AS Virši-A

(UNIFIED REGISTRATION NUMBER 40003242737)

Condense consolidated interim financial statements For 6 month period ended 30 June 2025

PREPARED IN ACCORDANCE WITH
IAS 34 INTERIM FINANCIAL REPORTING
AS ADOPTED BY THE EUROPEAN UNION

Riga, 2025

Contents

General information

Name of the parent company	Virši-A	
Legal form	Joint Stock Company	
Registration number and date	40003242737, 6 January 1995	
Legal address	Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads, Latvia, LV-5101	
Shareholders (above 5%)	Jānis Riekstiņš Jānis Rušmanis Ruta Plūme Andris Priedītis Ilgvars Zuzulis	holder of 20.99% shares holder of 20.84% shares holder of 20.81% shares holder of 12.79% shares holder of 12.79% shares
Members of the Board	Jānis Vība Linda Prūse Vita Čirjevska	Chairman, authorisation until 19 June 2029 Member of the Board, authorisation until 12 April 2026 Member of the Board, authorisation until 12 April 2026
Members of the Council	Jānis Riekstiņš Jānis Rušmanis Ilgvars Zuzulis Andris Priedītis Ilvars Blumbergs Silva Skudra	Chairman of the Council, authorisation until 26 May 2030 Deputy Chairman of the Council, authorisation until 26 May 2030 Member of the Council, authorisation until 26 May 2030 Member of the Council, authorisation until 26 May 2030 Member of the Council, authorisation until 26 May 2030. Member of the Council, authorisation until 26 May 2030
Information on subsidiaries	**Virši loģistika, SIA** Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads, Latvia, LV-5101 Holding: 100,00%, from 15 September 2020 **Virši Renergy, SIA** Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads, Latvia, LV-5101 Holding: 100,00%, from 20 July 2020 **Virši Lietuva, UAB** Vito Gerulaičio g. 10-101, LT-08200, Vilnius Holding: 100.00%, from 23 January 2024	
Information on associates	**Gulf Petrol RE SIA** Brīvības iela 85–5, Rīga, LV-1001 Holding: 30.00%, from 1 July 2016 **GasOn SIA** Dēļu iela 4, Rīga, LV - 1004 Holding: 30.00%, from 30 December 2021 **Livland Biomethane SIA** Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads, Latvia, LV-5101 Holding: 49.00%, from 5 August 2024 **Skulte LNG Terminal AS** Dzirnavu iela 36, Riga, LV-1010 Holding: 19.23%, from 31 May 2022	
Chief Accountant	Jeļena Laurinaviča	

1

VIRŠI

Group Management Report

2

Type of operations

AS VIRŠI-A and its subsidiaries form a group that trades in energy resources and maintains a network of convenience stores (hereinafter also referred to as "the Group"). The Group is engaged in wholesale and retail sale of oil products and retail sale of car goods and groceries through the network of own filling stations. The Group also sells electricity and natural gas.

The registered and paid up share capital of AS VIRŠI-A is EUR 7 572 255 and it consists of 15 144 510 shares.

Nominal value per share is EUR 0.50. Effective from 11 November 2021, the shares of AS VIRŠI-A have been listed on the alternative market First North of Nasdaq Riga.

Financial results for 6 month of 2025

Total turnover
188,6 mill. €
+2%

Convenience store turnover
28,7 mill. €
+9,7%

Fuel turnover
143,4 mill. €
-0,9%

Energy turnover
15,4 mill. €
+17,4%

Net profit
1,5 mill. €
-27,4%

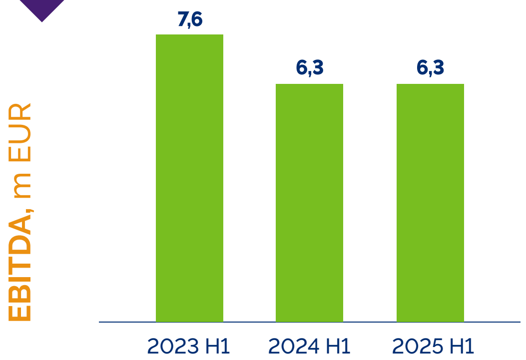
EBITDA
6,3 mill. €
-0,8%

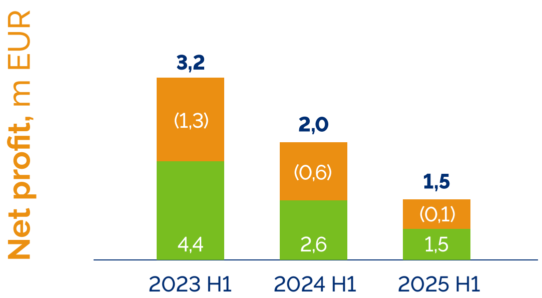
Investments
7,4 mill. €
-24,8%

Station network
83
+6

Employees
912
+83

Financial indices





	2023 H1	2024 H1	2025 H1	2022	2023	2024
Turnover, million EUR	162,4	185,3	188,6	375,1	343,7	380,6
Gross profit, million EUR	17,9	19,1	20,7	32,8	37,7	41,2
EBITDA margin, %	4,7%	3,4%	3,3%	3,3%	4,0%	3,6%
ROA, %	2,4%	1,5%	1,0%	8,8%	3,8%	3,3%
Adjusted ROA*, %	3,4%	1,9%	1,0%	6,2%	5,4%	3,8%
ROE, %	12,9%	5,7%	5,7%	17,8%	7,5%	6,5%
Adjusted ROE*, %	12,4%	7,7%	6,0%	12,4%	10,6%	7,6%
Equity / Assets, %	52,7%	48,2%	47,6%	49,9%	51,3%	48,8%
CA/CL	1,1	1,0	1,0	1,3	1,0	1,0
Net Debt / EBITDA	1,0	2,1	2,4	0,9	1,5	2,3
Share price at the reporting date*, EUR	4,43	4,11	3,96	4,40	4,40	4,13

* IPO share price 4.49 EUR

Strategic goals

	2020	2024	2027
Number of petrol stations	**63**	**82**	**90**
Employer	TOP **50**	TOP **10**	TOP **10**
#1 in alternative fuel	CNG / ELECTRICITY	CNG / ELECTRICITY	CNG /CBG / LNG / ELECTRICITY
Business diversification	FUEL CONVENIENCE STORES	FUEL CONVENIENCE STORES ENERGY	FUEL CONVENIENCE STORES ENERGY
Gross profit in non-fuel segments	**41**%	**52**%	**52**%
EBITDA (MIL. €)	**7,8**	**13,7**	**23,1**
Net profit (MIL. €)	**4,2**	**4,7**	**12,4**

The Group's activities during the reporting period

In the first half of 2025, the Group successfully continued implementing its development strategy, which involved objectives such as the expansion of the network and modernisation of filling stations and providing consistently high-quality products and services to its customers, as well as extending support to local producers by presenting them with the opportunity to place their products in stores of the Virši network.

The Group's objective from 2021 has been to become a fully-fledged energy company offering its clients an opportunity to purchase electricity and other energy products.

The Group's activities during the reporting period

During the first half of 2025, the Group continued its focused development towards the strategic objectives, closing the period with 83 filling stations, EBITDA** of EUR 6.3 million and a profit of EUR 1.5 million.
During the reporting period, the Company's gross profit was generated by three core business segments: fuel products, convenience stores, and energy. **The Group's largest business segment in terms of gross profit is convenience stores that have generated 50.7% of gross profit or EUR 10.5 million in the first 6 months of 2025** (2025: 48.3% or EUR 9.2 million) that is an increase by EUR 1.3 million and 13.8% compared to 2024. During the reporting year, the loyalty offer to customers has changed significantly to satisfy the needs of the existing loyal customers and interests of new customers of Virši. Challenges faced by the convenience stores in the first half of the year are related to slow-down of macroeconomics and high food price inflation. The growth indices of Virši are notably driven by quality and versatile assortment of goods and services, as well as high service standards at filling stations.

The second largest business segment in terms of gross margin is the sale of fuel products. In the first 5 months of 2025, retail sales of fuel in Latvia grew by 1.1% in terms of tonnes of fuel sold, while the Group's business grew by 11.5%. **In 2025, the gross profit on sales of fuel products is EUR 9.8 million, an increase of EUR 0.5 million or 4.8% compared to 2024.** Compared to the previous financial year, high market competition remained over entire reporting period, and it contributed to rapid change in price and discount offer in the market. Since 2023, optimisations and acquisitions of competitor's network of stations were carried out, as well as high market competition was experienced in the economy slow-down conditions. Virši continues increasing its market share, expanding the coverage of filling stations, recognition of the brand, and customer loyalty.

The Group's activities during the reporting period

The third business segment, energy, has been exposed to significant energy price fluctuations, regulatory changes, and geopolitical uncertainty since 2022. In the first half of 2025, when the energy system of Baltic States was synchronised with Central Europe, the energy segment has faced significant changes. It brought additional risks and costs and new business opportunities for electricity traders.

In the first half of this year, the increased balancing price fluctuations and especially their unfavourable direct link with the solar development resulted in disproportionately large increase in balancing costs in the Virši Group. In the second quarter of 2025, the Virši Group reviewed the customer and supplier portfolio and continued investing in the development of IT infrastructure to increase the profitability of the segment in the second half of the year and in future. As a result of balancing costs, the energy segment closed the first half of 2025 with loss of EUR 51 th. (2024: profit of EUR 250 th.).

In the first half of 2025, the Group's EBITDA[*] reached EUR 6.3 million (the first half of 2024: EUR 6.3 million), and the first half of 2025 was the period of further growth and expansion for the network of the Virši filling stations when significant investments were made in development of immovable property and attraction and training of new employees. **The Group's gross profit in 2025 has increased by EUR 1.6 million or 8.6%, amounting to EUR 20.7 million (in the first half of 2024: EUR 19.1 million), and the selling costs increased by EUR 2.2 million or 16.1% that is due to significant expansion of the network of filling stations in 2024, investing in the development of infrastructure and notably increasing the number of staff.** The financial result of the Company for the reporting period is a profit of EUR 1.5 million (first half of 2024: EUR 2.0 million), and the Adjusted Net Profit from Operating Activities of the Group, excluding the result from the revaluation of financial instruments, amounted to EUR 1.5 million in 2025 (2024: EUR 2.6 million). The Group's net profit ratio[*] is 0.8% in the reporting period and 1.1% in first half of 2024.

* Net profit ratio is calculated by dividing the Group's profit for the reporting period with net sales;

** EBITDA — the Group's profit before finance income and finance costs, depreciation and amortisation, and corporate income tax.

The Group's activities during the reporting period

In the highly uncertain conditions of geopolitics and global trade, the growth of Latvian economy in 2025 is forecast only in the amount of 1%. The slow growth causes particularly fierce competition between market participants in regard to maintaining their market share. Regardless of the above, we have managed to increase our market share rapidly in the key business segments. We are cautiously optimistic about the second half of the year when majority of the stations opened during the last year will have reached their optimal operating capacity and thereby will provide positive contribution to the Group's future financial results.

Jānis Vība,
Chairman of the Board


VIRŠI

In terms of investments, we have started the largest project in the history of the company — construction of biomethane production facility in Naukšēni. In the beginning of 2025, the planning and funding attraction phase of the project was completed and construction of the facility was started. This project is not only a strategic investment return and sustainability project in the company's portfolio, but also a significant step towards the development of the Latvian energy industry, facilitating production of sustainable and environmentally friendly energy.

Vita Čirjevska,

Member of the Board

Strategic development and investments

As the Group continued development of the network and new business directions, total investments of the Group amounted to EUR 7.4 million (in the first half of 2024: EUR 9.9 million).

Development of stations and convenience stores

One of the Group's long-term strategic goals and sustainability goal is trade of alternative fuels or decarbonisation of transport sector. Construction of the biomethane production facility in Naukšēni, Valmiera municipality, is one of the key projects strategically, financially, and technically. In 2024, Virši started investing and attraction of strategic investor to SIA Livland Biomethane, and in 2025, the construction process started and the Group's holding in the company has been increased to 49%. It is planned to complete construction of the biomethane production facility and start trading biomethane in the first half of 2026.

The biomethane production facility in construction will be able to provide energy for up to 3 000 households or operate approximately 100 heavy-duty vehicles. At the same time, the amount of greenhouse gas emissions will be reduced by approximately 24 000 tonnes per year.

Olavs Ķiecis

Head of Business Development

Strategic development and investments

In 2025, the filling station network continued expanding, and new station was opened in Salacgrīva in June. It is a strategically important location on motorway A1, in the part between Ādaži and the Estonian border where the company had not been represented until now. In the second half of the year, Virši plans to open a filling station in Kuldīga.

After assessing customers' demand and profitability of projects, the stores Virši Tērbata and Origo were closed during the reporting period. Continuing the sustainable development path, during the reporting period, solar panel systems with the total capacity of 130 kW were installed in the following Virši filling stations: Berģi, Valmiera 2, Apvedceļš and Salacgrīva. Moreover, the Group started working on new office premises in Riga, Dēļu iela 4, where we plan to start working in the beginning of the second half of the year.

Strategic development and investments

Efficiency is the most accurate word that characterises this year. Until now, we have developed a vast network of filling stations with convenience stores. By offering customers quality products, we have created a brand that customers like. This year, we increasingly focused on process efficiency, namely, we assessed how to work smarter, more efficiently, and more sustainably. This is reflected in different initiatives we have implemented — from product development and sales, to improvement of service, provision of quality, and strengthening of sustainability.

Linda Prūse,
Member of the Board

Alternative fuels

During the reporting period, the opportunities of charging electrical vehicles were expanded in the Virši network by installing new charging facilities in the filling stations Viskaļi and Cēsis–Saulrīti. Until the end of the year, it is planned to install charging facilities in four other filling stations. We can see that the Virši charging network is popular: since June 2024, the energy amount charged in the filling stations has increased by 183%. This increase is facilitated by the opening of new filling stations (7 stations in the second half of 2024 and 2 stations in 2025), and the increasing interest of customers in this service. Keeping the service quality and competition in mind, since 2024, the Virši electrical vehicle charging network uses only renewable energy that has been generated in Latvia that is acknowledged by the certificates of origin of electricity use. Moreover, the discount policy for electrical vehicle charging has been introduced in the reporting period for the members of the Virši loyalty programme, if payment is made in the store.

+183%

charged electricity

New stations in second half of 2024 and 2025:

- "Tukums Valdaiši"
- "Valmiera 2"
- "Grenctāle"
- "Apvedceļš"
- "Cēsis Saulrīti"
- "Brīvība"
- "Arkādijs"
- "Berģi"
- "Viskaļi"

Sustainability development and reporting

Regardless of uncertainty related to the sustainability reporting requirements in the European Union, Virši continues developing sustainable solutions, based on the company's values in the area of environment, people, and governance.

Sustainability development and reporting

In 2024, based on the double materiality analysis and developed sustainability strategy, 15 sustainability goals were set and relevant target indices in three key areas: environment, society, and company governance. In 2025, execution of these goals is monitored once in quarter, they have been integrated in the annual goals of structural units, therefore motivating the involvement of every employee in achieving the result.

To view matters about the decarbonisation of the transport sector, a discussion "Car, bicycle, or feet? Climate at the steering wheel" was organised during the annual conversation festival LAMPA where transport habits and different transport energy types were discussed with the industry experts.

In the first half of 2025, particular attention was paid to improving and optimisation of the waste sorting system in the filling station network. Containers for glass tare were installed and it has become possible to sort types of waste that were not separated previously.

The company continues investing in employee growth. During the reporting period, annual health month was organised when employees had a chance to visit educational lectures about professional development, competition, work–life balance, and financial literacy, as well as to participate at the Rimi Riga Marathon. Moreover, in the first half of the year, the company has obtained the status of "Family-Friendly Workplace" that is granted by the Society Integration Foundation, facilitating development of work environment culture in Latvia that is empathic, human, and understanding, at the same time providing tools to asses the existing work environment, and financial assistance in implementation of different support events for the employees.

Corporate governance

By implementing good governance practice, suppliers' Code of Conduct was developed during the reporting period, it reflects the company's commitment to operate responsibly, sustainably, and ethically in all cooperation stages. The Code of Conduct includes principles related to fair and transparent business, compliance with the human rights principles and employees' welfare, environment protection, and sustainable use of resources, occupational safety, and health protection, etc. The Code provides clear guidance to business partners to ensure responsible action over entire supply chain. This initiative strengthens the company's values and progression towards sustainable development together with reliable and responsible business partners.

During the reporting period, we continued working on development of employee training platform, restoring video training content and implementing knowledge testing about such topics as business, prevention of corruption, money laundering, etc.

Personnel

During the reporting period, the Group obtained high ratings from CV-Online "Top Employer" in several categories: The Group ranked 6th in the key category ("Top-of-Mind"), 3rd in the trading sector, and 1st in the Zemgale region. These achievements confirm the Group's reputation as a steady and demanded employer, and purposeful work on improvement of work environment and attraction of employees. Moreover, the Group obtained a high rating among the Latvian companies in the survey conducted by CV market "Best Employer 2024". In the survey, the respondents ranked Virši 8th when answering the question about the company they would like to work for the most. Such results are motivating to continue working on the implementation of the employer's image that is based on clearly defined values, sustainable staff policy, and purposeful measures directed towards employees' wellness, professional growth opportunities, and strong team culture.

Financial risk management

The Group is exposed to financial risks including credit risk, oil, and electricity price risk, interest rate and currency risk. In order to control significant risks and mitigate the adverse impacts of the financial market, the Group's management observes internal procedures.

Credit risk is controlled by the Group through the constant assessment of client credit history based on credit policies in place. Receivables are registered by an individual assessment of the customer's credit history and financial indicators within appropriate credit limits and established due days. Trade receivables are carried at their recoverable amount. The Group's partners in cash transactions are local financial institutions with an appropriate credit history.

The Group is exposed to the oil price risk as it both purchases and sells fuel products, and the price of fuel products is closely linked to market fluctuations in oil prices. The risk is mitigated as the Group's prices are predominantly set on the basis of the actual fuel purchase price.

The Group observes a prudent policy for managing liquidity risk and secures access to appropriate amounts of cash and cash equivalents or credit resources under bank credit lines to be able to meet its liabilities as they fall due.

For the purposes of currency risk management, the Group management monitors the currency structure of assets and liabilities. Due to the current structure of the financial assets and liabilities denominated in foreign currencies, the currency risk is not material.

Subsequent events

No other significant subsequent events have occurred in the period from the year-end to the date of these consolidated financial statements that would require adjustments to be made to these consolidated financial statements or disclosures added within the consolidated financial statements.

Riga, 8 August 2025

Jānis Vība
Chairman of the Board

Linda Prūse
Member of the Board

Vita Čirjevska
Member of the Board

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIMESTAMP

VIRŠI

Consolidated statement of comprehensive income

3

Consolidated statement of comprehensive income

	Note	2025 EUR (unaudited)	2024 EUR (unaudited)
Net sales	2,4	188 597 907	185 323 115
Cost of sales	3,4	(167 849 470)	(166 210 506)
Gross profit	4	**20 748 437**	**19 112 609**
Selling expenses	5	(15 729 279)	(13 551 572)
Administrative costs	6	(2 059 561)	(1 926 146)
Other operating revenue		391 580	110 825
Other operating expenses		(784 855)	(379 310)
Results from operating activities		**2 566 322**	**3 366 406**
Financial revenue		106 247	285 398
Finance expenses	16	(923 384)	(1 454 108)
Profit before corporate income tax		**1 749 185**	**2 197 696**
Corporate income tax for the reporting year		(293 285)	(191 095)
Profit after corporate income tax		**1 455 900**	**2 006 601**
Profit of the reporting year		**1 455 900**	**2 006 601**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Change in Asset retirement obligation	15	105 677	124 228
Other comprehensive income		**105 677**	**124 228**
Total comprehensive income		**1 561 577**	**2 130 829**
Earnings per share before and after dilution	12	0.10	0.13
EBITDA per share		0.41	0.42

The accompanying notes on pages 34 to 56 are an integral part of these consolidated financial statements.

Riga, 08 August 2025

Jānis Vība	Linda Prūse	Vita Čirjevska	Jeļena Laurinaviča
Chairman of the Board	Member of the Board	Member of the Board	Chief Accountant

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIMESTAMP

VIRŠI

Consolidated statement of financial position

4

Consolidated statement of financial position

ASSETS

NON-CURRENT ASSETS	Note	30.06.2025 (unaudited) EUR	31.12.2024. EUR
Intangible assets		758 498	732 303
Property and equipment	8	101 210 446	99 532 552
Right-of-use assets		4 879 305	4 988 841
Investments in associates		2 723 971	1 750 447
Loans to associates		186 501	201 601
Derivatives	19	2 891 316	3 351 942
TOTAL LONG-TERM INVESTMENTS		**112 650 037**	**110 557 686**

CURRENT ASSETS			
Inventories	9	13 038 642	12 798 330
Trade receivables	10	19 922 347	17 824 379
Due from related parties		160 229	143 064
Derivatives	19	2 295 680	1 107 040
Loans to associates		2 983 136	1 866 767
Other receivables		432 113	348 581
Prepaid expenses		441 420	375 180
Accrued income	10	1 389 926	1 816 035
Cash and cash equivalents	11	3 137 332	3 984 669
TOTAL CURRENT ASSETS		**43 800 825**	**40 264 045**

TOTAL ASSETS		**156 450 862**	**150 821 731**

Consolidated statement of financial position

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	30.06.2025 (unaudited) EUR	31.12.2024. EUR
SHAREHOLDERS' EQUITY			
Share capital		7 572 255	7 572 255
Share premium		6 358 527	6 358 527
Reserves:			
Long-term investment revaluation reserve		23 906 387	24 215 366
Other reserves		(3 995 428)	(3 995 428)
Retained earnings:			
Retained earnings brought forward from previous years		39 122 105	34 784 232
Profit of the reporting year		1 455 900	4 670 496
TOTAL EQUITY	12	**74 419 746**	**73 605 448**
LIABILITIES			
Non-current liabilities			
Loans from credit institutions	13	25 652 779	23 463 577
Other loans	14	4 140 535	4 419 050
Provisions for asset retirement obligation	15	714 472	787 443
Derivatives	19	2 215 543	2 546 816
Lease liabilities		3 611 548	3 752 649
Deferred income		598 014	277 298
TOTAL NON-CURRENT LIABILTIES		**36 932 891**	**35 246 833**
Current liabilities			
Loans from credit institutions	13	5 573 977	6 754 929
Other loans	14	700 008	700 008
Derivatives	19	1 704 019	581 780
Lease liabilities		1 002 269	1 001 170
Trade and other payables		22 178 728	18 740 709
Deferred income		269 960	101 832
Tax liabilities		9 317 627	8 433 203
Accrued liabilities		4 351 636	5 655 819
TOTAL CURRENT LIABILITIES		**45 098 224**	**41 969 450**
TOTAL LIABILITIES		**82 031 115**	**77 216 283**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**156 450 861**	**150 821 731**

The accompanying notes on pages 34 to 56 are an integral part of these consolidated financial statements.

Riga, 08 August 2025

Jānis Vība	Linda Prūse	Vita Čirjevska	Jeļena Laurinaviča
Chairman of the Board	Member of the Board	Member of the Board	Chief Accountant

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIMESTAMP

VIRŠI

Consolidated statement of cash flow

5

Consolidated statement of cash flow

	Note	2025 (unaudited) EUR	2024 (unaudited) EUR
Cash flow from principal activities			
Profit before corporate income tax		**1 749 185**	**2 197 696**
Adjustments for:			
Depreciation of property and equipment and assets of usage rights, and amortisation of intangible assets	8	3 699 351	2 947 589
Result of disposal of property and equipment	8	174 186	-
Result of disposal of property and equipment		67 357	9 038
Interest income		(106 247)	(285 398)
Interest and similar expenses	16	860 432	823 390
(Income) / loss from investments in associates		-	57 524
Net change in fair value of derivatives		62 952	552 727
Profit before adjustment for the impact of changes to current assets and current liabilities		**6 507 216**	**6 302 566**
(Increase) / decrease of receivables		(1 838 797)	5 073 703
(Increase) / decrease in inventories		(240 311)	1 873 187
Increase / (decrease) of accounts payable to suppliers, contractors and other creditors		3 857 098	(7 114 976)
Gross cash flow from principal activities		**8 285 206**	**6 134 480**
Interest paid	16	(678 809)	(675 101)
Repaid / (paid) corporate income tax		(293 285)	(191 095)
Net cash flow from principal activities		**7 313 112**	**5 268 284**
Cash flows from investing activities			
Acquisition of shares of related or associated companies		(1 356 384)	-
Purchase of fixed and intangible assets	8	(5 114 588)	(10 156 448)
Loans to associates		(1 143 136)	-
Income from disposal of fixed and intangible assets		87 789	9 038
Loans repaid		15 100	13 000
Interest received		106 247	285 398
Net cash flows generated from investing activities		**(7 404 972)**	**(9 849 012)**
Cash flows from financing activities			
Dividends paid		(747 279)	(815 809)
Loans received	16	3 500 000	8 431 333
Repayment of loans and leases	16	(3 508 198)	(2 416 155)
Net cash flow from financing activities		**(755 477)**	**5 199 369**
Net cash flow for the reporting year		**(847 337)**	**618 641**
Cash and cash equivalents at the beginning of the year		3 984 669	4 717 284
Cash and cash equivalents at the end of the reporting year	11	**3 137 332**	**5 335 925**

The accompanying notes on pages 34 to 56 are an integral part of these consolidated financial statements.

Riga, 08 August 2025

Jānis Vība	**Linda Prūse**	**Vita Čirjevska**	**Jeļena Laurinaviča**
Chairman of the Board	Member of the Board	Member of the Board	Chief Accountant

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIMESTAMP

Consolidated statement of changes in equity

6

Consolidated statement of changes in equity

	Note	Share capital	Share premium	Long-term investment revaluation reserve	Other reserves	Retained earnings	Total sharehol-ders' equity
Balance as at 31 December 2023		**7 564 730**	**6 358 527**	**24 894 952**	**(4 005 654)**	**34 770 730**	**69 583 285**
Comprehensive income							
Profit of the reporting period		-	-	-	-	2 006 601	2 006 601
Other comprehensive income							
Provisions for asset retirement obligation	15	-	-	124 228	-	-	124 228
Transfer due to depreciation of accumulated revaluation gain		-	-	(414 655)	-	414 655	-
Transaction with owners of the Group							
Profit distribution		-	-	-	-	(815 809)	(815 809)
Balance as at 30 June 2024 (unaudited)		**7 564 730**	**6 358 527**	**24 604 525**	**(4 005 654)**	**36 376 177**	**70 898 305**
Balance as at 31 December 2024		**7 572 255**	**6 358 527**	**24 215 366**	**(3 995 428)**	**39 454 728**	**73 605 448**
Comprehensive income							
Profit of the reporting period		-	-	-	-	1 455 900	1 455 900
Other comprehensive income							
Provisions for asset retirement obligation	15	-	-	105 677	-	-	105 677
Transfer due to depreciation of accumulated revaluation gain		-	-	(414 656)	-	414 656	-
Transaction with owners of the Group							
Profit distribution		-	-	-	-	(747 279)	(747 279)
Balance as at 30 June 2025 (unaudited)		**7 572 255**	**6 358 527**	**23 906 387**	**(3 995 428)**	**40 578 004**	**74 419 746**

The accompanying notes on pages 34 to 56 are an integral part of these consolidated financial statements.

Riga, 08 August 2025

Jānis Vība
Chairman of the Board

Linda Prūse
Member of the Board

Vita Čirjevska
Member of the Board

Jeļena Laurinaviča
Chief Accountant

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIMESTAMP

Notes to the consolidated financial statements

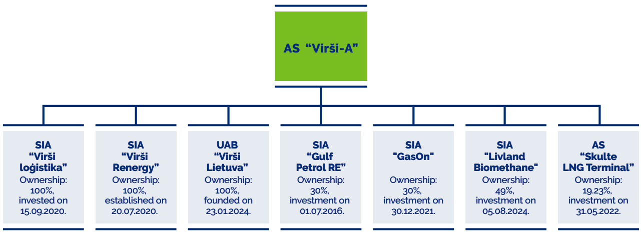
7

1. Information on the Group’s activities and summary of significant accounting principles

General information on the Group

AS Virši-A (hereinafter “the Group” or “the Parent Company”) was registered with the Enterprise Register of Latvia on 6 January 1995. The legal address is Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads. The Group’s shareholders are natural persons and more than 97% of shareholders are residents of Latvia. The Group is engaged primarily in retail and whole sales of oil products, and retail sales of goods.
In 2023, the Group’s parent company managed two subsidiaries, SIA Virši loģistika and SIA Virši Renergy, and, starting from January 2024, also the subsidiary in Lithuania, UAB Virši Lietuva. The operating activities of the subsidiaries are related to those of the Parent Company and represent ensuring fuel deliveries to the Group’s filling stations, franchises and wholesale clients, and selling natural gas and also electricity.

Legal structure of the Group



Summary of material accounting principles

Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024.
They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS as adopted by the European Union. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Group’s financial position and performance since the last annual consolidated financial statements.
The currency unit used in the consolidated financial statements is Euro (EUR).
The condensed consolidated interim financial statements cover the period from 1 January 2025 to 30 June 2025.
The statement of comprehensive income was prepared according to the cost function.
The cash flow statement was prepared using the indirect method.
The condensed consolidated interim financial statements were prepared on the historical cost basis, except for the following items: buildings are revalued on a periodic basis and derivatives are measured at fair value.
The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements:
It is assumed that the Group will continue as a going concern;
Consistent valuation principles were used with those used in comparable accounting periods;
Items were valued in accordance with the principle of prudence:

- The consolidated financial statements reflect only the profit generated to the balance sheet date;
- All incurred liabilities and current or prior year losses have been taken into consideration even if discovered within the period after the date of the balance sheet and preparation of the consolidated financial statements;
- All amounts of impairment and depreciation have been taken into consideration irrespective of whether the financial result was a loss or profit; Income and expenses incurred during the reporting year have been taken into consideration irrespective of the payment date or date when the invoice was issued or received, expenses were matched with income during the reporting period.

Assets and liabilities were valued separately.
All material items, which would influence the decision-making process of users of the consolidated financial statements, have been recognised and insignificant items have been combined and their details disclosed in the notes;
Business transactions are recorded taking into account their economic contents and substance, rather than the legal form.

Related parties

Related parties represent both legal entities and private individuals related to the Group in accordance with the following rules.

a) a)A person or a close member of that person’s family is related to a reporting entity if that person:
   i. Has control or joint control over the reporting entity;
   ii. Has a significant influence over the reporting entity; or
   iii. Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b) b)An entity is related to a reporting entity if any of the following conditions applies:
   i. iThe entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
   ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member):
   iii. The entity is controlled, or jointly controlled by a person identified in (a).
   iv. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
   v. The entity or any member of the group to which the entity belongs provides management personnel services to the entity or the parent of company of the entity.

Related party transaction — a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Principles of consolidation

These consolidated financial statements include the financial position and results of operations of the Parent Company and controlled subsidiaries. A Parent Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
Investments in companies that the Group does not control, but where it has the ability to exercise significant influence (Group's interests are between 20% and 50%) over operating and financial policies, are accounted for using the equity method. These investments are the Group's interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates is accounted for using the equity method and are recognised initially at cost. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated during the process of consolidation. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Segment information

Operating segments are presented in accordance with the classification used in internal reports to the chief operating decision maker. The main decision maker is a person or group of persons who allocates resources to the Group's operating segments and evaluates their activities results. The main decision-maker of the Group is the Board.
The Group's management performs segment analysis at the gross margin level for three core business segments - retail and wholesale fuel products, convenience store goods and services, and energy. The breakdown of revenue, cost of sales and gross margin by line of business is presented in Notes 2 and 4.
All non-finance non-current assets are placed in Latvia and Lithuania. The Group does not have major customers.

New standards and interpretations

The Group has either not conducted transactions that fall within the scope of the new standards or its accounting policies are already compliant. A number of new standards are effective for annual periods beginning on or after 1 January 2024 (part of those has not been adopted by the European Union), with earlier application permitted; however, the Group has not early adopted the new standards in preparing these consolidated financial statements. The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements:

Effective date	New or amended standards	Approved by the EU
01.01.2025.	Lack of Exchangeability (amendments to IAS 21);	12 November 2024
01.01.2026.	Amendments to the classification and evaluation of financial instruments (amendments to IFRS 9 and IFRS 7);	In process
01.01.2026.	Annual amendments to the IFRS, Volume 11 (issued on 18 July 2024)	In process
01.01.2027.	IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024)	In process
01.01.2027.	IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)	In process

Financial instruments

A financial instrument is an agreement that simultaneously results in financial assets of one party and financial liabilities or equity securities of the other party. The key financial instruments held by the Group are financial assets such as trade receivables, other receivables, loans and financial liabilities such as loans, financial instruments, lease liabilities, accounts payable to suppliers and contractors and other creditors arising directly from its business activities.

Recognition and initial measurement

Trade receivables and debt instruments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.
A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

Classification and subsequent measurement

At initial recognition, the Group's financial assets are classified as measured at amortised cost, except for derivatives referred to in Section "Use of derivatives".
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– it is held within a business model whose objective is to hold assets to collect contractual cash flows;
  and
– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.
Subsequent to initial recognition, financial assets are reclassified only when the Group changes the business model under which those financial assets are managed. In this case, all such financial assets are reclassified on the first day of the reporting period in which the business model is changed.
The Group does not hold debt or equity investments measured at FVOCI or FVTPL. All Company's financial assets are classified as financial assets at amortised costs, these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Derecognition

FThe Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.
Any gain or loss on derecognition is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents represent cash in bank accounts and on hand, cash in transit and short-term deposits with initial maturity of up to 3 months.

Financial liabilities

All financial liabilities are initially classified as measured at amortised cost and are subsequently measured at amortised cost using the effective interest method, except derivative liabilities referred to in Section "Use of derivatives". Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. A financial liability is derecognised when its terms are modified and the cash flows of the modified liability are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value.
On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Use of derivatives

In addition to the above risk management policies, the Group uses derivatives to hedge financial risks.
Derivatives are financial instruments whose value changes depending on the interest rate, securities price, foreign exchange rate, price index or rate, credit rating or changes in a similar flexible ratio, and which is impacted by one or several financial risks characteristic of the underlying financial instrument, and transferred from the Group to other parties to the transaction.
The Group uses derivatives such as commodity and currency futures and other derivatives which are initially disclosed at cost and at fair value. Fair value is determined with reference to market prices. All derivatives are recognised as assets if their fair value is positive and liabilities if their fair value is negative. The Group has not applied hedge accounting.

Non-financial assets and liabilities

Intangible assets

Intangible assets are carried at cost amortised over the useful life of the asset on a straight line basis. Should any events or changes in circumstances indicate that the book value of intangible assets is no longer recoverable the respective intangible assets are reviewed for impairment. An impairment loss is recognised when the book value of an intangible asset exceeds its recoverable amount. The Group's intangible assets consist primarily of IT software and developments with useful lives of 3 years.

Property and equipment

Useful lives of property and equipment

Property and equipment is carried at historical cost except for land and buildings that are recognised at revalued value, less accumulated depreciation and impairment. No depreciation is calculated for land. Depreciation is calculated on a straight line basis over the useful life of the asset:

• Buildings and engineering structures	20–40 years
• Equipment and machinery	5–20 years
• Other property and equipment	2–7 years

Depreciation is calculated from the month following the month of putting the asset into use or involvement of it in operating activities. Depreciation should be calculated separately for each component of property and equipment, the cost of which is material in comparison with the total cost of the respective asset. If certain components of an item of property and equipment are depreciated on an individual basis, other components of that same asset item are also depreciated on an individual basis. The remainder represents components that are not material individually. Depreciation of the remaining components is calculated using approximation methods to make proper disclosures of the useful life.

The change of the depreciation method is considered a change of an accounting estimate which a medium and large company is required to disclose in the notes to the consolidated financial statements.

Should any events or changes in circumstances indicate that the book value of property and equipment is no longer recoverable the respective assets are reviewed for impairment. In the presence of non-recoverability indications and when the carrying amount of an asset exceeds its recoverable amount, the asset or its cash-generating unit is written down to its recoverable amount. The recoverable amount of property and equipment is the greater of net sales value and value in use. The value in use is estimated by discounting estimated future cash flows at present value using a pre-tax discount rate which reflects the present market forecasts with respect to the changes in the value of the asset and risks associated with it. The recoverable amounts of assets that do not generate independent cash flows are determined for the cash generating unit to which the asset belongs. Impairment losses are recognised in the profit and loss statement as cost of goods sold.

Items of property and equipment are derecognised in case of disposal or when future benefits are no longer expected from the use of the respective asset. Any profit or loss arising on derecognition of an item of property and equipment (calculated as the difference between net income from disposal and book value) is recognised in the profit and loss statement of the period of de-recognition.

The cost of leasehold improvements is capitalised and reflected under property and equipment. Depreciation of these assets is calculated over the entire period of lease on a straight line basis.

Construction in progress reflects the costs of building items of property and equipment and work in progress and is disclosed at cost. The cost includes the cost of construction and other direct expenses. Construction in progress is not subject to depreciation until the respective assets are completed and put into operation.

(ii) Fair value of property and equipmentā

Land, buildings and constructions are measured by the Group using the revaluation model. In case the carrying amount of items of property and equipment at the reporting date is lower than the valuation in the balance sheet, and such impairment is expected to be permanent, assets are recognised at the lower value. The revaluation result is recognised in the profit and loss statement except if a previously recognised increase in the value of assets is set off against an impairment loss. In that event, the long term investment revaluation reserve is decreased by the amount of impairment.

In case the value of assets at the balance sheet date is higher than the valuation on the balance sheet, the assets are revalued to the higher value if the increase in value may be assumed to be other than temporary. The increase of value resulting from revaluation is recognised under "Long term investment revaluation reserve". If an increase in the value resulting from revaluation compensates for the impairment of the same asset which was previously recognised as an expense in the profit or loss statement, then the increase resulting from revaluation is recognised as income in the profit or loss statement as incurred. The long term investment revaluation reserve is decreased when the revalued asset is disposed, is no longer utilised, or the increase of value is no longer reasonable. The increase included in the long term investment revaluation reserve under equity is decreased by recognising this decrease in the profit and loss statement accordingly: gradually over the entire lifetime of the revalued asset, each reporting period writing down from reserves an amount equal to the difference between the depreciation, calculated based on the revalued value of the asset, and depreciation calculated based on the cost of the asset.

Lease

Accounting under IFRS 16

Initially, right-of-use assets are measured at the present value of outstanding lease payments at the date of recognition. Lease payments are discounted using the Group's effective financing rate for the specific category of assets.

Subsequent to initial recognition, right-of-use assets are measured at cost.

Under the cost model, right-of-use assets are measured at cost net of accumulated amortisation and impairment losses. Assets are amortised from the date of acquisition to the end date of lease.

Subsequent to initial recognition, lease liabilities are measured

- by increasing the carrying amount to reflect interest under lease liabilities and
- by reducing the carrying amount to reflect lease payments made.

Right-of-use assets relating to leased assets are disclosed in the statement of financial position separately from other assets and lease liabilities are disclosed separately from other liabilities. Interest expenses on lease liabilities are disclosed in the statement of comprehensive income and other comprehensive income separately from amortisation of the right-of-use asset.

Investments in associates

The Group's interests in equity-accounted investees comprise investments in associates. Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Such investments are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, these individual financial statements include the Group's share of the profit or loss and other comprehensive income of associates on an equity-accounted basis, from the date that significant influence effectively commences until the date that significant influence effectively ceases. When the Group's share of losses exceeds the Group's interest in the associate, that interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

Unrealised gains arising from transactions with associates are eliminated against the investment to the extent Group's share in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Inventories

Inventories are stated at the lower of cost or net realisable value. Expenses incurred to deliver inventories to their current location and condition are recognised in the following way:

- Raw materials are recognised at purchase cost in line with the FIFO method;
- finished goods and work in progress are carried at direct cost of materials and labour plus production overheads based on the nominal production capacity of equipment net of borrowing costs.

NNet realisable value represents the estimated sales price in the ordinary course of business less estimated cost to complete and sell the goods. Net realisable value is reflected as cost less allowances.

Earnings per share

Basic earnings per share is computed by dividing profit available for distribution to common shareholders of the Group by the weighted-average number of common shares outstanding during the reporting period. Diluted earnings per share is determined by adjusting profit available for distribution to common shareholders of the Group and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees. The Group currently does not have dilutive potential ordinary shares arising from share options granted to employees.

Employee benefits

Short-term employee benefits, including salaries and social security contributions, bonuses and vacation benefits are included in net operating expenses on an accrual basis as the services are provided. The Group pays fixed social security contributions to State Social Fund on behalf of its employees during the employment period in accordance with local legal requirements and will have no obligations to pay further contributions relating to employee services in respect of retired employees.

Share-based payments

The Group has rolled out an equity-settled transactions share-based payments programme to its key employees. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. During 2021, the listed share price was used as a proxy for the share base award fair value determination. That cost is recognised in employee benefits expense, together with a corresponding increase in equity (other reserves), over the period in which the service conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Deferred Tax Liability on unremitted earnings

In Latvia, legal entities are required to pay income tax on profits in accordance with the Corporate Income Tax Law. Corporate income tax would be paid on distributed profits and deemed profit distributions. Corporate income tax for dividend payments is recognised in the profit or loss statement as costs in the reporting period, when the relevant dividends are announces, while for the remaining objects of conditional profit, when costs have incurred within the framework of the reporting year.
The Group has elected to use the benefits of this favourable tax regime and invest profit into further development of its subsidiaries. To that end, the Group does not plan to distribute dividends from the Latvian subsidiaries during the course of the future five years. The Group has not recognised any deferred tax liabilities.

Provisions for asset retirement obligation

The nature of certain Group's businesses exposes the Group to risks of environmental costs and potential contingent liabilities. The risk arise from manufacture, storage, transport and sale of products that that may be considered to be contaminants when released into the environment. Liability may arise also through the acquisition, ownership or operation of properties or businesses.
Provisions can arise from environmental risks, litigation, restructuring plans or onerous contracts. Environmental provisions are recorded based on current interpretations of environmental laws and regulations when the certain conditions are met.
The Group records the present value of the estimated future costs to settle its legal obligations to abandon, dismantle or otherwise reduce environmental hazard caused by property and equipment in the period when the liability incurred. Provisions for asset retirement obligation (ARO) are recorded in the consolidated statement of financial position.
As the Group applies revaluation model for property and equipment, valuation of the property and equipment are kept sufficiently up to date such that the carrying amount of the asset does not differ materially from its fair value at the reporting date.
The carrying amount of ARO must be reassessed at each financial reporting date. This includes taking into account new information and appropriateness of the discounts rate and other various assumptions, e.g. inflation rate.
A change in the provision does not affect the valuation of the asset, because the value of the provision is excluded from the asset valuation.
The change in the provision affects the revaluation difference recognised in equity between the value of property and equipment and the value that would have been recognised under the cost model. Changes in the provision affect the revaluation surplus or deficit previously recognised in respect of that asset. Changes resulting from the unwinding of the discount are recorded in profit or loss.
A decrease in the provision is recognised in other comprehensive income, except to the extent that it reverses a revaluation deficit previously recognised in profit or loss, or when it would result in the depreciated cost of the asset being negative. An increase in the provision is recognised in profit or loss, except to the extent that any credit balance remains in the revaluation surplus in equity.
In case ARO is changed, the Group is assessing possible necessity of revaluation of the asset.
A provision is recognised in the consolidated statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that the

obligation will result in payment, and the amount of payment can be estimated reliably.

The existence of criteria for recognizing provisions and the amounts of provisions are determined based on estimates. The amount to be recorded is the best estimate of the cost required to settle the obligation at the reporting date or transfer to a third party. The estimate of the financial impact of the past event requires management judgement, which is based on similar events occurred in the past, and where applicable, the opinion of external experts. Estimates may differ from the actual future amount of the obligation and with respect to the existence of the obligation.

ARO measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

The Group's provisions for asset retirement obligation ("ARO") represents management's best estimate of the present value of costs that are expected to be incurred for oil installation decommissioning to the extent that Group is obliged to rectify damage already caused. Based on the current projected filling station life, these costs are not expected to be realised until 1.5–40 years' time with the average remaining lifetime being 23.5 years (2024: 24 years).

In June 2025, the Group reviewed the decommissioning requirements and the assumptions used in the present value calculation and adjusted the obligation to EUR 714 472 as of 30 June 2025. The update was prepared by management and resulted in a net decrease of EUR 72,971 from the ARO on 31 December 2024 of EUR 787,443.

As at 30 June 2025, the estimated undiscounted ARO was EUR 1 526 054 (2024: EUR 1 517 222). In addition to the undiscounted cost estimates, the primary assumptions that affect the present value calculation are the inflation rate and the discount rate. For the update prepared as at 30 June 2025, the Company used an inflation rate of 2% (2024: 2%) and a discount rate of 3.09% (2024: 60%) in calculating the present value of the obligation. The inflation rate is based on projected inflation indices and the discount rate is based on the 30-year German government bond yield representing the long term risk free interest rate. The assessment is particularly sensitive to the inflation assumption. Should the inflation estimate increase to 3% from the 2% used in the assumption, the ARO provision would increase by EUR 228 480 (2024: EUR 261 698). Should the long-term inflation estimate decrease to 1% from the 2% used in the assumption, the ARO provision would decrease by EUR 167 085 (2024: EUR 189 904).

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group has access at that date. The fair value of liabilities represents the risk of default.

According to the Group's accounting policies and disclosure requirements fair value should be determined for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is classified into different levels of the fair value hierarchy based on the data used in the measurement approaches:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Fair values have been determined for measurement and disclosure purposes based on the below methods. Where necessary, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Impairment

(a) Financial assets

Financial assets are classified in the following measurement categories: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The classification depends on used business model for managing the financial assets and the contractual terms of the cash flows. Assets are classified as current assets, except for maturities over 12 months after balance sheet date. Those are classified as non-current assets.

Purchases and sales of financial assets are recognised on the settlement date. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Amortised cost category consists of liquid funds, trade receivables and other financial investments (loan receivables — where the business model is to hold the asset to collect the contractual cash flows which represent only payments of principal and interest, and investment in associate).

Financial assets recognised at amortised cost are valued using the effective interest method. Assets at fair value through profit or loss consists of derivatives. Profit or losses from derivatives are included in financial income and expenses.

Liquid funds consists of cash and cash equivalents and current investments. Cash and cash equivalents include cash in hand and bank and other highly liquid investments with original maturities of three months or less.

The Group recognises an allowance for expected credit losses (hereinafter "ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms, if relevant.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has

been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).
Financial assets for which ECLs are calculated are:

- Trade receivables and other receivables
- •Loans to associate
- •Cash at bank.

Liquid funds

	30.06.2025 (unaudited)	31.12.2024
Cash and cash equivalents	3 137 332	3 984 669

The maximum exposure to credit risk is the carrying amount of the liquid funds. Note Financial risk management sets out more information about credit risk. All cash equivalents are on demand deposits with reputable credit institutions in Republic of Latvia. These credit institutions are either investment grade or subsidiaries of investment grade credit institutions. Therefore impairment for liquid funds has not been recognised because the amount is assessed as immaterial both due to on demand nature and the high creditworthiness of the counterparties.

Trade receivables and other receivables

	30.06.2025 (unaudited)	31.12.2024
Trade receivables	19 922 347	17 824 379
Due from related parties	160 229	143 064
Other receivables	432 113	348 581
Accrued income	1 389 926	1 816 035
Total trade receivables	**21 904 615**	**20 132 059**

The simplified expected credit loss model is applied for trade receivables according to IFRS 9. Impairment process is based on historical credit loss experience combined with current conditions and forward-looking macroeconomic analysis. The impairment or credit loss is recognised in the consolidated statement of income within other expenses. Due to the nature of short-term trade and other receivables their carrying amount is expected to be equal to their fair value. The maximum exposure to credit risk is the carrying amount of the trade and other receivables. Analysis of trade receivables by age, information about the impairment and credit losses are presented in Note 10.

Other financial investments

	30.06.2025 (unaudited)	31.12.2024
Loan to an associate	3 169 637	2 058 160
Total other financial investments	**3 169 637**	**2 058 160**

The fair value of non-current and current financial investments is not materially different from the carrying amount, which is also the maximum exposure to credit risk. No impairment losses have been recognised as there are no significant credit risks associated with the receivables.

The associated companies are considered to perform well:

- Debt instruments of SIA Gulf Petrol Re are amortised while its properties are leased out to the Group under contracts that fully support the associate's ability to repay its creditors;
- SIA Gason, in which the Group made a capital contribution as at 30 December 2021 becoming the holder of 30% equity, in 2024 suffered a loss due to unfavourable changes in prices of energy resources and client demand. To mitigate losses, the Company has invested in and developed a new propane gas supply business; the diversified portfolio of assets and customers allows the company to plan positively for future operating cash flows. In 2024, the Company also continued to integrate the Group's corporate governance standards and to collaborate in the development and implementation of strategic objectives.
- SIA Livland Biomethane, where the Group invested in 2024 and 2025, obtaining 49% of shares, performed design, preliminary work, and attracted financing for constructing a new biomethane production facility. In 2025, the active construction stage of the facility is planned.

(b) Non-financial assets

Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the consolidated statement of income to the extent that the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Intangible assets and property, plant and equipment are always tested for impairment, when there is any indication that an asset may be impaired. When the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised as an expense immediately and the carrying amount is reduced to the asset's recoverable amount. The amounts recoverable from cash generating units' operating activities are determined based on value in use calculations. Preparation of these estimates requires management to make assumptions relating to future expectations. The main assumptions used relate to the estimated future operating cash flows and discount rates.

Contingent liabilities and assets

Contingent liabilities are not recognised in these consolidated financial statements. Contingent liabilities are recognised as liabilities only when there is reasonable likelihood that an outflow of funds will be required. Contingent assets are recognised in these consolidated financial statements to the extent that there is reasonable likelihood that the Group will receive an inflow of economic benefits related to the transaction.

Revenue recognition

Revenue from contracts with customers is recognised when or as the Group satisfies a performance obligation by transferring control of a promised good or service to a customer. The transfer of control is based mainly on transferring risks and rewards according to the delivery terms. The group principally satisfies its performance obligations at a point in time; the amounts of revenue recognised relating to performance obligations satisfied over time are not

significant. When, or as, a performance obligation is satisfied, the Group recognises as revenue the amount of the transaction price that is allocated to that performance obligation.
The transaction price is the amount of consideration to which the group expects to be entitled in exchange for the promised goods or services. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods or services promised. Revenue is presented net of indirect sales taxes such as value added tax, penalties and discounts.
Sale of oil products contains fuel product sales in wholesale and retail sale at filling stations. Excise taxes included in the retail selling price of finished oil products are included in product sales. The corresponding amount is included in the purchase price of oil products and included in Cost of oil products and goods.
In addition to oil products, sales of goods in convenience stores include catering and sales of consumer products at Virši filling stations.
Sales of energy includes sales of electricity products and guarantees of origin.

Income tax

According to the Corporate Income Tax Law of the Republic of Latvia, the tax rate is 20%, the taxation period is one month and the taxable base, determined by dividing the value of the taxable item by a factor of 0.8, includes:

- Distributed profit (dividends calculated, payments equivalent to dividends, conditional dividends); and
- Conditionally or theoretically distributed profit (non-operating expenses, doubtful debts, excessive interest payments, loans to related parties, decrease of income or excessive expenses which are incurred by entering transactions at prices other than those on the market that should be calculated using the methodology determined by the Cabinet of Ministers, benefits bestowed by the non-resident upon its staff or board (Council members) regardless of whether the receiving party is a resident or a non-resident, if they relate to the operation of a permanent establishment in Latvia, liquidation quota).

Deferred income tax is provided in full, using the liability method, on taxes carried forward losses and any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Under the initial recognition exception, deferred tax is not initially recognised for an asset or liability in transactions a business combination if the transaction, when initially recognised, does not affect profit for financial or tax purposes. Deferred tax liabilities are not recognised for temporary differences on the initial recognition of goodwill and subsequently for goodwill non-deductible for tax purposes. Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date and is expected to be effective in the periods in which the temporary differences reverse or are used to carry forward losses. Deferred tax is calculated at the rate applicable to retained earnings until a decision is taken on profit distribution. Thus, in Latvia where income tax is payable on distributed profits (such as dividends), the deferred tax liabilities or assets are recognised using the tax rate applicable to retained earnings.
When applicable, deferred tax is recognised at the Group level using the expected tax rate of the future dividend. Deferred tax assets and liabilities are mutually exclusive excluded only within the same company of the Group and only if certain criteria are met.
Deferred tax asset in respect of temporary differences and tax losses carried forward is recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised.
The carrying amount of the deferred tax asset, if any, is reviewed at each reporting date and reduced to the extent that it is probable that future taxable profits will be available against which the deferred income tax can be utilised realisation of the asset. Future taxable profits and possible amounts of tax benefits are estimated, on the basis of medium-term financial forecasts prepared by management and their extrapolated results. The financial forecast is based on management forecasts that are reliable and reasonable in the circumstances.

Significant accounting estimates and judgement in applying accounting policies

The preparation of financial statements in conformity with the IFRS Accounting Standards as adopted by the European Union requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. Although these estimates are based on management's best knowledge of current events and actions, the actual results ultimately may differ from those estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period, in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty:

- Measurement of fair value of Property and Equipment
  More detailed description of fair value measurement is disclosed under Note 1 heading "Property and Equipment" (ii) Fair value of property and equipment. Also refer to Note 8.
- •Expected credit loss determination
  More detailed description of fair value measurement is disclosed under Note 1 heading "Fair value measurement". Also refer to Note 19;
- Provisions for asset retirement obligation
  More detailed description of fair value measurement is disclosed in Note 1 heading Provisions. Also refer to Note 15.
- Measurement of fair value of derivatives.

Derivatives are financial instruments whose value changes depending on the interest rate, securities price, foreign exchange rate, price index or rate, credit rating or changes in a similar flexible ratio, and which is impacted by one or several financial risks characteristic of the underlying financial instrument, and transferred from the Group to other parties to the transaction.
The Group uses derivatives such as commodity futures and other derivatives. Fair value is determined with reference to market prices. All derivatives are recognised as assets if their fair value is positive and liabilities if their fair value is negative.
The Group has entered risk hedging agreements in the reporting period; however hedge accounting has not been applied.

2. Net turnover

By type of operating activity	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Sale of oil products	143 445 172	144 792 278
Sales of goods in convenience stores	28 723 080	26 192 804
Energy	15 412 839	13 128 164
Other income	1 016 816	1 209 869
TOTAL:	**188 597 907**	**185 323 115**

By geographic market	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Latvia	182 544 910	183 873 366
Other	6 052 997	1 449 749
TOTAL:	**188 597 907**	**185 323 115**

Contract liabilities under Trade and Other payables	30.06.2025 unaudited	31.12.2024
Advances received	504 398	536 235
TOTAL:	**504 398**	**536 235**

Accrued income recognised is due from retail business partners for volume discounts granted in the reporting period, as well revenue from marketing activities and revenues from electricity trading. Revenue will be received during following quarter depending on compensation period contracted.
The Contract liabilities included in Trade and Other payables primarily relates to the advance consideration received from customers for deliveries of fuel. This will be recognised in revenue when goods are delivered.
No information is provided about remaining performance obligations as at 30 June 2025 or as at 31 December 2024 that have an original expected duration of one year or less, as allowed by IFRS 15.

3. Cost of sales

	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Oil products, energy services, and convenience store goods	166 525 072	164 505 510
Depreciation and amortisation	61 468	51 585
Personnel expenses	90 766	94 830
Other costs related to property	99 338	99 045
Maintenance and repairs	72 667	47 580
Transport	140 038	147 555
Other expenses	860 121	1 264 401
TOTAL:	**167 849 470**	**166 210 506**

4. Segment information

The Group's management assesses the operating results at the gross profit level in three segments: retail and wholesale of fuel products, convenience store goods and services, and energy, where gross profit in 2025 and 2024 was mainly driven by electricity sales in the B2B segment.

For the six months ended 30 June 2025	Sale of fuel products	Convenience stores	Energy	Other income	TOTAL
Net sales from types of operations	143 445 172	28 723 080	15 412 839	1 016 816	188 597 907
Cost of goods sold, cost of goods or services	133 601 810	18 205 975	15 463 898	577 787	167 849 470
Gross profit	**9 843 362**	**10 517 105**	**-51 059**	**439 029**	**20 748 437**
Gross margin	**6.9%**	**36.6%**	**-0.3%**	**43.2%**	**11.0%**
Gross profit share	**47.4%**	**50.7%**	**-0.2%**	**2.1%**	

For the six months ended 30 June 2024	Sale of fuel products	Convenience stores	Energy	Other income	TOTAL
Net sales from types of operations	144 792 278	26 192 804	13 128 164	1 209 870	185 323 115
Cost of goods sold, cost of goods or services	135 402 024	16 954 430	12 872 506	981 547	166 210 506
Gross profit	**9 390 254**	**9 238 374**	**255 658**	**228 323**	**19 112 609**
Gross margin	**6.5%**	**35.3%**	**1.9%**	**18.9%**	**10.3%**
Gross profit share	**49.1%**	**48.3%**	**1.3%**	**1.2%**	

5. Selling costs

	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Staff expenses	8 560 159	7 740 196
Depreciation and amortisation	3 483 487	2 664 882
Other costs related to property	506 964	105 042
Maintenance and repairs of infrastructure	1 527 443	1 506 696
Marketing expenses	526 167	444 828
Transport	346 978	367 214
Other expenses	778 081	722 714
TOTAL:	**15 729 279**	**13 551 572**

6. Administrative costs

	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Staff expenses	1 333 914	1 126 313
Depreciation and amortisation	154 396	231 122
Other costs related to property	21 259	21 717
Maintenance and repairs of office	36 659	58 399
Transport	85 523	79 971
Professional services	267 037	334 107
Other expenses	160 773	74 517
TOTAL:	**2 059 561**	**1 926 146**

7. Corporate income tax

Corporate income tax recognised in the statement of comprehensive income

Corporate income tax is calculated by the Group according to the laws and regulations of the Republic of Latvia and is recognised in the consolidated statement of comprehensive income when profit is distributed. Significant corporate income tax expenses are not planned as at and for the six months ended 30 June 2025.

8. Statement of changes to property and equipment

	Land, buildings and engineering structures	Leasehold improvements	Equipment and machinery	Other property and equipment	Construction in progress	Prepayments for property and equipment	TOTAL
Historical cost							
31 December 2023	77 090 711	692 024	15 507 928	9 602 275	2 970 663	1 182 802	107 046 403
Additions	329 541	8 314	131 562	473 218	8 702 606	62 690	9 707 931
Reclassifications	4 773 400	44 514	1 075 338	471 163	(6 083 178)	(281 237)	-
Cost of disposed items of property and equipment	-	-	(24 671)	(47 649)	-	-	(72 320)
30 June 2024 (unaudited)	82 193 652	744 852	16 690 157	10 499 007	5 590 091	964 255	116 682 014
31 December 2024	92 495 844	975 120	19 602 621	11 503 864	2 095 295	682 609	127 355 353
Additions	401 505	4 044	562 957	129 137	3 761 475	74 539	4 933 657
Reclassifications	2 398 919	-	1 156 324	229 911	(3 400 972)	(384 182)	-
Cost of disposed items of property and equipment	(82 566)	(141 479)	(57 136)	(63 616)	-	-	(344 797)
30 June 2025 (unaudited)	95 213 702	837 685	21 264 766	11 799 296	2 455 798	372 966	131 944 213
Accumulated depreciation and impairment							
31 December 2023	11 306 478	228 357	5 951 294	5 387 865	-	-	22 873 994
Depreciation, depreciation of the revalued part*	972 080	34 523	748 964	692 613	-	-	2 448 180
Impairment	-	-	(23 821)	(23 463)	-	-	(47 284)
30 June 2024 (unaudited)	11 306 478	228 357	5 951 294	5 387 865	-	-	22 873 994
31 December 2024	13 364 802	304 540	7 459 157	6 694 302	-	-	27 822 801
Depreciation, depreciation of the revalued part*	1 190 238	45 869	976 789	809 681	-	-	3 022 577
Impairment	-	(18 849)	(43 215)	(49 547)	-	-	(111 611)
30 June 2025 (unaudited)	14 555 040	331 560	8 392 731	7 454 436	-	-	30 733 767
Carrying amount							
30 June 2024 (unaudited)	69 915 094	481 972	10 013 720	4 441 992	5 590 091	964 255	91 407 124
30 June 2025 (unaudited)	80 658 662	506 125	12 872 035	4 344 860	2 455 798	372 966	101 210 446

The carrying amount of Land, buildings and engineering structures, had it been presented at fair value as at 30 June 2025, would have been EUR 56 376 284 (2024: EUR 54 324 306), if the entire category had been accounted using the cost method.

All items of property and equipment under "Land, buildings and engineering structures" represent Level 3 fair value hierarchy.

The following table shows the valuation technique used in measuring the fair value of Land, buildings and engineering structures, as well as the significant unobservable inputs used for 2022i:

Type	Fair value, EUR (2022)	Valuation approach	Significant unobservable inputs	Inter-relation between significant unobservable inputs and fair value measurement
Filling stations with equipment	58 743 702	Discounted cash flows	– Discount rate ranging from 11% to 15.5% – Capitalisation rate ranging from 10% to 14.0% – Gross revenue assumption in year one for fuel sales from EUR 40 thousand to EUR 326 thousand – Gross revenue assumption in year one for store sales from EUR 54 thousand to EUR 333 thousand – Revenue growth from year 4 or 5–0.5% per year (with the exception of a new filling station with growth of 5%–7% p.a.)	Market value may increase (reduce) if: – Discount rate reduces (increases); – Initial gross revenue from fuel and store sales increases (reduces); – Maintenance cost of filling stations reduces (increases); – Forecast of changes in revenue increases (reduces).
Oil storage facility / railway network	2 015 000	Discounted cash flows /	– Discount rate 17.5% – Capitalisation rate ranging from 7.5% to 15% – Rent of 0.14 EUR/m2 (land) to 3.0 EUR/t (fuel) – Leased land / transhipment capacity / annual utilisation 49–95% – Revenue growth from year 3 0.5%–1.0% p.a.	Market value may increase (reduce) if: – Discount / capitalisation rate reduces (increases); – Rent increases (reduces); – Occupancy increases (reduces); – Maintenance cost of real estate properties reduces (increases); – Forecast of changes in revenue increases (reduces).
Commercial buildings	387 000	Discounted cash flows	– Discount rate 12.0%, capitalisation rate 10.0–10.5% – Rent 1.00–3.00 EUR/m^2 – Occupancy rate 65–90% p.a. – Revenue growth from year 3 0.5%–1.0% p.a.	Market value may increase (reduce) if: – Discount rate reduces (increases); – Rent increases (reduces); – Occupancy increases (reduces); – Maintenance cost of real estate properties reduces (increases); – Forecast of changes in revenue increases (reduces).

9. Inventories

	30.06.2025 unaudited	31.12.2024
Auxiliary materials	752 070	778 573
Fuel	8 691 802	8 489 490
Other goods	3 436 801	3 228 103
Prepayments for inventories	157 969	302 164
TOTAL:	**13 038 642**	**12 798 330**

On 30 June 2025, the net realisable value of inventories was equal to the carrying amount. No provisions are recognised for impairment of inventories.

10. Trade receivables and accrued income

	30.06.2025 unaudited	31.12.2024
Carrying amount of trade receivables	21 185 234	18 970 578
Impairment allowance	(1 262 887)	(1 146 199)
TOTAL:	**19 922 347**	**17 824 379**

Accrued income	1 389 926	1 816 035
TOTAL:	**1 389 926**	**1 816 035**

The increase in accrued revenue is due to the increase in the electricity trading segment, where invoices for services rendered are raised and paid in the month following the provision of the service.

Overdue days under IFRS 9	ECL rate	Receivable	Impairment	ECL rate	Receivable	Impairment
		30.06.2025 unaudited			31.12.2024	
Not past due	0.04%	20 765 116	8 306	0,04%	19 055 662	7 622
Overdue by 1–30	0.10%	482 992	483	0,2%	876 605	1 753
Overdue by 31–60	1.10%	121 328	1 335	1,0%	134 262	1 343
Overdue by 61–90	2.80%	48 144	1 348	2,6%	72 498	1 885
Overdue by 91–180	6.00%	9 944	597	5,2%	28 063	1 459
Overdue by 181–360	10.10%	7 852	793	9,5%	85 012	8 076
Overdue by> 360	100.00%	1 139 784	1 139 784	100,0%	534 511	534 511
Total		**22 575 160**	**1 152 646**		**20 786 613**	**556 649**
Individual allowance			110 241			589 550
Total doubtful debt allowance			**1 262 887**			**1 146 199**

Impairment allowance for trade receivables as at 31.12.2023	**567 507**
Decrease of allowances due to decrease of long-term debts	113 603
Release of allowances due to write-offs	(23 908)
Impairment allowance for trade receivables as at 30.06.2024 (unaudited)	**657 202**
Impairment allowance for trade receivables as at 31.12.2024	**1 146 199**
Decrease of allowances due to decrease of long-term debts	150 396
Release of allowances due to write-offs	(33 708)
Impairment allowance for trade receivables as at 30.06.2025 (unaudited)	**1 262 887**

Impairment allowances are assessed by the Group based on the ECL rate and valuation of individual debtors.

11. Cash and cash equivalents

	30.06.2025 unaudited	31.12.2024
Cash in bank and on hand	1 585 738	2 422 010
Money in transit	1 551 594	1 562 659
TOTAL:	**3 137 332**	**3 984 669**

11. Share capital and reserves

Share capital

Share capital of the Group in as at 30 June 2025 is EUR 7 572 255 (2024: EUR 7 572255), comprised of 15 144 510 shares (2024: 15 114 510). Nominal value per share is EUR 0.50 (2024: EUR 0.50). All shares are fully paid up.
In 2024, the Group continued its employee share option programme by making the third conversion of options, increasing share capital and issuing an additional 15 050 (2023: 15 039) shares for a total value of EUR 7 525 (2023: EUR 7 520).

Earnings per share

The calculation of earnings per share before dilution has been based on the following profit attributable to ordinary shareholders and weighted number of ordinary shares outstanding.

	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Profit for the year, attributable to the owners of the Company	1 455 900	2 006 601
Weighted average number of shares	15 144 510	15 115 674
Earnings per share	0.10	0.13

The calculation of earnings per share after dilution has been based on the following profit attributable to ordinary shareholders and weighted number of ordinary shares outstanding, adjusted for the impact of the share option programme.

	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Profit for the year, attributable to the owners of the Company	1 455 900	2 006 601
Weighted average number of shares	15 144 510	15 130 724
Earnings per share	0.10	0.13

Share options

Alongside the IPO the Group management developed a new share option programme aimed at supporting growth through motivating senior management and appreciating the contribution of long-term employees.
The share option program was established for key management personnel and senior employees. Under the terms of the programme, holders of options granted will be entitled to receive their shares at the end of the exercise period. The total amount of share options granted is 53 301. The purchase price is set at EUR 0 and all shares will vest at the end of the three-year exercise period. The key inputs used to measure the fair value of share options were the Company's share price at the time the share options were granted.

During 2024, a third conversion of options was made, increasing share capital and issuing additional 15 050 (2023: 15 039) shares for a total value of EUR 7 525 (2023: EUR 7 520).

Revaluation reserve

The revaluation reserve relates to Land, buildings and engineering structures valuation at fair value.

	30.06.2025 unaudited	31.12.2024
Revaluation reserve from Land, buildings and engineering structures revaluation	23 906 387	24 215 366
	23 906 387	**24 215 366**

Balance as at 31.12.2023	**24 894 951**
Changes in revaluation reserves	(290 427)
Reclassification to retained earnings (Consolidated statement of Changes in Equity)	(414 655)
Provisions for asset retirement obligation (Note 15)	124 228
Balance as at 30.06.2024 (unaudited)	**24 604 524**
Balance as at 31.12.2024	**24 215 366**
Changes in revaluation reserves	(308 979)
Reclassification to retained earnings (Consolidated statement of Changes in Equity)	(414 656)
Provisions for asset retirement obligation (Note 15)	105 677
Balance as at 30.06.2025 (unaudited)	**23 906 387**

Other reserves

During 2020, the Group's legal structure was reorganised. Shareholders have invested a number of entities through contribution in-kind investment in the share capital of the Parent on 15 September 2020. Prior to the contribution, all these entities were under common control. When the in-kind contribution was made in 2020, the increase in the registered share capital was determined based on the fair value of the entities determined by an independent appraiser. However, the consolidated financial statements of the Group subsidiaries were incorporated in these consolidated financial statements based on the accounting principles described in Section "Summary of significant accounting policies". Therefore, upon the legal reorganisation an increase in the share capital was recorded and a corresponding decrease to other reserves in the amount of EUR 5 764 520 was recorded.

13. Loans from credit institutions

Long-term	30.06.2025 unaudited	31.12.2024
Loans from a credit institution registered in the Republic of Latvia	25 652 779	23 463 577
Including:		
Long term part of loans repayable in up to 5 years	25 652 779	23 463 577
Long term part of loans repayable after 5 years until maturity	-	-
Short-term	30.06.2025 unaudited	31.12.2023.
Loan from a credit institution registered in the Republic of Latvia	5 573 977	6 754 929
TOTAL:	**31 226 756**	**30 218 506**

As at 30 June 2025, the Group obtained a loan of EUR 3.5 million to expand and modernise the network of filling stations (2024: EUR 11.8 million).

As at the reporting date the Group has access to an unutilised credit line facility which is prolonged on an annual basis. The facility limit is EUR 5.0 million.

All loans carry interest rates of 3M or 6M EURIBOR plus an added rate. The added rates range from 1.2% to 1.45%.

The loans are secured by mortgages of underlying real estate properties (filling stations with all equipment), a commercial pledge, a financial pledge and guarantees by group companies and shareholders.

Loan covenants:

According to the contracts, the Group should provide credit institutions with their annual reports, pro-forma balance sheets, income statements, statements of cash flows and insurance policies of mortgaged properties. These covenants are met.

DSCR (cash flow coverage ratio vs. contractual cash flow of liabilities) ratio has to be at least 1.50, Net Debt / EBITDA (net debt / operating income adjusted for interest, corporate income tax, depreciation and amortisation) has to be up to 3.00. These ratios are complied with.

A certain turnover should be ensured in the accounts with the financing credit institution. These covenants are complied with.

14. Other loans

	30.06.2025 unaudited	31.12.2024
Long term:	4 140 535	4 419 050
Interest-free, unsecured loan from the shareholders	4 140 535	4 419 050
TOTAL other long-term loans:		
Short term:		
Interest-free, unsecured loan from the shareholders	700 008	700 008
TOTAL other short-term loans:	700 008	700 008
Total other loans:	4 840 543	5 119 058
Nominal value total:		
Interest-free, unsecured loan from the shareholders	4 840 543	5 755 508

Shareholder loans are carried at amortised cost using the discounted cash flow method with the difference between the nominal and fair value upon initial recognition recognised under Other reserves. Finance expenses include interest expenses on the loan in accordance with the amortised cost method. The term structure of shareholder loans is disclosed according to budgeted cash flows and according to effective loan agreements, and according to covenants of the loan agreement with a financial institution.

15. Provisions for asset retirement obligation

Balance as at 31 December 2023	**763 654**
Provision made during the period	32 900
Change in discount rate	(19 342)
Change in estimates	(104 886)
Unwinding of discounting	20 466
Balance as at 30 June 2024 (unaudited)	**692 792**

Balance as at 31 December 2024	**787 443**
Provision made during the period	8 374
Change in discount rate	73 714
Change in estimates	(179 391)
Unwinding of discounting	24 332
Balance as at 30 June 2025 (unaudited)	**714 472**

The Group's accounting policy concerning the asset retirement obligation refer to Note 1.

16. Movements in financing

	Loans from credit institutions	Other loans	Lease liabilities	Total
Carrying amount as at 31 December 2024	**30 218 506**	**5 119 059**	**4 753 819**	**40 091 384**
Loan principal repaid	(2 491 750)	(350 004)	-	(2 841 754)
Lease payments	-	-	(666 444)	(666 444)
Cash flows from financing activities	**(2 491 750)**	**(350 004)**	**(666 444)**	**(3 508 198)**
New loans from credit institutions	3 500 000	-	-	3 500 000
New lease liabilities	-	-	419 119	419 119
Interest expenses	657 289	-	21 520	678 809
Financial expenses including unwinding of the discount	-	71 489	107 322	178 811
Interest paid	(657 289)	-	(21 520)	(678 809)
Total changes in liabilities	**1 008 250**	**(278 515)**	**(140 003)**	**589 732**
Carrying amount as at 30 June 2025 (unaudited)	**31 226 756**	**4 840 544**	**4 613 816**	**40 681 116**
Carrying amount as at 31 December 2023	**21 546 599**	**5 662 627**	**3 669 110**	**30 878 336**
Loan principal repaid	(1 645 171)	(350 004)	-	(1 995 175)
Lease payments	-	-	(420 980)	(420 980)
Cash flows from financing activities	**(1 645 171)**	**(350 004)**	**(420 980)**	**(2 416 155)**
New loans from credit institutions	8 431 333	-	-	8 431 333
New lease liabilities	-	-	370 439	370 439
Interest expenses	654 415	-	20 686	675 101
Financial expenses including unwinding of the discount	-	79 751	68 538	148 289
Interest paid	(654 415)	-	(20 686)	(675 101)
Total changes in liabilities	**6 786 162**	**(270 253)**	**17 997**	**6 533 906**
Carrying amount as at 30 June 2024 (unaudited)	**28 332 761**	**5 392 374**	**3 687 107**	**37 412 242**

Finance expenses:	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Net change in balance of derivatives	62 952	552 728
Interest expense from unwinding the discount on a shareholder loan	71 489	79 751
Interest expenses for bank loans	657 289	654 415
Interest expenses for a lease	107 322	89 224
Other financial expenses	24 332	77 990
TOTAL:	**923 384**	**1 454 108**

17. Financial commitments, guarantees or other contingencies

The Group companies are not involved in litigation proceedings dealing with claims raised against AS Virši-A or its subsidiaries. The Group has raised claims against debtors to recover receivables and there are ongoing litigations. Any recoveries obtained from litigation are recognised as revenue as received.

During 2024, the Group's parent company issued two guarantees in favour of the associate company SIA Livland Biomethane. One is an execution guarantee of EUR 1 000 000, and the other guarantee is an aid guarantee providing investments or issuing loans to SIA Livland Biomethane during the construction process in relation to an attracted financing of up to approximately EUR 12 million.

The Group's management does not believe that any significant provisions should be recognised in relation to these guarantees as at 30 June 2025.

As at the reporting date there are no other significant financial commitments, guarantees or other contingencies, except those referred to above.

18. Related party transactions

The Group had transactions with related parties during the reporting year. The most significant transactions and amounts are the following:

		Transactions in the period ending		Balance	
Related party:	Description of transaction	30.06.2025 unaudited	30.06.2024 unaudited	30.06.2025 unaudited	31.12.2024
Associated companies					
Balances	Loan to an associate	-	-	3 169 636	2 041 600
Balances	Accrued interest	-	-	62 722	21 466
Balances	Right-of-use assets	-	-	450 537	202 913
Balances	Lease liabilities	-	-	(477 108)	(221 424)
Comprehensive income	Interest income	87 422	36 901	-	-
Comprehensive income	Interest expenses	(7 920)	(2 762)	-	-
Shareholders					
Balances	Shareholder loan	-	-	(4 840 543)	(5 119 058)
Comprehensive income	Interest expenses	(71 489)	(79 751)	-	-
Members of the Board and Council					
Balances	Remuneration payable	-	-	(36 142)	(28 275)
Balances	Compulsory state social security payable	-	-	(11 993)	(9 460)
Comprehensive income	Remuneration	(437 087)	(476 105)	-	-
Comprehensive income	Social security contributions	(102 325)	(111 912)	-	-

19. Fair value of financial assets and liabilities

Financial assets and liabilities measured at fair value

The table below analyses the fair values of financial assets and liabilities not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised.

30 June 2025 (unaudited)	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total fair values EUR	Total carrying amount EUR
Financial assets					
Derivatives	-	-	5 186 996	5 186 996	5 186 996
Loan to an associate	-	-	1 209 427	1 209 427	1 209 427
Financial liabilities					
Derivatives	-	-	3 919 562	3 919 562	3 919 562

31 December 2024	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total fair values EUR	Total carrying amount EUR
Financial assets					
Derivatives	-	-	4 458 982	4 458 982	4 458 982
Loan to an associate	-	-	1 209 427	1 209 427	1 209 427
Financial liabilities					
Derivatives	-	-	3 128 596	3 128 596	3 128 596

Financial assets and liabilities not measured at fair value

The table below analyses the fair values of financial assets and liabilities not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised.

30 June 2025 (unaudited)	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total fair values EUR	Total carrying amount EUR
Financial assets					
Loan to an associate	-	-	-	1 960 210	1 960 210
Trade receivables	-	-	-	19 922 347	19 922 347
Due from related parties	-	-	-	160 229	160 229
Other receivables	-	-	-	432 113	432 113
Cash and cash equivalents	-	-	-	3 137 332	3 137 332
Financial liabilities					
Loans from credit institutions	-	-	34 444 515	34 444 515	31 226 756
Other loans	-	-	4 313 382	4 313 382	4 840 543
Trade and other payables	-	-	-	22 178 728	22 178 728

Other financial investments, trade receivables and cash and cash equivalents have their remaining maturities of less than one year and carry no interest, thus, their fair value is deemed not to materially differ from their carrying amounts.

31 December 2024	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total fair values EUR	Total carrying amount EUR
Financial assets					
Loan to an associate	-	-	-	841 600	841 600
Trade receivables	-	-	-	17 824 379	17 824 379
Due from related parties	-	-	-	143 064	143 064
Other receivables	-	-	-	375 348	375 348
Cash and cash equivalents	-	-	-	3 984 669	3 984 669
Financial liabilities					
Loans from credit institutions	-	-	31 680 624	31 680 624	30 218 506
Other loans	-	-	4 530 813	4 530 813	5 119 058
Trade and other payables	-	-	-	18 740 709	18 740 709

Other financial investments, trade receivables and cash and cash equivalents have their remaining maturities of less than one year and carry no interest, thus, their fair value is deemed not to materially differ from their carrying amounts.

The table below sets out the valuation techniques used to measure Level 3 fair value, as well as the most significant unobservable inputs for assets and liabilities, where fair value adjustment is applied:

Type	Valuation approach	Significant unobservable data
Derived contracts — electricity and fuel swap contracts, as well as contracts with fixed fees	Discounted cash flow, NPV	Spread in the Latvian market in excess of the electricity market price data in the Nord pool.
Derivatives — loan to an associate	Discounted cash flows, Black-Scholes Model	The discount rate applied is based on the market prices of comparable loans of the associate during the reporting period. The value of the associate is assumed as at acquisition. Volatility of the fair value of the associate.
Trade receivables	Expected credit loss, IFRS 9	Expected credit loss assumptions are described in Note 15.
Other loans	Discounted cash flow, NPV	Loan repayment structure assumed in line with budgeted cash flows and bank loan covenants. Discount rate applied based on weighted average discount rate for non-banking institutions at loan issue period, reported by Bank of Latvia evaluated against the cost of funds for collateralised borrowings of the Group.
Lease liabilities	Discounted cash flow, IFRS 16	Lease liabilities are calculated according to IFRS 16; discount rates are applied according to the type of leased asset and available financing rate for specific assets from financial institutions.

	Derivatives — electricity swap agreements	Derivatives — loan to an associate
Balance as at 31 December 2024	**1 330 386**	**1 196 399**
Profit included in finance income / (expenses)		
Net change in fair value (unrealised)	(62 952)	-
Financial income from calculated interest	-	13 273
Interest paid in the period (settlements)	-	(13 273)
Balance as at 30 June 2025 (unaudited)	**1 267 434**	**1 196 399**
Balance as at 31 December 2023	**2 066 365**	**1 196 399**
Gain included in finance income		
Net change in fair value, change in prices (unrealised)	(370 658)	-
Value of new financial instruments	288 024	-
Realised value of financial instruments	(470 093)	-
Loans issued	-	-
Financial income from calculated interest	-	-
Interest paid in the period (settlements)	-	-
Balance as at 30 June 2024 (unaudited)	**1 513 638**	**1 196 399**

The fair value gain described above is recognised in the consolidated statement of comprehensive income within net finance income in the corresponding period.

At the beginning of 2023, the Group issued a loan with equity conversion features which required the loan to be carried at fair value. The key unobservable assumptions relate to the applicable discount rate for the loan element and the value of the embedded option element — the value of the associate and its fair value volatility. The table below presents the sensitivity analysis of alternative assumptions:

30 June 2025

Unobservable element	Change in assumption	Impact of change
Change in the interest rate of the loan element	+/-100 base points	+/- 18 544
Change in the fair value volatility of the associate	10%	+/- 6 685
Change in the associate's value	10%	+/- 21 804

30 June 2024

Unobservable element	Change in assumption	Impact of change
Change in the interest rate of the loan element	+/-100 base points	+/- 31 739
Change in the fair value volatility of the associate	10%	+/- 59 617
Change in the associate's value	10%	+/- 34 953

20. Financial risk management

The Group is exposed to financial risks. Financial risks include market risk, credit risk and liquidity risk. Below is a description of each of these financial risks and a summary of the methods used by the Group to manage these risks. Exposure to those risks arises in the normal course of the Group's business.
The Group's financial assets and liabilities, including, trade receivables, inventories, cash and cash equivalents, loans, trade payables are exposed to financial risk as follows:

- Market risk: risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities, including interest rate risk and currency risk;
- Credit risk: risk of loss or of adverse change in the financial situation, resulting from fluctuations in the credit standing of counterparties and any debtors to which Group is exposed, in the form of counterparty default risk, or market risk concentrations;
- Liquidity risk: risk that the Group is unable to realise its assets in order to settle its financial obligations when they fall due.

Market risk

Currency risk and revaluation

The functional and reporting currency of the Group is Euro (EUR), the national currency of the European Union. The objective of foreign exchange risk management in the Virši Group is to limit the uncertainty created by changes in foreign exchange rates on the future value of cash flows and earnings, and in the Group's balance sheet. Generally, this is done by contracting transactions in Euro or hedging currency risks in contracted. All transactions in foreign currencies are revalued to Euro in accordance with the reference exchange rate published by the European Central Bank on the transaction date. All monetary assets and liabilities denominated in foreign currencies are translated to Euro in accordance with the reference exchange rate published by the European Central Bank on the last day of the reporting period. Differences arising on payments in currencies or disclosures of assets and liabilities using exchange rates other than those used for initial booking of transactions are recognised in the profit or loss statement at net amount.
There are no assets or liabilities in foreign currencies as at the reporting date. There has been no change to policies in relation to currency risk management during the reporting period.

Interest rate risk

The Group is exposed to a interest rate risk both in the short- and long-term. A change in interest rates may affect the cost of funds borrowed by the Group as well as the size of cash flows.
To mitigate this risk, the Group is constantly monitoring market conditions, taking measures to improve the debt structure by reaching an optimum balance between fixed and variable interest rates, controlling the need for additional financing. There has been no change to policies in relation to interest rate risk management during the reporting period.
A reasonably possible change of 100 basis points in interest rates at 30 June 2025 and 30 June 2024 would have increased (decreased) profit (loss) before taxes by +/- EUR 306 532(2024: +/- EUR 222 101). This analysis assumes that all other variables remain constant.

Credit risk

Credit risk is the risk that the Group may incur financial losses if parties to the transactions fail to fulfil their liabilities under the contracts, and credit risk is primarily connected with trade receivables and investment securities.
Credit risk mainly arising from the potential failure of the counterparty to meet its contractual payment obligations, and the risk depends on the creditworthiness of the counterparty as well as the size of the exposure.
For the purposes of credit risk management, the Group's management has established a procedure that sales of goods or services against payments on delivery or completion are made based on client evaluation procedures and certain limits are set on the amount of such sales. Management has developed a credit policy which includes regular control procedures over debtors to ensure identification of problems on a timely basis.
The objective of credit policy and risk management is to minimise the losses incurred as a result of a counterparty not fulfilling its

obligations. Limits, mandates and management principles for credit and counterparty risk are covered in the Corporate risk management policy and separate principle and instruction level documents.
The amount of risk is quantified as the expected loss to Group in the event of a default by the counterparty. Credit risk limits are set at the Group level, designated by different levels of authorisation, which are responsible for counterparty risk management within these limits. When determining the credit lines for sales contracts, counterparties are screened and evaluated vis-à-vis their creditworthiness to decide whether an open credit line is acceptable or collateral, for example, a letter of credit, bank guarantee or parent guarantee has to be posted. In the event that collateral is required credit risk is evaluated based on a financial evaluation of the party posting the collateral. If appropriate in terms of the potential credit risk associated with a specific customer, advance payment is required before delivery of products or services.
The carrying amount of financial assets represents the maximum exposure to credit risk.
Detailed disclosures and ageing analysis are provided in the note to the consolidated financial statements concerning trade receivables. (refer to Note 10.)
Financial instruments are used by the Group and it is potentially exposed to concentrations of credit risk which consist primarily of cash equivalents, over-the-counter production contracts and trade receivables. The cash and cash equivalents are held with banks, which are generally highly rated.
There has been no change to policies in relation to credit risk management during the reporting period.

Liquidity risk

Liquidity risk is defined as financial distress or extraordinarily high financing costs arising due to a shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure that it is available fast enough to avoid uncertainty related to financial distress at all times. The Group's liquidity is managed on a centralised basis and monitored continuously. Target Net debt / EBITDA ratio on consolidated basis is 1.5–2.5 and IFRS 16 unadjusted current ratio is 1.0.
The principal source of liquidity of the Group is expected to be cash generated from operations. In addition, the Group seeks to reduce liquidity and refinancing risks by maintaining a diversified maturity profile in its loan portfolio. (See also Note 13).
Certain other limits have also been set to minimise liquidity and refinancing risks. There has been no change to policies in relation to liquidity risk management during the reporting period.

30 June 2025 (unaudited)	Carrying amount	Contractual cash flows (undiscounted)	0–6 months	6–12 months	1Y	2Y	3Y	4Y	5Y	Over 5 years
Loans from credit institutions	31 226 756	37 262 369	3 245 799	3 487 575	11 303 712	4 891 383	8 487 791	5 846 109	-	-
Other loans	4 840 543	5 405 504	350 004	350 004	700 008	700 008	700 008	700 008	700 008	1 205 456
Derivatives	3 919 562	1 267 434	326 681	264 979	213 632	462 141	-	-	-	-
Trade and other payables	22 178 728	22 178 728	22 178 728	-	-	-	-	-	-	-
Accrued liabilities	4 351 636	4 351 636	4 351 636	-	-	-	-	-	-	-
Total financial liabilities	**66 517 225**	**70 465 671**	**30 452 848**	**4 102 558**	**12 217 352**	**6 053 532**	**9 187 799**	**6 546 117**	**700 008**	**1 205 456**

31 December 2024	Carrying amount	Contractual cash flows (undiscounted)	0–6 months	6–12 months	1Y	2Y	3Y	4Y	5Y	Over 5 years
Loans from credit institutions	30 218 506	34 842 016	5 045 013	2 838 541	8 525 048	5 891 227	7 521 487	5 020 699	-	-
Other loans	5 119 058	5 755 508	350 004	350 004	700 008	700 008	700 008	700 008	700 008	1 555 460
Derivatives	3 128 596	3 128 596	312 371	269 409	1 232 509	1 314 307	-	-	-	-
Trade and other payables	18 740 709	18 740 709	18 740 709	-	-	-	-	-	-	-
Accrued liabilities	5 662 952	5 662 952	5 662 952	-	-	-	-	-	-	-
Total financial liabilities	**62 869 821**	**68 129 781**	**30 111 049**	**3 457 954**	**10 457 565**	**7 905 542**	**8 221 495**	**5 720 707**	**700 008**	**1 555 460**

Commodity price risk

Commodity price risks in the Group are affected by fuel business market prices for crude oil, renewable feedstocks and by introduction of CNG in the market for natural gas and electricity. While the consumption of natural gas and electricity in the Group remained relatively low to the reporting date, crude oil price is a significant driver behind changes in turnover and cost of products. The price of crude oil is subject to significant fluctuations resulting from a periodic over-supply and supply tightness in various regional markets, coupled with fluctuations in demand globally and in the local market. The results of operations of the Group in any given period are principally driven by the demand for and prices of oil and renewable products relative to the supply and cost of raw materials. These factors drive operational performance and cash flows in the fuel business of the Group.

In order to offset the dependence on crude oil prices globally the Group has a number of measures in place — it owns a storage facility that helps mitigate short-term volatilities; sustainable fuel alternatives are being introduced in the market and the Group's portfolio (CNG, electricity); there is ongoing development of retail stores and catering in filling stations. This results in the decrease of both the proportion of profits driven by crude oil products and the dependence on prices on these products. There has been no change to policies in relation to commodity price risk management during the reporting period, other than outlined below.

In June 2021, the Group commenced supplies of electricity to the B2B business segment and in September 2023 to the B2C sector. The Group aims to significantly develop its energy segment in the future. The dependence on fluctuations of electricity prices in the market is reduced by the Group by hedging supplies. The value of derivative financial instruments recognised in the balance sheet for electricity-related financial instruments on 30 June 2025 is EUR 1 267 434 (2024: EUR 1 330 386). A possible change of 5 euros in the spread to Nord Pool commodity price at 30 June 2025 would have increased (decreased) profit before taxes by EUR +/- 109 685 (2024: EUR +/- 153 485). This analysis assumes that all other variables remain constant. In 2024, the Company entered into non-material transactions that limit market price volatility for both CNG and diesel purchases in limited volumes. The value of such financial instruments as at 30 June 2025 and all contracts of such type are short-term and immaterial in the balance sheet.

Capital risk management

The Group's objective in managing capital is to maintain a capital structure that ensures access to capital markets at all times despite the business cycle of the industry in which the Group operates. Despite the fact that the Group does not have a public credit rating, the Group's target is to have a capital structure equivalent to investment grade rating. The capital structure of the Group is reviewed by the Board of Directors on a regular basis. The Group monitors its capital on the basis of leverage ratio, the ratio of interest-bearing net debt to interest-bearing net debt plus total equity. Interest-bearing net debt is calculated as interest-bearing liabilities less liquid funds. Over the cycle, the Group's leverage ratio is likely to fluctuate, and it is the Group's objective to maintain the leverage ratio below 45%. There has been no change to policies in relation to capital management during the reporting period.

21. Profit distribution

The Board suggests that profit for the reporting period be retained undistributed and used for further development. The decision concerning profit distribution will be made by the Shareholder' Meeting after the closure of 2025.

22. Subsequent Events

No other significant subsequent events have occurred in the period from the year-end to the date of these consolidated financial statements that would require adjustments to be made to these consolidated financial statements or disclosures added within the consolidated financial statements.

Riga, 8 August 2025

Jānis Vība	Linda Prūse	Vita Čirjevska	Jeļena Laurinaviča
Chairman of the Board	Member of the Board	Member of the Board	Chief Accountant

THIS DOCUMENT HAS BEEN SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND IT HAS A TIME-STAMP