# LAU INFRA GRUPA AS

Unified registration number 40003356530

# Condensed interim financial report for the second quarter and first half of 2026

**prepared in accordance with IFRS Accounting Standards adopted in the European Union**

**Rīga, 2026**

# TABLE OF CONTENTS

# GENERAL INFORMATION ABOUT THE COMPANY

| | |
|---|---|
| **Name of the company** | **LAU Infra grupa** |
| **Legal status of the company** | Joint stock company |
| **Registration number** | 40003356530 |
| **Domicile** | Republic of Latvia |
| **Type of main activity (NACE version 2.1)** | 42.11 Construction of roads and motorways<br>43.50 Specialized construction works of civil engineering<br>38.11 Collection of non-hazardous waste<br>42.99 Civil engineering objects construction<br>68.12 Development of construction projects<br>08.11 Extraction of decorative stones, limestone and other stone extraction<br>09.90 Other mining and quarrying related actions<br>68.20 Renting and management of own or leased real estate |
| **Legal address** | Krustpils iela 4, Rīga, LV-1073 |
| **Board** | |
| Chairman of the Board | Vilnis Vitkovskis (from 08.09.2020) |
| Member of the Board | Armands Beiziķis (from 06.08.2025) |
| **Council** | |
| Chairman of the Council | Renārs Griškevičs (from 26.10.2021) |
| Member of the Council | Jevgenijs Belezjaks (from 26.10.2021) |
| Member of the Council | Andris Vanags (from 26.10.2021) |
| Responsible for accounting | |
| Chief Accountant | Olga Mihaļuka |
| Reference period | 1 January 2026 – 30 June 2026 |
| Reference year | 1 January 2026 – 31 December 2026 |

# KEY PERFORMANCE INDICATORS

## Financial indicators

| | 30.06.2026. Fact | 30.06.2025. Fact |
|---|---|---|
| Ratio of equity to total assets, % | 55 | 61 |
| Return on equity (ROE)[1], % | 0.2 | 8.9 |
| Commitment coverage ratio (DSCR)[2] (x) | 2.4 | 4.7 |
| Total liquidity ratio [3], (x) | 1.4 | 1.6 |
| EBITDA[4] profitability ratio[5], % | 12.2 | 18.5 |
| Net profitability ratio [6], % | 0.3 | 9.9 |

[1] profit for the reporting period/ average shareholder's equity in the reporting period

[2] EBITDA/liabilities for payments during the reporting period (% payments + principal amount)
[3] current assets / short-term creditors

[4] profit for the reporting period before corporate income tax, financial costs and revenue, depreciation of long-term investments and amortization

[5] EBITDA / net revenues

[6] profit for the reporting period / net revenues

# MANAGEMENT REPORT

## The Company's activities during the reporting period

### *Description of principal activities*

During the first six months of 2026, the Company continued to carry out its principal activities in the provision of maintenance, construction and renovation services for state and local authority roads, the maintenance and construction of forest roads, the implementation of other projects, and the production and sale of mineral materials. During the reporting period, work continued on the implementation of digital transformation initiatives (a unified enterprise resource planning (ERP) and work recording (ODIS) solution) and the initial public offering (IPO). In its day-to-day operations, the Company continued to participate actively in public procurement tenders within its areas of competence, carefully assessing the profitability and long-term economic viability of potential projects.

### *Contracts concluded*

During the reporting period, the Company entered into several significant contracts relating to the maintenance, construction and rehabilitation of state and local authority roads, as well as for the implementation of infrastructure projects totalling EUR 16.3 million, and four general agreements with VSIA "Latvijas Valsts ceļi" for the resurfacing and surface treatment of state-owned facilities, and with AS "Latvijas valsts meži" for the construction, renovation and resurfacing of forest roads during the period 2026–2028. The most significant contracts concluded are as follows:

- Development of anti-mobility infrastructure (2026–2027) for a total of EUR 1.6 million;
- Maintenance and renovation works on roads and adjacent areas at State Defence military facilities and the Procurement Centre (2026–2028) for a total of EUR 0.9 million;
- Repair works on forest roads and maintenance of road pavements (2026–2029) for a total of EUR 3.2 million;
- Renovation of local public roads (2026) for a total of EUR 4.5 million;
- various contracts with local authorities (road reconstruction, surface treatment, day-to-day maintenance works, resurfacing, street resurfacing, etc., 2026–2028) for a total of EUR 4.9 million;
- construction of forest roads (2026) for a total of EUR 1 million;
- and other.

### *LVC procurement (LVC 2025/84/AC)*

During the reporting period, the Company submitted tenders for all four lots of the procurement procedure "Routine Maintenance Works on State Roads in 2027–2032" (LVC 2025/84/AC) for the performance of day-to-day maintenance work on state roads (in the Bauska, Ogre, Riga, Preiļi and Dagda regions). According to publicly available information during the reporting period, in two of the four lots, the Company's tender received the highest score in the evaluation of the most economically advantageous tender. The results of the tender had not yet come into effect at the end of the reporting period.

### *Change of name and IPO process*

On 30 March 2026, the Company changed its name from VAS "Latvijas autoceļu uzturētājs" to LAU Infra Grupa AS, whilst at the same time changing its legal form from a state joint-stock company (VAS) to a joint-stock company (AS).

On 14 April 2026, the Cabinet of Ministers of the Republic of Latvia, having considered the report from the Ministry of Transport, supported the measures for implementing the initial public offering (IPO), through which LAU Infra Grupa AS became the first state-owned company in Latvia's history to have its shares offered on the public market.

On 4 June 2026, the Bank of Latvia approved the Company's public offering prospectus, and the subscription period for the public offering of shares was announced as running from 10 to 19 June 2026.

Following a review of the subscription results, the Company's Management Board proposed to confirm the public share offering as having taken place and to approve the allocation of 3,944,893 shares to investors for a total amount of EUR 6,193,482, which corresponds to 100% of all subscribed shares. Of the total number of shares allocated under the offer, 47% were allocated to private investors, whilst 53% were allocated to institutional investors.

As part of the offer, 3,840,253 existing shares in the Company were sold for a total settlement amount of EUR 6,029,197 (the proceeds were transferred to the state budget) and 104,640 new shares were issued for a total settlement amount of EUR 164,285 (the proceeds were allocated to the company's development). At the same time as the results of the offer were approved, the Company's Management Board proposed the approval of amendments to the Company's Articles of Association and an increase in the share capital by EUR 104,640.

On 25 June 2026, at hearings of the Company's Management Board and Supervisory Board, and at the general meeting of shareholders, the results of the IPO, the amendments to the Company's Articles of Association and the new version of the Articles of Association were approved. Following the IPO, the Latvian state retained 88.8% of the Company's shares and voting rights, thereby ensuring control over this strategically important infrastructure company.

***Other significant events***

Following an agreement between the parties, the authorisation relationship with the Management Board member Ilze Bukulde was terminated on 27 March 2026. At the end of the reporting period, Chairman of the Management Board Vilnis Vitkovskis and Management Board member Armands Beiziķis continued their work on the Company's Management Board.

On 26 May 2026, the annual Shareholders' Meeting of LAU Infra Grupa AS took place, at which the audited financial statements for 2025 were approved, a resolution was passed on the distribution of profits for 2025, and a dividend payment of 90% of the profit for the financial year was approved. Consequently, EUR 6,652,614 was allocated for the dividend payment. The dividend was paid on 8 June 2026 to the Republic of Latvia as the Company's sole shareholder.

At the Shareholders' Meeting held on 26 May 2026, the Company's Remuneration Policy and Dividend Policy were approved, stipulating that they shall come into force on the date on which the Company's shares are listed (admitted to trading) on the regulated market of Nasdaq Riga. The Shareholders' Meeting also approved the Audit Committee's Regulations and resolved to commence the selection process for the Audit Committee.

During the reporting period, the Company continued its work on the development and finalisation of its medium-term business strategy for 2026–2028. The strategy sets out the Company's main areas of development, financial and non-financial objectives, as well as priority initiatives to ensure sustainable growth and competitiveness.

In the first half of 2026, the Company received a positive decision under the support programme run by the state-owned enterprise 'Altum' regarding the allocation of funding for the installation of six new solar power stations at the Company's facilities. The installation of solar power stations is aimed at optimising the Company's energy consumption costs and increasing the share of renewable energy, whilst contributing to the achievement of the Company's sustainability goals.

***Risk management***

During the reporting period, the Company's operations were significantly affected by the geopolitical crisis in the Middle East. The military conflict in the Middle East, which began on 28 February 2026, and the de facto closure of the Strait of Hormuz caused one of the greatest disruptions to oil supplies in history, significantly affecting global energy market prices.

This situation had a direct impact on the Company's operating costs. Compared with the corresponding reporting period in 2025, the weighted average cost of diesel fuel rose by 11% during the reporting period, whilst the price of bitumen emulsion increased by 42%. The Company continued to monitor the market situation closely and, where possible, to optimise costs and adjust its procurement strategy.

No other significant changes to the Company's key risks were identified during the reporting period. The Company continues to monitor the previously identified risks on an ongoing basis and to implement the risk mitigation measures that have been put in place.

## Overview of financial results

The Company's financial management strategy aims to establish an optimal capital structure and ensure efficiency and stability in line with the Company's strategic priorities. The Company's primary financial objective, meanwhile, is to maintain financial equilibrium whilst carrying out its production and service provision processes, and to ensure sufficient funding for the Company's growing assets.

During the reporting period, the Company's net turnover amounted to 36.688 million EUR, comprising: revenue from construction services of EUR 16.938 million, i.e. 46.2%, and revenue from other principal business activities of EUR 19.750 million, i.e. 53.8%.
Compared with the corresponding reporting period in 2025, net turnover has decreased by 7.569 million EUR, i.e. 17.1%. The most significant variations were a decrease in revenue from civil engineering works (projects) of EUR 9.327 million, i.e. 79.4%, and an increase in revenue from road maintenance services of EUR 1.599 million, i.e. 26.3%.

Net profit for the reporting period was EUR 0.100 million. The net profit margin was 0.3%, whilst the EBITDA margin stood at 12.2%.

The value of the Company's assets reached EUR 81.642 million. The value of non-current assets increased by 6.9% compared with the previous reporting period, reaching EUR 46.707 million, whilst the value of current assets decreased by 4.0% to EUR 34.934 million.

The capital structure is balanced, with an equity-to-total-assets ratio of 55 per cent. The Company's overall liquidity ratio is 1.4, whilst the debt service coverage ratio (DSCR) stands at 2.4.

During the reporting period, the Company made long-term capital investments totalling EUR 2.037 million. The most significant acquisitions were: a self-propelled mower with a cutter bar, costing EUR 0.273 million, 15 mounted mowers (EUR 0.156 million), 2 wheeled tractors (EUR 0.234 million), an asphalt paver (EUR 0.189 million) and an asphalt milling machine (EUR 0.160 million).

### Use of financial instruments

The Company's most significant financial instruments are long-term and short-term borrowings from credit institutions and commercial companies that have close ties with credit institutions (leasing companies), receivables from customers and clients, payables to suppliers and contractors, and cash. The main purpose of borrowings from credit institutions and commercial companies with close ties to credit institutions (leasing companies) is to finance capital expenditure. During the reporting period, new borrowing agreements were concluded – finance lease agreements for the purchase of technological equipment and machinery amounting to EUR 5.006 million, and loan agreements amounting to EUR 0.876 million for the acquisition of new equipment and intangible assets to increase existing business capacity.

## Future development of the Company

The Company's operations in the coming period will be significantly influenced by a number of factors — both market conditions within the sector and the Company's own strategic processes.

The availability of public funding for the maintenance and development of road and street infrastructure, as well as for defence and military mobility projects, is expected to remain stable, ensuring long-term demand for the Company's services. The most significant anticipated event is the announcement of the results of the procurement procedure " Routine Maintenance Works on State Roads in 2027–2032" conducted by VSIA "Latvijas Valsts ceļi", which will determine the Company's contract portfolio for the period 2027–2032. The Company will also continue to participate in other public procurement procedures within its areas of expertise.

Following the fluctuations in the prices of crude oil and petroleum products caused by the geopolitical crisis in the first half of 2026, the Company will continue to closely monitor trends in the prices of raw materials and energy resources.

The Company expects the medium-term business strategy for 2026–2028 to be approved, subject to the sectoral ministry's opinion being obtained prior to the approval of the Supervisory Board.

The forward-looking statements included in this Management Report are based on information and assumptions available at the time of the preparation of this report. Actual results and the impact of future events may differ materially from management's current assessment.

Chairman of the Management Board V. Vitkovskis

# MANAGEMENT RESPONSIBILITY REPORT

The Company’s Board (hereinafter referred to as the Management) is responsible for the preparation of the unaudited condensed interim finansial statement for the second quarter of 2026.

The financial statements from pages 10 to 19 are prepared on the basis of accounting records and supporting documents and give a true and fair view of the Company's financial position as at June 30, 2026, its results of operations and cash flows for 2026.

These financial statements are prepared in accordance with the IFRS Accounting Standards approved in the European Union, based on the going concern principle. In the course of preparing the financial statements, the decisions taken and assessments made by management have been prudent and reasonable.

The Management of the Company is responsible for ensuring an appropriate accounting system, preserving the Company's assets, as well as for detecting and preventing fraud and other violations committed in the Company. The management is also responsible for fulfilling the requirements of the legislation of the Republic of Latvia

# CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED)

## STATEMENT OF COMPREHENSIVE INCOME

| | Note | 01.01.2026-30.06.2026 EUR | 01.01.2025-30.06.2025 EUR |
|---|---|---|---|
| Net turnover, including | 3 | 36 687 890 | 44 256 846 |
| *a) from construction services* | | *16 938 257* | *28 652 151* |
| *b) from other operating segments* | | *19 749 633* | *15 604 695* |
| Cost of sales, cost of goods sold and services purchased | 4 | (33 256 526) | (38 084 414) |
| **Gross profit** | | **3 431 364** | **6 172 432** |
| Administrative expenses | 5 | (2 112 610) | (1 827 233) |
| Other operating income | | 258 913 | 1 233 932 |
| Other operating expenses | | (39 262) | (21 758) |
| **Operating profit** | | **1 538 405** | **5 557 373** |
| Finance income | | 257 064 | 141 443 |
| Finance expenses | | (124 641) | (124 047) |
| **Profit before tax** | | **1 670 828** | **5 574 769** |
| Corporate income tax | | (1 570 795) | (1 214 444) |
| **Profit for the reporting period** | | **100 033** | **4 360 325** |
| **Total comprehensive income** | | **100 033** | **4 360 325** |

# STATEMENT OF FINANCIAL POSITION

| ASSETS | Note | 30.06.2026 EUR | 31.12.2025 EUR |
|---|---|---|---|
| **LONG-TERM ASSETS** | | | |
| **Intangible assets** | | | |
| Licences, trademarks and similar rights | 6 | 95 676 | 97 578 |
| Other intangible assets | 6 | 71 461 | 83 075 |
| Costs of creating intangible investments | 6 | 387 055 | 193 023 |
| **Total intangible assets** | | **554 192** | **373 676** |
| **Property, plant and equipment** | | | |
| Land, buildings and structures | 7 | 14 814 280 | 15 215 448 |
| Plant and machinery | 7 | 30 011 541 | 30 395 394 |
| Other property, plant and equipment | 7 | 213 858 | 224 055 |
| Long-term investments in leased assets | 7 | 40 317 | 36 642 |
| Construction in progress and incomplete construction objects | 7 | 147 434 | 4 629 |
| **Total property, plant and equipment** | | **45 227 430** | **45 876 168** |
| Investment property | | 466 923 | 481 425 |
| Biological assets | | 415 184 | 415 184 |
| Other long-term assets | | 43 507 | 35 456 |
| **Total long-term assets** | | **46 707 236** | **47 181 909** |
| **CURRENT ASSETS** | | | |
| Inventories | 8 | 8 349 916 | 6 017 704 |
| Long-term assets held for sale | | 550 314 | 555 507 |
| Contract assets (Receivables from contracts with customers) | 9 | 8 456 149 | 8 603 614 |
| Other receivables | 10 | 872 330 | 1 621 429 |
| Cash and cash equivalents | | 16 705 585 | 16 974 515 |
| **Total current assets** | | **34 934 294** | **33 772 769** |
| **Total assets** | | **81 641 530** | **80 954 678** |

# STATEMENT OF FINANCIAL POSITION

| EQUITY AND LIABILITIES | Note | 30.06.2026 EUR | 31.12.2025 EUR |
|---|---|---|---|
| **EQUITY** | | | |
| **Share capital (registered capital)** | | 35 202 323 | 35 202 323 |
| Reserves | | 3 220 838 | 2 481 659 |
| Retained earnings from previous years | | 6 668 156 | 6 668 157 |
| Profit for the reporting period | | 100 033 | 7 391 793 |
| **Total equity** | | **45 191 350** | **51 743 932** |
| **LIABILITIES** | | | |
| **Long-term liabilities** | | | |
| Borrowings from credit institutions | | 299 945 | 65 167 |
| Lease liabilities | | 6 377 307 | 5 595 647 |
| Provisions | 12 | 3 969 393 | 4 050 938 |
| Deferred income | | 136 152 | 136 152 |
| **Total long-term liabilities** | | **10 782 797** | **9 847 904** |
| **Shor-term liabilities** | | | |
| Borrowings from credit institutions | | 8 500 | 42 202 |
| Lease liabilities | | 1 238 007 | 2 556 520 |
| Payables to suppliers and contractors | | 9 179 454 | 6 851 672 |
| Taxes and state social insurance contributions payable | | 1 253 857 | 1 825 328 |
| Other liabilities | 11 | 5 401 054 | 1 641 075 |
| Deferred income | | 3 799 | 7 598 |
| Provisions | 12 | 667 036 | 3 855 023 |
| Accrued liabilities | | 1 722 194 | 2 583 424 |
| **Total short-term liabilities** | | **25 667 383** | **19 362 842** |
| **Total liabilities** | | **36 450 180** | **29 210 746** |
| **Total equity and liabilities** | | **81 641 530** | **80 954 678** |

# STATEMENT OF CHANGES IN EQUITY

| | Share capital | Reserves | Retained earnings | Total |
|---|---|---|---|---|
| | EUR | EUR | EUR | EUR |
| **Total 01.01.2025** | **35 202 323** | **399 755** | **13 607 838** | **49 209 916** |
| **Comprehensive income for the reporting year** | | | | |
| Profit for the reporting year | - | - | 7 391 793 | 94 567 |
| **Transactions with shareholder** | | | | |
| Distribution of dividends | - | - | (4 857 777) | (4 857 777) |
| Transfer to reserves | - | 2 081 904 | (2 081 904) | - |
| **Total 31.12.2025** | **35 202 323** | **2 481 659** | **14 059 950** | **51 743 932** |
| **Comprehensive income for the reporting year** | | | | |
| Profit for the reporting year | - | - | 100 033 | 100 033 |
| **Transactions with shareholder** | | | | |
| Distribution of dividends | - | - | (6 652 614) | (6 652 614) |
| Transfer to reserves | - | 739 179 | (739 179) | - |
| **Total 30.06.2026** | **35 202 323** | **3 220 838** | **6 768 190** | **45 191 350** |

# STATEMENT OF CASH FLOWS

| | 01.01.2026-30.06.2026 EUR | 01.01.2025-30.06.2025 EUR |
|---|---|---|
| **Cash flows from operating activities** | | |
| Receipts from sales of goods and rendering of services | 48 259 271 | 47 472 175 |
| Payments to suppliers, employees and for other operating expenses | (44 275 852) | (40 465 272) |
| Other operating income or expenses | 35 585 | 374 647 |
| **Gross cash flows from operations** | **3 997 377** | **7 381 550** |
| Interest paid | (103 854) | (124 849) |
| Corporate income tax paid | (1 570 795) | (1 216 570) |
| **Net cash flows from operating activities** | **2 322 728** | **6 040 131** |
| **Cash flows from investing activities** | | |
| Purchase of property, plant and equipment and intangible assets | (935 180) | (1 155 221) |
| Proceeds from sale of property, plant and equipment and intangible assets | - | 1 392 759 |
| Interest received | 257 064 | 141 443 |
| **Net cash flows used in investing activities** | **(678 116)** | **378 981** |
| **Cash flows from financing activities** | | |
| Loans received | 234 779 | - |
| Transit funds received from the sale of shares | 6 193 482 | - |
| Repayments of loans | (33 702) | (65 242) |
| Lease payments | (1 677 111) | (1 570 033) |
| Dividends paid | (6 652 617) | (4 857 777) |
| **Net cash flows used in financing activities** | **(1 913 542)** | **(6 493 052)** |
| **Net increase/(decrease) in cash and cash equivalents** | **(268 930)** | **(73 940)** |
| **Cash and cash equivalents at beginning of period** | **16 974 515** | **14 517 521** |
| **Cash and cash equivalents at end of period** | **16 705 585** | **14 443 581** |

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 1. General information

The shares of the joint stock company LAU Infra Grupa (hereinafter referred to as the Company) are owned by the State, and their holder is the Ministry of Transport of the Republic of Latvia. The registered office of the company is Krustpils street 4, Riga, LV-1073.

JSC LAU Infra Grupa is a commercial company operating in accordance with the Commercial Law

JSC LAU Infra Grupa is a strategic state road infrastructure maintenance company, which ensures the performance of daily maintenance works of state roads, municipal roads, transit streets and other roads, as well as producing construction materials such as dolomite chips, crushed gravel and processed sand.

JSC LAU Infra Grupa is a reliable, stable and experienced Company, which with professional employees and modern technologies ensures road maintenance in an efficient and environmentally friendly way throughout the territory of the Republic of Latvia.

The unaudited condensed interim financial statements for the second quarter of 2026 shall include financial information of the JSC LAU Infra Grupa for the period ending on 30 June 2026 and comparative indicators for 2025.

## 2. Accounting and measurement principles

The unaudited condensed interim financial statements for the second quarter of 2026 have been prepared in accordance with the IFRS Accounting Standards approved in the European Union. The same accounting policies were applied for both the Interim Report and the Annual Report for the financial year that ended on 31.12.2025.

These financial statements are prepared in accordance with the initial cost accounting principle, except for biological assets measured at fair value.

The statement of cash flows is prepared according to the direct method. The statement of comprehensive income is prepared according to the function of expenses.

These financial statements use the currency of the Republic of Latvia in euro (EUR) for the monetary unit. These financial statements are prepared on the basis of the going concern principle. Management has no plans or intentions, and external circumstances do not create a necessity, to liquidate the Company or cease its operations

The Condensed Interim Financial Statements do not contain all the information presented in the annual financial statements and should be read in conjunction with the latest published annual financial statements as at and for the year ended 31 December 2025.

## 3. Net turnover

| | 01.01.2026-30.06.2026 EUR | 01.01.2025-30.06.2025 EUR |
|---|---|---|
| Revenue from daily maintenance services of state roads | 24 419 252 | 24 351 384 |
| *incl. from construction services* | *10 659 237* | *13 086 747* |
| Revenue from road maintenance services | 7 684 608 | 6 085 441 |
| *incl. from construction services* | *3 855 673* | *3 814 855* |
| Revenue from civil engineering works (projects) | 2 423 347 | 11 750 549 |
| *incl. from construction services* | *2 423 347* | *11 750 549* |
| Revenue from the sale of mineral materials | 1 666 276 | 1 587 852 |
| Real estate rental revenues and related utilities | 435 526 | 400 564 |
| Other revenue | 58 881 | 81 056 |
| **Total** | **36 687 890** | **44 256 846** |

## 4. Cost of sales, cost of goods sold and services purchased

| | 01.01.2026-30.06.2026 EUR | 01.01.2025-30.06.2025 EUR |
|---|---|---|
| Salary and equivalent costs | 10 699 129 | 10 081 592 |
| Mandatory state social insurance contributions | 1 908 965 | 2 354 610 |
| The cost of materials and fuel | 11 101 839 | 9 168 072 |
| Maintenance costs of production equipment and transport | 2 951 473 | 2 133 186 |
| Depreciation of long-term investments | 2 860 408 | 2 566 239 |
| Cost of services received | 1 891 131 | 9 510 587 |
| Maintenance costs of buildings and structures | 833 358 | 677 058 |
| Insurance costs | 455 352 | 405 427 |
| Other charges | 554 871 | 1 187 643 |
| **Total** | **33 256 526** | **38 084 414** |

## 5. Administrative expenses

| | 01.01.2026-30.06.2026 EUR | 01.01.2025-30.06.2025 EUR |
|---|---|---|
| Salary and equivalent costs | 953 676 | 917 033 |
| Mandatory state social insurance contributions | 224 350 | 215 740 |
| Expenditure on IT systems and communications | 237 979 | 164 461 |
| Depreciation of long-term investments | 80 533 | 82 997 |
| Premises maintenance costs | 123 346 | 126 392 |
| Other administration costs | 492 726 | 320 610 |
| **Total** | **2 112 610** | **1 827 233** |

## 6. Intangible assets

| | Licences, trademarks and similar rights | Other intangible assets | Costs of creating intangible investments | Total |
|---|---|---|---|---|
| | EUR | EUR | EUR | EUR |
| **Acquisition cost** | | | | |
| **31.12.2025** | **354 287** | **310 631** | **193 023** | **857 941** |
| **30.06.2026** | **364 849** | **310 632** | **387 055** | **1 062 536** |
| **Accumulated amortization** | | | | |
| **31.12.2025** | **256 709** | **227 556** | **-** | **484 265** |
| **30.06.2026** | **269 173** | **239 171** | **-** | **508 344** |
| **Carrying amount** | | | | |
| **31.12.2025** | **97 578** | **83 075** | **193 023** | **373 676** |
| **30.06.2026** | **95 676** | **71 461** | **387 055** | **554 192** |

## 7. Property, plant and equipment

| | Land | Land assets | Buildings and structures | Plant and machinery | Other property, plant and equipment | Long-term investments in leased assets | Construction in progress and incomplete construction objects | Total |
|---|---|---|---|---|---|---|---|---|
| | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| **Acquisition cost** | | | | | | | | |
| **31.12.2025** | **5 455 698** | **5 770 343** | **28 214 645** | **127 286 182** | **1 445 751** | **121 310** | **4 629** | **168 298 558** |
| **30.06.2026** | **5 466 144** | **5 776 574** | **27 982 664** | **129 153 462** | **1 460 847** | **126 151** | **147 434** | **170 113 276** |
| **Accumulated depreciation and impairment** | | | | | | | | |
| **31.12.2025** | **1 419 683** | **3 925 327** | **18 880 228** | **96 890 788** | **1 221 696** | **84 668** | **-** | **122 422 390** |
| **30.06.2026** | **1 422 936** | **4 006 129** | **18 982 037** | **99 141 921** | **1 246 989** | **85 834** | **-** | **124 885 846** |
| **Carrying amount** | | | | | | | | |
| **31.12.2025** | **4 036 015** | **1 845 016** | **9 334 417** | **30 395 394** | **224 055** | **36 642** | **4 629** | **45 876 168** |
| **30.06.2026** | **4 043 208** | **1 770 445** | **9 000 627** | **30 011 541** | **213 858** | **40 317** | **147 434** | **45 227 430** |

## 8. Inventories

| | 30.06.2026 EUR | 31.12.2025 EUR |
|---|---|---|
| Gross value of inventory | 8 474 020 | 6 112 611 |
| Provisions for the impairment of inventory | (124 104) | (94 907) |
| **Inventory carrying amount** | **8 349 916** | **6 017 704** |

## 9. Receivables from contracts with customers

| | 30.06.2026 EUR | 31.12.2025 EUR |
|---|---|---|
| Customer receivables, gross value | 1 234 512 | 1 886 836 |
| Contract assets, gross value | 7 543 056 | 7 038 197 |
| **Gross carrying amount** | **8 777 568** | **8 925 033** |
| Provisions for expected credit losses | (321 419) | (321 419) |
| **Carrying amount** | **8 456 149** | **8 603 614** |

## 10. Other receivables

| | 30.06.2026 EUR | 31.12.2025 EUR |
|---|---|---|
| Deferred expenses | 799 166 | 493 622 |
| Prepaid taxes | - | 1 045 368 |
| Other prepayments | 69 279 | 66 068 |
| Other receivables | 3 885 | 16 371 |
| **Total** | **872 330** | **1 621 429** |

## 11. Provisions

| | 30.06.2026 EUR | 31.12.2025 EUR |
|---|---|---|
| **Long term part** | | |
| Provisions for recultivation | 730 270 | 811 815 |
| Provisions for warranty repairs | 2 540 333 | 2 540 333 |
| Provisions for environmental clean-up measures | 698 790 | 698 790 |
| **Total non-current portion** | **3 969 393** | **4 050 938** |
| **Short-term part** | | |
| Provisions for warranty repairs | 635 036 | 1 041 060 |
| Provisions for bonuses | - | 2 583 656 |
| Provisions – other | 32 000 | 230 308 |
| **Total current portion** | **667 036** | **3 855 024** |
| **Total** | **4 636 429** | **7 905 962** |

## 12. Other liabilities

| | 30.06.2026 EUR | 31.12.2025 EUR |
|---|---|---|
| Wage liabilities | 1 523 263 | 1 479 574 |
| Advances received | 3 877 345 | 160 748 |
| Other liabilities | 446 | 753 |
| **Total** | **5 401 054** | **1 641 075** |

## 13. Events after the end of the reporting period

In June 2026, LAU Infra Grupa AS successfully completed its initial public offering (IPO), during which 11.2% of the existing shares were sold and a further 104,640 new shares were issued. Given that the decision to increase the share capital was approved by the Register of Enterprises of the Republic of Latvia on 1 July 2026, the aforementioned changes to the share capital and the transactions related to the issue are not reflected in the balance sheet as at 30 June 2026, but will be recognised in the next reporting period.

On 3 July 2026, the stock exchange bell-ringing ceremony took place and trading in the Company's shares commenced on the Nasdaq Riga regulated market, with the shares being admitted to the Baltic Official List, thereby concluding the IPO process. With the listing of its shares on the regulated market, the Company acquired the status of a public limited company.

To ensure sufficient liquidity for the Company's shares on the regulated market, the Company entered into a market-making agreement with AS Signet Bank, which came into force on 3 July 2026.

Following the reporting period, the Company also took part in the subsequent tender announced by VSIA "Latvijas Valsts ceļi" (identification No. LVC 2026/49/AC) for routine maintenance works on state roads for the period 2027–2032 in the Liepāja, Cēsis, Madona, Gulbene, Alūksne and Smiltene regions (four lots), with tenders to be submitted on 21 July 2026.

After the reporting period, VSIA "Latvijas Valsts ceļi" announced the application of an extraordinary bitumen cost escalation compensation mechanism for construction contracts for which bids were submitted by 1 March 2026. The compensation mechanism was introduced to mitigate the impact of the significant increase in bitumen prices caused by the conflict in the Middle East on road construction costs. The Company has submitted to SJSC *Latvian State Roads* the necessary justification demonstrating the impact of the increase in bitumen prices on the performance of the respective construction contracts. Compensation will apply to works performed from 1 April 2026 onwards, and its amount will be determined based on the actual volume of works completed and the changes in bitumen prices during the respective month of performance.

Following the end of the reporting period, the selection process for a member of the Company's Management Board responsible for finance and information technology has commenced. Candidates must submit their applications by 1 September 2026.

Since the last day of the reporting period, there have been no other events that would significantly affect the unaudited condensed interim financial statements for 2026.

LAU INFRA GRUPA AS Board:

| | |
|---|---|
| Chairman of the Board | Vilnis Vitkovskis |
| Member of the Board | Armands Beiziķis |

Prepared by
Olga Mihaļuka
Chief Accountant