

The background of the slide is a photograph of an industrial plant, likely a refinery or chemical processing facility. It features a complex network of metal structures, pipes, and platforms. A prominent feature is a large, multi-level structure with yellow safety railings. A semi-transparent green graphic overlay, consisting of several overlapping, curved shapes, is positioned on the right side of the image, partially covering the industrial scene. The overall color palette is dominated by the greys and blues of the industrial equipment, contrasted with the bright yellow railings and the vibrant green overlay.

# Unaudited Condensed Interim Financial Statements

for the 3-month period ended 31 March 2024

## MAIN ACTIVITIES



### Results of storage capacity auctions

Several auctions of Inčukalns UGS capacity were held during the period from 13 February 2024 to 9 May 2024, in which system users were granted a total capacity of 12.2 TWh. Total requested amount of the storage capacity exceeded the available capacity almost 3 times. The effective rate of the premiums applicable to the 2024/2025 storage cycle is 1.11 EUR/MWh (the total premium earned in auctions held in 2023 and 2024 applicable to 2024/2025 storage cycle against the booked capacity of 22.9 TWh).



### Natural gas stored in Inčukalns UGS

At the end of the reporting period, 11.1 TWh of natural gas is stored in Inčukalns UGS (including energy supply security reserves of 1.8 TWh), which is 37 % more than during the same time a year ago.



### The technical capacity of Inčukalns UGS for 2024/2025 cycle has been determined

According to measurements and calculations, the technical capacity for 2024/2025 storage cycle is 22.9 TWh. The daily injection capacity for storage cycle 2024/2025 is set to 128 GWh/day with the possibility to revise it during the injection season.



## MAIN ACTIVITIES



### Natural gas supply

During the reporting period, deliveries of natural gas were made from Inčukalna UGS in amount of 6.8 TWh, while the volume of natural gas transmitted from Lithuania reached 0.5 TWh. Conexus did not participate in supplying Finnish consumers since the underwater gas pipeline connecting Finland and Estonia (the “Balticconnector”) was shut down from 8 October 2023. Its operation was restored on 22 April 2024. The total volume of gas transmitted in Latvia reached 7.3 TWh.



### The injection of biomethane into the interconnected gas system has begun

During the reporting period, a direct connection to gas distribution system was established through which biomethane produced at the biomethane plant "Bovogas" is injected into the interconnected gas system. This is the first connection of such kind in Latvia.



## FURTHER DEVELOPMENT



### **Pre-feasibility study for the Nordic-Baltic Hydrogen Corridor has been launched**

Participating in the international project for the development of the Nordic-Baltic Hydrogen Corridor, European gas transmission system operators Conexus, Gasgrid Finland (Finland), Elering (Estonia), Amber Grid (Lithuania), GAZ-SYSTEM (Poland) and ONTRAS (Germany) conduct feasibility study during the reporting period to ascertain the potential of production and consumption of green and low carbon hydrogen in the region. Experts will provide recommendations on project scope, pipeline routing, capacities, financing and risk management. The feasibility study is expected to continue until mid-2024.

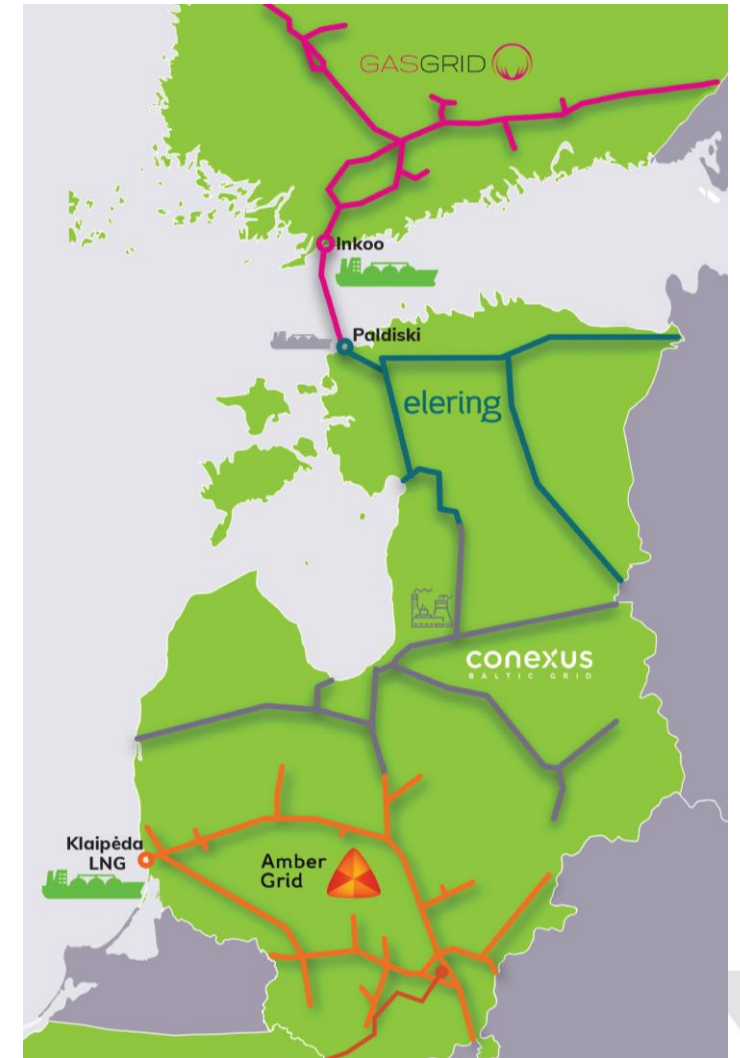
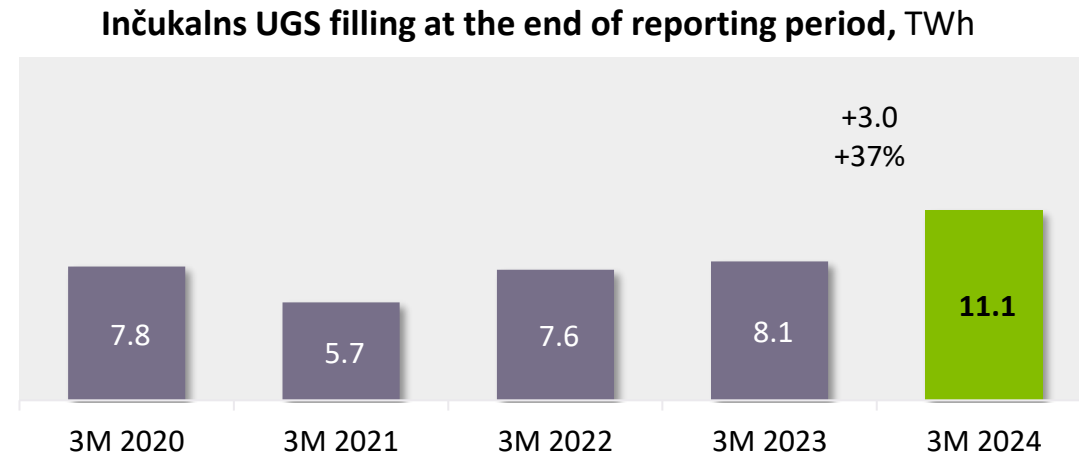
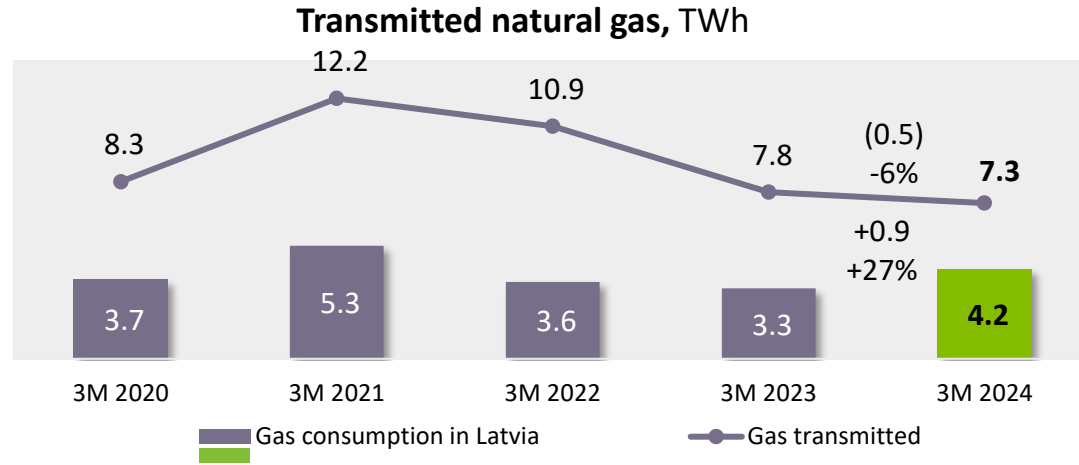


### **Conexus will invest EUR 33.5 million in the modernisation of Inčukalns UGS this year**

Active work continues on the Inčukalns UGS modernisation project where the technical infrastructure and equipment safety is to be significantly improved by 2025 to maintain the functionality of Inčukalns UGS after increase of pressure within the national transmission network. In 2024, an investment of EUR 33.5 million is planned for the improvement of the storage infrastructure, including the first phase of construction of gas collection point No. 3, restoration of 6 wells, and installation of a new gas compression unit. The total project investment amounts to EUR 99.5 million, of which EUR 44 million is covered by funding from the Connecting Europe Facility (CEF).

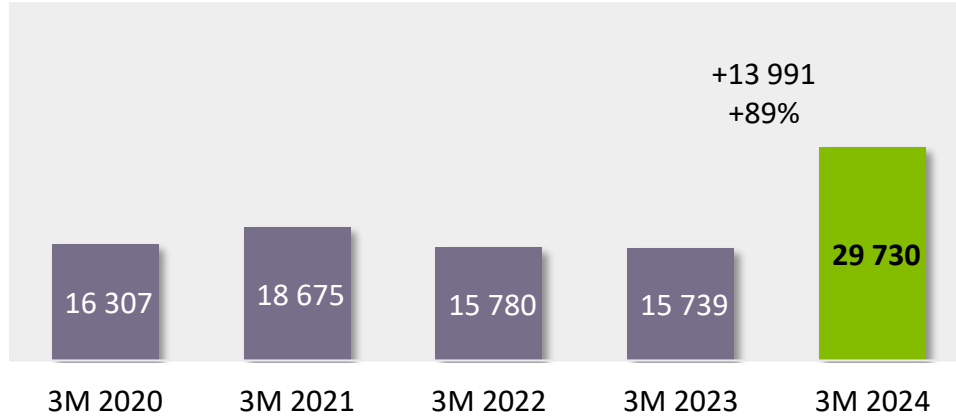


# KEY FACTS

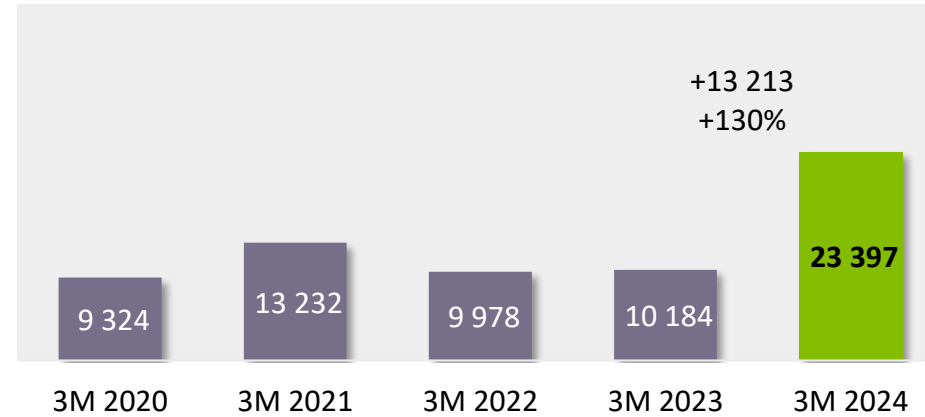


# MAIN FINANCIAL INDICATORS, `000 EUR

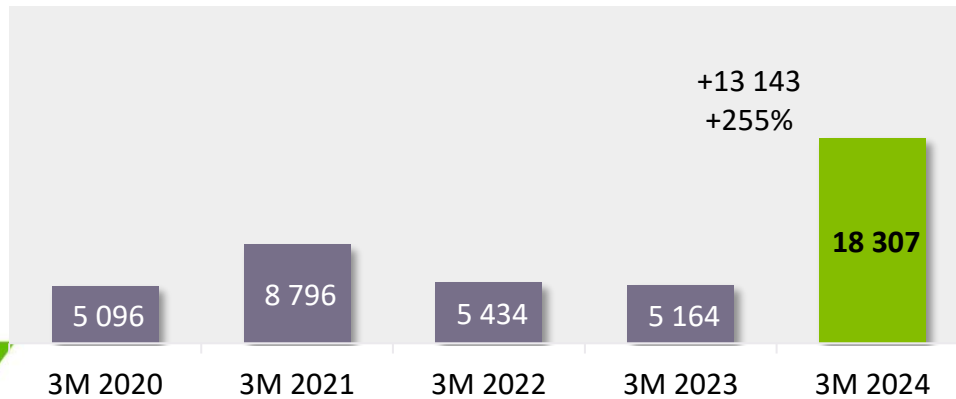
Revenue



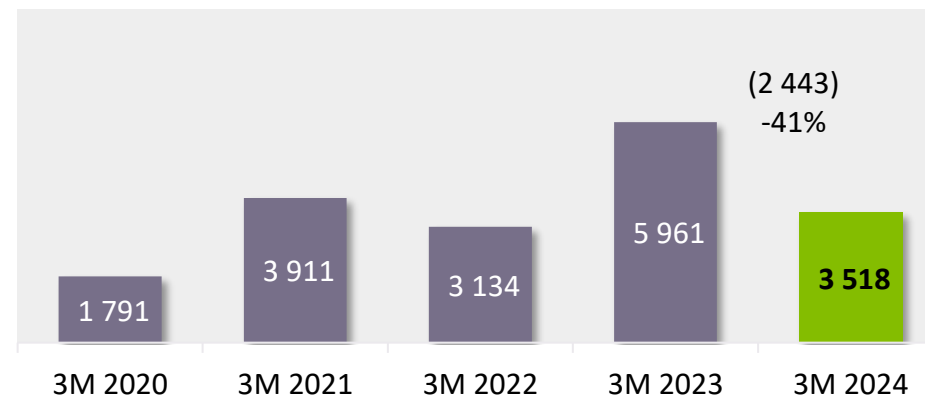
EBITDA



Net profit

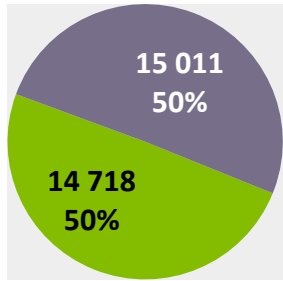


Capital investments



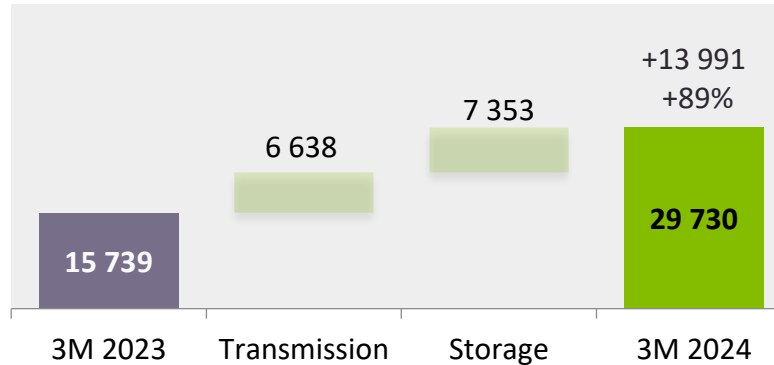
## SEGMENT SPLIT, `000 EUR

Revenue by segments

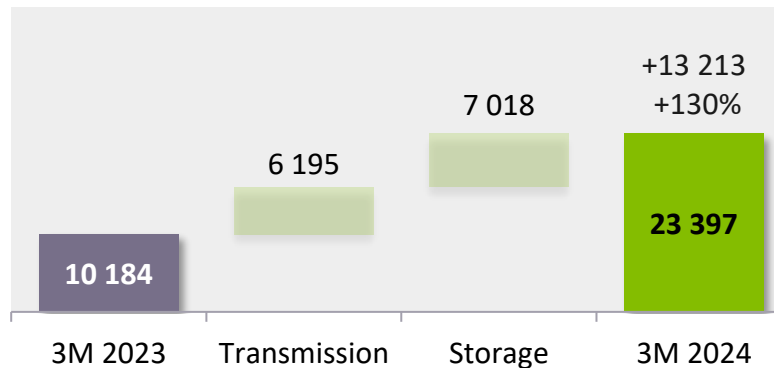


■ Transmission ■ Storage

Revenue

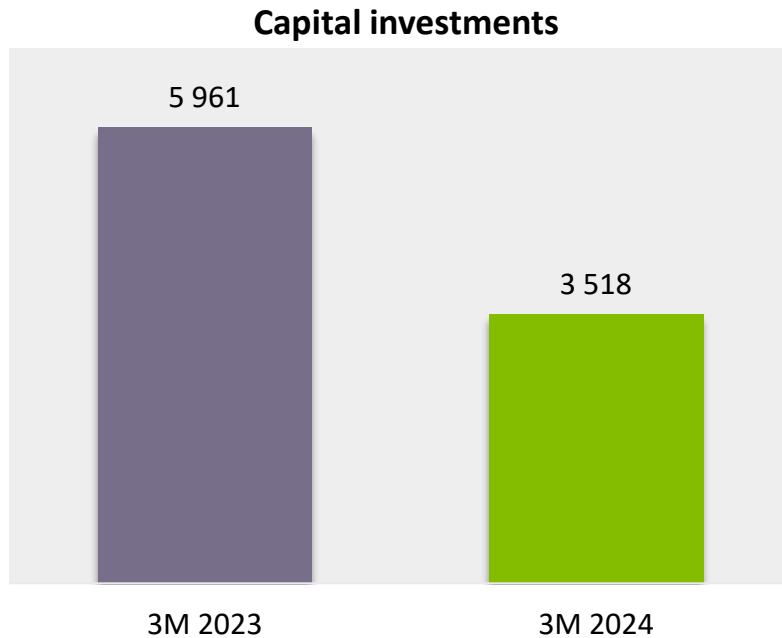


EBITDA



- Revenue is 1.9 times higher than in the previous year's respective period;
- EBITDA indicator increased by 2.3 times during the reporting period, reaching EUR 13.2 million;
- The revenue and EBITDA were positively impacted by revenue increase from both transmission and storage services;
- Net profit reached EUR 18.3 million, which increased by 3.5 times compared to the respective period of the previous year.

## CAPITAL INVESTMENTS, `000 EUR



➤ The largest projects in storage segment:

- European project of common interest PCI 8.2.4 "Enhancement of Inčukalns UGS" - total investments EUR 99.5 million for the modernization of the storage facility (of which EUR 44 million is co-financed by the EU). Implementation years 2018 – 2025. During the reporting period, investments were made in amount of EUR 1.9 million;
- development of the SCADA storage control system – EUR 255 thousand.

➤ The largest projects in transmission segment:

- replacement of insulation for gas pipeline Izborsk-Inčukalns UGS in the amount of EUR 516 thousand;
- development of the SCADA transmission control system – EUR 191 thousand.



## FINANCIAL COVENANTS AND FINANCIAL ASSETS

Financial covenants	31.03.2024	31.12.2023
Shareholders' equity ratio > 50 %	72 %	70 %
Net Debt to EBITDA ratio < 5	0.8	1.3
Debt-Service Coverage Ratio (DSCR) > 1.2x	4.1	3.3

Financial covenants set in loan agreements have been complied with during the reporting period.

The financial assets held by Conexus are sufficient to meet its financing needs. At the end of the reporting period, the total amount of borrowings is EUR 75 813 thousand, overdrafts have not been used. The amount of overdrafts available at the end of the reporting period reaches EUR 65 000 thousand, which provides significant liquidity reserve. The duration of agreements for the overdraft facilities is less than 1 year. At the end of the reporting period, Conexus holds committed loans amounting to EUR 45 000 thousand.

A photograph of an industrial facility, possibly a refinery or chemical plant, featuring multiple levels of metal walkways with yellow railings, pipes, and large cylindrical tanks. A large, semi-transparent green graphic, consisting of overlapping geometric shapes, is overlaid on the right side of the image. On the left side, a dark grey triangular shape contains the text 'Thank you!' in a bright green, sans-serif font.

**Thank you!**