

AS Virši-A

(UNIFIED REGISTRATION NUMBER 40003242737)

ANNUAL REPORT FOR 2025

**PREPARED IN ACCORDANCE WITH THE ANNUAL REPORTS AND
CONSOLIDATED ANNUAL REPORTS LAW EFFECTIVE IN THE REPUBLIC
OF LATVIA
AND INDEPENDENT AUDITOR'S REPORT**

Rīga, 2026

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General information

Name of the 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
Members of the Board	Jānis Vība, Chairman Linda Prūse, Member of the Board Vita Čirjevskā, Member of the Board
Members of the Council	Jānis Riekstiņš, Chairman of the Council Jānis Rušmanis, Deputy Chairman of the Council Ilgvars Zuzulis, Member of the Council Andris Priedītis, Member of the Council Ivars Blumbergs, Member of the Council Silva Skudra, Member of the Council
Information on subsidiaries	<p>VIRŠI loģistika, SIA Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads, Latvia, LV-5101 Holding: 100.00%</p> <p>VIRŠI Renergy, SIA Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads, Latvia, LV-5101 Holding: 100.00%</p> <p>VIRŠI Lietuva, UAB Liepu g. 4, Klaipeda, Lithuania, LT - 92114 Holding: 100.00%, from 23 January 2024</p>

Management report

Information on associates

Gulf Petrol RE SIA
Brivibas iela 85 - 5, Riga, LV-1001
Holding: 30.00%, from 1 July 2016

GasOn SIA
Biekensalas iela 21, Riga, LV-1004
Holding: 30.00%, from 30 December 2021

Livland Biomethane SIA
Kalna iela 17, Aizkraukle, Aizkraukles pagasts, Aizkraukles novads,
Latvia, LV-5101
Holding: 48.78%, from 5 August 2024

VENTA Biomethane SIA
"Liepzari", Tārgale, Tārgales pag., Ventspils nov.,
Latvia, LV-3621
Holding: 24.00%, from 22 December 2025

Skulte LNG Terminal AS
Dzirnavu iela 36, Riga, LV-1010
Holding: 19.23%, from 31 May 2022

Chief Accountant

Jeļena Laurinaviča

Auditors

KPMG Baltics SIA
Roberta Hirsa iela 1
Riga, Latvia LV-1045
Licence No. 55

Management report

Line of business

AS Virši-A is the largest local fuel trader with 100% Latvian capital (hereinafter also referred to as “the Company”). The Company 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 registered and paid up share capital of AS VIRŠI-A is EUR 7 572 256 and it consists of 15 144 510 shares. Nominal value per share is 0.50 EUR. From 11 November 2021, the shares of AS VIRŠI-A are traded on the First North alternative market of Nasdaq Riga.

Performance during reporting year

In 2025, the Company successfully continued implementing its development strategy, which involved objectives such as the expansion of the network and modernisation of service 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. At the end of 2025, the network of AS VIRŠI-A consisted of 84 trading locations.

In 2025, the expansion of the service station network continued. In June, a new service station was opened in Salacgrīva, a strategically important location on the A1 highway between Ādaži and the Estonian border, where the company had not previously been represented. In the second half of the year, a new service station was opened in Kuldīga, thereby ensuring service availability in a region where the company had not operated before. As part of the network development and the improvement of customer service, renovation works were carried out during the reporting period at the service stations in Grenctāle, Tukums Valdaiši, Krustpils, and Ventspils.

During the reporting period, after assessing customer demand and project profitability, the new-concept stores ‘Virši Tērbata’ and ‘Origo’ — which provided retail goods and food services in central Riga without service station operations — were closed.

During the reporting period, electric vehicle charging capabilities within the Virši network were expanded by installing new charging equipment at the service stations ‘Viskaļi’ and ‘Cēsis–Saurīti’, as well as in Kuldīga, Satekle, Gulbene, Sigulda, and at the first charging station outside Latvia — in Marijampolė, Lithuania. In total, more than 90 charging points are available, with capacities ranging from 40 to 400 kW. We see that the Virši charging network is in high demand — since 2024, the volume of electricity charged at the stations has increased by 119%. This growth is driven both by the opening of new stations and by rising customer interest in the service. To ensure service quality and competitiveness, in 2025 the entire Virši EV charging network has been powered exclusively by 100% Latvian-produced renewable electricity. Customers can make payments by bank card and cash at service stations, and during the reporting period, discounts for EV charging were introduced for members of the Virši loyalty programme.

A significant momentum for the development of alternative fuels was provided by the adoption of the Transport Energy Law at the end of the year, which entered into force on 1 January 2026 and recognises biomethane as a renewable biomass fuel. In line with the regulation, as of 1 January 2026 the Company has commenced sales of CBG (Compressed Biogas) at 10 Virši service stations where a CNG (compressed natural gas) refuelling network had previously been established. The development of compressed biogas in Latvia’s transport sector is becoming an important means of reducing emissions in the transport sector, while also promoting Latvia’s energy independence, the use of local resources, and regional development.

By combining its long-term development strategy, targeted investments, and favourable legislative changes, the Group has reached a stage where it is close to being able to provide fully renewable, locally produced alternative transport energy across the entire value chain — from production to sales.

During the reporting year, the Company generated revenue of EUR 368.7 million, representing an increase of EUR 15.3 million, or 4.3%, compared with 2024. The Company closed 2025 with a profit of EUR 9.8 million (2024: EUR 6.1 million). The Company’s net profit margin for the reporting period was 2.7%, compared with 1.7% in 2024.

During the reporting period, the customer loyalty offering was significantly revised to address the needs of existing loyal customers while also appealing to new VIRŠI customers. In 2025, the convenience retail segment faced challenges due to a slowdown in macroeconomic activity and elevated food price inflation. VIRŠI’s growth performance continues to be strongly supported by a high-quality and diverse range of goods and services, as well as high service standards at its service stations.

Throughout the financial period, market competition remained intense, driving rapid changes in pricing and discount offerings. During the reporting period, competitors continued to optimise and consolidate their service-station networks through portfolio rationalisation and acquisitions. Notwithstanding these market dynamics, VIRŠI further increased its market share by expanding the coverage of its service-station network and strengthening brand awareness and customer loyalty. To ensure consistently high-quality fuel for its customers, AS “Virši-A” continued to source the majority of fuel for its service-station network from SIA “Orlen Latvija”. SIA “Orlen Latvija” is the Latvian representative office of the Lithuanian oil-refining company Orlen Lietuva and is responsible for the distribution of petroleum products in Latvia from the Mažeikiai refinery. Orlen is the largest oil-refining company in Central Europe.

In 2025, the Company maintained an “A” assessment level under the taxpayer rating framework. During 2025, the Company made tax payments exceeding EUR 117.9 million.

Shares of AS VIRŠI-A on Nasdaq Riga Alternative Market First North

Encouraged by the strong past and current performance, and an ambitious future development strategy, during the 2nd half of 2021 the shareholders and management implemented the Initial Public Offering of AS Virši-A. The main aim of the IPO is to raise additional capital in order to further accelerate the Company’s future growth strategy. The decision and future vision was presented to the market in April 2021. In conducting the IPO from 25 October to 5 November 2021, one of the Company’s objectives was to appeal to existing loyal

Management report

customers who visit the Company's stations on a daily basis, to attract a new customer segment, and to contribute to the future development of the Company by investing the funds raised in the IPO in further development of the biomethane and compressed natural gas (CNG) product, in electric charging points and solar panel solutions for the Company's operations, as well as in the improvement of the IT infrastructure.

Investors holding 100 or more shares can become members of Virši's shareholder loyalty programme, which offers special deals on fuel and other products at the Company's network of service stations.

Corporate governance

In 2025, the Company continued to strengthen its corporate governance by purposefully developing and diversifying its business model, while adhering to principles of good governance, transparency, and regulatory compliance.

During the reporting period, the implementation of the SIA Livland Biomethane project continued, in which the Company's stake reached 49%, with a strategic goal to increase it to 51%. At the same time, the Company began evaluating a new biomethane production project in the Kurzeme region, establishing the company SIA VENTA Biomethane in cooperation with partners.

The Company also continued to strengthen its capital market communication and investor relations. In 2025, the Company received 3rd place in the Nasdaq Baltic Awards in the category for best investor relations on the First North equity market, demonstrating a high level of transparency, information accessibility, and professional communication with investors. The Company's growth and stable business performance were further recognised with the award 'Private Capital Company in Zemgale' within the Dienas Bizness TOP500+ ranking. In addition, the Company's communication practices received industry-level acknowledgement, earning the special award of 'Ir Nauda' at the Baltic Brand Forum for open and targeted communication.

Environment protection measures

Joint Stock Company VIRŠI-A operates effectively and has a certified integrated quality, environmental, and energy management system based on the requirements of international standards ISO 9001:2015, 14001:2015, and 50001:2018. The integrated management system ensures continuous improvement of the company's performance and alignment of objectives with environmental protection, energy efficiency, and process quality. The requirements of the integrated management system and the legislation of the Republic of Latvia are complied with in the storage and marketing of fuel products, procurement, acquisition of new technological equipment, implementation of station reconstruction and new development projects, marketing of goods and products, and customer service.

In 2025, 14 out of 15 defined sustainability targets were achieved. The only target not achieved was related to the Latvian Government's decision in spring 2025 not to adopt the Transport Energy Law. In 2025, the Company continued its efforts to reduce waste volumes. This was achieved by training employees in proper waste sorting as part of daily routines and cleaning processes, as well as by equipping fuel stations with separate waste collection bins for customers, making waste sorting more convenient, accessible and understandable.

New fuel stations are equipped with refillable windshield washer fluid facilities, thereby increasing their availability. In addition, a transition was made from rigid packaged washer fluid containers to flexible, collapsible packaging, further contributing to waste reduction. The Company continues to recycle coffee grounds not only for biogas production but also for use as raw materials in cosmetic products. In 2025, efforts also continued to replace single-use paper hand towels with hand dryers.

Furthermore, the Company actively assesses opportunities for the reuse or recycling of materials and packaging, applying sustainable waste management practices. In 2025, the Company tested waste-compacting equipment and composting devices, which could potentially enable a further reduction of environmental impact in the future.

Employees

In 2025, the Company continued to purposefully develop its personnel policy, placing particular emphasis on employee well-being, professional growth and the creation of an inclusive working environment. During the reporting period, a significant contribution to employee well-being was the relocation to a new office, creating a modern, ergonomic, and collaboration-enhancing work environment. Additionally, children's corners were established in both Company offices to support a healthy work-life balance. This initiative was implemented with the support of European Union funding under the European Social Fund Plus project 'Creating a Family-Friendly Environment and Society'.

In the area of employee development, the Company continued to strengthen its internal training platform by further developing the 'Virši Academy'. Various internal initiatives were carried out during the reporting period, including onboarding activities for new employees, recognition of employee and franchisee contributions, as well as the annual 'Viršietis' awards for achievements and for upholding company values in daily work.

To ensure effective internal governance and information flow, the project to streamline and develop the eVIRŠI platform was successfully completed, establishing a unified document management system.

The company's focused work in the field of human resource management has also received high recognition in the labour market. In 2025, the Company once again received recognition in the CV-Online survey 'Top Employer 2024', taking 6th place overall, 3rd place in the retail sector and 1st place in the Zemgale region, as well as 8th place in the CV Market survey. The company was also awarded bronze status in the Diversity Award for its positive achievements in creating an inclusive working environment, as well as the 'Family-Friendly Workplace' status, confirming the company's commitment to fostering an empathetic, sustainable, and people-centred work environment.

Management report

Social responsibility

In 2025, the Company continued to implement social responsibility initiatives aimed at strengthening public safety, well-being, and civic engagement. In support of raising awareness of national security matters, the Company provided informational support for the comprehensive national defence exercises 'Namejs 2025' organised by the National Armed Forces, as well as for promoting individual responsibility in national defence.

At the same time, the Company continued to support socially vulnerable groups by cooperating with the SOS Children's Villages Association. As part of the charity campaign, more than EUR 17,000 were donated to the implementation of the programme 'Piedzimstot bērniņam' (Upon the birth of a baby), which provides emotional and informational support to new parents across Latvia.

In the field of public education and dialogue, the company participated in the LAMPA Conversation Festival, organising and engaging in discussions on sustainable mobility, renewable energy, and the role of technology in societal development.

In addition, the company supported the development of Latvian sports by collaborating with sports organisations and athletes, including the Latvian Cycling Federation, the Latvian Ice Hockey Federation, and rally driver Mārtiņš Sesks.

Management of financial risks

The Company 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 Company's management observes internal procedures.

Credit risk is controlled by the Company 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 Company's partners in cash transactions are local financial institutions with an appropriate credit history.

The Company 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 Company's prices are predominantly set on the basis of the actual fuel purchase price.

The Company 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 Company's 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.

Post balance sheet events

The current geopolitical situation in the Middle East has not had any material direct impact on the Company's operations. No significant changes have been observed in supply chains, the cost structure, or demand that would materially affect financial performance.

In connection with the increase in fuel prices caused by the conflict in Iran, on 14 April 2026 the Latvian Government approved the submission to the Parliament of the Republic of Latvia of a draft law on a fuel retailers' solidarity payment. Under the draft law, if the fuel price set by a retailer exceeds the calculated indicative retail price by 3%, the portion of revenue above this threshold would have to be returned to the state budget. As of the reporting date, the Cabinet of Ministers' regulations that would determine the implementation of the draft law and its potential impact on the Group and the Company in the future are unclear. Management does not expect the impact to be insurmountable; however, uncertainty regarding the practical aspects of the draft law remains.

In February 2026, AS Virši-A signed an agreement for the lease of 19 service stations in Latvia. The agreement provides for the long-term lease of the service stations, and the lease commitments will take effect once the transaction is approved by the Competition Council.

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

This conclusion is based on the information available as at the date of these financial statements.

20 April 2026

Jānis Vība
Chairman of the Board

Linda Prūse
Member of the Board

Vita Čirjevskā
Member of the Board

Jeļena Laurinaviča
Chief Accountant

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Profit or Loss Statement

	Note	2025 EUR	2024 EUR
Net sales	2	368 718 182	353 479 369
Cost of goods sold, cost of services	3	(322 540 584)	(312 199 757)
Gross profit		46 177 598	41 279 612
Selling expenses	4	(32 497 015)	(29 403 940)
Administrative expenses	5	(3 911 926)	(3 649 203)
Other operating income	6	1 140 807	1 143 073
Other operating expenses	7	(986 641)	(1 243 831)
Income from participation			
a) in the equity of related companies		1 500 000	-
Other interest and similar income:			
a) from related parties		234 912	95 467
b) from other parties		26 153	39 986
Adjustments to impairment of current and non-current financial investments:			
a) impairment of investment in associated companies	11	(528 165)	(382 860)
Interest and similar expenses:			
a) related parties		(106 667)	(126 274)
b) to other parties		(1 184 365)	(1 375 043)
Profit before tax		9 864 702	6 376 987
Corporate income tax for the reporting year		(50 369)	(251 496)
Profit after corporate income tax		9 814 333	6 125 491
Profit of the reporting year		9 814 333	6 125 491

The accompanying notes on pages 13 to 32 are an integral part of these financial statements.

Riga, 20 April 2026

 Jānis Vība
 Chairman of the Board

 Linda Prūse
 Member of the Board

 Vita Čirjevskā
 Member of the Board

 Jeļena Laurinaviča
 Chief Accountant

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Balance Sheet as 31 December 2025

		ASSETS		
			Note	
				31.12.2025 EUR
				31.12.2024 EUR
NON-CURRENT ASSETS				
Intangible assets			8	
Concessions, patents, licences, trademarks, and similar rights				269 330
Other intangible assets				415 667
	TOTAL			684 997
Property and equipment			9	
Real estate:				
a) Land, buildings, and engineering structures				112 116 926
Leasehold improvements				594 248
Equipment and machinery				12 633 719
Other property and equipment				4 489 340
Construction in progress				1 901 585
Prepayments for fixed assets				310 460
	TOTAL			132 046 278
Long-term financial investments				
Investments in related companies			10	975 260
Investments in associated companies			11	2 525 155
Loans to associates			15b	1 309 936
Other loans and long term receivables				98 890
	TOTAL			4 909 229
		TOTAL NON-CURRENT ASSETS		137 540 504
				102 107 605
CURRENT ASSETS				
Inventories				
Raw materials			12	784 819
Finished goods and goods for sale			12	11 289 642
Prepayments for inventories				141 954
	TOTAL			12 216 415
Receivables				
Trade receivables			13	17 308 245
Due from related parties				591 053
Other receivables			14	292 223
Loans to related parties			15a	830 000
Loans to associates			15b	1 840 000
Prepaid expenses				406 490
Accrued income				335 890
	TOTAL			21 603 901
Cash			16	3 208 011
		TOTAL CURRENT ASSETS		37 028 327
				36 080 395
TOTAL ASSETS				174 668 831
				138 188 000

Balance Sheet as 31 December 2025

EQUITY AND LIABILITIES			
	Note	31.12.2025 EUR	31.12.2024 EUR
SHAREHOLDERS' EQUITY			
Share capital	17	7 572 256	7 572 256
Share premium	17	6 358 527	6 358 527
Long-term investment revaluation reserve	18	55 165 432	24 343 098
Reserves:			
f) other reserves		25 731	25 731
Retained earnings brought forward from previous years		28 973 389	23 595 177
Profit of the reporting year		9 814 333	6 125 491
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		107 909 668	68 020 280
LIABILITIES			
Non-current liabilities			
Loans from credit institutions	19	19 768 825	23 525 876
Other loans	20	4 055 500	5 055 500
Deferred income		466 480	277 297
TOTAL		24 290 805	28 858 673
Current liabilities			
Loans from credit institutions	19	8 931 242	6 805 836
Other loans	20	1 000 000	3 700 008
Customer advances		704 841	536 235
Trade payables		17 954 086	17 759 682
Due to related parties		750 001	524 692
Taxes and compulsory state social security contributions	23	9 487 187	8 393 849
Other liabilities	21	938 081	862 421
Deferred income		268 525	101 831
Accrued liabilities	22	2 434 395	2 624 493
TOTAL		42 468 358	41 309 047
TOTAL LIABILITIES		66 759 163	70 167 720
TOTAL EQUITY AND LIABILITIES		174 668 831	138 188 000

The accompanying notes on pages 13 to 32 are an integral part of these financial statements.

Riga, 20 April 2026

 Jānis Vība
 Chairman of the Board

 Linda Prūse
 Member of the Board

 Vita Čirjevskā
 Member of the Board

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 Chief Accountant

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Statement of Cash Flows

	Note	2025 EUR	2024 EUR
Cash flow of the principal activity			
Profit before corporate income tax		9 864 702	6 376 987
Adjustments for:			
impairment of property and equipment	9, 18	5 575 384	4 281 046
impairment of intangible assets	8	297 240	209 949
income from investments in related, associated, or other companies		(1 500 000)	-
interest and similar revenue		(261 065)	(135 453)
impairment of long-term and short-term financial investments		528 153	382 860
Interest and similar expenses		1 291 021	1 501 317
Profit before adjustment for the impact of changes to current assets and current liabilities		15 795 435	12 616 706
(increase)/decrease of receivables		(73 858)	(1 235 517)
(increase) or decrease in inventories;		448 320	(682 866)
increase/(decrease) of accounts payable to suppliers, contractors and other creditors		1 943 434	3 727 836
Gross cash flows from operating activities		18 113 331	14 426 159
Interest paid		(1 291 021)	(1 501 317)
Corporate income tax		(70 709)	(256 214)
Net cash flows from (used in) operating activities		16 751 601	12 668 628
Cash flows from investing activities			
Acquisition of shares in related, associated, or other companies	10, 11	(1 358 784)	(550 500)
Purchase of property, equipment, and intangible assets	8, 9	(8 635 995)	(20 217 372)
Income from disposal of PPE and intangible assets		133 052	25 893
Loans issued	15	(1 343 136)	(840 000)
Loans repaid	15	54 800	126 000
Interest received		261 065	135 453
Dividends received	17	1 500 000	-
Net cash flows generated from investing activities		(9 388 998)	(21 320 526)
Cash flows from financing activities			
Loans received		4 000 000	18 788 572
Loans repaid		(9 347 794)	(10 316 672)
Finance lease payments		(72 010)	(55 431)
Dividends paid		(747 279)	(815 809)
Net cash flows from financing activities		(6 167 083)	7 600 660
Net cash flows for the reporting year		1 195 520	(1 051 238)
Cash and cash equivalents at the beginning of the year		2 012 491	3 063 729
Cash and cash equivalents at the end of the year	16	3 208 011	2 012 491

The accompanying notes on pages 13 to 32 are an integral part of these financial statements.

Riga, 20 April 2026

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Statement of Changes to the Shareholders' Equity

	Note	Share capital	Share premium	Long-term investment revaluation reserve	Reserves	Retained earnings	Total
31 December 2023		7 564 731	6 358 527	25 165 723	25 731	24 418 511	63 533 223
Investment in share capital	17	7 525	-	-	-	(7 525)	-
Increase/(decrease) in the long-term investment revaluation reserve	18	-	-	(822 625)	-	-	(822 625)
Dividends paid	17	-	-	-	-	(815 809)	(815 809)
Distribution of prior year profit						6 125 491	-
31 December 2024		7 572 256	6 358 527	24 343 098	25 731	29 720 668	68 020 280
Investment in share capital	17		-	-	-		-
Increase/(decrease) in the long-term investment revaluation reserve	18	-	-	30 822 334	-	-	30 822 334
Dividends paid	17	-	-	-	-	(747 280)	(747 280)
Profit of the reporting year		-	-	-	-	9 814 333	9 814 333
31 December 2025		7 572 256	6 358 527	55 165 432	25 731	38 787 722	107 909 668

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Notes to the financial statements

1. Information on the Company's activities and summary of significant accounting principles

General information on the Company

AS Virši-A ("the 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 Company's shareholders are natural persons, residents of Latvia.

The Company is engaged primarily in retail and whole sales of oil products, and retail sales of goods.

The financial statements for 2025 were approved by the Board on 20 April 2026.

Summary of material accounting principles

Basis of the preparation

The financial statements were prepared in accordance with the Accounting Law and the Annual Reports and Consolidated Annual Report Law (the Law).

The financial statements were prepared on a going concern basis. The currency unit used in the financial statements is the euro (EUR). The financial statements cover the period from 1 January 2025 to 31 December 2025.

The profit and loss statement was prepared according to the cost function.

The cash flow statement was prepared using the indirect method.

Consistent valuation principles were used with those used in comparable accounting periods.

Items were valued in accordance with the principle of prudence:

- The 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 financial statements;
- all amounts of impairment and depreciation have been taken into consideration and calculated irrespective of whether the financial result was a loss or profit;
- The financial statements were prepared on the historical cost basis, except for the following items: buildings are revalued on a periodic basis, investments in the subsidiary in 2020 were made based on the value of the shares contributed.

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 revenue for the reporting period.

Assets and liabilities were valued separately.

Business transactions are recorded taking into account their economic contents and substance, rather than the legal form.

The opening balance agrees with the prior year closing balance.

Notes to the financial statements

Summary of material accounting principles (continued)

Related parties

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

- 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) An entity is related to a reporting entity if any of the following conditions applies:
 - i. The 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. Both entities are joint ventures of the same third party;
 - iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - vi. The entity is controlled, or jointly controlled by a person identified in (a).
 - vii. 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).
 - viii. The entity or any member of the group to which the entity belongs provides management personnel services to the entity or the parent 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.

Financial instruments and financial risks

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 Company are financial assets such as trade receivables, other receivables, loans and financial liabilities such as loans, lease liabilities, accounts payable to suppliers and contractors and other creditors arising directly from its business activities.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost in accordance with the effective interest rate method. Profit and loss is recognised in the profit and loss statement as the underlying assets are derecognised or impaired, and also through an amortisation process.

Use of derivative financial instruments

In addition to the above risk management policies, the Company 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 Company to other parties to the transaction.

The Company 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 recognized as assets if their fair value is positive and liabilities if their fair value is negative.

Fair value of financial assets and liabilities

The fair value of financial assets and liabilities represents the amount at which an asset could be exchanged or a liability settled in a transaction between knowledgeable, willing and financially independent parties.

The Company measures financial assets and liabilities at cost, which in the opinion of the Company's management approximates their fair value at the date of acquisition, plus any related incremental costs.

Notes to the financial statements

Summary of material accounting principles (continued)

Use of estimates

In preparing the financial statements, management is required to make certain estimates and assumptions that affect the carrying amounts of assets and liabilities and the amounts recognised in the balance sheet and the statement of profit or loss, as well as the amount of contingent liabilities. Future events may affect the assumptions on which these estimates are based. Any impact resulting from changes in estimates is recognised in the financial statements in the period in which the estimates are revised. Significant estimates in the financial statements are connected with revaluation to fair value of the PPE item *Land, buildings, and engineering structures*.

The Company's investments in associates are subject to review based on the expected future performance and projected cash flows of the associate.

Financial risks related to financial instruments of the Company, financial risk management

Credit risk is the risk that the Company 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.

Interest rate risk – the risk that the Company may incur losses as a result of fluctuations in interest rates.

Liquidity risk – risk that the Company will not be able to meet its financial liabilities when due;

Currency risk – risk that the Company may suffer unexpected losses arising from fluctuations in the foreign exchange rates;

Management has implemented the following procedures to control the key risk.

Credit risk

For the purposes of credit risk management, the 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.

Interest rate risk

To minimise interest rate risk, the Company's management primarily enters into loan agreements with fixed interest rates.

Liquidity risk

The Company is prudent in its liquidity risk management and ensures that appropriate funds/ credit line facilities are available to meet its liabilities as they fall due.

Currency risk and revaluation

The functional and reporting currency of the Company is Euro (EUR), the national currency of the European Union. 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 year. 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 recognized in the profit or loss statement at net amount.

Investments

Investment in subsidiary

Investments in subsidiaries are initially recognised at cost. If, at the reporting date, the carrying amount of an investment is lower than its cost or the value recognised in the previous year's balance sheet, and the decline in value is expected to be permanent, the investment is measured at the lower value. In 2020, the shareholders made an equity contribution into the Company. The equity of invested subsidiaries is carried at fair value according to the value of shares. The amount of the investment is subsequently treated as historical cost.

Investment in associate

The Company'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 recognized at cost, which includes transaction costs.

Intangible assets

Intangible assets are carried at cost amortized 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 recognized when the book value of an intangible asset exceeds its recoverable amount.

Notes to the financial statements

Summary of material accounting principles (continued)

Property and equipment

(i) Useful lives of property and equipment

Property and equipment is carried at historical cost except for land, buildings, and engineering structures that are recognized 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 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 loss is recognised in the profit and loss statement as cost of goods sold.

Items of property and equipment are derecognized 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 recognized in the profit and loss statement of the period of de-recognition.

The cost of leasehold improvements is capitalized 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 equipment

Land, buildings, and engineering structures are measured by the 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 recognized at the lower value. The revaluation result is recognized in the profit and loss statement except if a previously recognized 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 recognized 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 recognized as an expense in the profit or loss statement, then the increase resulting from revaluation is recognized 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 utilized, 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:

Notes to the financial statements

Summary of material accounting principles (continued)

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.

On 30 December 2025, certain categories of property and equipment were revalued to fair value. The revaluation was performed for Land, buildings and engineering structures (see Note 9).

Inventories

Inventories are stated at the lower of cost or net realizable value.

Expenses incurred to deliver inventories to their current location and condition are recognized in the following way:

- raw materials are recognized 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.

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

Trade receivables and other receivables

Trade receivables are recognised and presented in the balance sheet at the original invoiced amount, less allowances for doubtful debts. Allowances for doubtful debts are estimated when full recovery of the receivable is no longer considered probable. Allowances for doubtful trade receivables and loans are established based on management's individual assessment of the recoverability of each debtor's balance. Receivables are written off when recovery is deemed impossible.

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.

Loans and borrowings

Loans and borrowings are initially carried at cost which is calculated as the fair value of loans and borrowings plus or minus costs connected with issuing or receiving the loan.

Subsequent to initial recognition, loans and borrowings are measured at amortised cost using the effective interest rate method. Amortized cost is calculated taking into account loan origination costs or borrowing costs and all discounts and premiums related to loans or borrowings.

Gains and losses resulting from amortization are recognised in the profit and loss statement as interest income/ expense.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required from the Company to settle the obligation, and the amount of the obligation can be measured reasonably. If the Company foresees that the expenses required for recognizing a provision will be partly or fully repaid, for example, within an insurance contract, the recovery of such expenses is recognized as a separate asset only when it is certain that such expenses will be recovered. Expenses connected with any provisions are recognized in the profit and loss statement less recovered amounts.

Contingent liabilities and assets

Contingent liabilities are not recognised in these financial statements. Contingent liabilities are recognized as liabilities only when there is reasonable likelihood that an outflow of funds will be required. Contingent assets are recognized in these financial statements to the extent that when there is reasonable likelihood that the Company will receive an inflow of funds.

Leases

Finance lease transactions under which the Company assumes substantially all the risks and rewards of ownership the lease object are recognized in the balance sheet as fixed assets at an amount that represents the fair value of the lease object at inception or at the present value of minimum lease payments if the fair value is lower. Finance lease payments are allocated between financial expenses and reduction of liabilities in order to ensure consistent interest rate on the balance of liabilities in each period. Finance costs are disclosed in the profit and loss statement as interest expenses.

Notes to the financial statements

Summary of material accounting principles (continued)

If there is sufficient certainty that ownership of the leased asset will be transferred to the lessee at the end of the lease term, the useful life of the asset is used as the estimated period of use. In all other cases, depreciation of capitalised leased assets is calculated using the straight-line method over the estimated useful life of the asset or the lease term, whichever is shorter.

Leases under which substantially all risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as expenses on a straight-line basis over the lease term. The Company's liabilities arising from the operating lease transactions are disclosed as contingent liabilities.

Revenue recognition

Income is recognized based on the likelihood of gaining economic benefit and to the extent it is reasonably measurable, less value added tax and discounts on sales. Revenue is recognized based on the following conditions:

Sales of goods

Sale of goods is recognised when the Company has passed the significant risks and rewards of ownership of the goods to the customer.

Provision of services

The Company mainly provides fuel transport services to its customers. Revenue from services is recognized in the period when services provided.

Long-term and short-term classification

Amounts with terms of receipt, payment, or write off due in more than one year after the reporting date are classified as long term. Amounts to be received, paid, or written off within a year are classified as short-term.

Corporate Income Tax

The tax rate is 20% from the taxable base determined by dividing the value of the amount taxable with corporate income tax by coefficient 0.8, includes:

- distributed profit (dividends calculated, payments equivalent to dividends, conditional dividends), and
- conditionally or theoretically distributed profit (non-operating expenses and other specific cases provided for by the law).

Subsequent events

The financial statements reflect events that occurred subsequent to the year end and that provide additional information on the Company's financial position at the balance sheet date (adjusting events). If subsequent events do not have an adjusting nature, they are disclosed in the notes to the financial statements only if they are significant.

Subsequent events are described in Note 29.

Notes to the financial statements

2. Net sales from other types of operations

<i>By type of operating activity</i>	2025	2024
Sale of oil products	305 388 114	293 629 826
Sale of other goods	59 591 750	55 221 004
Other income	3 738 318	4 628 539
TOTAL:	368 718 182	353 479 369

<i>By geographic market</i>	2025	2024
Latvia	366 864 202	351 940 271
Other	1 853 980	1 539 098
TOTAL:	368 718 182	353 479 369

3. Cost of goods sold, cost of services

	2025	2024
Cost of oil products and goods	320 506 281	308 128 896
Depreciation and amortisation	127 961	105 532
Decrease of the revaluation reserve	(47 198)	(47 198)
Personnel expenses	173 627	189 990
Cost of lease of real estate property and other costs	198 747	198 416
Maintenance and repairs	148 481	101 208
Transport expenses	372 010	334 631
Other expenses	1 060 675	3 188 282
TOTAL:	322 540 584	312 199 757

4. Selling expenses

	2025	2024
Personnel expenses	16 095 587	15 447 656
Depreciation and amortisation	5 977 663	5 028 679
Decrease of the revaluation reserve	(775 781)	(775 770)
Cost of lease of real estate property and other costs	796 154	580 679
Maintenance and repairs	3 922 264	3 672 048
Marketing expenses	1 078 002	1 030 206
Transport expenses	3 070 524	2 949 464
Other expenses	2 332 602	1 470 978
TOTAL:	32 497 015	29 403 940

Notes to the financial statements

5. Administrative expenses

	2025	2024
Personnel expenses	2 497 340	2 256 628
Depreciation and amortisation	233 862	184 870
Decrease of the revaluation reserve	354	342
Cost of lease of real estate property and other costs	40 206	37 944
Maintenance and repairs of office	82 045	93 512
Transport expenses	171 921	217 388
Professional services *	454 225	480 912
Other expenses	431 973	377 607
TOTAL:	3 911 926	3 649 203

* including total remuneration paid to certified auditors:

	2025	2024
SIA KPMG Baltics for audit of the financial statements	60 050	55 000
ZAB KPMG Law for other expert engagements	400	-
SIA Zeppelin, for other expert engagements	45 900	-
ZAB Eversheds Sutherland Bitāns, SIA for legal advice	30 695	-
SIA PRICEWATERHOUSECOOPERS for legal advice	2 500	6 500
SIA KPMG Baltics for tax advice	17 000	15 782
SIA Ievas Liepiņas birojs for tax advice	1 000	-
TOTAL:	157 545	77 282

6. Other operating income

	2025	2024
Gain on disposal of property and equipment	29 334	25 893
<i>Revenue from sales of property and equipment</i>	133 052	25 893
<i>Non-amortised value of disposed property and equipment</i>	(103 718)	-
Income from an insurance compensation received	112 577	68 705
Recovery of written-off/doubtful receivables	3 881	816
Other operating income	995 015	1 047 659
TOTAL:	1 140 807	1 143 073

Notes to the financial statements

7. Other operating expenses

	2025	2024
Loss from sales of property and equipment, net, incl:	-	-
<i>Revenue from sales of property and equipment</i>	-	-
<i>Non-amortised value of disposed property and equipment</i>	-	-
Changes in doubtful debt allowances	40 443	586 359
Write-off of bad debts	64 393	36 250
Staff sustainability measures	334 988	306 608
Loss on currency exchange fluctuations, net	10 979	1 502
Donations	3 000	135 531
Bank charges	52 382	79 589
Write-offs of property and equipment	385 402	-
Other operating expenses	95 054	97 992
TOTAL:	986 641	1 243 831

8. Intangible assets

	Concessions, patents, licenses, trademarks and similar rights	Other intangible investments	Creation of intangible assets	TOTAL
Historical cost				
31 December 2024	510 874	974 462	-	1 485 336
Additions	53 907	140 316	125 802	320 025
Elimination of historical cost	-	-	-	-
Reclassifications	17 597	108 205	(125 802)	-
31 December 2025	582 378	1 222 983	-	1 805 361
Accumulated amortization				
31 December 2024	218 433	604 691	-	823 124
Calculated amortization	94 615	202 625	-	297 240
Amortisation of disposals	-	-	-	-
31 December 2025	313 048	807 316	-	1 120 364
Carrying amount				
31 December 2024	292 441	369 771	-	662 212
31 December 2025	269 330	415 667	-	684 997

Notes to the financial statements

9. 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 2024	89 851 058	975 120	18 582 088	11 693 836	2 095 295	680 357	123 877 754
Additions	3 976 466	6 783	733 628	975 766	2 657 172	54 307	8 404 122
Revaluation*	31 644 960	-	-	-	-	-	31 644 960
Reclassifications	578 839	141 136	2 074 819	480 292	(2 850 882)	(424 204)	-
Impairment	(247 082)	-	-	-	-	-	(247 082)
Cost of disposed items of property and equipment	(48 402)	(223 246)	(129 067)	(299 584)	-	-	(700 299)
31 December 2025	125 755 839	899 793	21 261 468	12 850 310	1 901 585	310 460	162 979 455
Accumulated depreciation and impairment							
31 December 2025	11 229 243	304 542	7 011 612	6 804 100	-	-	25 349 497
Depreciation, depreciation of the revalued part*	2 409 670	87 058	1 727 827	1 817 691	-	-	6 042 246
Accumulated depreciation of disposed property and equipment	-	(86 055)	(111 690)	(260 821)	-	-	(458 566)
31 December 2025	13 638 913	305 545	8 627 749	8 360 970	-	-	30 933 177
Carrying amount							
31 December 2024	65 508 021	463 665	9 260 642	4 272 910	2 095 295	680 357	98 528 257
31 December 2025	112 116 926	594 248	12 633 719	4 489 340	1 901 585	310 460	132 046 278

On 30 December 2025, the Company revalued property and equipment under category Land, buildings, and engineering structures to fair value. The result of revaluation (appreciation) recorded in the accounting records of the Company on 31 December 2025. The revaluation was performed by certified real estate appraiser SIA Balanss V. The valuation was based on the income and cost approach. Had the revaluation not been performed, the carrying amount of the category as at 31 December 2025 would have been EUR 54 356 732 (31 December 2024: EUR 54 253 766). The management believes the fair value at the end of 2025 was not materially different from the carrying amount. Previous revaluation was performed in 2022.

Type	Fair value, EUR 2025	Valuation approach	Significant unobservable inputs	Inter-relation between significant unobservable inputs and fair value measurement
Filling stations with equipment	115 705 000	Discounted cash flows	<ul style="list-style-type: none"> - Discount rate ranging from 11.0% to 13% (2022: 11% to 15.5%) - Capitalization rate ranging from 10% to 11.0% (2022: 10% to 14.0%) - Gross revenue assumption in year one for fuel sales from EUR 39 thousand to EUR 565 thousand (2022: no 40 thousand EUR līdz 326 thousand EUR) - Gross revenue assumption in year one for store sales from EUR 60 thousand to EUR 624 thousand (2022: no 54 thousand EUR līdz 333 thousand EUR) 	Market value may increase (reduce) if: <ul style="list-style-type: none"> - 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).

Notes to the financial statements

Type	Fair value, EUR 2025	Valuation approach	Significant unobservable inputs	Inter-relation between significant unobservable inputs and fair value measurement
			<ul style="list-style-type: none"> - Revenue growth from year 2 or 4 – 0.5% to 3.0% per year (with the exception of a new filling station with growth of 15%-30% p.a.) (2022: from year 2 or 4 - 0,5% per year (with the exception of a new filling station with growth of 5%-7% p.a.)) 	
Oil storage facility / railway network	1 885 000	Discounted cash flows / capitalisation of lease revenue	<ul style="list-style-type: none"> - Discount rate 17.5% (2022: 17,5%) - Capitalization rate ranging from 7% to 15%(2022: from 7,5% to 15%) - Rent 0.11 EUR/m2 (land) to 3.0 EUR/t (fuel) (2022: Rent 0,11 EUR/m2 (land) to 3,0 EUR/t (fuel)) - Leased land/transshipment capacity/annual utilisation 50– 95% (2022: 49-95% p.a.) - Revenue growth from year 3 0.5% - 1.0% p.a. (2022: 0,5% - 1,0% p.a.) 	Market value may increase (reduce) if: <ul style="list-style-type: none"> - 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).
Vacant land plots	1 027 000	Market (Comparable Transactions) approach	<ul style="list-style-type: none"> - Prices of comparable transactions: EUR 4.15 – 190.88 per m² (2022: -) - Adjustments to comparable transactions: -20% to +10% (2022: -) - Timing of comparable transactions relative to the valuation date: 3 to 28 months (2022:) 	Market value may increase (reduce) if: <ul style="list-style-type: none"> - the market situation changes;
Commercial buildings	510 000	Discounted cash flows	<ul style="list-style-type: none"> - Discount rate 8– 10%, capitalization rate 7-8% (2022: - Discount rate 12,0%, capitalization rate 10,0 – 10,5%) - Rent 1.00– 3.00 EUR/m2 (2022: 1,00 - 3,00 EUR/m2) - Occupancy rate 65-90% p.a. (2022: 65-90% p.a) - Revenue growth from year 3 0.5% - 1.0% p.a. (2022: 0,5% - 1,0% p.a) 	Market value may increase (reduce) if: <ul style="list-style-type: none"> - 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).

Cadastre value of the Company's real estate

	31.12.2025.	31.12.2024.
Buildings and constructions	3 560 023	2 135 017
Land	2 867 974	2 672 374
TOTAL:	6 427 997	4 807 391

Fully depreciated items of property and equipment

A number of fully depreciated tangible assets are still being used for the Company's primary activities. The total cost of such assets at the reporting date was EUR 7 043 163 (2024: EUR 5 468 238).

Carrying amount of assets purchased under finance lease

The carrying amount of assets purchased under finance lease is the following:

	31.12.2025.	31.12.2024.
Equipment and machinery	129 357	113 576
TOTAL:	129 357	113 576

In 2025, tangible assets purchased under finance lease amounted to EUR 129 346 (2024: EUR 133 205). Please see also Note 25.

Depreciation and amortisation

Total depreciation and amortization costs are included in the following items of the profit and loss statement:

Notes to the financial statements

	2025	2024
Cost of goods sold, cost of services	127 961	105 532
Selling expenses	5 977 663	5 028 679
Administrative expenses	233 862	184 870
TOTAL:	6 339 486	5 319 081

Pledges and other collaterals

In accordance with the loan agreements signed with Latvian commercial banks and the related mortgage and pledge agreements, the Company has pledged certain of its real estate properties as security for its obligations (Note 19).

10. Investment in subsidiaries

	31.12.2025	31.12.2024
Carrying amount as at 1 January	975 260	925 260
Investment	-	50 000
Carrying amount as at 31 December:	975 260	975 260

Name of the company	Number of shares held as at		Carrying amount 31.12.2025	Equity of the related party as at 31.12.2025	Profit of the related party at the reporting date
	31.12.2025	Historical cost			
	%	EUR	EUR	EUR	EUR
SIA Virši Renergy	100	352 800	352 800	2 141 721	(1 470 654)
SIA Virši loģistika	100	572 460	572 460	1 218 158	137 671
UAB Virši Lietuva	100	50 000	50 000	(799 841)	(403 227)
		975 260	975 260	2 560 038	(1 736 210)

During the reporting year, dividends of EUR 1 500 000 were received from the subsidiary SIA Virši Renergy.

11. Investments in associated companies

	31.12.2025	31.12.2024
Carrying amount as at 1 January	1 694 524	1 576 884
Purchases	1 358 784	500 500
Adjustments to impairment of current and non-current financial investments:	(528 153)	(382 860)
Carrying amount as at 31 December:	2 525 155	1 694 524

Name of the Company	Number of shares held as at		Carrying amount 31.12.2025	Equity of the associate as at 31.12.2025	Profit of the associated company in the reporting year
	31.12.2025	Historical cost			
	%	EUR	EUR	EUR	EUR
AS Skulte LNG Terminal	19.23	21 575	-	(2 149)	(435)
SIA GasOn	30	1 534 824	623 811	(439 228)	(904 580)
SIA GulfPetrol RE	30	42 060	42 060	319 165	100 378
SIA Livland Biomethane	48.78	1 856 872	1 856 872	1 597 930	(154 342)
SIA Venta Biomethane	24	2 400	2 400	10 000	-
		3 457 731	2 525 143	1 485 718	(958 979)

Notes to the financial statements

Name of the company	Number of shares held as at		Carrying amount 31.12.2024	Equity of the associate as at 31.12.2024	Profit of the associated company in the reporting year
	31.12.2024	Historical cost			
	%	EUR	EUR	EUR	EUR
AS Skulte LNG Terminal	19.23	21 575	-	(1 714)	(25)
SIA GasOn	30	1 534 824	1 151 964	465 352	(587 738)
SIA GulfPetrol RE	30	42 060	42 060	218 787	51 669
SIA Livland Biomethane	20	500 500	500 500	368 981	(130 144)
		2 098 959	1 694 524	1 051 406	(666 238)

As at the reporting date, having regard to prevailing uncertainty in the energy resources market, price developments and the Company's future business outlook, management reassessed the assumptions underlying the business plan following several years of adverse operating performance. In 2025, the Company performed an impairment test of the investment in SIA GasOn and recognised an impairment loss of EUR 528 153, which has been presented in the statement of profit or loss.

12. Inventories

	31.12.2025	31.12.2024
Auxiliary materials	715 426	644 978
Fuel	7 618 895	8 489 213
Other goods	3 740 140	3 228 380
TOTAL:	12 074 461	12 362 571

13. Trade receivables

	31.12.2025	31.12.2024
Trade receivables	18 477 472	18 451 945
Doubtful debt allowance	(1 169 227)	(1 128 784)
TOTAL:	17 308 245	17 323 161

14. Other receivables

	31.12.2025	31.12.2024
Overpaid taxes*	3 338	3 507
Security deposits	148 532	145 856
Other receivables	140 353	111 501
TOTAL:	292 223	260 864

* Overpaid taxes (See Note 23).

Notes to the financial statements

15. Loans

15.a Loans to related parties	31.12.2025	31.12.2024
Outstanding as at 1 January 2025	650 000	-
Carrying amount as at 1 January 2025	650 000	-
Loans issued	200 000	650 000
Loans repaid	(20 000)	-
Aizdevumu neatmaksātā vērtība 2025. gada 31. decembrī	830 000	650 000
Bilances vērtība 2025. gada 31. decembrī	830 000	650 000

In 2024, an agreement was signed about a loan of EUR 1 100 000 to subsidiary UAB Virši Lietuva. The maturity date is 24 March 2026 and the annual interest rate is 2.4%+3m Euribor. The balance of the loan as at 31 December 2025 is EUR 830 000 (31.12.2024: EUR 650 000).

15.b Loans to associates	31.12.2025	31.12.2024
Outstanding as at 1 January 2025	2 041 600	1 977 600
Carrying amount as at 1 January 2025	2 041 600	1 977 600
Loans issued	1 143 136	190 000
Loans repaid	(34 800)	(126 000)
Outstanding as at 31 December 2025	3 149 936	2 041 600
Balance as at 31 December 2025	3 149 936	2 041 600

In 2022, a loan of EUR 278 400 issued by SIA Virši nekustamie īpašumi to associate SIA Gulf Petrol RE was taken over. The maturity date is 31.12.2031 and the annual interest rate is 2.2%. The balance of the loan as at 31 December 2025 is EUR 166 800.

In 2021, an agreement was signed about a convertible loan of EUR 1 200 000 to associate SIA Gason. The maturity date is 01.05.2026 and the annual interest rate is 2.2%. The balance of the loan as at 31 December 2025 is EUR 1 200 000. In 2023, a loan agreement was signed about EUR 500 000 maturing on 01.05.2026 with the annual interest rate of 4.5%+3m Euribor. The balance of the loan as at 31 December 2025 is EUR 500 000. In 2024, a loan agreement was signed about EUR 140 000 maturing on 01.05.2026 with the annual interest rate of 4.5%+3m Euribor. The balance of the loan as at 31 December 2025 is EUR 140 000.

In 2025, an agreement was signed about a loan of EUR 143 136 to subsidiary SIA Livland Biomethane. The loan matures on 30.07.2031. The balance of the loan as at 31 December 2025 is EUR 143 136. Loan agreement for EUR 1 000 000, with an annual interest rate of 16%, and a maturity date of 30 April 2029. The balance of the loan as at 31 December 2025 is EUR 1 000 000.

16. Cash and cash equivalents

	31.12.2025	31.12.2024
Cash in bank and on hand	1 512 202	449 832
Money in transit	1 695 809	1 562 659
TOTAL:	3 208 011	2 012 491

17. Share capital

Share capital of the Group in 2025 is EUR 7 572 256 (2024: EUR 7 572 256), comprised of 15 144 510 shares (2024: 15 144 510). Nominal value per share is EUR 0.50 (2024: EUR 0.50). All shares are fully paid.

Notes to the financial statements

In 2024, the Group continued its employee share option programme by making the final conversion of options, increasing share capital and issuing an additional 15 050 shares for a total value of EUR 7 525.

In the reporting year, dividends were distributed out of retained earnings of EUR 934 099; EUR 747 279 or EUR 0.04934325 per share was paid to shareholders in dividends, and EUR 186 820 was paid as corporate income tax.

Corporate income tax for the reporting year

	2025	2024
CIT on distributed profits	186 820	142 767
Flow-through dividends — corporate income tax adjustment	(186 820)	-
CIT on deemed distributed profits	50 450	108 729
TOTAL:	50 450	251 496

18. Long-term investment revaluation reserve

The long-term investment revaluation reserve includes revaluation amounts of tangible assets (see Note 9).

	Balance		Change	31.12.2025
	31.12.2025	31.12.2024		
Long-term investment revaluation reserve	55 165 432	24 343 098	30 822 334	(822 625)
			2025	2024
Decrease (amortisation) of the revaluation reserve			(822 625)	(822 625)
Revaluation in 2025			31 644 959	-
TOTAL:			30 822 334	(822 625)

19. Loans from credit institutions

Long term:	<i>Maturity term</i>	31.12.2025	31.12.2024
Loans from Latvian commercial banks	04.04.2030.	19 701 426	23 463 578
Finance lease liabilities	25.02.2030.	67 399	62 298
TOTAL long-term loans from credit institutions:		19 768 825	23 525 876
Short-term:	<i>Maturity term</i>	31.12.2025	31.12.2024
Loans from Latvian commercial banks	22.10.2026.	8 869 294	6 754 929
Finance lease liabilities	25.02.2030.	61 948	50 907
TOTAL short-term loans from credit institutions:		8 931 242	6 805 836
TOTAL loans from credit institutions:		28 700 067	30 331 712

Notes to the financial statements

Credit line facility unused at the reporting date:

	31.12.2025	31.12.2024
Maturing within 12 months	5 000 000	5 000 000
TOTAL:	5 000 000	5 000 000

Loans from credit institutions carry base rates plus a variable rate of 3M EURIBOR, and the Company pays a commitment fee for the availability of resources under its credit line facility. The interest rates and the commitment fee is at an arm's length.

In 2025, loans of EUR 3 500 000 were received.

The loan agreements are in force: 20 March 2020 – 10 March 2028; 22 October 2021 – 22 October 2026; 10 March 2022 – 10 March 2027; 27 December 2023 – 27 December 2028; 19 March 2024 – 27 December 2028; 9 August 2024 – 9 August 2029; 4 April 2025 – 4 April 2030.

The credit line agreement is in force from 9 October 2002 and it expires on 29 November 2026.

Loans from credit institutions are secured by mortgages registered by the Company over real estate property in favour of the lending banks.

The net carrying amount of mortgages at the reporting date is EUR 55 985 257 (2024: EUR 43 608 054).

20. Other loans

Long term:	31.12.2025	31.12.2024
Interest-free, unsecured loan from the shareholders	4 055 500	5 055 500
TOTAL other long-term loans:	4 055 500	5 055 500
Short-term:	31.12.2025	31.12.2024
Interest-free, unsecured loan from the shareholders	1 000 000	700 008
Loan from a related party	-	3 000 000
TOTAL other short-term loans:	1 000 000	3 700 008
TOTAL other loans:	5 055 500	8 755 508

21. Other liabilities

	31.12.2025	31.12.2024
Remuneration	877 714	824 759
Other liabilities	60 367	37 662
TOTAL:	938 081	862 421

22. Accrued liabilities

	31.12.2025	31.12.2024
Accrued expenses of unused vacations	702 743	750 786
Other accrued liabilities for operating expenses	1 731 652	1 873 707
TOTAL:	2 434 395	2 624 493

Notes to the financial statements

23. Taxes and social contributions

	31.12.2025.	31.12.2024
Social security contributions	402 021	390 353
Personal income tax	143 148	175 484
Excise tax	6 593 511	5 717 481
Corporate Income Tax	11 598	31 938
Value added tax	2 336 220	2 075 537
Natural Resources Tax	689	657
Real estate tax	(1 038)	(3 506)
Company car tax	(2 300)	2 399
TOTAL:	9 483 849	8 390 343
TOTAL LIABILITIES:	9 487 187	8 393 849
TOTAL RECEIVABLES:	(3 338)	(3 506)

*Overpaid taxes are disclosed under other receivables (see Note 14).

24. Personnel costs and number of staff

	2025	2024
Remuneration	15 221 821	14 361 625
Social security contributions	3 581 351	3 381 889
Other personnel expenses	(36 618)	150 760
TOTAL:	18 766 554	17 894 274

Including remuneration to key management

	2025	2024
Members of the Board and Council		
Remuneration	720 558	738 331
Social security contributions	168 134	173 235
TOTAL:	888 692	911 566

The average number of staff in the reporting year:

	2025	2024
Members of the Council	6	6
Members of the Board	3	3
Other staff	874	831
TOTAL:	883	840

Notes to the financial statements

25. Finance lease liabilities

	Maturity date	Non-current portion	Short-term part	Total
Latvian commercial bank	25.02.2030.	67 399	61 948	129 347
Total 31.12.2025.		67 399	61 948	129 347
Total 31.12.2024.		62 298	50 907	113 205

Amounts payable under finance leases are paid at a floating rate of 3M EURIBOR. The interest rates correspond to market rates.

26. Financial commitments, guarantees or other contingencies

(a) Operating lease liabilities

The Company as a lessee has signed a number of property rent agreements. Total actual annual lease expenses in 2025 amounted to EUR 682 559 (2024: EUR 682 559). At the reporting date, the total estimated minimum lease payments under irrevocable operating lease contracts were:

	31.12.2025.	31.12.2024.
In less than one year	938 203	850 722
In 1 – 5 years	3 304 655	2 787 826
In more than 5 years	1 114 815	1 532 410
TOTAL:	5 357 673	5 170 958

(b) Legal requirements

The Company is not involved in litigation proceedings dealing with claims raised against AS Virši-A. The Company 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 AS Virši-A issued two guarantees in favour of its associate Livland Biomethane SIA. The first is a performance guarantee of EUR 1 000 000, while the second is a back-up guarantee providing for investments or loans during the construction process of Livland Biomethane SIA in connection with financing raised of up to approximately EUR 12 million.

In 2024, UAB Virši Lietuva, a subsidiary of AS Virši-A, was established and the first petrol station in Lithuania was opened in August 2024. Virši-A has provided unlimited performance guarantees to UAB Virši Lietuva's suppliers.

In 2024 and earlier, Virši-A guarantees the fulfilment of the lease obligations of its subsidiary Virši Logistika SIA to SEB līzings SIA in the amount of EUR 900 000.

In 2024 and previously, Virši-A AS has provided guarantees for the subsidiary SIA Virši Renergy in electricity procurement and price fixing transactions for a total contingent liability of up to EUR 10 650 000.

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

Notes to the financial statements

27. Related party transactions

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

Related party:	Description of transaction	Amount of transaction	
		2025	2024
Subsidiaries	Loans issued	200 000	650 000
Subsidiaries	Loans repaid	(20 000)	-
Subsidiaries	Other costs related to lease of real estate property	-	(4 972)
Subsidiaries	Purchase of electricity	(1 632 637)	(1 375 896)
Subsidiaries	Lease of real estate	(237 471)	(529)
Subsidiaries	Income from goods sold	657 452	709 335
Subsidiaries	Fuel supply services	(2 698 588)	(2 559 449)
Subsidiaries	Income from management services	397 559	531 907
Subsidiaries	Disposal of tangible assets	-	116 073
Subsidiaries	Intermediary services for fuel	(353 882)	(455 115)
Subsidiaries	Interest income	35 436	17 380
Subsidiaries	Interest expenses	(106 667)	(126 274)
Subsidiaries	Dividends received	1 500 000	-
Associated companies	Lease of real estate	(155 400)	(116 221)
Associated companies	Loans issued	1 143 136	190 000
Associated companies	Loans repaid	(34 800)	(126 000)
Associated companies	Income from goods sold	36 567	56 088
Associated companies	Income from services (other)	3 600	8 821
Associated companies	Interest income	199 476	79 527
Shareholders	Loans repaid	(700 008)	(700 008)

28. Profit distribution

The Company's management proposes to allocate EUR 1 121 667 (2024: EUR 934 099) of net profit for dividend distribution. Dividends in the amount of EUR 897 333 (2024: EUR 747 279), representing EUR 0.0592513 per share (2024: EUR 0.04934325), are planned to be paid to shareholders, while EUR 224 333 will be allocated for the payment of corporate income tax. The remaining profit for 2025 to be transferred to retained earnings for the further development of the Company.

Notes to the financial statements

29. Subsequent events

The current geopolitical situation in the Middle East has not had any material direct impact on the Company's operations. No significant changes have been observed in supply chains, the cost structure, or demand that would materially affect financial performance.

In connection with the increase in fuel prices caused by the conflict in Iran, on 14 April 2026 the Latvian Government approved the submission to the Parliament of the Republic of Latvia of a draft law on a fuel retailers' solidarity payment. Under the draft law, if the fuel price set by a retailer exceeds the calculated indicative retail price by 3%, the portion of revenue above this threshold would have to be returned to the state budget. As of the reporting date, the Cabinet of Ministers' regulations that would determine the implementation of the draft law and its potential impact on the Group and the Company in the future are unclear. Management does not expect the impact to be insurmountable; however, uncertainty regarding the practical aspects of the draft law remains.

In February 2026, AS Virši-A signed an agreement for the lease of 19 service stations in Latvia. The agreement provides for the long-term lease of the service stations, and the lease commitments will take effect once the transaction is approved by the Competition Council.

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

This conclusion is based on the information available as at the date of these financial statements.

Riga, 20 April 2026

Jānis Vība
Chairman of the Board

Linda Prūse
Member of the Board

Vita Čirjevskā
Member of the Board

Jeļena Laurinaviča
Chief Accountant

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