Translation from Latvian language

JOINT STOCK COMPANY "LATVIJAS GĀZE"

COUNCIL REPORT

for the year 2025

Dear Shareholders,

During 2025, the Council of Joint Stock Company "Latvijas Gāze" exercised supervision over the Company's operations in accordance with the Commercial Law of the Republic of Latvia, the Company's Articles of Association, and the principles of good corporate governance.

Throughout the reporting year, the Council regularly reviewed the Company's financial performance, implementation of its business strategy, the effectiveness of its risk management and internal control systems, as well as the progress of its key development projects. Particular attention was devoted to the Company's operational efficiency, strengthening of its competitiveness, developments in the regulatory environment, and sustainability-related matters.

In 2025, the Company continued its operations in the changing conditions of the European energy market while maintaining stable business operations and ensuring uninterrupted natural gas supply to customers in the Baltic States and Finland. The Council positively assesses the Company's ability to adapt to market developments, ensure business continuity, and maintain financial stability.

During the reporting year, the Company's wholly owned subsidiary, SIA "LG Capital", was established, and significant changes occurred in the Company's shareholder structure. The Council monitored these developments and considers them to be of strategic importance for the Company's future development.

The Council regularly monitored matters relating to the Company's risk management, cybersecurity, sustainability, and regulatory compliance, including the Company's preparedness for compliance with the National Cybersecurity Law, the Sustainability Information Disclosure Law, and the requirements of the European Union Emissions Trading System (ETS 2).

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The Council has reviewed the Company's financial results for 2025 and concludes that, despite challenging market conditions, the Company maintained a stable financial position and successfully continued its business operations. The Company's profit before corporate income tax amounted to EUR 2.8 million. Taking into account the amount of distributable profit, in December 2025 the Company resolved to distribute dividends to its shareholders in the total amount of EUR 11.97 million. Following the payment of corporate income tax in accordance with the applicable laws of the Republic of Latvia at the time the dividend distribution was declared, the Company closed the financial year with a net profit of EUR 0.3 million.

During its first year of operation, the Company's subsidiary generated a net profit of EUR 0.2 million, resulting in the Latvijas Gāze Group reporting a consolidated net profit of EUR 0.5 million for 2025.

The Council oard has reviewed the 2025 Annual Report of Joint Stock Company "Latvijas Gāze", the Management Board's Report, and the Independent Auditor's Report issued by AS "RSM Latvia". In the opinion of the Council, the Annual Report presents a true and fair view of the Company's financial position, financial performance, and cash flows.

Based on its assessment, the Council issues a favourable opinion on:

- the 2025 Annual Report of Joint Stock Company "Latvijas Gāze";
- the proposal of the Management Board to retain the profit for the financial year 2025 as undistributed retained earnings; and
- the proposal of the Management Board to appoint AS "RSM Latvia" as the Company's independent auditor for the audit of the Company's 2026 Annual Financial Statements,

and recommends that the Shareholders' Meeting approve the respective resolutions.

Joint Stock Company "Latvijas Gāze"
Chairman of the Council
Guntars Reidzāns