



Unaudited Condensed Interim Financial Statements

for the 3-month period ended March 31,
2025

MAIN ACTIVITIES



Results of storage capacity auctions

Starting from 2025, Conexus offers a five-year bundled capacity product in the auction. During the review period, auctions for the five-year bundled capacity product were held and concluded, with a total capacity of 7.4 TWh was reserved by system users at an effective rate of 2.05 EUR/MWh/storage cycle. The total requested volume of the five-year bundled capacity product was approximately twice the available storage capacity in the auction.



Natural gas stored in Inčukalns UGS

At the end of the reporting period, the Inčukalns Underground Gas Storage (PGK) contains 9.3 TWh of natural gas (including 1.8 TWh of energy supply security reserves and 2.4 TWh of solidarity product capacity), which is 16% less than at the end of Q1 2024.



Natural gas supply

During the reporting period, natural gas deliveries from the Inčukalns Underground Gas Storage (PGK) amounted to 7 TWh, which is 3% more than in the corresponding period of the previous year, and from Lithuania – 1.6 TWh, which is three times more than in the corresponding period of the previous year. The total volume of transported natural gas in Latvia during the reporting period reached 8.6 TWh, which is 18% more than in the corresponding period of the previous year.



MAIN ACTIVITIES



Natural gas consumption in Latvia

The volume of natural gas consumption for the needs of Latvian users in the 1st quarter of 2025 reached 3.8 TWh, which is 10% less than the previous year. The decrease in natural gas consumption was influenced by warm weather conditions.



The construction of a biomethane injection point (BIP) in Džūkste parish

Active work is underway on the implementation of the biomethane injection point project in Džūkste parish, and the start of this point's operation is planned for the summer of 2025. The project has been granted co-financing of EUR 1.5 million from the European Union's Recovery and Resilience Facility. During the reporting period, 0.04 TWh of biomethane produced in Latvia was injected into the interconnected gas system.



FURTHER DEVELOPMENT



Granting of EUR 6.8 million funding for further research of the Northern-Baltic Hydrogen Corridor

The European Commission has announced the allocation of EUR 6.8 million from the Connecting Europe Facility (CEF) for further research on the Northern-Baltic Hydrogen Corridor. The study, which will last until mid-2026, will focus on financial and economic analysis, environmental and safety issues, route planning, and the development of other measures necessary for the successful implementation of the project.



EUR 5.7 million investment in the natural gas transmission system

To ensure continuous and safe gas transmission, Conexus will invest EUR 5.7 million in the development and maintenance of the gas transmission network in 2025.



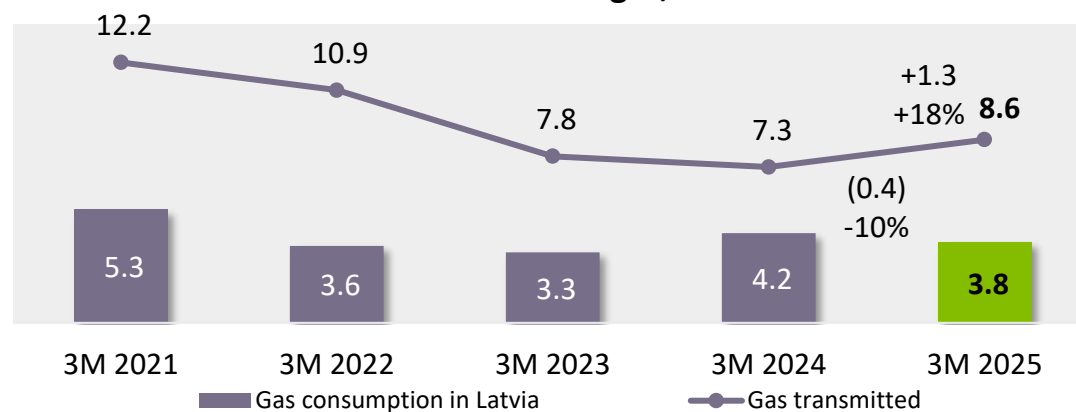
EUR 10.6 million investment in the modernization of the Inčukalns UGS in 2025

Active work continues on the Inčukalns UGS modernization project, which is planned to be completed in 2025. Within the framework of the project, an investment of EUR 10.6 million is planned for 2025. The total investment in the Inčukalns PGK modernization project over seven years amounts to EUR 99.5 million, of which EUR 44 million is covered by funding from the Connecting Europe Facility (CEF) funds.

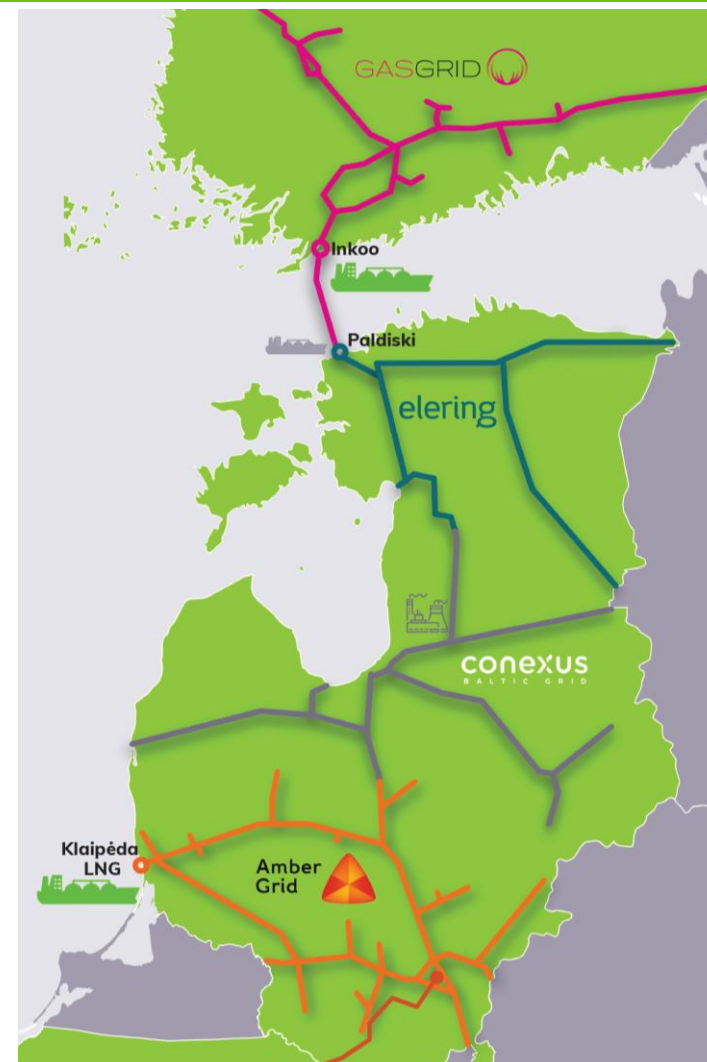
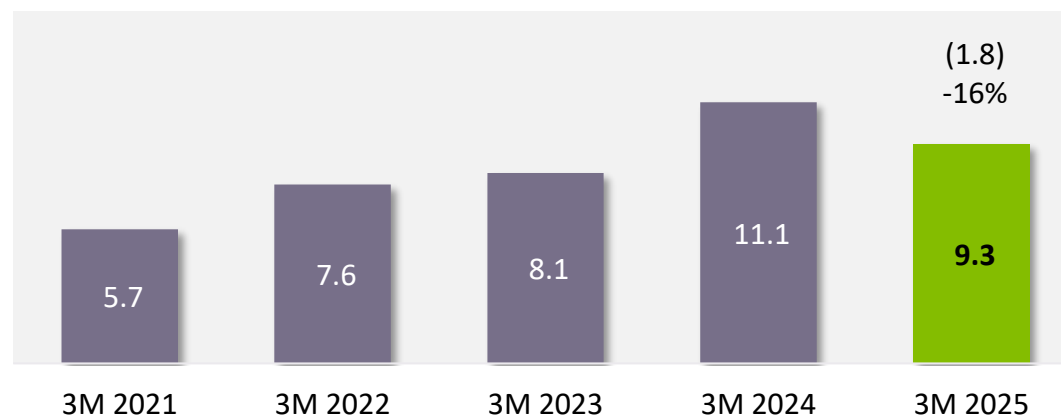


KEY FACTS

Transmitted natural gas, TWh

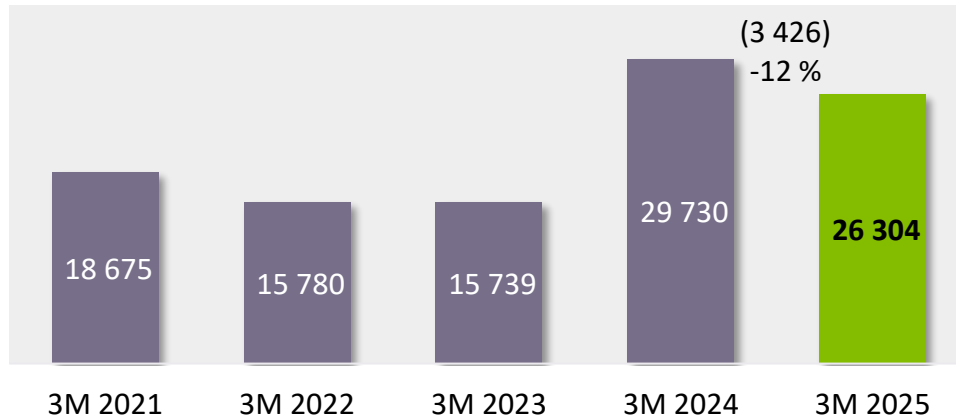


Inčukalns UGS filling at the end of reporting period, TWh

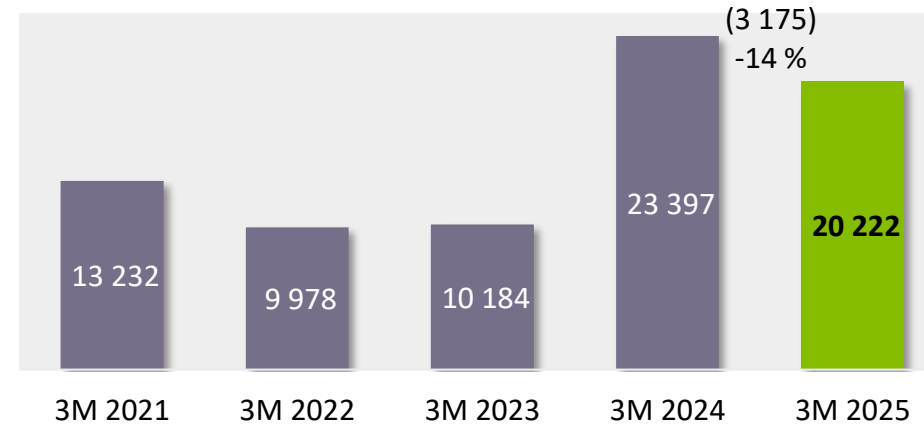


MAIN FINANCIAL INDICATORS, '000 EUR

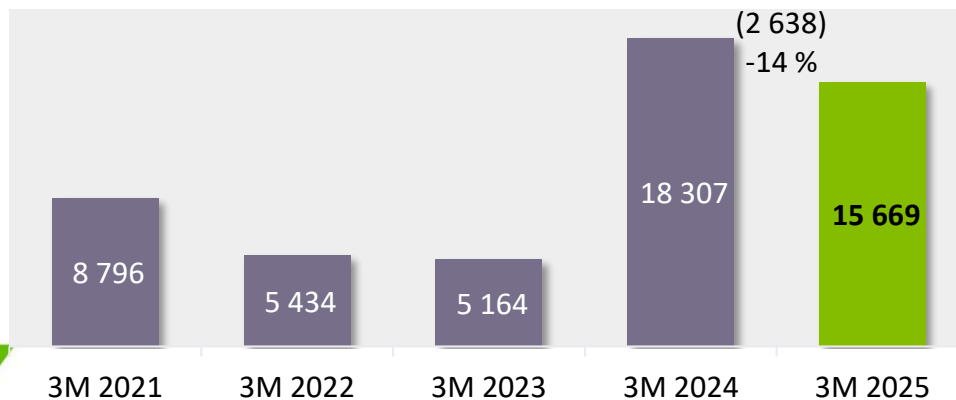
Revenue



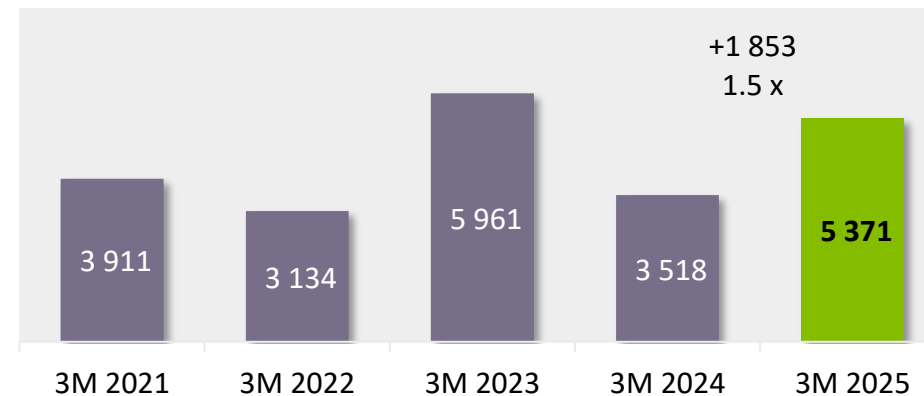
EBITDA



Net profit

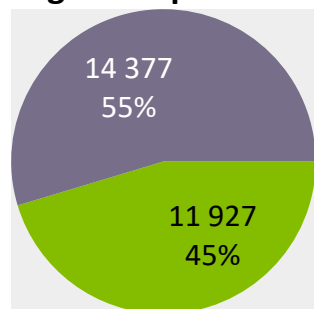


Capital investments



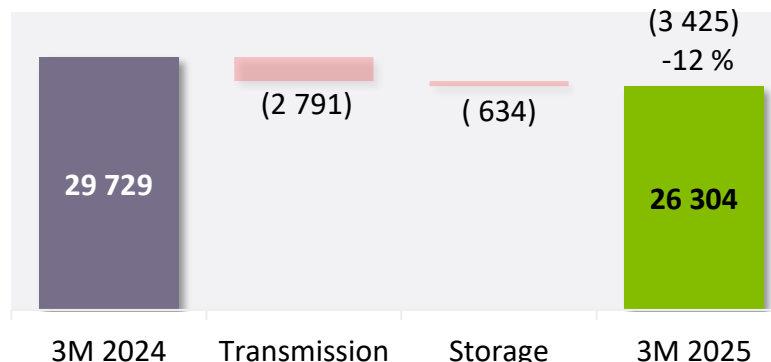
SEGMENT SPLIT, '000 EUR

Revenue
segment split



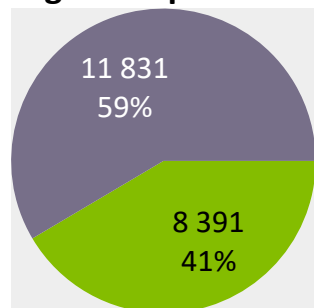
■ Transmission ■ Storage

Revenue



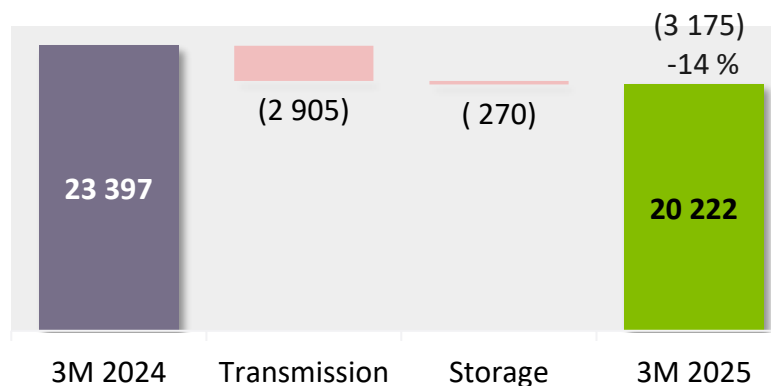
- Revenue is 12% lower than in the corresponding reporting period of previous year;
- EBITDA indicator decreased by 14% during the reporting period, reaching EUR 22.2 million;
- Revenue and EBITDA were negatively impacted by transmission revenue decrease by 19% compared to the corresponding reporting period of previous year.

EBITDA
segment split



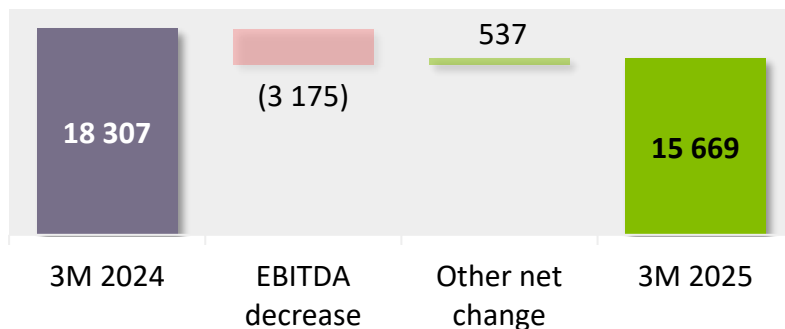
■ Transmission ■ Storage

EBITDA

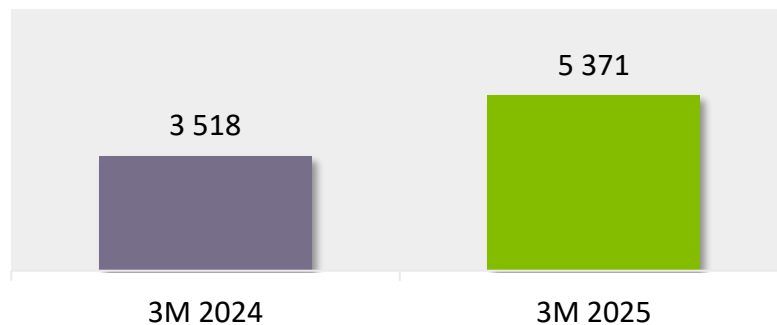


CAPITAL INVESTMENTS, `000 EUR

Net profit



Capital investments



- The profit for the reporting period is EUR 15.7 million, which is a decrease of 14% compared to the corresponding period of the previous year. The decrease in profit reflects a reduction in the EBITDA indicator for the reporting year.
- The largest projects in storage segment:
 - reconstruction of wells, installation of a new gas pumping unit, and reconstruction of gas collection point No. 3 for EUR 3 619 thousand, implemented within the framework of the significant European common interest project PCI 8.2.4 'Improvement of the operation of the Inčukalns UGS';
 - restoration of the interconnection between Compressor Station I and Compressor Station II – EUR 697 thousand;
 - reconstruction of the compressed air system at Compressor Station II – EUR 285 thousand.
- The largest projects in transmission segment:
 - construction of the biomethane injection point in Džūkste parish – EUR 23 thousand;
 - restoration of the diagnostic piston reception unit near Vireši-Tallinn – EUR 15.5 thousand.

FINANCIAL COVENANTS AND FINANCIAL ASSETS

Financial covenants	31.03.2025.	31.12.2024
Shareholders' equity ratio > 50 %	71%	69%
Net Debt to EBITDA ratio < 5	0.4	0.6
Debt-Service Coverage Ratio (DSCR) > 1.2x	4.2	4.3

Financial covenants set in loan agreements have been complied with during the reporting period.

Conexus has sufficient financial assets to meet its financial needs. The total amount of borrowings at the end of the reporting period is EUR 62 882 thousand. At the end of the reporting period, Conexus has concluded loan agreements amounting to EUR 45 000 thousand.

The background of the slide is a photograph of an industrial facility, likely a refinery or chemical plant. It features a complex network of metal structures, including tall distillation columns, storage tanks, and a series of walkways with yellow safety railings. The sky is clear and blue. A large, semi-transparent green arrow is superimposed on the image, pointing from the left towards the right. The arrow's tail is on the left side of the frame, and its head points towards the right edge. The text 'Thank you!' is written in a bold, green, sans-serif font, positioned on the left side of the slide, partially overlapping the dark grey background and the green arrow.

Thank you!