# GROUP FINANCIAL RESULTS 2025

Audited Consolidated Group Results for 2025

Presentation for investors / in webinar format

Latvia, Riga / April 2026

# SPEAKERS

**Rolands Irklis, Chairman of the Management Board**

**Gatis Junghāns, Member of the Management Board**

# AST GROUP

AST

## AUGSTSPRIEGUMA TĪKLS

Shareholder:

**Republic of Latvia, represented by the Ministry of Climate and Energy** (100%)

Holdings in other companies:

**JSC "Baltic RCC"** (33.3%)
**JSC "Pirmais Slēgtais Pensiju Fonds"** (1.9%)

**REGULATED PUBLIC SERVICE PROVIDER**

**A- STABLE** – Long-term credit rating from S&P Global

conexus BALTIC GRID

Subsidiary:

## CONEXUS BALTIC GRID

Shareholders:

**JSC "Augstsprieguma tīkls"** (68.46%)

**"MM Infrastructure Investments Europe Limited"** (29.06%)

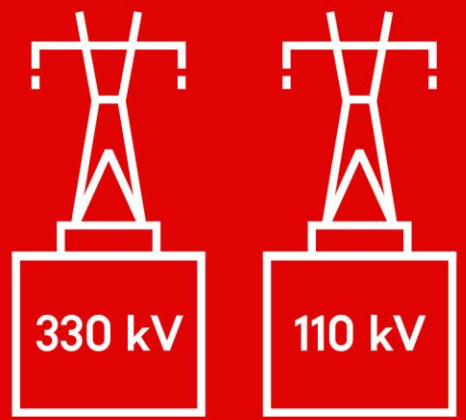
**Minority investors** (2.48%)

**REGULATED PUBLIC SERVICE PROVIDER**

# AST

## INFRASTRUCTURE IN 2025

**5,513 KM**




The backbone of Latvia's electricity system – the transmission grid with 330 kV and 110 kV power transmission lines, with a total length of 5,513 km.

**6 118 GWh**

Transmitted electricity

**×147**

Substations

**×2**

Battery energy storage systems (BESS) ensure frequency regulation and balancing reserves

**×3**

Synchronous condensers maintain system inertia and voltage stability

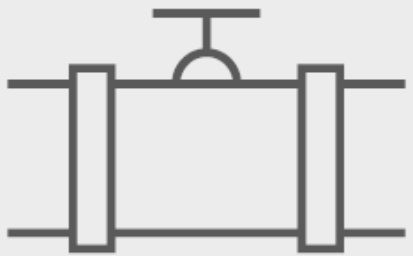
## INFRASTRUCTURE IN 2025

# 1,190 KM

of transmission gas pipelines, connecting Latvia's system with Estonia, Lithuania and the Inčukalns Underground Gas Storage (UGS).


Transmitted gas in 2025

# 25.5 TWh



Gas storage capacity

# 2.3 BILLION M³

Inčukalns UGS is the only operational storage facility of this type in the Baltics. It provides seasonal supply flexibility for the entire region and also allows the storage of mandatory security reserves.

# ACCOMPLISHED
# MILESTONES AND MAIN EVENTS

# THE MAIN PRIORITIES OF AST 2025

## SAFE ELECTRICITY GRID OPERATIONS

Synchronization

Readiness to emergencies

Cybersecurity

## GREEN TRANSFORMATION

Renewable Capacity Connections including Onshore and Offshore

Wind Parks

Green Substations

## DIGITAL TRANSFORMATION

Change Management

Process Improvements

Operations IT Integration

## EMPLOYEE ENGAGEMENT AND DEVELOPMENT

Competencies and skills

AST team

# 09.02.2025. BALTIC ENERGY INDEPENDENCE DAY

# ACCOMPLISHED MILESTONES AND MAIN EVENTS IN 2025

## SUSTAINABILITY

Deployment of synchronous condensers and high-capacity energy storage systems to enhance system stability

Battery storage system with dedicated battery management system was developed to provide frequency regulation for synchronous operation

Digital Kuldīga substation commissioned; green Carnikava substation completed in 2026. **All future substations to be green** and $SF_6$-free

Innovative transmission capacity solutions piloted in Latvia

# SUSTAINABILITY

In 2025, 30 agreements were concluded for the establishment of new connections for renewable energy producers or for changes to the technical parameters of existing connections

**2.9 GW**

**0.8 GW SPP**
**0.6 GW WPP**
**1.6 GW Hybrid**

# SUSTAINABILITY

In 2025, six new connections were established for **solar power plants**, and two existing connections were modified

**505.8 MW**

# ACCOMPLISHED MILESTONES AND MAIN EVENTS IN 2025

## ELECTRICITY AND BALANCING MARKET

**LAUNCH OF THE BALANCING CAPACITY MARKET**

**AST JOINED EUROPE'S PICASSO BALANCING PLATFORM**

**15- MINUTE TRDING IMPLEMENTED IN THE BALTIC MARKET**

**EPEX SPOT ENTERED THE BALTICS, BOOSTING COMPETTITION AND LIQUIDITY**

# ACCOMPLISHED MILESTONES AND MAIN EVENTS IN 2025

## OPERATIONS / TARIFF

20-year electricity transmission license granted in Latvia

PUC updated tariff methodology to improve efficiency and cost recovery

**WACC set at 5.82%**

**Tariff stability secured** for three years after synchronisation and RES growth

# ACCOMPLISHED MILESTONES AND MAIN EVENTS IN 2025

## CONEXUS

EU grant agreement signed for the North-Baltic Hydrogen Corridor

Inčukalns UGS modernisation nearing completion

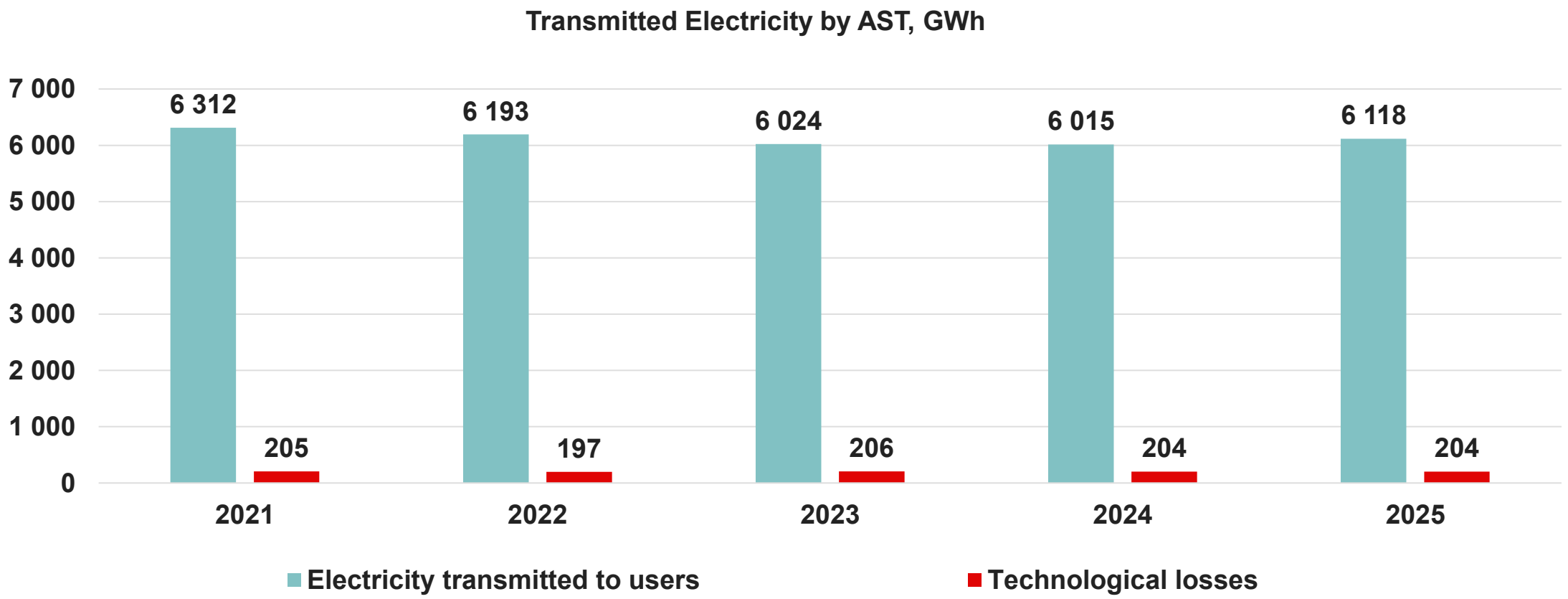
New gas pumping unit installed to improve efficiency and safety

Biomethane injection point commissioned in Džūkste (opened in July)

# GROUP'S
# FINANCIAL AND OPERATIONAL HIGHLIGHTS

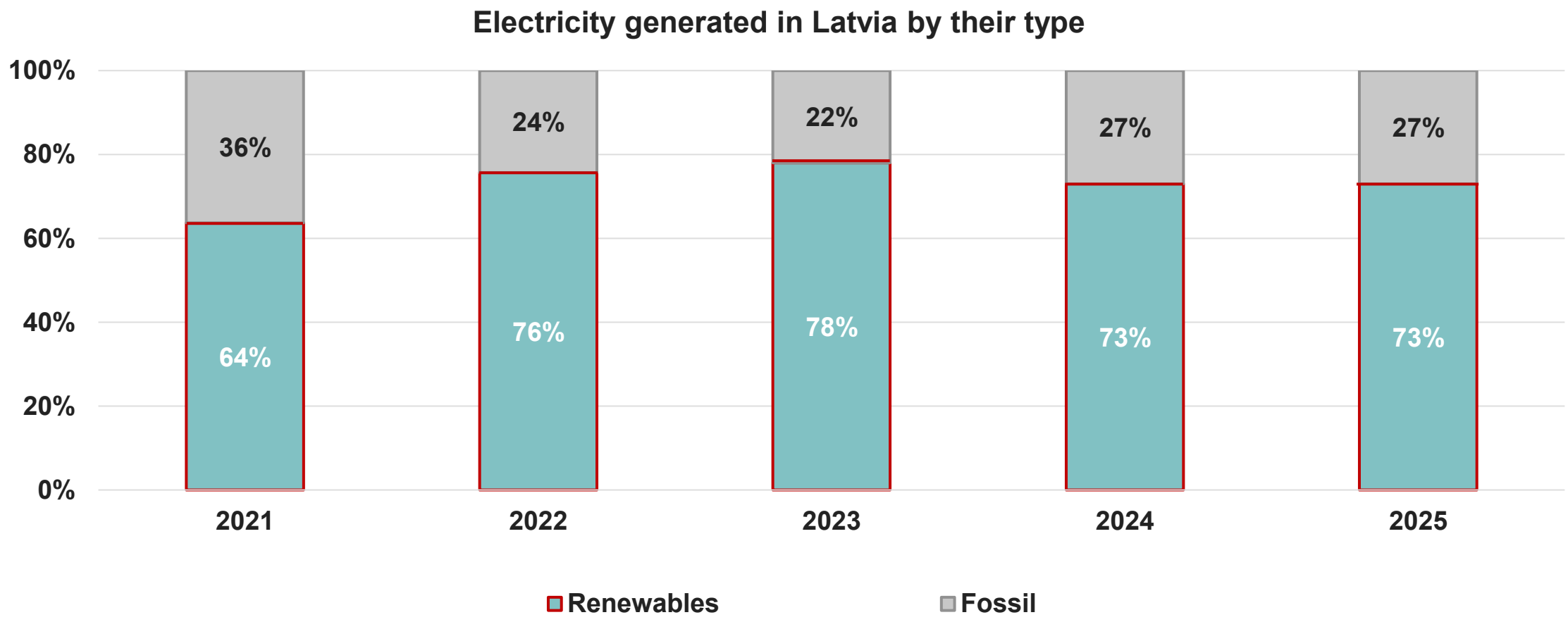
# ELECTRICITY TRANSMITTED TO USERS

The amount of electricity transmitted to users has remained stable over the 5-year period

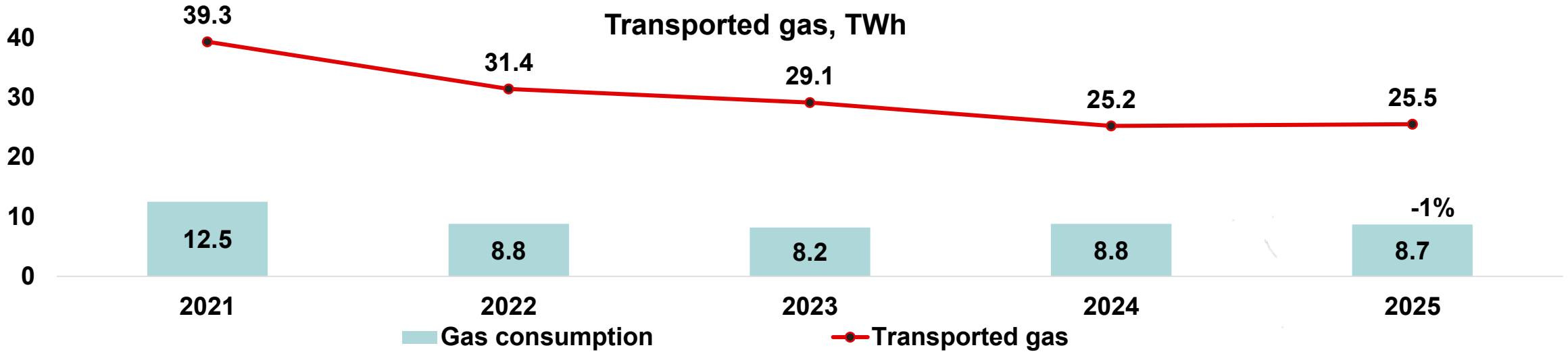


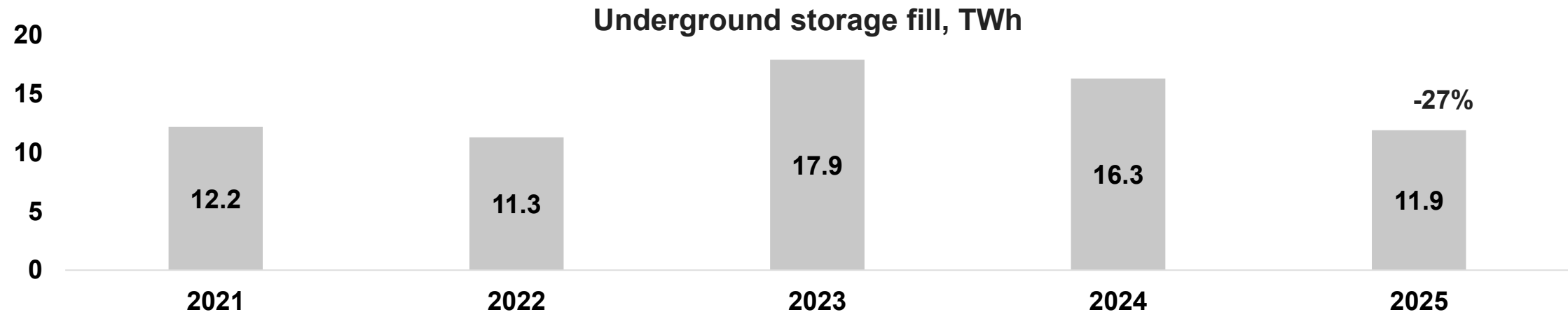
# LATVIA’S RENEWABLE ENERGY PROFILE

Proportion of renewable generated electricity in Latvia remains high



# CONEXUS KEY FACTS

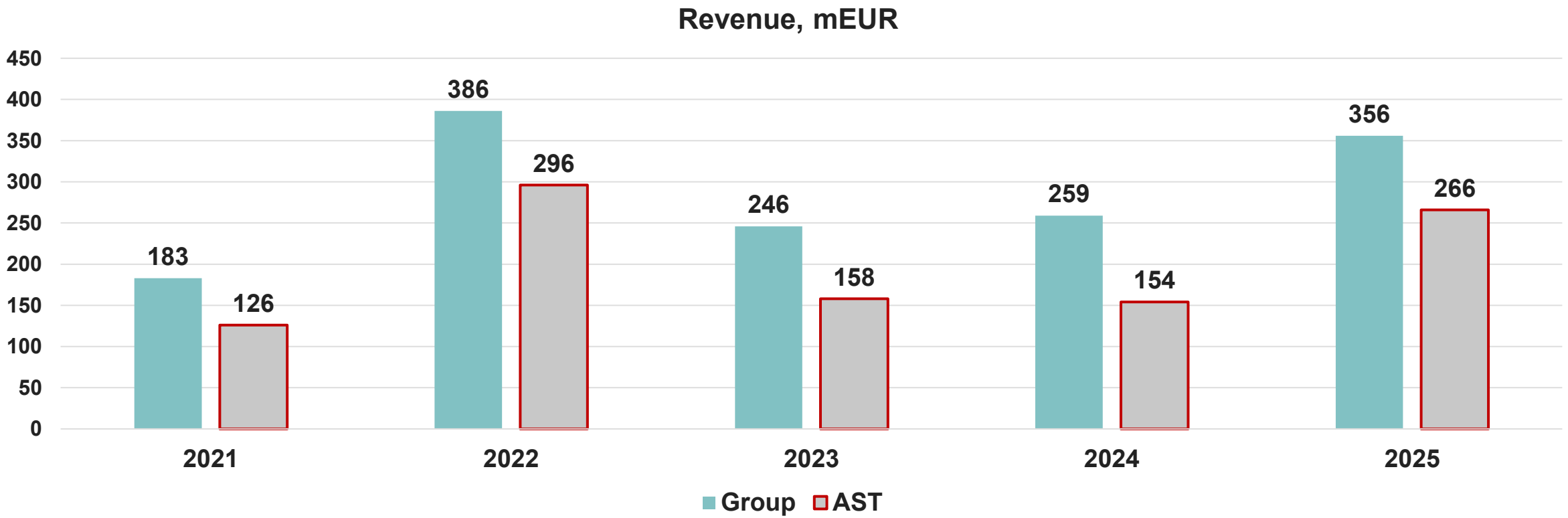


# AST AND GROUP'S KEY FINANCIAL FIGURES

The significant increase of 73% in AST's revenues is mainly driven by higher usage of congestion revenue to cover operating expenses

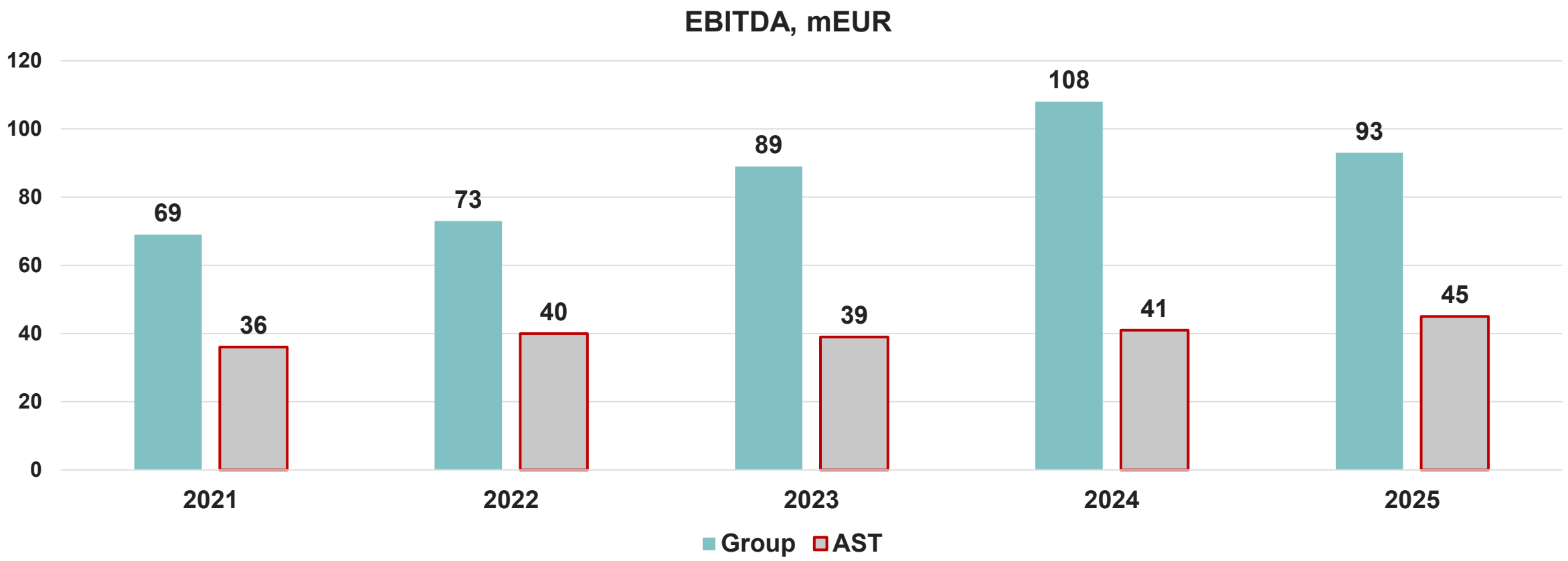
The Group's revenue growth was driven by higher revenues in the electricity transmission segment, while total revenues in the natural gas transmission and storage segment declined by 14%



# AST AND GROUP'S KEY FINANCIAL FIGURES

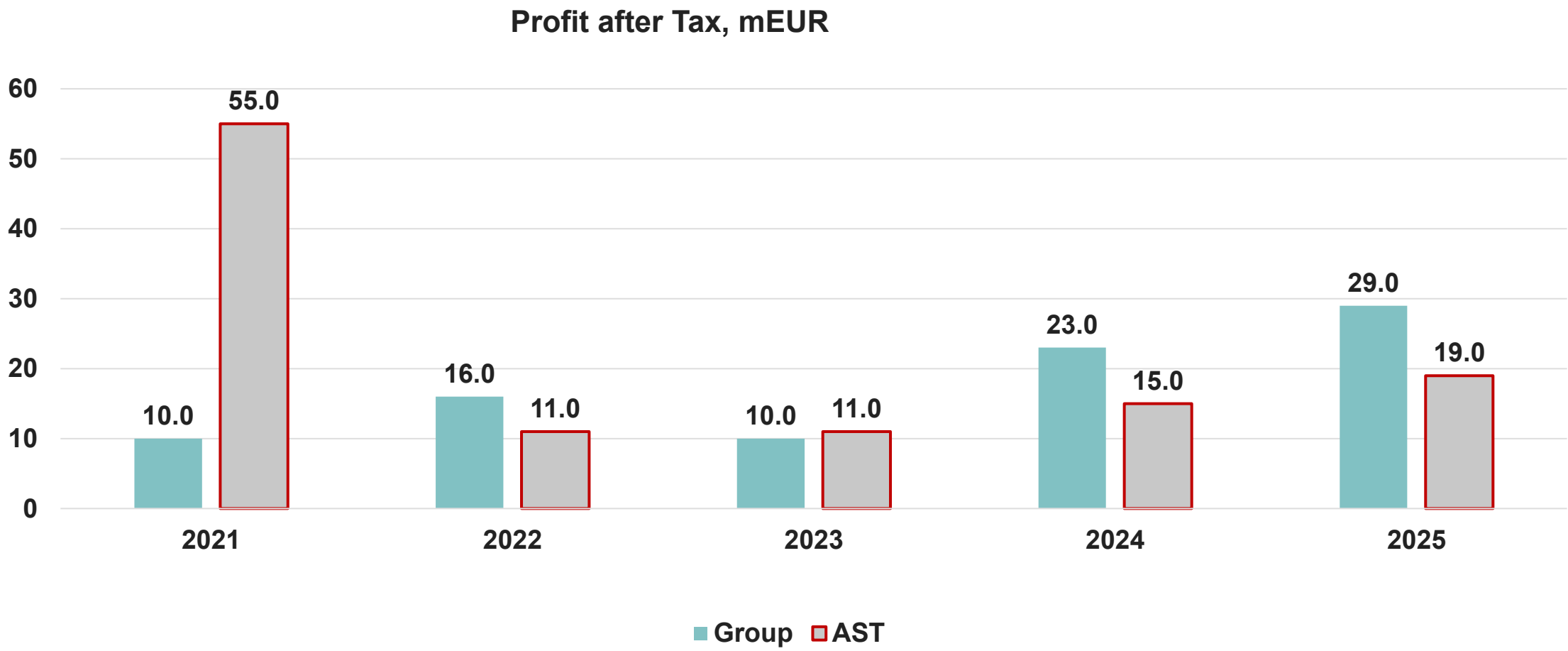
Despite cost pressures, AST achieved stable growth in transmission earnings, increasing EBITDA by 12%

Conexus EBITDA declined by 30%, reflecting weaker demand for natural gas transmission and storage services, which had an impact on overall Group EBITDA - 15%



# AST AND GROUP'S KEY FINANCIAL FIGURES

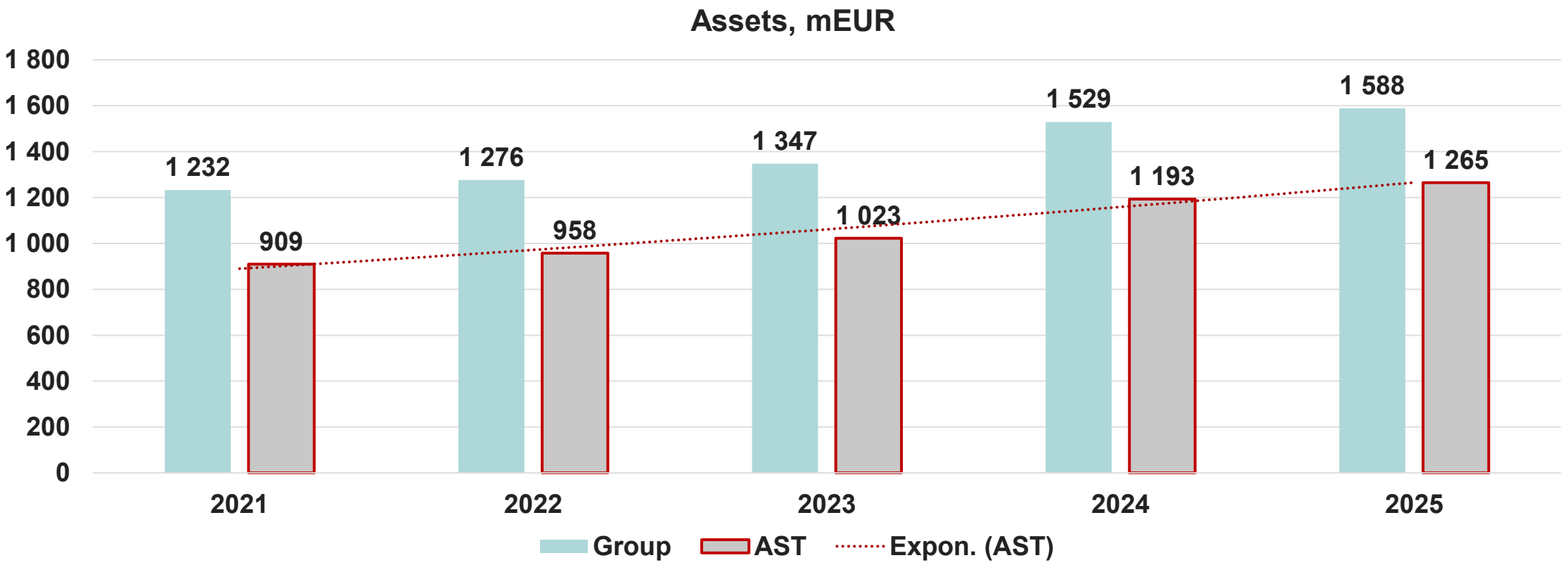
With received dividends from Conexus Baltic Grid, Profit after Tax reached 19 mEUR (vs 15 mEUR in 2024)



# AST AND GROUP'S CAPITAL STRUCTURE

87% of Group assets are long-term infrastructure, reflecting a stable, capital-intensive and regulated business

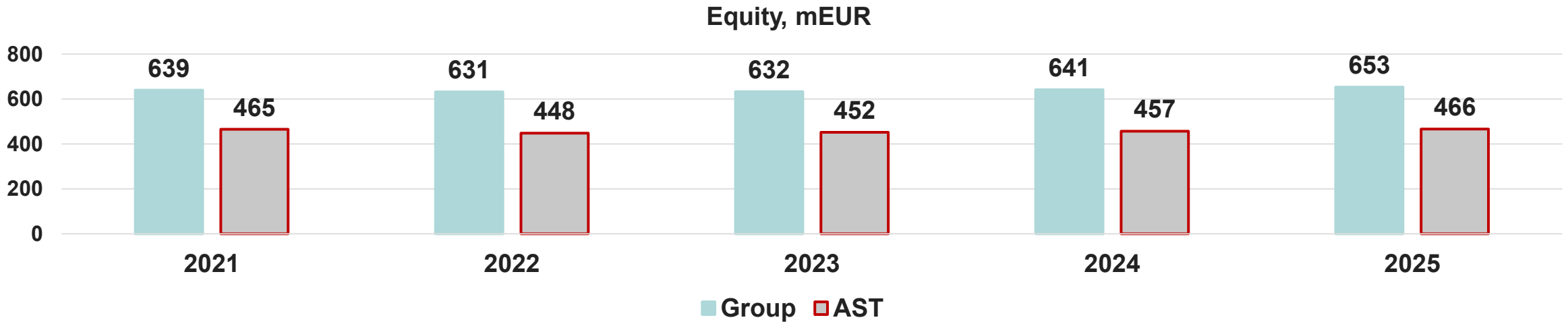
AST and Group asset growth driven by synchronisation with Continental Europe

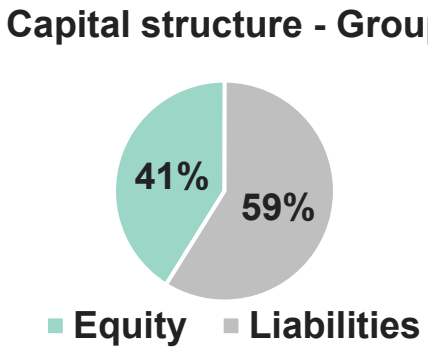


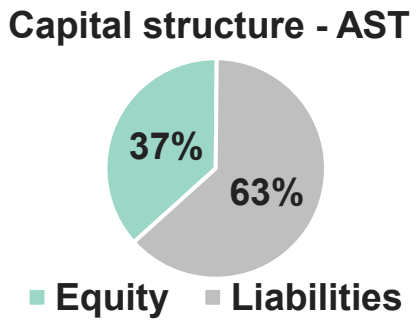
# AST AND GROUP'S CAPITAL STRUCTURE

AST Equity remains stable, with a 2% (9 mEUR) increase

While the equity ratio of AST and the Group has gradually declined due to EU co-financing of CAPEX projects, it remains in line with industry averages



# CAPITAL INVESTMENTS PER SEGMENT

**The largest projects in the Electricity Transmission segment:**

Synchronisation project:

- Completed 3 synchronous condensers
- Completed 80 MW/160 MWh BESS

Existing substation and transmission line reconstructions

Customer requests for connections for renewables

AST Headquarters and system operator system upgrades

**The largest projects in the Gas Transmission segment:**

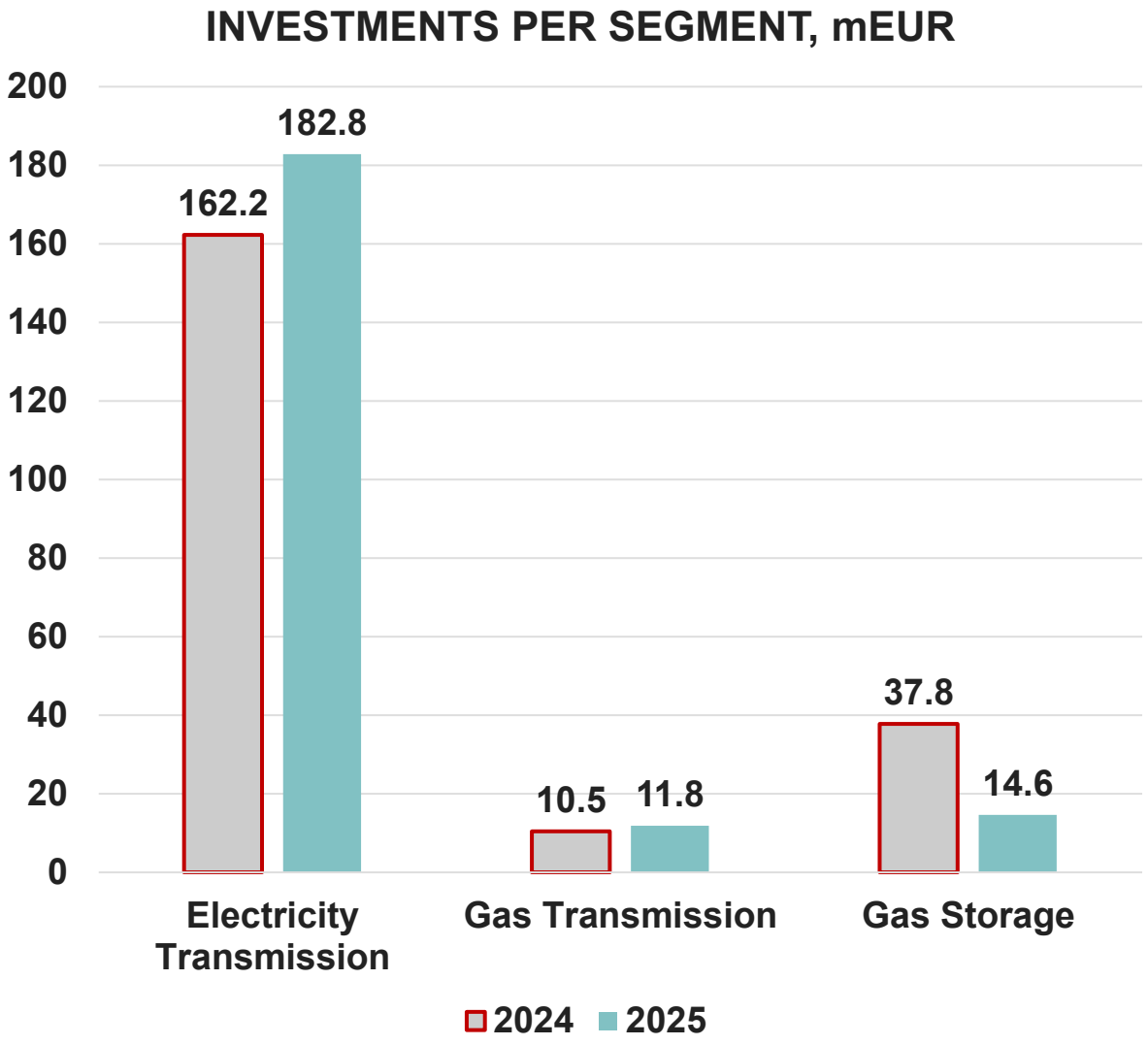
Infrastructure maintenance, anti-corrosion treatment, isolation material renewals, regional bio-methane gas transmission access point construction

SCADA transmission control system upgrades

**The largest project in the Gas Storage segment:**

Underground storage modernisation projects, gas well maintenance, new equipment for gas compression

SCADA storage control system upgrades



# FINANCIAL RATIOS AND BORROWINGS

| RATIOS | AST | GROUP |
|---|---|---|
| **Borrowings**, mEUR | 120 | 187 |
| **Cash and short-term deposits**, mEUR | 62 | 67 |
| **Net debt to equity**, (≤55%) | 12% | 18% |
| | | |
| **Equity,** (≥ 35%) | 37% | 41% |
| **EBITDA margin** | 17% | 26% |
| **Total Liquidity** (≥ 1.1) | 1.2 | 1.1 |
| **Fixed rate borrowings** | 83% | 67% |

All financial conditions included in the commitment agreements are fulfilled

Available credit line to ensure liquidity

## AST

GREEN BOND – 100 mEUR 01/2027

OVERDRAFT – 110 mEUR (not used)

LOAN – 20 mEUR

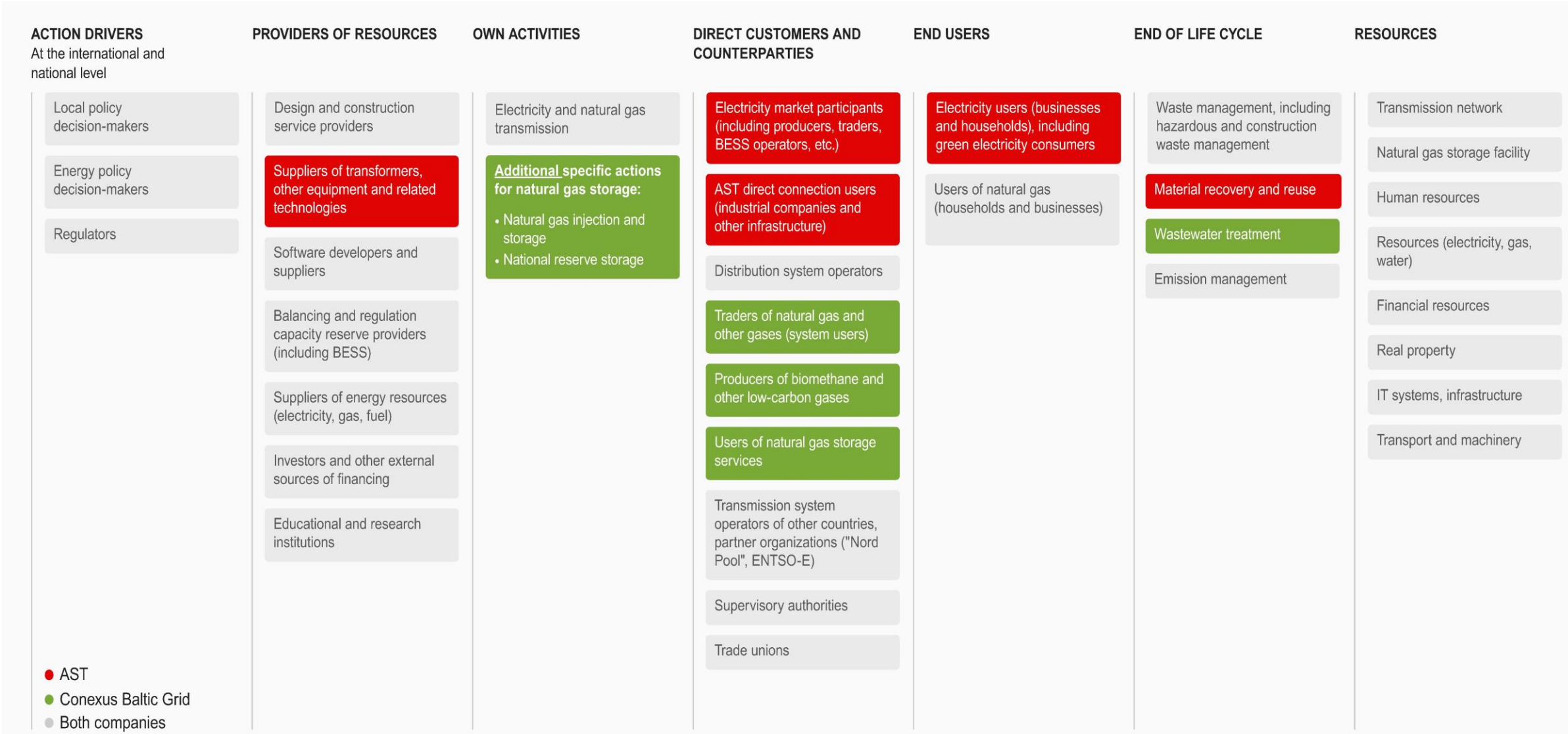
## CONEXUS

LOANS – 67 mEUR

COMMITTED LOAN – 36 mEUR

# NON – FINANCIAL REPORT

# THE GROUP'S VALUE CHAIN



# MATERIAL IMPACTS, RISKS AND OPPORTUNITIES OF THE GROUP


ESRS (sub-)subtopics marked with an asterisk (*) have been consolidated with similar ESRS (sub-)subtopics.

# GROUP'S STRATEGY 2021-2025: NON-FINANCIAL GOALS

**Green transformation:**

Environmentally friendly "green" substation

System readiness for green electricity energy

Efficient dispatch centre construction

Implementation of measures to reduce the carbon footprint


ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL


BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE, AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

**Social responsibility towards employees and society**:

Employee satisfaction and engagement

Occupational safety, excluding serious accidents due to employer's fault


TAKE URGENT ACTION TO FIGHT CLIMATE CHANGE AND ITS IMPACT

# DEVELOPMENT PLANS

# STRONG GROWTH OF GENERATION & STORAGE CAPACITY

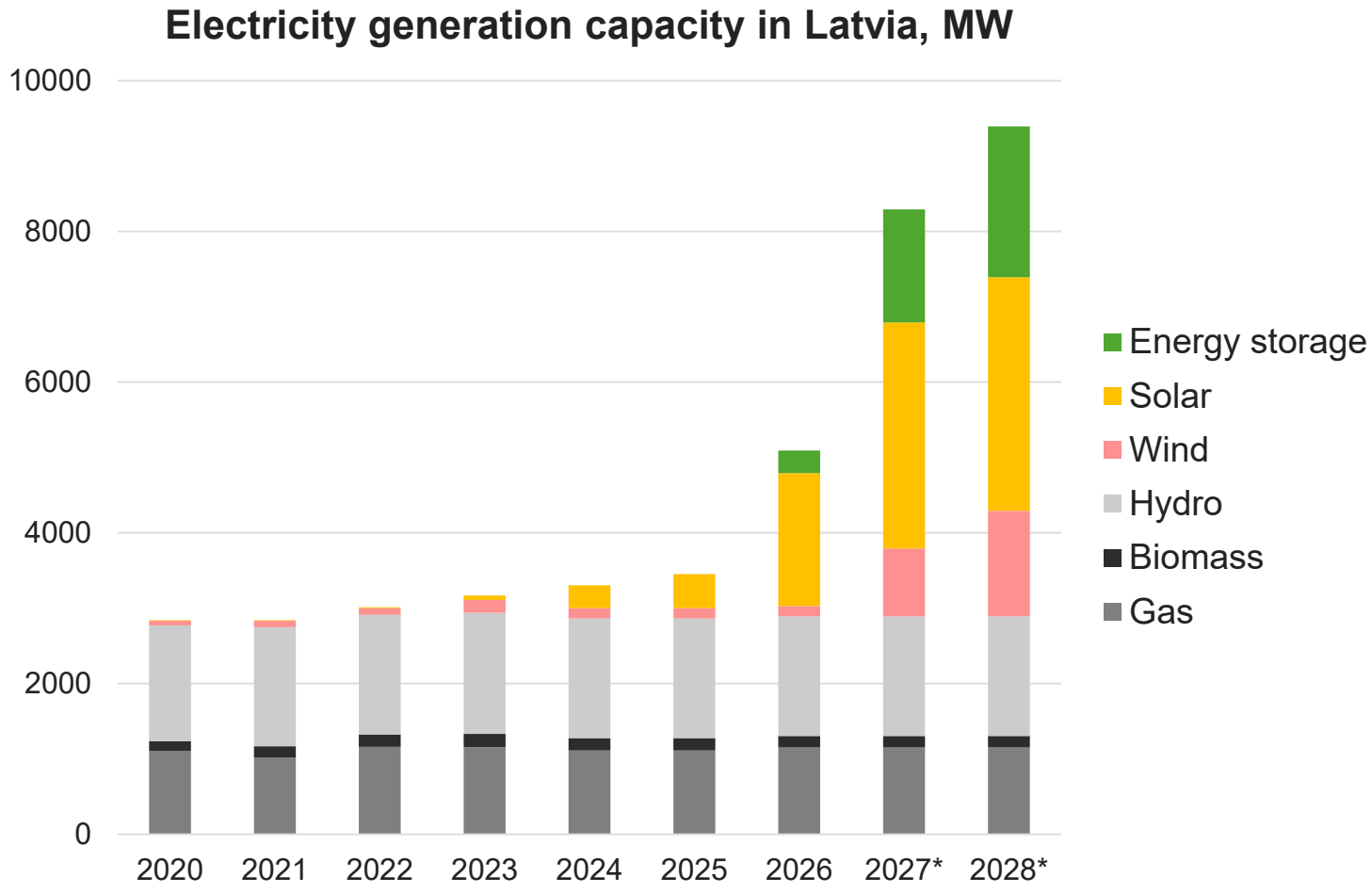
The last five years saw an **80%** increase in generation capacity

Today solar generation is the biggest source by installed capacity (**40%** of total)

AST has active connection development agreements for **3 GW** generation and storage

The next five years are expected to deliver a further **80%** increase in capacity

Planned **investments in grid capacity** and new interconnections will ensure unrestricted generation off-take




* Forecast based on connection development agreements and information from developers

# AST 10-YEAR NETWORK DEVELOPMENT PLAN

Total 10-year investments: **EUR 908 million**

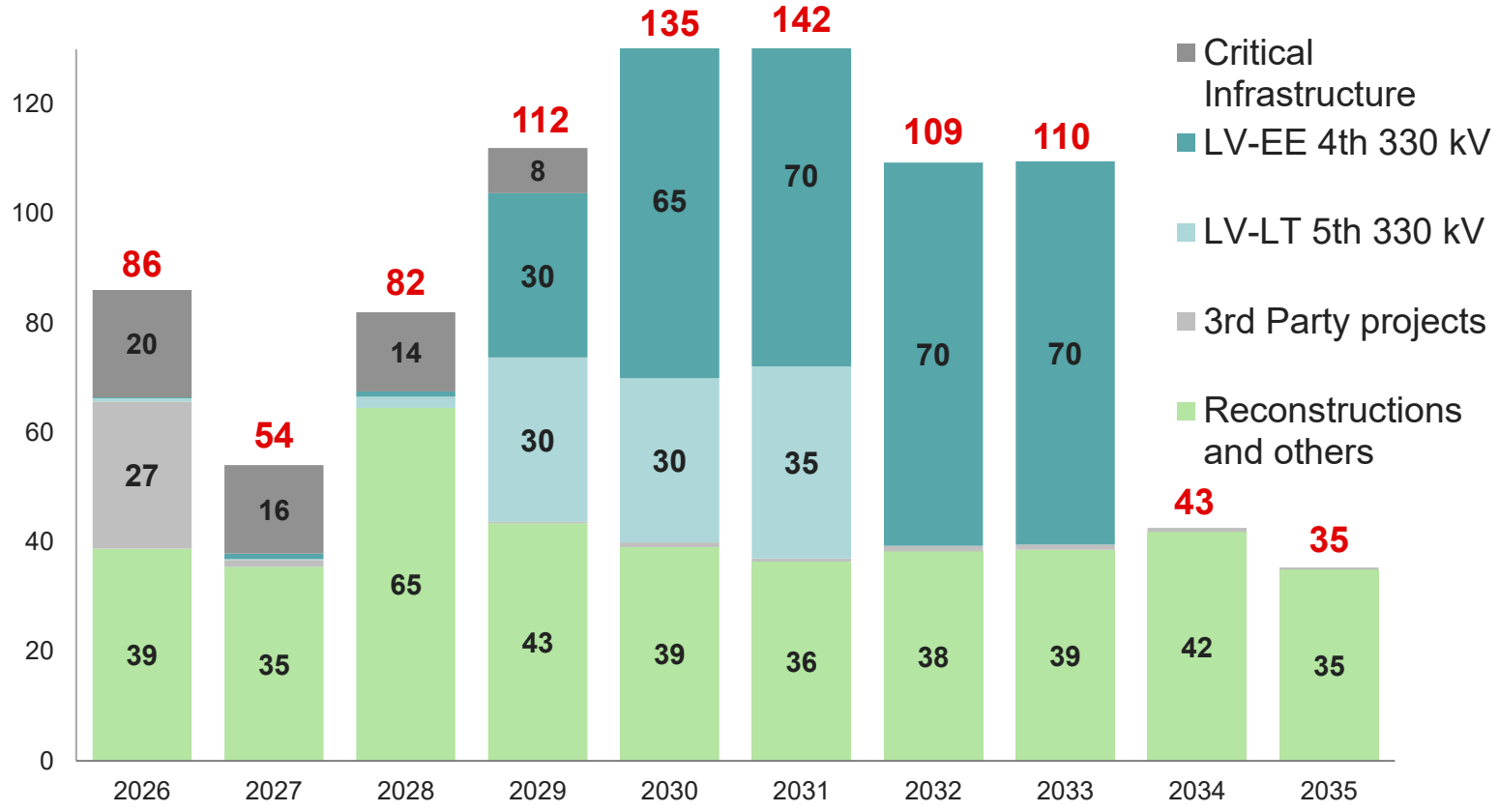
**45%** for grid reconstruction and capacity increase

**45%** for new interconnections with Lithuania and Estonia

**7%** for infrastructure protection and resilience

**3%** for third-party projects (developer-financed)

Projects will be financed through a mix of EU funds, borrowings, and AST's cash flow




* The development plan has been approved by the AST's Management board. From this year, the 10-year development plan will be approved by the PUC once every two years (previously once a year)

# 5TH LATVIA – LITHUANIA INTERCONNECTION (2031)

A **new 330 kV line** from Ventspils to Brocēni and onward to Varduva (Lithuania)

The new line will increase connection capacity **for new generation** and is necessary **for the development of interconnectors** with Sweden and Germany

An environmental impact assessment is currently ongoing

Commissioning is expected in **2031**

Planned investments: **EUR 65 million**

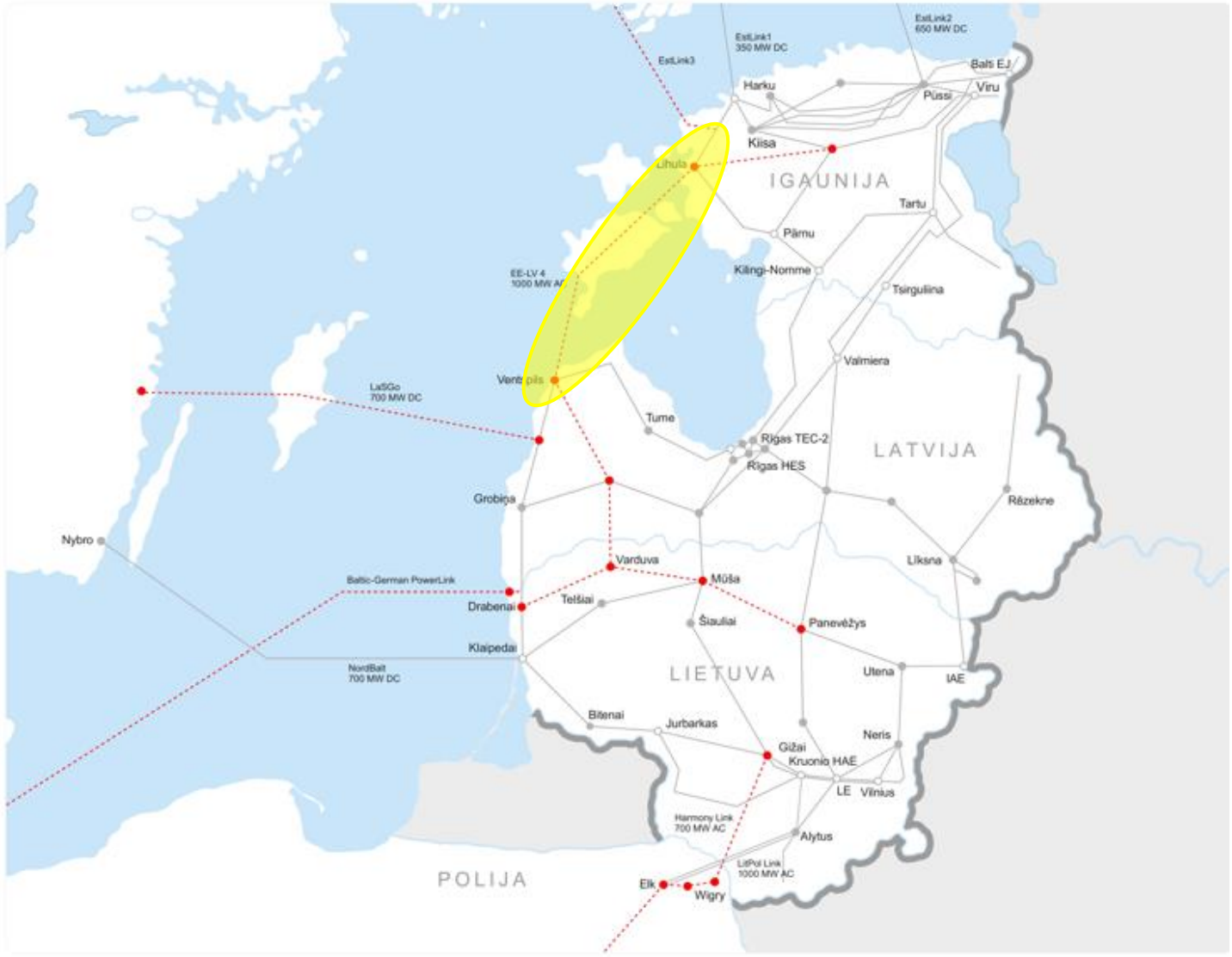
# 4TH ESTONIA – LATVIA INTERCONNECTION (2033)

A **1000 MW** interconnection between Saaremaa Island and Ventspils (partially onshore, partially submarine)

An environmental impact assessment is currently ongoing

Commissioning is expected in **2033**

Planned investments: **EUR 305 million**



# BALTIC – GERMAN POWERLINK (2036)

A joint **2000 MW 600-kilometre** submarine cable interconnection project of TSOs of Germany, Latvia and Lithuania

**A hybrid connection** which serve both as interconnector and as grid connections for offshore wind farms

Technical and economic feasibility as well as financing model **studies are ongoing**

The project has been submitted for inclusion in the **European Ten-Year Network Development Plan**, a prerequisite for applying for **EU funding**

A decision on the next steps in the project is expected at the **end of 2026**

# LATVIA – SWEDEN INTERCONNECTION (2040+)

A **700 MW submarine cable** interconnection between Latvia and Sweden

AST and Svenska Kraftnät have signed a Memorandum of Understanding for a joint **economic feasibility study, to be completed by Q1 2027**

# MARKET MODEL FOR INCREASED RES AND FLEXIBILITY

## IMPLEMENTED

Transition from 60-minute to 15-minute time resolution;

Shorter gate closure time (30 minutes before delivery);

Additional intraday auctions (IDA);

Balancing capacity auctions;

Balancing energy platforms;

Competition between power exchanges in the intraday market.

## NEXT

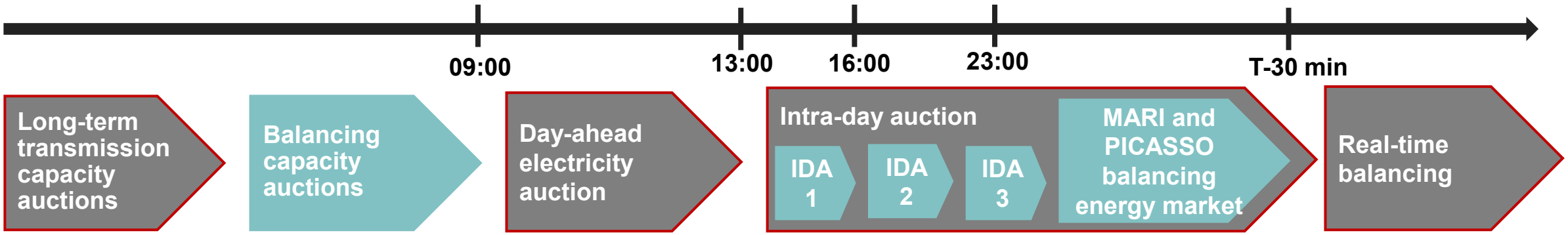
Competition between power exchanges in the day-ahead market.

Balancing capacity secondary auctions;

Independent aggregation;

Demand response;

New ancillary services markets (voltage control, inertia);



# AST GROUP STRATEGY 2026 – 2030




Horizontal objectives

- Financial Sustainability and Efficiency
- Employee Growth and Engagement
- Technological Development and Innovation
- Responsible and Sustainable Operating Principles

# QUESTIONS & ANSWERS

# CONTACTS

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