenue of Latvenergo Group is 11% lower and EBITDA – 31% lower than in the same period last year, reaching EUR 847 million and EUR 272 million, respectively.

In the reporting period, the main factors affecting the results of Latvenergo AS included lower inflow into the Daugava River and, respectively, lower volumes of electricity produced by the Daugava HPPs, as well as a drop in electricity and natural gas consumption in the Baltic states due to warmer weather conditions, combined with lower sales prices of energy.

During the reporting period, the amount of electricity generated by the Daugava HPPs decreased by 36% compared to the first half of 2024, reaching 1,647 GWh. The decrease in electricity generation at the Daugava HPPs is mainly explained by the comparatively high inflow in the Daugava River during the first half of 2024, which resulted in the third highest first half-year generation output in history. This year, however, lower inflow in the Daugava River decreased electricity generation at the Daugava HPPs.

Adapting to market conditions, the CHPPs of Latvenergo AS generated 887 GWh of electricity, which is 7% less than a year earlier. Meanwhile, due to warmer weather conditions, the Group's heat production decreased by 12% to 916 GWh. In the same period, the electricity generated by *Latvenergo* accounted for 24% of the total electricity generation in the Baltic states, and 66% of electricity was generated from renewable energy sources. The renewable sources portfolio is increasingly complemented by new capacities of SPPs and WPPs, which generated 57 GWh of electricity in the first half of the year – almost five times more than a year ago. Overall, electricity generation at all production facilities of *Latvenergo* saw a 26% drop year-on-year, reaching 2,603 GWh.

In the first half of 2025, electricity consumption in the Baltic states decreased by 2% and natural gas consumption – by 7% compared to the same period a year earlier. Despite the drop in consumption during this period, the overall retail energy sales in the Baltic states increased by 3%, reaching 4,071 GWh. The number of electricity customers of *Elektrum* also increased by 3%, and that of natural gas customers – by 20%. The Group continues to strengthen its positions in the strategically important household and small business segments by selling almost half of its retail electricity outside Latvia. *Latvenergo* sold 1,540 GWh of electricity outside Latvia, while total electricity sales reached 3,182 GWh, which is 5% less than in the same period last year. Although natural gas consumption in the Baltic states continues to decline, natural gas sales of Latvenergo increased by 44% and reached 889 GWh.

In the first half of 2025, the investments reached EUR 392 million, which is 2.2 times more than in the same period a year earlier. At the end of the reporting period, the newly built RES capacity in the Baltic states already reached 179 MW, and there are solar and wind farms with a total capacity of 965 MW under design or construction in the Baltic states. This brings the total approved portfolio of new RES projects to 1,144 MW. On 22 May 2025, the foundation stone was laid for an ambitious investment project of Latvenergo – the *Laffora Energy* wind farm, which will start generating electricity in the summer of 2026.

Meanwhile, in June, Akmene WPP, with a total capacity of 19.6 MW, was commissioned in Lithuania. These and other RES projects of *Latvenergo* Group contribute to the achievement of the objectives of its strategy for 2022–2026 by investing in new solar and wind power plant capacities. As much as 3/4 of the total investment during the reporting period, or EUR 291 million, was made into these capacities. The largest projects include the construction of Aizpute SPP in Latvia (265 MW); *Pienava Wind* WPP in Latvia (147 MW); *Telšiai* WPP in Lithuania (124 MW); and *Laflora Energy* WPP in Latvia (109 MW). The aforementioned Pienava Wind WPP project (147 MW), which will start generating electricity in 2027, was acquired by Latvenergo AS in June, and the estimated construction investment in the project is around EUR 215 million.

The reduction in electricity generated by the Daugava HPPs, as well as the 18% drop in retail electricity prices, has affected the results of Latvenergo Group. The revenue of the Group is 11% lower, reaching EUR 847 million. EBITDA is EUR 272 million, or a 31% drop, and the profit for the period is EUR 135 million, which is a 46% drop year-on-year.

At the end of the reporting period, the Finnish-Estonian interconnector Estlink 2 returned to service after deliberate damage in late 2024, which limited electricity imports from the Nordic countries.

After the end of the reporting period, in July 2025, Latvenergo AS and Latvijas Valsts radio un televīzijas centrs VAS 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.

The unaudited condensed interim financial statements of Latvenergo Group for the first 9 months of 2025 will be published on 28 November 2025. The unaudited condensed interim consolidated financial statements of Latvenergo Group, covering the first six months of 2025, are available in the [Investors/Reports](#) section.

