LAU INFRA GRUPA AS

Unified registration number 40003356530

Unaudited condensed interim financial report for 9 months ended 30 September 2026

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

Rīga, 2026

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GENERAL INFORMATION ABOUT THE COMPANY

Name of the company	**LAU Infra Grupa**
Legal status of the company	Joint stock company
Registration number	40003356530
Domicile	Republic of Latvia
Type of main activity (NACE version 2.1)	42.11 Construction of roads and motorways 43.50 Specialized construction works of civil engineering 38.11 Collection of non-hazardous waste 42.99 Civil engineering objects construction 68.12 Development of construction projects 08.11 Extraction of decorative stones, limestone and other stone extraction 09.90 Other mining and quarrying related actions 68.20 Renting and management of own or leased real estate
Legal address	Krustpils iela 4, Rīga, Latvia, LV-1073
Board	
Chairman of the Board	Vilnis Vitkovskis (from 08.09.2020)
Member of the Board	Armands Beiziķis (from 06.08.2025)
Council	
Chairman of the Council	Renārs Griškevičs (from 26.10.2021 till 25.10.2026) Jevgenijs Belezjaks (from 28.10.2026)
Member of the Council	Jevgenijs Belezjaks (from 26.10.2021 till 27.10.2026) Andris Vanags (from 26.10.2021) Indra Kimmele (from 26.10.2026)
Shareholders	Republic of Latvia – 88.8% Others – 11.2%
Responsible for accounting Chief Accountant	Olga Mihaļuka
Reference period	1 January 2026 – 30 September 2026
Reference year	1 January 2026 – 31 December 2026

KEY PERFORMANCE INDICATORS

Financial indicators

	30.09.2026. Fact	30.09.2025. Fact
Ratio of equity to total assets, %	58	67
Return on equity (ROE)[1], %	0.7	17.3
Commitment coverage ratio (DSCR)[2] (x)	2.2	5.4
Total liquidity ratio [3], (x)	1.4	1.7
EBITDA[4] profitability ratio[5], %	10.4	19.4
Net profitability ratio [6], %	0.6	12.3

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

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

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

[5] EBITDA / net revenues

[6] profit for the reporting period / net revenues

MANAGEMENT REPORT

The Company's activities during the reporting period

Description of principal activities

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

As a result of the procurement procedure conducted by VSIA "Latvijas Valsts ceļi" No. LVC 2025/84/AC, "Routine Maintenance Works on State Roads in 2027–2032", the Company concluded two contracts for the provision of routine maintenance works on state roads during the period 2027–2032: in the LVC Preiļi and Dagda regions for a total contract value of EUR 15.0 million and in the LVC Bauska region for a total contract value of EUR 8.7 million.

To strengthen its expertise and cooperation in security and defence-related projects in Latvia and internationally, the Company joined the Latvian Federation of Security and Defence Industries (DAIF Latvia) in September 2026.

Other significant events

In June 2026, the initial public offering (IPO) of LAU Infra Grupa was completed, during which a portion of the existing shares was divested, and 104 640 new shares of the Company were issued. As a result of the IPO, investors were offered 11.2% of the Company's shares.

On 1 July 2026, amendments to the Company's Articles of Association and an increase of the share capital were registered with the Register of Enterprises of the Republic of Latvia. The Company's share capital was increased by EUR 104 640, corresponding to the aggregate nominal value of the newly issued shares. Following the share capital increase, the Company's paid-up share capital increased from EUR 35 202 323.00 to EUR 35 306 963.00.

Following the approval of the IPO results at the Extraordinary Shareholders' Meeting held on 25 June 2026, trading in the Company's shares on the Official List of the regulated market of Nasdaq Riga commenced on 3 July 2026.

During the reporting period, the Company commenced the selection process for a Member of the Management Board responsible for finance and information technology, as well as the selection process for members of the Audit Committee.

Risk management

During the reporting period, the Company continued to implement risk management in accordance with its approved Risk Management and Internal Control System Policy and Risk Management Methodology, ensuring regular monitoring of key risks and implementation of risk mitigation measures.

During the reporting period, the Company's operations continued to be affected by the geopolitical situation in the Middle East and the related volatility in energy markets and in the markets for certain materials used in road maintenance and construction. The Company continued to monitor market developments closely and implemented measures aimed at mitigating cost impacts, including adjustments to procurement planning and resource management.

No other significant changes in the Company's key risks were identified during the reporting period compared with the risks disclosed in the Company's 2025 consolidated annual report.

Following the admission of the Company's shares to trading on the Official List of Nasdaq Riga, additional attention was devoted to managing risks related to corporate governance, disclosure obligations and compliance with capital market regulatory requirements

Overview of financial results

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

During the reporting period, the Company’s net turnover amounted to 60.960 million EUR, comprising: revenue from construction services of EUR 35.938 million, i.e. 59%, and revenue from other core business activities of EUR 25.022 million, i.e. 41%.
Compared with the corresponding reporting period in 2025, net turnover has decreased by EUR 11.205 million, i.e. 15.5%. The most significant variations were a decrease in revenue from construction services of EUR 15.634 million, i.e. 30.3% (including revenue from engineering works decrease by EUR 9.351 million), while revenue from other types of core activities increased by EUR 4.428 million, i.e. 21.5%.

Net profit for the reporting period was EUR 0.359 million. The net profit margin was 0.6%, whilst the EBITDA margin stood at 10.4%.

The value of the Company’s assets reached EUR 78.177 million. The value of non-current assets increased by 4.6% compared to 31 December 2025, reaching EUR 49.375 million, whilst the value of current assets decreased by 14.7% to EUR 28.802 million.

The capital structure is balanced, with an equity-to-total-assets ratio of 58 per cent. The Company’s overall liquidity ratio is 1.4, whilst the debt service coverage ratio (DSCR) stands at 2.2.

During the reporting period, the Company made long-term capital investments totalling EUR 5.893 million. The most significant acquisitions included six trucks with auxiliary equipment for a total of EUR 1.319 million and six wheeled tractors for a total of EUR 0.715 million.

Use of financial instruments

The Company’s most significant financial instruments are long-term and short-term borrowings from credit institutions and commercial companies that have close ties with credit institutions (leasing companies), receivables from customers and clients, payables to suppliers and contractors, and cash. The main purpose of borrowings from credit institutions and commercial companies with close ties to credit institutions (leasing companies) is to finance capital expenditure. During the reporting period, new borrowing agreements were concluded – finance lease agreements for the purchase of technological equipment and machinery amounting to EUR 6.953 million, and loan agreements amounting to EUR 1.181 million for the acquisition of real estate, new equipment and intangible assets to increase existing business capacity.

MANAGEMENT RESPONSIBILITY REPORT

The Company’s Board (hereinafter referred to as the Management) is responsible for the preparation of the unaudited condensed interim financial statements.

The financial statements from pages 8 to 17 are prepared on the basis of accounting records and supporting documents and present a true and fair view of the Company's financial position as at 30 September 2026, its results of operations and cash flows for 9 months of 2026.

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

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

LAU INFRA GRUPA AS Board:

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

CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED)

STATEMENT OF COMPREHENSIVE INCOME

	Note	01.01.2026-30.09.2026 EUR	01.01.2025-30.09.2025 EUR
Net turnover, including	3	60 959 858	72 165 171
a) from construction services		*35 937 524*	*51 571 044*
b) from other operating activities		*25 022 334*	*20 594 127*
Cost of sales, cost of goods sold and services purchased	4	(56 088 786)	(60 770 645)
Gross profit		**4 871 072**	**11 394 526**
Administrative expenses	5	(3 246 659)	(2 719 244)
Other operating income		354 786	1 340 215
Other operating expenses		(108 592)	(24 186)
Operating profit		**1 870 607**	**9 991 311**
Finance income		266 286	245 032
Finance expenses		(201 615)	(178 276)
Profit before tax		**1 935 278**	**10 058 067**
Corporate income tax		(1 576 229)	(1 214 444)
Profit for the reporting period		**359 049**	**8 843 623**
Total comprehensive income		**359 049**	**8 843 623**
Earnings per share		**0.010**	**0.251**

STATEMENT OF FINANCIAL POSITION

ASSETS	Note	30.09.2026 EUR	31.12.2025 EUR
LONG-TERM ASSETS			
Intangible assets			
Licences, trademarks and similar rights	6	90 007	97 578
Other intangible assets	6	65 655	83 075
Costs of creating intangible investments	6	416 035	193 023
Total intangible assets		**571 697**	**373 676**
Property, plant and equipment			
Land, buildings and structures	7	14 683 123	15 215 448
Plant and machinery	7	32 418 048	30 395 394
Other property, plant and equipment	7	204 278	224 055
Long-term investments in leased assets	7	39 633	36 642
Construction in progress and incomplete construction objects	7	539 771	4 629
Total property, plant and equipment		**47 884 853**	**45 876 168**
Investment property		459 672	481 425
Biological assets		415 184	415 184
Other long-term assets		43 507	35 456
Total long-term assets		**49 374 913**	**47 181 909**
CURRENT ASSETS			
Inventories	8	8 512 651	6 017 704
Long-term assets held for sale		543 338	555 507
Contract assets (Receivables from contracts with customers)	9	13 794 717	8 603 614
Other receivables	10	1 883 272	1 621 429
Cash and cash equivalents		4 067 745	16 974 515
Total current assets		**28 801 723**	**33 772 769**
Total assets		**78 176 636**	**80 954 678**

STATEMENT OF FINANCIAL POSITION

EQUITY AND LIABILITIES	Note	30.09.2026 EUR	31.12.2025 EUR
EQUITY			
Share capital (registered capital)		35 306 963	35 202 323
Reserves		3 220 838	2 481 659
Share premium		59 645	-
Retained earnings from previous years		6 668 156	6 668 157
Profit for the reporting period		359 049	7 391 793
Total equity		**45 614 651**	**51 743 932**
LIABILITIES			
Long-term liabilities			
Borrowings from credit institutions		371 650	65 167
Lease liabilities		8 256 752	5 595 647
Provisions	11	3 130 669	4 050 938
Deferred income		136 152	136 152
Total long-term liabilities		**11 895 223**	**9 847 904**
Short-term liabilities			
Borrowings from credit institutions		4 380 972	42 202
Lease liabilities		1 142 801	2 556 520
Payables to suppliers and contractors		7 400 146	6 851 672
Taxes and state social insurance contributions payable		1 064 567	1 825 328
Other liabilities	12	3 984 024	1 641 075
Deferred income		1 899	7 598
Provisions	11	553 667	3 855 023
Accrued liabilities		2 138 686	2 583 424
Total short-term liabilities		**20 666 762**	**19 362 842**
Total liabilities		**32 561 985**	**29 210 746**
Total equity and liabilities		**78 176 636**	**80 954 678**

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Reserves	Retained earnings	Total
	EUR		EUR	EUR	EUR
Total 01.01.2025	**35 202 323**		**399 755**	**13 607 838**	**49 209 916**
Comprehensive income for the reporting year					
Profit for the reporting year	-	-	-	7 391 793	7 391 793
Transactions with shareholders					
Distribution of dividends	-	-	-	(4 857 777)	(4 857 777)
Transfer to reserves	-	-	2 081 904	(2 081 904)	-
Total 31.12.2025	**35 202 323**	-	**2 481 659**	**14 059 950**	**51 743 932**
Comprehensive income for the reporting year					
Profit for the reporting year	-	-	-	359 049	359 049
Transactions with shareholders					
Distribution of dividends	-	-	-	(6 652 614)	(6 652 614)
Initial Public Offering	104 640	59 645	-	-	164 285
Transfer to reserves	-		739 179	(739 179)	-
Total 30.09.2026	**35 306 963**	**59 645**	**3 220 838**	**7 027 206**	**45 614 651**

STATEMENT OF CASH FLOWS

	01.01.2026-30.09.2026 EUR	01.01.2025-30.09.2025 EUR
Cash flows from operating activities		
Receipts from sales of goods and rendering of services	74 240 209	73 487 902
Payments to suppliers, employees and for other operating expenses	(78 151 808)	(65 067 058)
Other operating income or expenses	65 185	724 051
Gross cash flows from operations	**(3 846 414)**	**9 144 895**
Interest paid	(201 615)	(178 728)
Corporate income tax paid	(1 576 229)	(1 216 570)
Net cash flows from operating activities	**(5 624 258)**	**7 749 597**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2 842 451)	(2 018 336)
Proceeds from sale of property, plant and equipment and intangible assets	16 500	1 421 559
Interest received	266 286	245 032
Net cash flows used in investing activities	**(2 559 665)**	**(351 745)**
Cash flows from financing activities		
Loans received	4 381 838	-
Proceeds from issuance of shares	164 285	-
Repayments of loans	(41 583)	(92 246)
Lease payments	(2 574 773)	(2 347 649)
Dividends paid	(6 652 614)	(4 857 777)
Net cash flows used in financing activities	**(4 722 847)**	**(7 297 672)**
Net increase/(decrease) in cash and cash equivalents	**(12 906 770)**	**100 180**
Cash and cash equivalents at beginning of period	**16 974 515**	**14 517 521**
Cash and cash equivalents at end of period	**4 067 745**	**14 617 701**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. General information

JSC LAU Infra Grupa is a state-controlled company listed on the Nasdaq Riga regulated market. The Company operates in accordance with the Commercial Law, the Law on Governance of Capital Shares of a Public Person and Capital Companies, capital market regulations, as well as other laws and regulations applicable to state-controlled companies.

LAU Infra Grupa is one of Latvia's leading road maintenance and civil engineering companies, operating in the strategically important transport infrastructure sector. The Company's operations are focused on ensuring safe, accessible and sustainable road infrastructure, thereby supporting national mobility, regional connectivity and economic development.

The subscribed, paid-up and voting share capital of LAU Infra Grupa amounts to EUR 35,306,963 and consists of 35,306,963 shares. The Company's largest shareholder is the Republic of Latvia, which holds 31,362,070 shares, representing 88.8% of LAU Infra Grupa's share capital and voting rights. The remaining 3,944,893 shares, representing 11.2%, are held by other shareholders. The state retains decisive influence over LAU Infra Grupa, with the Ministry of Transport exercising the state's shareholder rights in the Company. LAU Infra Grupa does not hold equity interests in any other companies.

The unaudited condensed interim financial statements for the nine-month period of 2026 shall include financial information of the JSC LAU Infra Grupa for the period ending on 30 September 2026 and comparative indicators for 2025.

2. Accounting and measurement principles

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

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

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

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

These unaudited condensed interim financial statements do not contain all the information presented in the annual financial statements and should be read in conjunction with the latest published annual financial statements as at and for the year ended 31 December 2025.

3. Net turnover

	01.01.2026-30.09.2026 EUR	01.01.2025-30.09.2025 EUR
Revenue from daily maintenance services of state roads	34 347 186	34 917 557
incl. from construction services	*17 412 849*	*21 270 829*
Revenue from road maintenance services	13 097 482	14 097 649
incl. from construction services	*8 505 227*	*10 929 503*
Revenue from the construction of roads and other civil engineering works	10 019 448	19 370 712
incl. from construction services	*10 019 448*	*19 370 712*
Revenue from the sale of mineral materials	2 810 862	3 086 946
Real estate rental revenues and related utilities	606 145	571 317
Other revenue	78 735	120 990
Total	**60 959 858**	**72 165 171**

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

	01.01.2026-30.09.2026 EUR	01.01.2025-30.09.2025 EUR
Salary and equivalent costs	17 238 093	15 913 691
Mandatory state social insurance contributions	3 437 121	3 717 320
The cost of materials and fuel	20 226 210	14 882 026
Maintenance costs of production equipment and transport	4 631 827	3 489 147
Depreciation of long-term investments	4 324 759	3 911 498
Cost of services received	3 568 825	16 569 496
Maintenance costs of buildings and structures	1 017 859	838 417
Insurance costs	656 785	613 950
Other charges	987 307	835 100
Total	**56 088 786**	**60 770 645**

5. Administrative expenses

	01.01.2026-30.09.2026 EUR	01.01.2025-30.09.2025 EUR
Salary and equivalent costs	1 475 500	1 398 747
Mandatory state social insurance contributions	339 787	329 066
Expenditure on IT systems and communications	302 222	236 784
Depreciation of long-term investments	121 046	130 914
Premises maintenance costs	157 467	171 854
Other administration costs	850 637	451 879
Total	**3 246 659**	**2 719 244**

6. Intangible assets

	Licences, trademarks and similar rights	Other intangible assets	Costs of creating intangible investments	Total
	EUR	EUR	EUR	EUR
Acquisition cost				
31.12.2025	354 287	310 631	193 023	857 941
30.09.2026	364 849	310 632	416 035	1 091 516
Accumulated amortization				
31.12.2025	256 709	227 556	-	484 265
30.09.2026	274 842	244 977	-	519 819
Carrying amount				
31.12.2025	97 578	83 075	193 023	373 676
30.09.2026	90 007	65 655	416 035	571 697

7. Property, plant and equipment

	Land	Land assets	Buildings and structures	Plant and machinery	Other property, plant and equipment	Long-term investments in leased assets	Construction in progress and incomplete construction objects	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Acquisition cost								
31.12.2025	5 455 698	5 770 343	28 214 645	127 286 182	1 445 751	121 310	4 629	168 298 558
30.09.2026	5 466 144	5 779 964	28 070 280	132 576 131	1 464 297	126 151	539 771	174 022 738
Accumulated depreciation and impairment								
31.12.2025	1 419 683	3 925 327	18 880 228	96 890 788	1 221 696	84 668	-	122 422 390
30.09.2026	1 425 699	4 056 518	19 151 048	100 158 083	1 260 019	86 518	-	126 137 885
Carrying amount								
31.12.2025	4 036 015	1 845 016	9 334 417	30 395 394	224 055	36 642	4 629	45 876 168
30.09.2026	4 040 445	1 723 446	8 919 232	32 418 048	204 278	39 633	539 771	47 884 853

8. Inventories

	30.09.2026 EUR	31.12.2025 EUR
Gross value of inventory	8 636 755	6 112 611
Provisions for the impairment of inventory	(124 104)	(94 907)
Inventory carrying amount	**8 512 651**	**6 017 704**

9. Receivables from contracts with customers

	30.09.2026 EUR	31.12.2025 EUR
Customer receivables, gross value	1 841 498	1 886 836
Contract assets, gross value	12 274 307	7 038 197
Gross carrying amount	**14 115 805**	**8 925 033**
Provisions for expected credit losses	(321 088)	(321 419)
Carrying amount	**13 794 717**	**8 603 614**

10. Other receivables

	30.09.2026 EUR	31.12.2025 EUR
Deferred expenses	923 330	493 622
Tax receivables	896 293	1 045 368
Other prepayments	59 764	66 068
Other receivables	3 885	16 371
Total	**1 883 272**	**1 621 429**

11. Provisions

	30.09.2026 EUR	31.12.2025 EUR
Long term part		
Provisions for recultivation	728 731	811 815
Provisions for warranty repairs	1 703 148	2 540 333
Provisions for environmental clean-up measures	698 790	698 790
Total non-current portion	**3 130 669**	**4 050 938**
Short-term part		
Provisions for warranty repairs	526 667	1 041 060
Provisions for bonuses	-	2 583 653
Provisions – other	27 000	230 310
Total current portion	**553 667**	**3 855 023**
Total	**3 684 336**	**7 905 961**

12. Other liabilities

	30.09.2026 EUR	31.12.2025 EUR
Wage liabilities	1 485 298	1 479 574
Advances received	2 497 976	160 748
Other liabilities	750	753
Total	**3 984 024**	**1 641 075**

13. Events after the end of the reporting period

Following the reporting period, on 23 October 2026, the Extraordinary Shareholders' Meeting of JSC LAU Infra Grupa elected a new Supervisory Board. Andris Vanags and Jevgenijs Belezjaks were re-elected as members of the Supervisory Board, while Indra Kimmele was elected as a new member of the Supervisory Board. Upon the expiry of the term of office of the current Supervisory Board, Renārs Griškevičs concluded his duties as Chairman of the Supervisory Board on 25 October 2026. The term of office of the newly elected Supervisory Board has been set from 26 October 2026 to 25 October 2031.

At the same Shareholders' Meeting, the Audit Committee of JSC LAU Infra Grupa was also elected. The establishment of an Audit Committee is a regulatory requirement for companies whose securities are admitted to trading on a regulated market. Jevgenijs Belezjaks and two independent members of the Audit Committee, Zlata Elksniņa-Zaščirinska and Dmitrijs Minajevs, were elected to the Audit Committee for a three-year term commencing on 26 October 2026.

Since the last day of the reporting period, there have been no other events that would significantly affect the Company’s unaudited condensed interim financial statements for the nine-month period ended 30 September 2026.

LAU INFRA GRUPA AS Board:

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

Prepared by
Olga Mihaļuka
Chief Accountant