

An aerial photograph of a multi-lane highway cutting through a dense forest. The road is filled with cars, and there are some construction areas visible on the right side. The top right corner of the image is rounded.

LAU
INFRA GRUPA

Prospectus on Public Offering, Listing and Admission of Shares to Trading

June 2026



LAU Infra Grupa AS

incorporated and registered in Latvia under registration number 40003356530

LAU Infra Grupa AS is publicly offering up to 5 120 337 Base Offer Shares, which may be increased by up to 1 280 084 Upsize Option Shares, to be listed and admitted to trading on the Main List of Nasdaq Riga

Price EUR 1.57 per Offer Share

Offer Period 10 June 2026 – 19 June 2026

PROSPECTUS ON PUBLIC OFFERING, LISTING AND ADMISSION OF SHARES TO TRADING

This Public Offering, Listing and Admission to Trading Prospectus (the “**Prospectus**”) has been drawn up and published by LAU Infra Grupa AS (the “**Company**” or “**LAU Infra Grupa**”) in connection with (i) the offering of existing ordinary shares by the Company; (ii) the offering of newly issued ordinary shares; and (iii) the listing and admission to trading of all shares of LAU Infra Grupa (the “**Shares**”) on the Main List of Nasdaq Riga. A public offering will be carried out only in Latvia, Estonia and Lithuania and there will be no public offering of the Shares in any other jurisdiction.

In the course of the Offering, up to 6 400 421 may be offered, comprising (i) up to 3 840 253 existing ordinary shares in LAU Infra Grupa offered by the Republic of Latvia acting through the Ministry of Transport of the Republic of Latvia (the “**Selling Shareholder**” or the “**Sole Shareholder**”) (the “**Existing Shares**”); (ii) up to 1 280 084 newly issued ordinary shares in LAU Infra Grupa offered by LAU Infra Grupa (the “**New Shares**”, together with the Existing Shares, the “**Base Offer Shares**”); and (iii) up to 1 280 084 additional newly issued ordinary shares in LAU Infra Grupa offered by LAU Infra Grupa which may be allocated pursuant to the upsize option (the “**Upsize Option**” and such shares, the “**Upsize Option Shares**”). The Base Offer Shares and the Upsize Offer Shares are collectively referred to as the “**Offer Shares**”. The Upsize Option is subject to exercise at the sole discretion of the Company upon investor demand (oversubscription) and may be exercised in full or in part at any time until the allocation of the Offer Shares.

The Offer Shares are offered (i) publicly to retail investors in Latvia, Estonia and Lithuania (the “**Retail Offering**”); and (ii) non-publicly to qualified investors within the meaning of Article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the “**Prospectus Regulation**”) in Latvia and in certain selected Member States of the European Economic Area as well as other selected investors in accordance with the exemptions set out in the legislation of the Member States (the “**Institutional Offering**”). Retail Offering together with the Institutional Offering are referred to as the “**Offering**”.

The public offering shall take place in Latvia, Estonia and Lithuania only and Offer Shares shall not be publicly offered in any other jurisdiction. The Prospectus has been approved by the decision of the Latvijas Banka on 4 June 2026. The Offer Period of the Offer Shares commences on 10 June 2026 at 10.00 and terminates on 19 June 2026 at 15.30 (the “**Offer Period**”) in accordance with the terms and conditions set out in this Prospectus. The Offer Price is EUR 1.57 per one Offer Share (the “**Offer Price**”), of which EUR 1.00 is the nominal value of one Offer Share and EUR 0.57 is the issue premium.

Payment for and settlement of the Offer Shares is expected to take place on or around 30 June 2026 (the “**Settlement Date**”) by way of delivery of temporary shares under the temporary ISIN LV0000112001 (the “**Temporary Shares**”) to investors’ securities accounts against payment from investors’ accounts, on a delivery-versus-payment basis through Nasdaq CSD. The Temporary Shares will be delivered in respect of all Offer Shares, comprising both the New Shares (together with the Upsize Option Shares, if any) and the Existing Shares. Subject to completion of the Offering and registration of the New Shares and Upsize Option Shares (if any) with the Commercial Register, the Temporary Shares will be automatically exchanged for a corresponding number of Shares on a one-for-one basis, which are expected to be delivered on or about two business days after the Settlement Date under the permanent ISIN LV0000110906 in book-entry form to the holder of the Temporary Shares account through Nasdaq CSD (“**Delivery of Shares**”). The Temporary Shares will not be admitted to trading on the Main List of Nasdaq Riga or on any other regulated market, multilateral trading facility or other trading venue.

This Prospectus is prepared pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on regulated market (the “**Prospectus Regulation**”) and in accordance with Commission Delegated Regulation No 2019/980/EU of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation No 809/2004/EC, in particular Annexes 1 and 11 thereof, and Commission Delegated

Regulation (EU) 2019/979 of 14 March 2019 with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal. This Prospectus has been filed with, and approved by, the decision of the Latvijas Banka, dated 4 June 2026 and has been made available to the public in accordance with Article 21 of the Prospectus Regulation. Latvijas Banka only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Prospectus. Potential investors should make their own assessment as to the suitability of investing in the securities.

The Company will submit a listing application to Nasdaq Riga for the listing and admission to trading of the Shares, including the Offer Shares, on the Main List of Nasdaq Riga. Trading with the Shares on the Main List of Nasdaq Riga is expected to commence on or about 3 July 2026.

The Company reserves the right to cancel or postpone the Offering or amend the terms and conditions of the Offering in accordance with the terms and conditions set out in this Prospectus.

Investment in shares entails risks. While every care has been taken by the Management Board of the Company to ensure that this Prospectus presents a fair and complete overview of the risks related to the Company, the operations of the Company, the Offer Shares and the value of investment in the Offer Shares may be significantly affected by circumstances that are either not evident at the date of approval of this Prospectus or not reflected in the Prospectus. Investment in the Offer Shares must be based on this Prospectus as a whole. Hence, we ask you to study this Prospectus with care.

This Prospectus is valid until the end of the Offer Period or commencement of trading with Shares on the Main List of Nasdaq Riga, whichever occurs later. The Company is obliged to update the Prospectus by publishing a supplement only if new facts, material errors or inaccuracies occur. This obligation does not apply after the end of the validity period of this Prospectus.

MIFID II product governance. The Retail Offering is directed to all retail investors in Latvia, Estonia and Lithuania. Persons who offer, sell or recommend Shares (the Distributors) are independently responsible for evaluation of the target market and appropriate distribution channels and must guarantee that these are in conformity with the provisions of this Prospectus.

Article 5f of Regulation (EU) No. 833/2014 (as amended by Council Regulation (EU) No. 2022/328) and Article 1f of Regulation (EC) No. 765/ 2006 (as amended by Council Regulation (EU) No 2022/398) prohibit the sale of euro denominated transferable securities issued after 12 April 2022 or units of undertakings for collective investment (UCIs) providing exposure to such transferable securities, to any Russian or Belarusian national, any natural person residing in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State or to natural persons holding a temporary or permanent residence permit in a Member State of the European Union, in a country member of the European Economic Area and Switzerland.

This Prospectus is not, and does not purport to be, investment advice or an investment recommendation to acquire Offer Shares. Based on the investor's own independent review or analysis, each person considering the possibility of investing in the Company (the "**Prospective Investor**") of Offer Shares must determine, involving professional counsel if deemed necessary, whether investment in the Offer Shares is consistent with the investor's financial capacities and investment objectives, and whether the investment is consistent with all the rules, requirements and restrictions that may be applicable to such investor.

Important Notice — This Prospectus is not intended for distribution to, and may not be distributed to or accessed by, directly or indirectly, any person in the United States or any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")). The securities described herein have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person absent registration or an applicable exemption. No action has been taken to permit a public offering of the securities or the distribution of this Prospectus in any jurisdiction where such action would be required.

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1.

SUMMARY

1.1. Summary in English

1.1.1. Introduction and warnings

Name and international securities identification number (ISIN) of the securities

Shares of LAU Infra Grupa AS (“LAU Infra Grupa” or “Company”), reserved international securities identification number (ISIN): LV0000110906.

The shares offered (“Offer Shares”) will initially be distributed to investors via temporary dematerialised securities issued under the ISIN LV0000112001, which represent the investor’s rights to Offer Shares. Subject to completion of the offering and registration of the newly issued shares with the Commercial Register, these securities will be automatically exchanged for a corresponding number of shares of the Company on a one-for one basis.

Identity and contact details of the Company, including its legal entity identifier (LEI)

LAU Infra Grupa is a joint stock company (in Latvian: *akciju sabiedrība*), incorporated in Latvia, registered in the Commercial Register on 1 September 1997 under the registration number 40003356530, having its registered address at Krustpils iela 4, Rīga, LV-1073. The Company’s e-mail is lau@lau.lv, the telephone number is +371 67249238, and corporate website is <https://lauinfra.com/>. Its legal entity identifier (LEI) is 64883Z56AVG75UR23W69.

Identity and contact details of the competent authority approving the Prospectus

The Prospectus has been approved by the Latvijas Banka as the competent authority, with its address at Krišjāņa Valdemāra iela 2A, Rīga, LV-1050, Latvia, e-mail: info@bank.lv, telephone number: +371 67 022 300, in accordance with Regulation (EU) 2017/1129.

Date of approval of the Prospectus

This Prospectus was approved on 4 June 2026.

Warnings

The Summary has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 and should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration by the investor of the Prospectus as a whole. The investor could lose all or part of the invested capital. Where a claim relating to the information in the Prospectus is brought before court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches (relates) only to those persons who have tabled the Summary including any translation thereof, but only where the Summary is misleading, inaccurate, or inconsistent when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

1.1.2. Key information on the Company

Who is the issuer of the securities?

Domicile, legal form, LEI, jurisdiction of incorporation, and country of operation

LAU Infra Grupa is incorporated in Latvia, with its registered address at Krustpils iela 4, Rīga, LV-1073, and its LEI number is 64883Z56AVG75UR23W69. LAU Infra Grupa is incorporated and registered as a joint stock company (in Latvian: *akciju sabiedrība*) in the Commercial Register of Latvia with registration number 40003356530. The Company operates under Latvian law and its country of incorporation is Latvia.

Principal activities

The Company operates an integrated business model combining maintenance, construction and resource supply capabilities. Its two principal lines of business are road and street maintenance and the construction and renewal of transport and other engineering infrastructure. These activities are carried out across several market segments, including national roads, municipal roads and streets, forest roads, defence and security infrastructure and transport infrastructure for industrial and logistics parks.

The Company's core business lines are, (i) the daily maintenance of roads and streets and, (ii) the construction and renewal of roads, streets and related transport infrastructure.

These business lines represent areas in which the Company has developed significant experience, established strong expertise and solid market position, and they currently provide the largest contribution to the Company's revenue and the achievement of its strategic objectives.

In addition, the Company is expanding into emerging business line focused on the construction of more complex infrastructure objects, including defence and security-related infrastructure. This business line builds on competencies developed in recent years and represents a strategic expansion into higher value-added projects, with a focus on strengthening capabilities and broadening the scope of services provided.

In addition, the production and sale of mineral materials constitute a distinct operational pillar that supports vertical integration and enhances the cost competitiveness of the Company's core operations.

Customer portfolio

The Company's principal customer groups are state institutions, state-owned entities, municipalities and private entities.

VSIA Latvijas Valsts ceļi. The Company's largest customer is VSIA *Latvijas Valsts ceļi*, the manager of the state road network, which accounted for approximately 50% of the Company's revenues in 2024–2025. The cooperation includes performance of state road maintenance contracts throughout the territory of Latvia, as well as participation in other infrastructure construction procurements.

VAS Valsts nekustamie īpašumi. The second largest customer is VAS *Valsts nekustamie īpašumi*, the procurer of state real estate and defence infrastructure projects, whose share represented 29% to 33% of revenues in 2024–2025. This cooperation has been developed since 2023, expanding the Company's activities in the defence and military infrastructure construction segment.

Municipalities, the state forest manager and commercial sector companies. The remaining customers, namely municipalities, the state forest manager AS "Latvijas valsts meži" and private sector companies, together account for 13% to 17% of revenues, providing diversification of the service portfolio and the market, thereby reducing dependence on the largest state customers.

The Company differentiates itself from general contractors in this segment by focusing on specialised works rather than large-volume contracting, which enables it to command a premium for its expertise. This is supported by Company's fleet capable of performing a wide range of work categories. The Company's contract portfolio is characterised by a high volume of small and mid-size agreements, reflecting its business model as a specialised services provider rather than a general contractor.

Major shareholders

As at the date of the Prospectus, the sole shareholder of the Company is the Republic of Latvia acting through the Ministry of Transport ("**Sole Shareholder**"). In accordance with the decision of the Cabinet of Ministers of the Republic of Latvia adopted on 7 October 2025, the Offering has been structured so that the Republic of Latvia is expected to retain state ownership of at least 75.01% of the Company's share capital.

Supervisory Board and Management Board

Details on the members of key corporate governance institutions of the Company, as of the date of the Prospectus, are provided below.

Name	Position	Appointment date	Expiration of the Term in Office
Supervisory Board			
Renārs Griškevičs	Chairperson of the Supervisory Board	29.10.2021	29.10.2026
Jevgenijs Belezjaks	Member of the Supervisory Board	29.10.2021	29.10.2026
Andris Vanags	Member of the Supervisory Board	29.10.2021	29.10.2026
Management Board			
Vilnis Vitkovskis	Chairperson of the Management Board	24.11.2022	24.11.2027
Armands Beiziķis	Member of the Management Board	26.08.2025	26.08.2030

The Articles of Association of LAU Infra Grupa provide that the Management Board shall consist of three members who are appointed for a term in office of five years. As of the date of the Prospectus, the Company has two Management Board members elected and the third member is expected to be appointed in due course.

Identity of statutory auditors

KPMG Baltics SIA, registration number 40003235171, registered address Roberta Hirša iela 1, Riga, LV-1045, Latvia, is the Company's external auditor for the accounting period covered by the historical financial information contained in the Prospectus. KPMG Baltics SIA is a certified auditor, licence No. 55, and a member of the Latvian Association of Certified Auditors.

What is the key financial information regarding the Company?

The financial information included in the Prospectus has been derived from the Company's audited financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023. The interim financial information for the three-month periods ended 31 March 2025 and 31 March 2026 has been prepared in accordance with IFRS. This information has not been subject to audit or review by external auditors. The information is based on or derived from the Financial Statements and should be read together with the Financial Statements, including the explanations provided in the notes to the Financial Statements.

Selected Income Statement of the Company

	<i>Year ended 31 December</i>			<i>Three-month period ended 31 March</i>	
	<i>Audited</i>			<i>Unaudited</i>	
<i>Income Statement</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2025</i>	<i>2026</i>
Net turnover (revenue)	67 256 544	94 778 759	97 114 082	17 659 988	17 315 748
Production costs of goods sold, acquisition costs of goods sold and services purchased	(63 015 513)	(84 183 534)	(86 540 736)	(16 067 772)	(16 411 746)
Gross profit	4 241 031	10 595 225	10 573 346	1 592 216	904 002
Administrative expenses	(3 956 230)	(4 075 196)	(3 979 019)	(837 031)	(1 046 610)
Other operating income	1 410 489	1 268 178	2 040 264	139 341	199 588
Other operating expenses	(136 902)	(443 272)	(129 299)	(22 938)	(16 495)
Operating profit	1 558 388	7 344 935	8 505 292	871 588	40 485
Financial income	32 328	168 750	331 991	54 130	115 095
Financial expenses	(469 646)	(394 427)	(231 046)	(60 522)	(61 013)
Profit before tax	1 121 070	7 119 258	8 606 237	865 196	94 567
Corporate income tax	(12 000)	(179 577)	(1 214 444)	-	-
Profit of the reporting period	1 109 070	6 939 681	7 391 793	865 196	94 567
Total comprehensive income	1 109 070	6 939 681	7 391 793	865 196	94 567

Selected Statement of Financial Position of the Company

	<i>Year ended 31 December</i>			<i>Three-month period ended 31 March</i>	
	<i>Audited</i>			<i>Unaudited</i>	
<i>Financial Position</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2025</i>	<i>2026</i>
Total long-term assets	46 417 152	43 646 852	47 181 909	43 289 342	45 997 965
Total current assets	16 512 288	32 995 608	33 772 769	37 722 204	37 050 216
Total assets	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181
Total equity	42 980 040	49 209 916	51 743 932	49 813 441	51 838 499
Total long-term liabilities	6 758 128	7 844 330	9 847 904	8 086 350	9 746 988
Total short-term liabilities	13 191 272	19 588 214	19 362 842	23 111 755	21 462 694
Total liabilities	19 949 400	27 432 544	29 210 746	31 198 105	31 209 682
Total equity and liabilities	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181

Selected Cash Flow Statement of the Company

	Year ended 31 December			Three-month period ended 31 March	
	Audited			Unaudited	
Cash Flow Statement	2023	2024	2025	2025	2026
Net cash flows from operating activities	8 079 278	20 627 649	12 463 187	8 930 200	9 036 149
Net cash flows used in investment activities	(706 839)	(2 929 112)	(13 965 627)	(142 160)	(170 027)
Net cash flows used in financing activities	(7 120 653)	(3 570 713)	(8 540 566)	(621 067)	(836 237)
Net increase/(decrease) in cash and cash equivalents	251 786	14 127 825	(10 043 006)	8 166 973	8 029 885
Cash and cash equivalents at beginning of period	137 910	389 696	14 517 521	14 517 521	16 974 515 ¹
Cash and cash equivalents at end of period	389 696	14 517 521	4 474 515	22 684 494	25 004 400

¹ For the financial year ended 31 December 2025, the audited financial statements present Cash and cash equivalents in the amount of EUR 4 474 515 and Other short-term financial investments (term deposits with maturity of less than 6 months) in the amount of EUR 12 500 000 as separate line items in the balance sheet. For presentation purposes, these items have been combined in this table into a single Cash and cash equivalents line item in the aggregate amount of EUR 16 974 515.

What are the key risks that are specific to the Company?

Macroeconomic risks. Unfavourable macroeconomic developments in Latvia, the wider Baltic region, or globally may have a material adverse effect on the Company's business and operating environment. The dominant macroeconomic shock since the beginning of 2026 has been the escalation of military conflict in the Middle East, which has caused the most significant disruption to global oil markets in recent history. In addition, general economic conditions have been adversely affected by the prolongation of the war in Ukraine regional security tensions including hybrid interference, and elevated global trade policy uncertainty arising from the imposition of tariffs by the United States on European goods and retaliatory measures. Also, any material escalation in regional security tensions or shifts in NATO posture and defence policy could have indirect effects on the Company's business, financial condition and prospects.

Market saturation and new entrants' risks. The infrastructure construction and maintenance market in Latvia is characterised by high saturation and a heavy reliance on a limited number of high-value public procurement tenders. While the Company currently holds all 19 state road maintenance contract lots awarded by LVC for the 2022–2027, it also means that any loss of contract lots in the upcoming 2027–2032 procurement cycle could have a disproportionate impact on the Company's revenue, fleet utilisation and regional workforce deployment.

Raw materials availability and sanctions risks. Operational continuity and the technical execution of projects are highly vulnerable to the physical availability of specialised materials and disruptions within global supply networks. Material and fuel costs constituted 31.8% of the Company's direct costs in the financial year ended 31 December 2025, amounting to EUR 20.9 million. The business is dependent on the timely delivery of bitumen, technical salt and crushed granite. The escalation of the conflict in the Middle East has caused oil prices and European gas prices to increase significantly since December 2025. If the highest recently observed diesel fuel price levels are maintained, this could increase the Company's expenses by up to EUR 2 million on a 12-month basis in each of 2026 and 2027. In addition, the Company is required to ensure strict compliance with applicable European Union, Latvian and international sanctions regimes, which may restrict or prohibit the procurement, import, transportation or use of certain materials, goods or services, reduce the number of available suppliers, limit the ability to source materials on commercially favourable terms and lead to delays, cost increases, contractual penalties, suspension of works, reputational damage and potential regulatory or legal liability.

Procurement outcome uncertainty risks. The primary risk to the continuity of the Company's business arises from the inherent uncertainty associated with procurement processes. In the most recent procurement cycle for the maintenance of Latvian state roads for the 2022–2027 period, LAU Infra Grupa was awarded all 19 contract lots by the Latvian State Roads authority procurement process. However, there can be no assurance that the Company will be awarded a comparable scope of work in future procurement cycles, including the upcoming five-year tender period.

Participation of a public entity in a capital company risks. The Company operates as a state-controlled entity and its activities must comply with the requirements of Section 88 of the Latvian State Administration Structure Law ("**SASL**"), which limits public participation in commercial activity to cases aimed at preventing market failure, ensuring strategically

important services, or managing assets relevant to national security and development. The primary risk is the potential for a regulatory determination of unjustified involvement of a public entity in commercial activity under SASL. In addition to the SASL, the Company, as a state-controlled entity, is subject also to other legal acts governing its operations, governance and use of assets, which are not generally applicable to private listed companies.

1.1.3. Information on the securities

What are the main features of the securities?

Type, class and ISIN

In the course of the Offering, LAU Infra Grupa is offering existing ordinary shares and newly issued ordinary shares of the Company. The Offer Shares consist of Existing Shares and New Shares and may be increased by the Upsize Option Shares pursuant to the Upsize Option. All shares of the Company, including the Offer Shares, are dematerialised bearer shares with a nominal value of EUR 1.00 each. The Shares are registered with Nasdaq CSD under ISIN LV0000110906 and are kept in book-entry form. No share certificates have been or may be issued.

Currency, denomination, par value, number of Shares issued and duration

As of the date of the Prospectus, LAU Infra Grupa issued share capital amounts to EUR 35 202 323, divided into 35 202 323 dematerialised bearer shares. All existing Shares are of the same category, with the nominal value of each outstanding Share being EUR 1.00. All existing Shares have been fully paid for and rank *pari passu* in all respects with each other. The Shares are denominated in Euro and governed by the laws of Latvia. The Shares have no fixed term.

The number of the Offer Shares is up to 6 400 421, consisting of up to 3 840 253 Existing Shares and up to 1 280 084 New Shares, which may be increased by up to 1 280 084 Upsize Option Shares. Therefore, LAU Infra Grupa share capital after successful registration of the increase in the share capital will be up to EUR 37 762 491, divided into 37 762 491 Shares, provided that the number of Offer Shares is not changed in accordance with the terms and conditions of the Offering. The shareholdings in LAU Infra Grupa existing immediately prior to the Offering will be diluted by up to 16.9% as a result of the Offering.

Rights attached to the Shares

All Shares, including the Offer Shares, are of one class, rank *pari passu* with each other and carry equal voting rights. The Offer Shares will give rights to dividends, if any, declared by the Company.

Each Share entitles its holder to participate and vote at shareholders' meetings, receive dividends, receive a liquidation quota in the event of liquidation of the Company, dispose of the Share, exercise pre-emption rights in the event of an increase of the Company's share capital, and exercise other shareholder rights provided under Latvian law and the Articles of Association.

Rank of the Shares in the Company's capital structure in the event of insolvency

The Shares do not carry any special rights to participate in distribution, including in the case of liquidation, other than those that exist under Latvian law. Upon liquidation of LAU Infra Grupa, each Shareholder is entitled to receive a liquidation quota in proportion to its existing shareholding, in the instances and in accordance with the procedures established by statutory law.

Restrictions on free transferability of the Shares

The Shares, including the Offer Shares, are freely transferable. The Shares have not been listed or admitted to trading on any regulated securities market prior to the Offering and have not been subject to any public takeover bid during the current or last financial year.

Dividend Policy

On 26 May 2026, Sole Shareholder of the Company approved LAU Infra Grupa Dividend Policy, which will enter into force after listing of the Shares on the Main List.

Based on the Company's current financial forecasts for the financial years 2026 and 2027 and the Offer Price, the Company estimates that shareholders may receive an average dividend yield of approximately 7% per annum over the two-year period. The minimum dividend payout ratio applicable to the Company is established at 64% of distributable profits. In addition, the Law on the State Budget for 2026 and the Budget Framework for 2026, 2027, and 2028 stipulates a dividend payout ratio of 90% of the Company's distributable profits for the financial years 2026 and 2027.

Where will the Shares be traded?

LAU Infra Grupa, simultaneously with the Offering, will submit a listing application to Nasdaq Riga for listing and admission to trading of all Shares, including the Offer Shares, on the Main List of Nasdaq Riga. Trading with the Company's Shares is expected to commence on Nasdaq Riga on or about 3 July 2026. Until the date on which the Offer Shares, including the New Shares and, if applicable, the Upsize Option Shares, are registered under the permanent ISIN LV0000110906, no trading in the Offer Shares will take place.

What are the key risks that are specific to the securities?

Share price and liquidity risk. Prior to the Offering, the Shares have not been traded publicly on the Main List of Nasdaq Riga. Following the Offering, the Share price may fluctuate and there is no guarantee that an active and liquid market for the Shares will develop or be sustained after the Offering. Low liquidity of Nasdaq Riga may impair the ability of Shareholders to sell the Shares or increase the volatility of the Share price.

Risk that the Sole Shareholder may have interests that differ from those of other Shareholders. Following the Offering, the Sole Shareholder is expected to retain at least 75.01% of the Company's share capital. The Sole Shareholder may therefore influence significant corporate matters of the Company in a manner that is not aligned with the interests of other Shareholders, thus such Shareholders may be disadvantaged.

Ability to distribute dividends risks. There can be no assurance that dividends will be distributed or that any other capital returns will be made in the future. The ability to pay dividends depends on the Company's financial performance, cash flow, investment needs, legal restrictions and applicable regulatory requirements.

Cancellation of the Offering risks. Best efforts will be made by the Company to ensure that the Offering is successful, however, there can be no assurance that the Offering will be successful or that investors will receive the Offer Shares they subscribe for. The Company is entitled to cancel the Offering.

Changes in tax regime risks. Changes in the tax regime applicable to transactions with Shares or dividends in Latvia may result in an increased tax burden to Shareholders and adversely affect the rate of return from the investment into the Shares.

Share value dilution risks. The issue of New Shares and, if applicable, Upsize Option Shares will dilute the economic and voting rights of existing shareholders who do not participate in the Offering. Future issues of shares or convertible securities may also dilute the economic and voting rights of shareholders.

1.1.4. Information on the offer of securities to the public and admission to trading on a regulated market

Under what conditions and timetable can I invest in this security?

In the course of the Offering, up to 5 120 337 Base Offer Shares are being offered, consisting of up to 3 840 253 Existing Shares and up to 1 280 084 New Shares, which may be increased by up to 1 280 084 Upsize Option Shares pursuant to the Upsize Option, to a total of up to 6 400 421 Offer Shares. The Offer Shares are offered (i) publicly to retail investors in Latvia, Estonia and Lithuania and (ii) non-publicly to qualified investors in Latvia and in certain selected member states of the European Economic Area, as well as other selected investors in accordance with applicable exemptions.

The Offer Price is EUR 1.57 per one Offer Share, of which EUR 1.00 is the nominal value of one Offer Share and EUR 0.57 is the issue premium. The Retail Offering is directed to all retail investors in Latvia, Estonia and Lithuania.

The indicative timetable of the Offering

Start of the Offer Period	10 June 2026
End of the Offer Period	19 June 2026
Announcement of results of the Offering and Allocation	On or about 26 June 2026
Settlement of the Offering	On or about 30 June 2026
Application for registration of share capital increase in respect of New Shares and Upsize Option Shares settled under the temporary ISIN	On or about 1 July 2026
Delivery of Shares by exchanging Temporary Shares to Shares with permanent ISIN	On or about 2 July 2026
First trading day on the Main List of Nasdaq Riga	On or about 3 July 2026

For the purposes of the Offering, only prospective investors who, at or by the time of submitting their Subscription Undertakings, have opened securities accounts with entities licensed to provide such services within Latvia, Lithuania or Estonia and are members of Nasdaq Riga or have relevant arrangements with a member of Nasdaq Riga, will be eligible to participate in the Offering.

An investor wishing to subscribe for the Offer Shares must contact a financial institution which is a member of Nasdaq Riga and manages that investor's securities account and submit a Subscription Undertaking for the purchase of Offer Shares in a form accepted by the financial institution and in conformity with the terms and conditions of the Prospectus.

The Company will decide on the allocation of the Offer Shares after the expiry of the Offer Period. Allocation between the Retail Offering and Institutional Offering has not been predetermined and will be decided by LAU Infra Grupa. The total amount of Offer Shares may decrease if any part of the Offering is cancelled.

Settlement of the Offering will be carried out by Nasdaq CSD. The Offer Shares will initially be distributed to investors via Temporary Shares, which represent the investor's rights to Offer Shares. One Temporary Share represents the right to receive one Share of the Company. Subject to completion of the Offering and registration of the New Shares and Upsize Option Shares (if any), with the Commercial Register, the Temporary Shares will be automatically exchanged for a corresponding number of Shares on a one-for one basis. Title to the Temporary Shares will pass to the relevant investor upon the crediting of the Temporary Shares to that investor's securities account on the Settlement Date. Title to the Offer Shares will pass to the relevant investor upon the Delivery of Shares, when the corresponding Shares are credited to that investor's securities account under the permanent ISIN LV0000110906.

The amount and percentage of immediate dilution resulting from the Offering is expected to be 16.95%. The total expenses directly related to the Offering are expected to amount to approximately EUR 480 000. Investors will not be charged by the Company or the Selling Shareholder any costs, expenses or taxes in connection with the Offering, although investors may be required to bear fees charged by their financial institutions or brokers.

Why is this prospectus being produced?

This Prospectus is being produced in connection with the offering of existing and newly issued shares of LAU Infra Grupa and the listing and admission to trading of all Shares of the Company on the Main List of Nasdaq Riga.

The Offering consists of two components: the sale of Existing Shares by the Selling Shareholder and the issue and sale of New Shares and potential Upsize New Shares by the Company. The sale of Existing Shares is intended to facilitate a mixed ownership structure, support an appropriate free float, post-listing liquidity and market-based price discovery, and generate proceeds for the state budget of Latvia.

The issue and sale of New Shares and potential Upsize New Shares is intended to diversify and strengthen the Company's capital base and improve access to equity capital markets, including by raising additional funding for the Company's further development, expansion of operations and implementation of investment projects, and enhance the Company's long-term financial flexibility and diversity of funding sources by supporting the Company's investment programme, including (i) expansion in selected foreign markets, primarily in the Baltic States and Scandinavia, (ii) expansion into adjacent infrastructure and strategic security infrastructure services, and (iii) capacity expansion and productivity-enhancing investments.

Assuming that all Offer Shares are subscribed for, the gross proceeds attributable to the Company are expected to amount to up to EUR 4 019 464, while the gross proceeds attributable to the Selling Shareholder are expected to amount to up to EUR 6 029 197.

1.2. Summary in Latvian (kopsavilkums)

1.2.1. Ievads un brīdinājumi

Vērtspapīru nosaukums un starptautiskais vērtspapīru identifikācijas numurs (ISIN)

LAU Infra Grupa ("LAU Infra Grupa" vai "Sabiedrība") akcijas, rezervētais starptautiskais vērtspapīru identifikācijas numurs (ISIN): LV0000110906.

Piedāvātās akcijas ("Piedāvātās akcijas") sākotnēji tiks izplatītas ieguldītājiem, izmantojot pagaidu dematerializētos vērtspapīrus, kas emitēti saskaņā ar ISIN LV0000112001 un kas pārstāv ieguldītāja tiesības uz Piedāvātajām akcijām. Pēc piedāvājuma pabeigšanas un jaunemitēto akciju reģistrācijas Komercreģistrā šie vērtspapīri tiks automātiski apmainīti pret atbilstošu Sabiedrības akciju skaitu attiecībā viens pret vienu.

Emitenta identitāte un kontaktinformācija, tajā skaitā, tā juridiskās personas kods (LEI)

LAU Infra Grupa ir akciju sabiedrība, kas dibināta Latvijā un 1997. gada 1. septembrī reģistrēta Komercreģistrā ar reģistrācijas numuru 40003356530. Sabiedrības juridiskā adrese ir Krustpils iela 4, Rīga, LV-1073. Sabiedrības e-pasta adrese ir lau@lau.lv, tālruna numurs ir +371 67249238, un Sabiedrības tīmekļa vietne ir <https://lauinfra.com/>. Sabiedrības juridiskās personas identifikators (LEI) ir 64883Z56AVG75UR23W69.

Prospektu apstiprināšanas kompetentās iestādes identitāte un kontaktinformācija

Prospektu ir apstiprinājusi Latvijas Banka kā kompetentā iestāde saskaņā ar Regulu (ES) 2017/1129. Latvijas Bankas adrese ir Krišjāņa Valdemāra iela 2A, Rīga, LV-1050, Latvija, e-pasta adrese: info@bank.lv, tālruna numurs: +371 67 022 300.

Prospekta apstiprināšanas datums

Šis Prospekts tika apstiprināts 04.06.2026.

Brīdinājumi

Šis Kopsavilkums ir sagatavots saskaņā ar Regulas (ES) 2017/1129 7. pantu, un tas ir lasāms kā ievads Prospektam. Jebkurš lēmums ieguldīt vērtspapīros ieguldītājam būtu jāpieņem, izvērtējot Prospektu kopumā. Ieguldītājs var zaudēt visu ieguldīto kapitālu vai tā daļu. Ja tiesā tiek celta prasība saistībā ar Prospektā ietverto informāciju, ieguldītājam, kas ir prasītājs, saskaņā ar valsts tiesību aktiem var būt jāsedz Prospekta tulkošanas izmaksas pirms tiesvedības uzsākšanas. Civiltiesiskā atbildība attiecas tikai uz tām personām, kuras ir sagatavojušas Kopsavilkumu, tostarp jebkuru tā tulkojumu, un tikai tad, ja Kopsavilkums, lasot to kopā ar pārējām Prospekta daļām, ir maldinošs, neprecīzs vai pretrunīgs, vai, lasot to kopā ar pārējām Prospekta daļām, nesniedz būtisku informāciju, kas palīdzētu ieguldītājiem pieņemt lēmumu par ieguldījumu šādos vērtspapīros.

1.2.2. Pamatinformācija par emitentu

Kas ir vērtspapīru emitents?

Mītnesvieta, juridiskā forma, LEI, reģistrācijas jurisdikcija un darbības valsts

LAU Infra Grupa ir dibināta Latvijā, tās juridiskā adrese ir Krustpils iela 4, Rīga, LV-1073, un tās LEI numurs ir 64883Z56AVG75UR23W69. LAU Infra Grupa ir dibināta un reģistrēta kā akciju sabiedrība Latvijas Republikas Komercreģistrā ar reģistrācijas numuru 40003356530. Sabiedrība darbojas saskaņā ar Latvijas tiesību aktiem, un tās reģistrācijas valsts ir Latvija.

Galvenie darbības veidi

Sabiedrība īsteno integrētu darbības modeli, kas apvieno uzturēšanas, būvniecības un resursu nodrošināšanas spējas. Tās divi galvenie darbības virzieni ir ceļu un ielu uzturēšana un transporta un citas inženiertehniskās infrastruktūras būvniecība un atjaunošana. Šīs darbības tiek veiktas vairākos tirgus segmentos, tostarp valsts autoceļu, pašvaldību ceļu un ielu, meža ceļu, aizsardzības un drošības infrastruktūras, kā arī industriālo un loģistikas parku transporta infrastruktūras segmentos.

Sabiedrība nošķir pamatdarbības virzienus un jaunus attīstības virzienus, lai atspoguļotu atšķirības to briedumā, stratēģiskajā nozīmē un ieguldījumā kopējos ieņēmumos.

Sabiedrības pamatdarbības virzieni ir (i) ceļu un ielu ikdienas uzturēšana un (ii) ceļu, ielu un saistītās transporta infrastruktūras būvniecība un atjaunošana.

Šie darbības virzieni ir jomas, kurās Sabiedrība ir uzkrājusi būtisku pieredzi, nostiprinājusi spēcīgas kompetences un stabili tirgus pozīciju, un pašlaik tie sniedz lielāko ieguldījumu Sabiedrības ieņēmumos un tās stratēģisko mērķu sasniegšanā.

Turklāt Sabiedrība paplašina darbību jaunā attīstības virzienā, kas vērsts uz sarežģītāku infrastruktūras objektu, tostarp ar aizsardzību un drošību saistītās infrastruktūras, būvniecību. Šīs darbības virziens balstās uz pēdējos gados attīstītajām

kompetencēm un ir stratēģiska paplašināšanās augstākas pievienotās vērtības projektos, koncentrējoties uz spēju stiprināšanu un sniegto pakalpojumu klāsta paplašināšanu.

Turklāt minerālmateriālu ražošana un pārdošana veido atsevišķu darbības jomu, kas atbalsta vertikālo integrāciju un uzlabo Sabiedrības pamatdarbības izmaksu konkurētspēju.

Klientu portfelis

Sabiedrības galvenās klientu grupas ir valsts institūcijas, valsts kapitālsabiedrības, pašvaldības un privātā sektora sabiedrības.

VSIA Latvijas Valsts ceļi. Sabiedrības lielākais klients ir VSIA Latvijas Valsts ceļi, valsts autoceļu tīkla pārvaldītājs, kas 2024.–2025. gadā veidoja aptuveni 50% no Sabiedrības ieņēmumiem. Sadarbība ietver valsts autoceļu uzturēšanas līgumu izpildi visā Latvijas teritorijā, kā arī dalību citos infrastruktūras būvniecības iepirkumos.

VAS Valsts nekustamie īpašumi. Otrs lielākais klients ir VAS Valsts nekustamie īpašumi, valsts nekustamo īpašumu un aizsardzības infrastruktūras projektu pasūtītājs, kura īpatsvars 2024.–2025. gadā veidoja 29% līdz 33% no Sabiedrības ieņēmumiem. Šī sadarbība ir attīstīta kopš 2023. gada, paplašinot Sabiedrības darbību aizsardzības un militārās infrastruktūras būvniecības segmentā.

Pašvaldības, valsts mežu apsaimniekotājs un komercsektora sabiedrības. Pārējie klienti, proti, pašvaldības, valsts mežu apsaimniekotājs AS "Latvijas valsts meži" un privātā sektora sabiedrības, kopā veido 13% līdz 17% no ieņēmumiem, nodrošinot pakalpojumu portfeļa un tirgus diversifikāciju un tādējādi mazinot atkarību no lielākajiem valsts klientiem.

Šajā segmentā Sabiedrība atšķiras no ģenerāluzņēmējiem, koncentrējoties uz specializētiem darbiem, nevis liela apjoma ģenerāluzņēmēja līgumiem, kas ļauj tai noteikt augstāku cenu par tās kompetenci. To atbalsta Sabiedrības tehnikas parks, kas spēj veikt plašu darbu kategoriju klāstu. Sabiedrības līgumu portfeli raksturo liels skaits maza un vidēja apjoma līgumu, atspoguļojot tās darbības modeli kā specializētu pakalpojumu sniedzējam, nevis ģenerāluzņēmējam.

Lielākie akcionāri

Prospekta datumā Sabiedrības vienīgais akcionārs ir Latvijas Republika, kas rīkojas Satiksmes ministrijas personā ("Vienīgais Akcionārs"). Saskaņā ar Latvijas Republikas Ministru kabineta 2025. gada 7. oktobrī pieņemto lēmumu Piedāvājums ir strukturēts tā, lai Latvijas Republika saglabātu valsts īpašumtiesības uz vismaz 75,01% no Sabiedrības pamatkapitāla.

Padome un valde

Informācija par Sabiedrības galveno korporatīvās pārvaldības institūciju locekļiem Prospekta datumā ir norādīta zemāk.

Vārds	Amats	Iecelšanas datums	Pilnvaru termiņa beigas
Padome			
Renārs Griškevičs	Padomes priekšsēdētājs	29.10.2021	29.10.2026
Jevgenijs Belezjaks	Padomes loceklis	29.10.2021	29.10.2026
Andris Vanags	Padomes loceklis	29.10.2021	29.10.2026
Valde			
Vilnis Vitkovskis	Valdes priekšsēdētājs	24.11.2022	24.11.2027
Armands Beiziķis	Valdes loceklis	26.08.2025	26.08.2030

LAU Infra Grupa statūti paredz, ka Valde sastāv no trim locekļiem, kuri tiek ievēlēti amatā uz pieciem gadiem. Prospekta datumā Sabiedrībā ir ievēlēti divi Valdes locekļi, un trešo Valdes locekli paredzēts iecelt noteiktā laikā.

Zvērināts revidents

KPMG Baltics SIA, reģistrācijas numurs 40003235171, juridiskā adrese Roberta Hirša iela 1, Rīga, LV-1045, Latvija, ir Sabiedrības ārējais revidents par pārskata periodu, ko aptver Prospektā ietvertā vēsturiskā finanšu informācija. KPMG Baltics SIA ir zvērinātu revidentu komercsabiedrība, licence Nr. 55, un Latvijas Zvērinātu revidentu asociācijas biedrs.

Kāda ir emitenta finanšu pamatinformācija?

Prospektā ietvertā finanšu informācija ir iegūta no Sabiedrības revidētajiem finanšu pārskatiem, kas sagatavoti saskaņā ar Starptautiskajiem finanšu pārskatu standartiem ("SFPS"), par finanšu gadiem, kas noslēdzās 2025. gada 31. decembrī, 2024. gada 31. decembrī un 2023. gada 31. decembrī. Starpperiodu finanšu informācija par trīs mēnešu periodiem, kas noslēdzās 2025. gada 31. martā un 2026. gada 31. martā, ir sagatavota saskaņā ar SFPS. Šī informācija nav bijusi pakļauta ārējo revidentu revīzijai vai pārbaudei. Informācija ir balstīta uz Finanšu pārskatiem vai iegūta no tiem, un tā būtu lasāma kopā ar Finanšu pārskatiem, tostarp to pielikumos ietvertajiem skaidrojumiem.

Atlasīts Sabiedrības visaptverošo ienākumu pārskats

	<i>Gads, kas noslēdzās 31. decembrī</i>			<i>Trīs mēnešu periods, kas noslēdzās 31. martā</i>	
	<i>Revidēts</i>			<i>Nerevidēts</i>	
<i>Visaptverošo ienākumu aprēķins</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2025</i>	<i>2026</i>
Neto apgrozījums (ieņēmumi), t.sk:	67 256 544	94 778 759	97 114 082	17 659 988	17 315 748
Pārdotās produkcijas ražošanas izmaksas, pārdoto preču un sniegto pakalpojumu iegādes izmaksas	(63 015 513)	(84 183 534)	(86 540 736)	(16 067 772)	(16 411 746)
Bruto peļņa	4 241 031	10 595 225	10 573 346	1 592 216	904 002
Administratīvās izmaksas	(3 956 230)	(4 075 196)	(3 979 019)	(837 031)	(1 046 610)
Pārējie saimnieciskās darbības ieņēmumi	1 410 489	1 268 178	2 040 264	139 341	199 588
Pārējās saimnieciskās darbības izmaksas	(136 902)	(443 272)	(129 299)	(22 938)	(16 495)
Peļņa no saimnieciskās darbības	1 558 388	7 344 935	8 505 292	871 588	40 485
Finanšu ieņēmumi	32 328	168 750	331 991	54 130	115 095
Finanšu izmaksas	(469 646)	(394 427)	(231 046)	(60 522)	(61 013)
Peļņa pirms nodokļiem	1 121 070	7 119 258	8 606 237	865 196	94 567
Uzņēmumu ienākuma nodoklis	(12 000)	(179 577)	(1 214 444)	-	-
Pārskata gada peļņa	1 109 070	6 939 681	7 391 793	865 196	94 567
Visaptverošie ienākumi kopā	1 109 070	6 939 681	7 391 793	865 196	94 567

Atlasīts Sabiedrības finanšu stāvokļa pārskats

	<i>Gads, kas noslēdzās 31. decembrī</i>			<i>Trīs mēnešu periods, kas noslēdzās 31. martā</i>	
	<i>Revidēts</i>			<i>Nerevidēts</i>	
<i>Finanšu stāvoklis</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2025</i>	<i>2026</i>
Ilgtermiņa aktīvi kopā	46 417 152	43 646 852	47 181 909	43 289 342	45 997 965
Apgrozāmie līdzekļi kopā	16 512 288	32 995 608	33 772 769	37 722 204	37 050 216
Aktīvu kopsumma	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181
Pašu kapitāls kopā	42 980 040	49 209 916	51 743 932	49 813 441	51 838 499
Ilgtermiņa kreditori kopā	6 758 128	7 844 330	9 847 904	8 086 350	9 746 988
Īstermiņa kreditori kopā	13 191 272	19 588 214	19 362 842	23 111 755	21 462 694
Kreditori kopā	19 949 400	27 432 544	29 210 746	31 198 105	31 209 682
Pašu kapitāls un saistības kopā	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181

Atlasīts Sabiedrības naudas plūsmas pārskats

	<i>Gads, kas noslēdzās 31. decembrī</i>			<i>Trīs mēnešu periods, kas noslēdzās 31. martā</i>	
	<i>Revidēts</i>			<i>Nerevidēts</i>	
<i>Naudas plūsmas pārskats</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2025</i>	<i>2026</i>
Pamatdarbības neto naudas plūsma	8 079 278	20 627 649	12 463 187	8 930 200	9 093 149
Ieguldīšanas darbības neto naudas plūsma	(706 839)	(2 929 112)	(13 965 627)	(142 160)	(170 027)
Finansēšanas darbības neto naudas plūsma	(7 120 653)	(3 570 713)	(8 540 566)	(621 067)	(836 237)
Naudas un tās ekvivalentu neto (samazinājums)/pieaugums	251 786	14 127 825	(10 043 006)	8 166 973	8 029 885
Nauda un tās ekvivalenti pārskata gada sākumā	137 910	389 696	14 517 521	14 517 521	16 974 515 ¹
Nauda un tās ekvivalenti pārskata gada beigās	389 696	14 517 521	4 474 515	22 684 494	25 004 400

¹ Par finanšu gadu, kas noslēdzās 2025. gada 31. decembrī, revidētajos finanšu pārskatos Nauda un naudas ekvivalenti EUR 4 474 515 apmērā un Citi īstermiņa finanšu ieguldījumi (termiņdepozīti ar dzēšanas termiņu, kas ir mazāks par 6 mēnešiem) EUR 12 500 000 apmērā ir uzrādīti kā atsevišķi bilances posteņi. Prezentācijas nolūkos šie posteņi šajā tabulā ir apvienoti vienā rindā "Nauda un naudas ekvivalenti" kopējā EUR 16 974 515 apmērā.

Kas ir Emitentam raksturīgie būtiskākie riski?

Makroekonomiskie riski. Nelabvēlīgas makroekonomiskās norises Latvijā, plašākā Baltijas reģionā vai pasaulē var būtiski nelabvēlīgi ietekmēt Sabiedrības darbību un darbības vidi. Dominējošais makroekonomiskais satricinājums kopš 2026. gada sākuma ir militārā konflikta eskalācija Tuvajos Austrumos, kas ir izraisījusi būtiskākos globālo naftas tirgu traucējumus pēdējo gadu vēsturē. Turklāt vispārējos ekonomiskos apstākļus ir nelabvēlīgi ietekmējusi kara Ukrainā ieilgšana, reģionālās drošības spriedze, tostarp hibrīdie traucējumi, un paaugstināta globālās tirdzniecības politikas nenoteiktība, ko izraisījusi Amerikas Savienoto Valstu tarifu piemērošana Eiropas precēm un atbildes pasākumi. Tāpat jebkāda būtiska reģionālās drošības spriedzes eskalācija vai izmaiņas NATO nostājā un aizsardzības politikā var netieši ietekmēt Sabiedrības darbību, finanšu stāvokli un nākotnes perspektīvas.

Tirgus piesātinājuma un jaunu tirgus dalībnieku ienākšanas riski. Infrastruktūras būvniecības un uzturēšanas tirgu Latvijā raksturo augsts piesātinājums un ievērojama atkarība no ierobežota skaita augstas vērtības publisko iepirkumu. Lai gan Sabiedrība pašlaik ir ieguvusi visas 19 LVC piešķirtās valsts autoceļu uzturēšanas līgumu daļas 2022.–2027. gada periodam, tas vienlaikus nozīmē, ka jebkāds līgumu daļu zaudējums gaidāmajā 2027.–2032. gada iepirkuma ciklā varētu nesamērīgi ietekmēt Sabiedrības ieņēmumus, tehnikas parka izmantošanu un reģionālā darbaspēka nodarbinātību.

Izejvielu pieejamības un sankciju riski. Sabiedrības darbības nepārtrauktība un projektu tehniskā izpilde ir ļoti atkarīga no specializēto materiālu fiziskās pieejamības un globālo piegādes tīklu traucējumiem. Materiālu un degvielas izmaksas finanšu gadā, kas noslēdzās 2025. gada 31. decembrī, veidoja 31,8% no Sabiedrības tiešajām izmaksām jeb EUR 20,9 miljonus. Sabiedrības darbība ir atkarīga no savlaicīgas bitumena, tehniskā sāls un granīta šķembu piegādes. Konflikta eskalācija Tuvajos Austrumos ir izraisījusi būtisku naftas cenu un Eiropas gāzes cenu pieaugumu kopš 2025. gada decembra. Ja saglabātos pēdējā laikā novērotais augstākais dīzeļdegvielas cenu līmenis, tas varētu palielināt Sabiedrības izmaksas par līdz EUR 2 miljoniem 12 mēnešu periodā katrā no 2026. un 2027. gadiem. Turklāt Sabiedrībai ir jānodrošina stingra atbilstība piemērojamiem Eiropas Savienības, Latvijas un starptautiskajiem sankciju režīmiem, kas var ierobežot vai aizliegt noteiktu materiālu, preču vai pakalpojumu iegādi, importu, transportēšanu vai izmantošanu, samazināt pieejamo piegādātāju skaitu, ierobežot iespēju iegādāties materiālus uz komerciāli izdevīgiem noteikumiem un izraisīt kavējumus, izmaksu pieaugumu, līgumsodus, darbu apturēšanu, reputācijas kaitējumu un iespējamu regulatīvo vai juridisko atbildību.

Iepirkumu rezultātu nenoteiktības riski. Galvenais risks Sabiedrības darbības nepārtrauktībai izriet no iepirkumu procesiem raksturīgās nenoteiktības. Pēdējā iepirkumu ciklā par Latvijas valsts autoceļu uzturēšanu 2022.–2027. gada periodā LAU Infra Grupa Latvijas Valsts ceļu iepirkuma procesā ieguva tiesības slēgt līgumus par visām 19 līguma daļām. Tomēr nav garantijas, ka Sabiedrība nākamajos iepirkumu ciklos, tostarp gaidāmajā piecu gadu iepirkuma periodā, iegūs salīdzināmu darbu apjomu.

Publiskas personas dalības kapitālsabiedrībā riski. Sabiedrība darbojas kā valsts kontrolēta sabiedrība, un tās darbībai ir jāatbilst Valsts pārvaldes iekārtas likuma 88. panta prasībām, kas ierobežo publiskas personas dalību komercdarbībā līdz gadījumiem, kas vērsti uz tirgus nepilnības novēršanu, stratēģiski svarīgu pakalpojumu nodrošināšanu vai nacionālajai drošībai un attīstībai nozīmīgu aktīvu pārvaldību. Galvenais risks ir iespēja, ka regulatīvā līmenī tiks konstatēta nepamatota publiskas personas iesaiste komercdarbībā saskaņā ar Valsts pārvaldes iekārtas likumu. Papildus Valsts pārvaldes

iekārtas likumam Sabiedrībai kā valsts kontrolētai sabiedrībai ir piemērojami arī citi tiesību akti, kas regulē tās darbību, pārvaldību un aktīvu izmantošanu un kas parasti nav piemērojami privātām biržā kotētām sabiedrībām.

1.2.3. Informācija par vērtspapīriem

Kādas ir vērtspapīru galvenās iezīmes?

Veids, kategorija un ISIN

Piedāvājuma ietvaros LAU Infra Grupa piedāvā esošās Sabiedrības parastās akcijas un no jauna emitējamās Sabiedrības parastās akcijas. Piedāvājuma Akcijas sastāv no Esošajām Akcijām un Jaunajām Akcijām, un to skaits var tikt palielināts ar Papildu Piedāvājuma Akcijām saskaņā ar Papildu Piedāvājuma iespēju. Visas Sabiedrības akcijas, tostarp Piedāvājuma Akcijas, ir dematerializētas uzrādītāja akcijas ar nominālvērtību EUR 1,00 katra. Akcijas ir reģistrētas Nasdaq CSD ar ISIN LV0000110906 un tiek uzskaitītas grāmatojumu formā. Akciju apliecības nav izsniegtas un nevar tikt izsniegtas.

Emitēto akciju valūta, paritāte, nominālvērtība un skaits un to termiņš

Prospekta datumā LAU Infra Grupa emitētais pamatkapitāls ir EUR 35 202 323, kas sadalīts 35 202 323 dematerializētās uzrādītāja akcijās. Visas esošās Akcijas ir vienas kategorijas, un katras apgrozībā esošās Akcijas nominālvērtība ir EUR 1,00. Visas esošās Akcijas ir pilnībā apmaksātas un visos aspektos ir pari passu cita ar citu. Akcijas ir denominētas euro un pakļautas Latvijas tiesību aktiem. Akcijām nav noteikta termiņa.

Piedāvājuma Akciju skaits ir līdz 6 400 421, un tās sastāv no līdz 3 840 253 Esošajām Akcijām un līdz 1 280 084 Jaunajām Akcijām, kuru skaits var tikt palielināts par līdz 1 280 084 Papildu Piedāvājuma Akcijām. Tādējādi LAU Infra Grupa pamatkapitāls pēc pamatkapitāla palielināšanas sekmīgas reģistrācijas būs līdz EUR 37 762 491, kas sadalīts 37 762 491 Akcijās, ar nosacījumu, ka Piedāvājuma Akciju skaits netiek mainīts saskaņā ar Piedāvājuma noteikumiem. LAU Infra Grupa esošo akcionāru līdzdalība tieši pirms Piedāvājuma samazināsies par līdz 16.95% Piedāvājuma rezultātā.

No vērtspapīriem izrietošās tiesības

Visas Akcijas, tostarp Piedāvājuma Akcijas, ir vienas kategorijas, tās visos aspektos ir pari passu cita ar citu un piešķir vienādas balsstiesības. Piedāvājuma Akcijas piešķir tiesības uz dividendēm, ja tādas Sabiedrība būs izsludinājusi.

Katra Akcija tās turētājam dod tiesības piedalīties un balsot akcionāru sapulcēs, saņemt dividendes, saņemt likvidācijas kvotu Sabiedrības likvidācijas gadījumā, atsavināt Akciju, izmantot pirmpirkuma tiesības Sabiedrības pamatkapitāla palielināšanas gadījumā un īstenot citas akcionāru tiesības, kas paredzētas Latvijas tiesību aktos un Statūtos.

Akciju pakārtotības emitenta kapitāla struktūrā maksātnespējas gadījumā

Akcijas nepiešķir nekādas īpašas tiesības piedalīties sadalē, tostarp likvidācijas gadījumā, izņemot tiesības, kas pastāv saskaņā ar Latvijas tiesību aktiem. LAU Infra Grupa likvidācijas gadījumā katram Akcionāram ir tiesības saņemt likvidācijas kvotu proporcionāli tā esošajai līdzdalībai likumā noteiktajos gadījumos un kārtībā.

Akciju brīvas atsavināšanas ierobežojumi

Akcijas, tostarp Piedāvājuma Akcijas, ir brīvi atsavināmas. Pirms Piedāvājuma Akcijas nav tikušas iekļautas sarakstā vai pielaiestas tirdzniecībai nevienā regulētā vērtspapīru tirgū un nav bijušas publiska pārņemšanas piedāvājuma priekšmets pašreizējā vai iepriekšējā finanšu gadā.

Dividenžu politika

2026. gada 26. maijā Sabiedrības Vienīgais Akcionārs apstiprināja LAU Infra Grupa Dividenžu politiku. Dividenžu politika stāsies spēkā pēc Akciju iekļaušanas Nasdaq Riga Oficiālajā sarakstā, kas ir atkarīga no Nasdaq Riga apstiprinājuma.

Pamatojoties uz Sabiedrības pašreizējām finanšu prognozēm par 2026. un 2027. finanšu gadu un piedāvājuma cenu, Sabiedrība aplēš, ka akcionāri varētu saņemt vidējo dividenžu ienesīgumu aptuveni 7% gadā divu gadu periodā. Sabiedrībai piemērojamais minimālais dividenžu izmaksas koeficients ir noteikts 64% apmērā no sadalāmās peļņas. Turklāt likums Par valsts budžetu 2026. gadam un budžeta ietvaru 2026., 2027. un 2028. gadam paredz dividenžu izmaksas koeficientu 90% apmērā no Sabiedrības sadalāmās peļņas par 2026. un 2027. finanšu gadu.

Kur tiks tirgotas akcijas?

Vienlaikus ar Piedāvājumu LAU Infra Grupa iesniegs Nasdaq Riga pieteikumu visu LAU Infra Grupa Akciju, tostarp Piedāvājuma Akciju, iekļaušanai Nasdaq Riga Oficiālajā sarakstā un pielaišanai tirdzniecībai tajā. Tirdzniecību ar Sabiedrības Akcijām Nasdaq Riga paredzēts uzsākt ap 2026. gada 3. jūliju. Līdz dienai, kad Piedāvājuma Akcijas, tostarp Jaunās Akcijas un, ja piemērojams, Papildu Piedāvājuma Akcijas, tiks reģistrētas ar pastāvīgo ISIN LV0000110906, tirdzniecība ar Piedāvājuma Akcijām nenotiks.

Kas ir vērtspapīriem raksturīgie būtiskie riski?

Akciju cenas un likviditātes risks. Pirms Piedāvājuma Akcijas nav publiski tirgotas Nasdaq Riga Oficiālajā sarakstā. Pēc Piedāvājuma Akciju cena var svārstīties, un nav garantijas, ka pēc Piedāvājuma izveidosies vai saglabāsies aktīvs un likvids Akciju tirgus. Nasdaq Riga zemā likviditāte var apgrūtināt Akcionāru iespējas pārdot Akcijas vai palielināt Akciju cenas svārstīgumu.

Risks, ka Vienīgajam Akcionāram var būt intereses, kas atšķiras no citu Akcionāru interesēm. Pēc Piedāvājuma paredzams, ka Vienīgais Akcionārs saglabās vismaz 75,01% no Sabiedrības pamatkapitāla. Tādējādi Vienīgais Akcionārs var ietekmēt būtiskus Sabiedrības korporatīvos jautājumus veidā, kas neatbilst citu Akcionāru interesēm, un šādiem Akcionāriem tas var radīt nelabvēlīgas sekas.

Dividenžu izmaksas spējas risks. Nav garantijas, ka nākotnē tiks izmaksātas dividendes vai veikta cita kapitāla atdeve. Spēja izmaksāt dividendes ir atkarīga no Sabiedrības finanšu rezultātiem, naudas plūsmas, investīciju vajadzībām, tiesību aktu ierobežojumiem un piemērojamajām regulatīvajām prasībām.

Piedāvājuma atcelšanas risks. Sabiedrība pieliks visas saprātīgās pūles, lai nodrošinātu Piedāvājuma sekmīgu norisi, tomēr nav garantijas, ka Piedāvājums būs sekmīgs vai ka ieguldītāji saņems Piedāvājuma Akcijas, uz kurām tie būs parakstījušies. Sabiedrībai ir tiesības atcelt Piedāvājumu.

Nodokļu režīma izmaiņu risks. Izmaiņas nodokļu režīmā, kas piemērojams darījumiem ar Akcijām vai dividendēm Latvijā, var palielināt nodokļu slogu Akcionāriem un nelabvēlīgi ietekmēt ieguldījuma Akcijās ienesīgumu.

Akcionāru līdzdalības samazināšanas risks. Jauno Akciju un, ja piemērojams, Papildu Piedāvājuma Akciju emisija samazinās esošo akcionāru, kuri nepiedalās Piedāvājumā, ekonomiskās tiesības un balsstiesības. Arī turpmākas akciju vai konvertējamo vērtspapīru emisijas var atšķaidīt akcionāru ekonomiskās tiesības un balsstiesības.

1.2.4. Informācija par vērtspapīru publisko piedāvājumu

Ar kādiem nosacījumiem un kādā termiņā es varu ieguldīt šajā vērtspapīrā?

Piedāvājuma ietvaros tiek piedāvātas līdz 5 120 337 Pamata Piedāvājuma Akcijas, kas sastāv no līdz 3 840 253 Esošajām Akcijām un līdz 1 280 084 Jaunajām Akcijām, kuru skaits var tikt palielināts par līdz 1 280 084 Papildu Piedāvājuma Akcijām saskaņā ar Papildu Piedāvājuma iespēju, kopumā līdz 6 400 421 Piedāvājuma Akcijām. Piedāvājuma Akcijas tiek piedāvātas (i) publiski privātajiem ieguldītājiem Latvijā, Igaunijā un Lietuvā un (ii) nepubliski kvalificētiem ieguldītājiem Latvijā un atsevišķās Eiropas Ekonomikas zonas dalībvalstīs, kā arī citiem atlasītiem ieguldītājiem saskaņā ar piemērojamiem izņēmumiem.

Piedāvājuma Cena ir EUR 1,57 par vienu Piedāvājuma Akciju, no kuriem EUR 1,00 ir vienas Piedāvājuma Akcijas nominālvērtība un EUR 0,57 ir emisijas uzcenojums. Privātais Piedāvājums ir adresēts visiem privātajiem ieguldītājiem Latvijā, Igaunijā un Lietuvā.

Indikatīvais Piedāvājuma grafiks

Piedāvājuma Perioda sākums	2026. gada 10. jūnijs
Piedāvājuma Perioda beigas	2026. gada 19. jūnijs
Piedāvājuma rezultātu un piešķiruma paziņošana	Ap 2026. gada 26. jūniju
Norēķini par Piedāvājumu	Ap 2026. gada 30. jūniju
Pieteikuma iesniegšana pamatkapitāla palielināšanas reģistrācijai attiecībā uz Jaunajām Akcijām un Papildu Piedāvājuma Akcijām, par kurām norēķini veikti ar pagaidu ISIN	Ap 2026. gada 1. jūliju
Pagaidu Akciju apmaiņa pret akcijām par pastāvīgo ISIN	Ap 2026. gada 2. jūliju
Pirmā tirdzniecības diena Nasdaq Riga Oficiālajā sarakstā	Ap 2026. gada 3. jūliju

Piedāvājumā varēs piedalīties tikai tie potenciālie ieguldītāji, kuriem Parakstīšanās Uzdevuma iesniegšanas brīdī vai līdz tam ir atvērti vērtspapīru konti pie finanšu iestādēm, kurām ir licence šādu pakalpojumu sniegšanai Latvijā, Lietuvā vai Igaunijā un kuras ir Nasdaq Riga biedri vai kurām ir attiecīgas vienošanās ar Nasdaq Riga biedru.

Ieguldītājam, kurš vēlas parakstīties uz Piedāvājuma Akcijām, ir jāsaņemas ar finanšu iestādi, kas ir Nasdaq Riga biedrs un pārvalda attiecīgā ieguldītāja vērtspapīru kontu, un jāiesniedz Parakstīšanās Uzdevums Piedāvājuma Akciju iegādei tādā formā, kādu pieņem attiecīgā finanšu iestāde, un saskaņā ar Prospekta noteikumiem.

Sabiedrība lems par Piedāvājuma Akciju piešķiršanu pēc Piedāvājuma Perioda beigām. Piedāvājuma Akciju sadalījums starp Privāto Piedāvājumu un Institucionālo Piedāvājumu nav iepriekš noteikts, un to noteiks LAU Infra Grupa. Kopējais Piedāvājuma Akciju skaits var tikt samazināts, ja kāda Piedāvājuma daļa tiek atcelta.

Norēķinus par Piedāvājumu veiks Nasdaq CSD. Piedāvājuma Akcijas sākotnēji tiks piešķirtas ieguldītājiem ar Pagaidu Akciju starpniecību, kas apliecina ieguldītāja tiesības uz Piedāvājuma Akcijām. Viena Pagaidu Akcija apliecina tiesības saņemt vienu Sabiedrības Akciju. Pēc Piedāvājuma pabeigšanas un Jauno Akciju un Papildu Piedāvājuma Akciju, ja tādas būs, reģistrācijas Komercreģistrā Pagaidu Akcijas tiks automātiski apmainītas pret attiecīgu Akciju skaitu attiecībā viens pret vienu. Īpašuma tiesības uz Pagaidu Akcijām pāries attiecīgajam ieguldītājam brīdī, kad Pagaidu Akcijas Norēķinu Datumā tiks iegrāmatotas attiecīgā ieguldītāja vērtspapīru kontā. Īpašuma tiesības uz Piedāvājuma Akcijām pāries attiecīgajam ieguldītājam Akciju Piegādes brīdī, kad attiecīgās Akcijas tiks iegrāmatotas attiecīgā ieguldītāja vērtspapīru kontā ar pastāvīgo ISIN LV0000110906.

Piedāvājuma rezultātā paredzamais tūlītējās esošā akcionāra līdzdalības procentuālais apmērs ir 16,95%. Kopējās ar Piedāvājumu tieši saistītās izmaksas paredzamas aptuveni EUR 480 000 apmērā. Sabiedrība vai Pārdevējs Akcionārs no ieguldītājiem neiekasēs nekādas izmaksas, izdevumus vai nodokļus saistībā ar Piedāvājumu, tomēr ieguldītājiem var būt jāsedz to finanšu iestāžu vai brokeru piemērotās komisijas maksas.

Kādēļ tiek sagatavots šis Prospekts?

Šis Prospekts tiek sagatavots saistībā ar LAU Infra Grupa esošo un no jauna emitējamo akciju piedāvājumu un visu Sabiedrības Akciju iekļaušanu Nasdaq Riga Oficiālajā sarakstā un tirdzniecības uzsākšanu tajā.

Piedāvājums sastāv no divām daļām: Esošo Akciju pārdošanas, ko veic Pārdevējs Akcionārs, un Jauno Akciju un potenciālo Papildu Jauno Akciju emisijas un pārdošanas, ko veic Sabiedrība. Esošo Akciju pārdošanas mērķis ir veicināt jauktu īpašumtiesību struktūru, nodrošināt atbilstošu brīvi tirgojamo akciju apjomu, likviditāti pēc iekļaušanas biržā un tirgū balstītu cenas noteikšanu, kā arī radīt ieņēmumus Latvijas valsts budžetam.

Jauno Akciju un potenciālo Papildu Jauno Akciju emisijas un pārdošanas mērķis ir diversificēt un stiprināt Sabiedrības kapitāla bāzi un uzlabot piekļuvi kapitāla tirgiem, tostarp piesaistot papildu finansējumu Sabiedrības turpmākajai attīstībai, darbības paplašināšanai un investīciju projektu īstenošanai, kā arī stiprināt Sabiedrības ilgtermiņa finanšu elastību un finansējuma avotu daudzveidību, atbalstot Sabiedrības investīciju programmu, tostarp (i) paplašināšanos izvēlētos ārvalstu tirgos, galvenokārt Baltijas valstīs un Skandināvijā, (ii) paplašināšanos blakus esošās infrastruktūras un stratēģiskās drošības infrastruktūras pakalpojumu jomās un (iii) kapacitātes palielināšanu un produktivitāti uzlabojošas investīcijas.

Pieņemot, ka visas Piedāvājuma Akcijas tiks parakstītas, bruto ieņēmumi, kas attiecināmi uz Sabiedrību, paredzami līdz EUR 4 019 464 apmērā, savukārt bruto ieņēmumi, kas attiecināmi uz esošo akcionāru, paredzami līdz EUR 6 029 197 apmērā. Neto ieņēmumi paredzēti, lai papildinātu citus Sabiedrībai pieejamos finansējuma avotus tās investīciju programmas finansēšanai, un tiem paredzēts veidot būtisku Sabiedrības kopējā finansējuma struktūras sastāvdaļu.

1.3. Summary in Estonian (Kokkuvõte)

1.3.1. Sissejuhatus ja hoiatused

Väärtpaberite nimetus ja rahvusvaheline väärtpaberite identifitseerimisnumber (ISIN)

LAU Infra Grupa AS-i ("LAU Infra Grupa" või "Äriühing") aktsiatele, reserveeritud rahvusvaheline väärtpaberite identifitseerimisnumber (ISIN): LV0000110906.

Pakutavad aktsiad („Pakutavad aktsiad“) jagatakse investoritele esmalt ajutiste dematerialiseeritud väärtpaberite kaudu, mis on emiteeritud ISIN-koodi LV0000112001 alusel ja mis esindavad investori õigusi Pakutavatele aktsiatele. Pärast pakkumise lõpuleviimist ja uute emiteeritud aktsiate registreerimist Äriregistris vahetatakse need väärtpaberid automaatselt vastavale hulgale Ettevõtte aktsiatele üks-ühele alusel.

Äriühingu identiteet ja kontaktandmed, sealhulgas juriidilise isiku tunnus (LEI)

LAU Infra Grupa on Lätis asutatud aktsiaselts (läti keeles: akciju sabiedrība), mis on registreeritud äriregistris 1. septembril 1997 registreerimisnumbriga 40003356530 ning mille registrijärgne aadress on Krustpils iela 4, Riia, LV-1073. Äriühingu e-posti aadress on lau@lau.lv, telefoninumber on +371 67249238 ja veebileht on <https://lauinfra.com/>. Äriühingu juriidilise isiku tunnus (LEI) on 64883Z56AVG75UR23W69.

Prospekti kinnitava pädeva asutuse identiteet ja kontaktandmed

Prospekti on kinnitanud Latvijas Banka pädeva asutusena, mille aadress on Krišjāņa Valdemāra iela 2A, Riia, LV-1050, Läti, e-posti aadress info@bank.lv, telefoninumber +371 67 022 300, vastavalt määrusele (EL) 2017/1129.

Prospekti kinnitamise kuupäev

Käesolev Prospekt kinnitati 04.06.2026.

Hoiatused

Kokkuvõte on koostatud vastavalt määruse (EL) 2017/1129 artiklile 7 ning seda tuleb lugeda Prospekti sissejuhatusena. Iga väärtpaberitesse investeerimise otsus peaks põhinema investori hinnangul Prospektile tervikuna. Investor võib kaotada kogu investeeritud kapitali või osa sellest. Kui Prospektis sisalduva teabe suhtes esitatakse kohtule hagi, võib hagejast investoril olla riigisisese õiguse kohaselt kohustus kanda Prospekti tõlkimise kulud enne kohtumenetluse algatamist. Tsviilvastutus tekib üksnes isikutel, kes on Kokkuvõtte, sealhulgas selle mis tahes tõlke, esitanud, kuid ainult juhul, kui Kokkuvõte on eksitav, ebatäpne või vastuolus Prospekti muude osadega, kui seda lugeda koos Prospekti muude osadega, või kui see ei anna koos Prospekti muude osadega lugedes põhiteavet, mis aitaks investoritel otsustada, kas investeerida sellistesse väärtpaberitesse.

1.3.2. Põhiteave Äriühingu kohta

Kes on väärtpaberite emitent?

Asukoht, õiguslik vorm, LEI, asutamisoskond ja tegevusriik

LAU Infra Grupa on asutatud Lätis, selle registrijärgne aadress on Krustpils iela 4, Riia, LV-1073, ja selle LEI-number on 64883Z56AVG75UR23W69. LAU Infra Grupa on asutatud ja registreeritud aktsiaseltsina (läti keeles: akciju sabiedrība) Läti äriregistris registreerimisnumbriga 40003356530. Äriühing tegutseb Läti õiguse alusel ning selle asutamisoskond on Läti.

Põhitegevused

Äriühing tegutseb integreeritud ärimudeli alusel, mis ühendab hoolduse, ehituse ja ressursside pakkumise võimekused. Äriühingu kaks peamist tegevussuunda on teede ja tänavate hooldus ning transpordi- ja muu inseneritaristu ehitus ja uuendamine. Neid tegevusi teostatakse mitmes turusegmendis, sealhulgas riigimaanteed, kohalike omavalitsuste teede ja tänavate, metsateede, kaitse- ja julgeolekutaristu ning tööstus- ja logistikaparkide transporditaristu segmentides.

Äriühingu põhitegevussuunad on (i) teede ja tänavate igapäevane hooldus ning (ii) teede, tänavate ja nendega seotud transporditaristu ehitus ja uuendamine.

Need tegevussuunad hõlmavad valdkondi, milles Äriühing on omandanud märkimisväärse kogemuse, loonud tugeva oskusteabe ja kindla turupositsiooni, ning need annavad praegu suurima panuse Äriühingu tuludesse ja strateegiliste eesmärkide saavutamisse.

Lisaks laieneb Äriühing uude arenevasse tegevussuunda, mis keskendub keerukamate taristuobjektide, sealhulgas kaitse- ja julgeolekuga seotud taristu ehitusele. See tegevussuund tugineb viimastel aastatel arendatud kompetentsidele ning kujutab endast strateegilist laienemist suurema lisandväärtusega projektidesse, keskendudes võimekuste tugevdamisele ja osutatavate teenuste ulatuse laiendamisele.

Lisaks moodustavad mineraalmaterjalide tootmine ja müük eraldiseisva tegevussuuna, mis toetab vertikaalset integratsiooni ja suurendab Äriühingu põhitegevuse kulukonkurentsivõimet.

Kliendiportfell

Äriühingu peamised kliendirühmad on riigiasutused ja riigiettevõtted, riiklikud institutsioonid, kohalikud omavalitsused ja eraõiguslikud ettevõtted.

VSIA Latvijas Valsts ceļi. Äriühingu suurim klient on VSIA Latvijas Valsts ceļi, riigimaanteede võrgu haldaja, kelle osakaal moodustas 2024.–2025. aastal ligikaudu 50% Äriühingu tuludest. Koostöö hõlmab riigimaanteede hoolduslepingute täitmist kogu Läti territooriumil ning osalemist muudes taristuehituse hangetes.

VAS Valsts nekustamie īpašumi. Teiseks suurimaks kliendiks on VAS Valsts nekustamie īpašumi, riigi kinnisvara ja kaitsetaristu projektide hankija, kelle osakaal moodustas 2024.–2025. aastal 29% kuni 33% tuludest. See koostöö on arenenud alates 2023. aastast, laiendades Äriühingu tegevust kaitse- ja sõjalise taristu ehituse segmendis.

Kohalikud omavalitsused, riigimetsade haldaja ja erasektori äriühingud. Ülejäänud kliendid, nimelt kohalikud omavalitsused, riigimetsade haldaja AS "Latvijas valsts meži" ja erasektori äriühingud, moodustavad kokku 13% kuni 17% tuludest, pakkudes teenuseportfelli ja turu mitmekesistamist ning vähendades seeläbi sõltuvust suurimatest riiklikest klientidest.

Äriühing eristub selles segmendis peatöövõtjatest, keskendudes täiendavalt ka spetsialiseeritud töödele, mitte suuremahulisele peatöövõtule, mis võimaldab tal oma oskusteabe eest kõrgemat hinda küsida. Seda toetab Äriühingu masinapark, mis võimaldab teostada laia valikut tööliike. Äriühingu lepingute portfelli iseloomustab suur väikese ja keskmise mahuga lepingute arv, mis kajastab tema ärimudelit spetsialiseeritud teenusepakkujana, mitte peatöövõtjana.

Suuraktsionärid

Prospekti kuupäeva seisuga on Äriühingu ainus aktsionär Läti Vabariik, kes tegutseb transpordiministeeriumi kaudu ("**Ainus Aktsionär**"). Vastavalt Läti Vabariigi Ministrite Kabineti 7. oktoobril 2025 vastu võetud otsusele on Pakkumine struktureeritud selliselt, et Läti Vabariik peaks säilitama riigi omandi vähemalt 75,01% ulatuses Äriühingu aktsiakapitalist.

Nõukogu ja juhatus

Allpool on esitatud andmed Äriühingu peamiste juhtorganite liikmete kohta Prospekti kuupäeva seisuga.

Nimi	Ametikoht	Ametisse nimetamise kuupäev	Ametiaja lõpp
Nõukogu			
Renārs Griškevičs	Nõukogu esimees	29.10.2021	29.10.2026
Jevgenijs Belezjaks	Nõukogu liige	29.10.2021	29.10.2026
Andris Vanags	Nõukogu liige	29.10.2021	29.10.2026
Juhatus			
Vilnis Vitkovskis	Juhatusesimees	24.11.2022	24.11.2027
Armands Beiziķis	Juhatuses liige	26.08.2025	26.08.2030

LAU Infra Grupa põhikiri näeb ette, et juhatus koosneb kolmest liikmest, kes nimetatakse ametisse viieks aastaks. Prospekti kuupäeva seisuga on Äriühingul valitud kaks juhatuses liiget ning kolmas juhatuses liige nimetatakse eeldatavasti ametisse asjakohasel ajal.

Vannutatud audiitori identiteet

KPMG Baltics SIA, registreerimisnumber 40003235171, registrijärgne aadress Roberta Hirša iela 1, Riia, LV-1045, Läti, on Äriühingu välisaudiitor Prospektis sisalduva ajaloolise finantsteabega hõlmatud aruandeperioodi osas. KPMG Baltics SIA on sertifitseeritud audiitor, litsents nr 55, ja Läti Vannutatud Audiitorite Assotsiatsiooni liige.

Milline on Äriühingu peamine finantsteave?

Prospektis sisalduv finantsteave on saadud Äriühingu auditeeritud finantsaruannetest, mis on koostatud vastavalt rahvusvahelistele finantsaruandlusstandarditele ("**IFRS**"), 31. detsembril 2025, 31. detsembril 2024 ja 31. detsembril 2023 lõppenud majandusaastate kohta. Vahefinantsteave 31. märtsil 2025 ja 31. märtsil 2026 lõppenud kolmekuuliste perioodide kohta on koostatud vastavalt IFRS-ile. Seda teavet ei ole välisaudiitorid auditeerinud ega üle vaadanud. Teave põhineb Finantsaruannetel või on neist tuletatud ning seda tuleks lugeda koos Finantsaruannetega, sealhulgas Finantsaruannete lisades esitatud selgitustega.

Äriühingu valitud kasumiaruanne

	31. detsembril lõppenud majandusaasta			31. märtsil lõppenud kolmekuuline periood	
	Auditeeritud			Auditeerimata	
<i>Kasumiaruanne</i>	2023	2024	2025	2025	2026
Netokäive (tulu)	67 256 544	94 778 759	97 114 082	17 659 988	17 315 748
Müüdid toodangu tootmiskulud, müüdid kaupade soetusmaksumus ja ostetud teenuste kulud	(63 015 513)	(84 183 534)	(86 540 736)	(16 067 772)	(16 411 746)
Brutokasum	4 241 031	10 595 225	10 573 346	1 592 216	904 002
Halduskulud	(3 956 230)	(4 075 196)	(3 979 019)	(837 031)	(1 046 610)
Muu äritulu	1 410 489	1 268 178	2 040 264	139 341	199 588
Muud ärikulud	(136 902)	(443 272)	(129 299)	(22 938)	(16 495)
Ärikasum	1 558 388	7 344 935	8 505 292	871 588	40 485
Finantstulu	32 328	168 750	331 991	54 130	115 095
Finantskulud	(469 646)	(394 427)	(231 046)	(60 522)	(61 013)
Kasum enne tulumaksu	1 121 070	7 119 258	8 606 237	865 196	94 567
Ettevõtte tulumaks	(12 000)	(179 577)	(1 214 444)	-	-
Aruandeperioodi kasum	1 109 070	6 939 681	7 391 793	865 196	94 567
Koondkasum kokku	1 109 070	6 939 681	7 391 793	865 196	94 567

Äriühingu valitud finantsseisundi aruanne

	31. detsembril lõppenud majandusaasta			31. märtsil lõppenud kolmekuuline periood	
	Auditeeritud			Auditeerimata	
<i>Finantsseisund</i>	2023	2024	2025	2025	2026
Põhivarad kokku	46 417 152	43 646 852	47 181 909	43 289 342	45 997 965
Käibevarad kokku	16 512 288	32 995 608	33 772 769	37 722 204	37 050 216
Varad kokku	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181
Omakapital kokku	42 980 040	49 209 916	51 743 932	49 813 441	51 838 499
Pikaajalised kohustused kokku	6 758 128	7 844 330	9 847 904	8 086 350	9 746 988
Lühiajalised kohustused kokku	13 191 272	19 588 214	19 362 842	23 111 755	21 462 694
Kohustused kokku	19 949 400	27 432 544	29 210 746	31 198 105	31 209 682
Omakapital ja kohustused kokku	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181

Äriühingu valitud rahavoogude aruanne

	31. detsembril lõppenud majandusaasta			31. märtsil lõppenud kolmekuuline periood	
	Auditeeritud			Auditeerimata	
Rahavoogude aruanne	2023	2024	2025	2025	2026
Äritegevuse netorahavood	8 079 278	20 627 649	12 463 187	8 930 200	9 036 149
Investeeringustegevuse netorahavood	(706 839)	(2 929 112)	(13 965 627)	(142 160)	(170 027)
Finantseerimistegevuse netorahavood	(7 120 653)	(3 570 713)	(8 540 566)	(621 067)	(836 237)
Raha ja raha ekvivalentide netokasv/(vähenemine)	251 786	14 127 825	(10 043 006)	8 166 973	8 029 885
Raha ja raha ekvivalentid perioodi alguses	137 910	389 696	14 517 521	14 517 521	16 974 515 ¹
Raha ja raha ekvivalentid perioodi lõpus	389 696	14 517 521	4 474 515	22 684 494	25 004 400

¹2025. aasta 31. detsembril lõppenud majandusaasta auditeeritud raamatupidamise aastaaruandes on raha ja raha ekvivalentid summas 4 474 515 eurot ning muud lühiajalised finantsinvesteeringud (tähtajalised hoiused tähtajaga alla 6 kuu) summas 12 500 000 eurot esitatud bilansis eraldi kirjetena. Esitluse eesmärgil on need kirjed käesolevas tabelis ühendatud üheks reaks „Raha ja raha ekvivalentid“ kogusummas 16 974 515 eurot.

Millised on Äriühingule omased peamised riskid?

Makromajanduslikud riskid. Ebasoodsad makromajanduslikud arengud Lätis, laiemas Balti regioonis või maailmas võivad avaldada olulist ebasoodsat mõju Äriühingu äritegevusele ja tegevuskeskkonnale. Alates 2026. aasta algusest on domineerivaks makromajanduslikuks šokiks olnud sõjalise konflikti eskaleerumine Lähis-Idas, mis on põhjustanud viimaste aastate ajaloo kõige olulisemad tarnehäired ülemaailmsel naftaturgudel. Lisaks on üldisi majandustingimusi ebasoodsalt mõjutanud Ukraina sõja venimine, piirkondlikud julgeolekupinged, sealhulgas hübriidne sekkumine, ning suurenenud ülemaailmne kaubanduspoliitiline ebakindlus, mis tuleneb Ameerika Ühendriikide poolt Euroopa kaupadele kehtestatud tariifidest ja vastumeetmetest. Samuti võib piirkondlike julgeolekupingete oluline eskaleerumine või NATO hoiaku ja kaitsepoliitika muutus avaldada kaudset mõju Äriühingu äritegevusele, finantsseisundile ja väljavaadetele.

Turu küllastumise ja uute turuosaliste riskid. Läti taristuehituse ja -hoolduse turgu iseloomustab suur küllastumine ja tugev sõltuvus piiratud arvust suure väärtusega riigihangetest. Kuigi Äriühingul on praegu kõik 19 LVC poolt 2022.–2027. aasta perioodiks sõlmitud riigimaanteede hoolduslepingute osa, tähendab see ka, et mis tahes lepingute osade kaotus eelseisvas 2027.–2032. aasta hanketsüklis võib avaldada ebaproportsionaalset mõju Äriühingu tuludele, masinapargi kasutusele ja piirkondliku tööjõu rakendamisele.

Tooraine kättesaadavuse ja sanktsioonide riskid. Tegevuse järjepidevus ja projektide tehniline teostamine on väga haavatavad spetsialiseeritud materjalide füüsilise kättesaadavuse ja ülemaailmsete tarnevõrkude häirete suhtes. Materjali- ja kütusekulud moodustasid 31. detsembril 2025 lõppenud majandusaastal 31,8% Äriühingu otsestest kuludest, ulatudes 20,9 miljoni euroni. Äritegevus sõltub bituumeni, tehnilise soola ja purustatud graniidi õigeaegsest tarnest. Konflikti eskaleerumine Lähis-Idas on alates 2025. aasta detsembrist põhjustanud naftahindade ja Euroopa gaasihindade olulise tõusu. Kui hiljuti täheldatud kõrgeim diislikütuse hinnatase püsib, võib see suurendada Äriühingu kulusid kuni 2 miljoni euro võrra 12 kuu kohta nii 2026. kui ka 2027. aastal. Lisaks peab Äriühing tagama range vastavuse kohaldatavatele Euroopa Liidu, Läti ja rahvusvahelistele sanktsioonirežiimidele, mis võivad piirata või keelata teatavate materjalide, kaupade või teenuste hankimist, importi, transporti või kasutamist, vähendada kättesaadavate tarnijate arvu, piirata võimalust hankida materjale äriliselt soodsatel tingimustel ning põhjustada viivitusi, kulude suurenemist, leppetrahve, tööde peatamist, mainekahju ning võimalikku regulatiivset või õiguslikku vastutust.

Hangete tulemuste ebakindluse riskid. Äriühingu tegevuse järjepidevuse peamine risk tuleneb hankemenetlustele omasest ebakindlusest. Viimases Läti riigimaanteede hoolduse hanketsüklis 2022.–2027. aasta perioodiks omistati LAU Infra Grupale Läti Riigiteede asutuse hankemenetluses kõik 19 lepingute osa. Siiski ei ole mingit kindlust, et Äriühingule omistatakse tulevastes hanketsüklites, sealhulgas eelseisval viieaastasel hankeperioodil, võrreldav tööde maht.

Avaliku isiku osalemise riskid kapitaliühingus. Äriühing tegutseb riigi kontrolli all oleva ettevõtte ning tema tegevus peab vastama Läti riigihalduse korralduse seaduse („SASL“) paragrahvi 88 nõuetele, mis piiravad avaliku isiku osalemist äritegevuses juhtudega, mille eesmärk on turupuuduse kõrvaldamine, strateegiliselt oluliste teenuste tagamine või riigi julgeoleku ja arengu seisukohalt oluliste varade haldamine. Peamine risk seisneb võimaluses, et regulatiivsel tasandil tuvastatakse avaliku isiku põhjendamatu osalemine äritegevuses SASL-i tähenduses. Lisaks SASL-ile kohaldatakse

Äriühingule kui riigi kontrolli all olevale ettevõtteleka muid õigusakte, mis reguleerivad tema tegevust, juhtimist ja varade kasutamist ning mida üldjuhul ei kohaldata börsil noteeritud eraõiguslikele äriühingutele.

1.3.3. Teave väärtpaberite kohta

Millised on väärtpaberite põhjooned?

Liik, klass ja ISIN

Pakkumise käigus pakub LAU Infra Grupa Äriühingu olemasolevaid lihtaktsiaid ja uusi emiteeritavaid lihtaktsiaid. Pakutavad Aktsiad koosnevad Olemasolevatest Aktsiatest ja Uuest Aktsiatest ning neid võib suurendada Suurendamisotsiooni Aktsiate võrra vastavalt Suurendamisotsioonile. Kõik Äriühingu aktsiad, sealhulgas Pakutavad Aktsiad, on dematerialiseeritud esitajaaktsiad nimiväärtusega 1,00 eurot iga aktsia kohta. Aktsiad on registreeritud Nasdaq CSD-s ISIN-i LV0000110906 all ning neid hoitakse raamatupidamiskande vormis. Aktsiasertifikaate ei ole väljastatud ega või väljastada.

Valuuta, nimiväärtus, emiteeritud Aktsiate arv ja kestus

Prospekti kuupäeva seisuga on LAU Infra Grupa emiteeritud aktsiakapital 35 202 323 eurot, mis jaguneb 35 202 323-ks dematerialiseeritud esitajaaktsiaks. Kõik olemasolevad Aktsiad kuuluvad samasse kategooriasse ning iga käibel oleva Aktsia nimiväärtus on 1,00 eurot. Kõik olemasolevad Aktsiad on täielikult tasutud ja on kõigis aspektides üksteisega pari passu. Aktsiad on nomineeritud eurodes ja neile kohaldatakse Läti õigust. Aktsiatel ei ole kindlaksmääratud tähtaega.

Pakutavate Aktsiate arv on kuni 6 400 421, mis koosneb kuni 3 840 253 Olemasolevast Aktsiast ja kuni 1 280 084 Uuest Aktsiast, mida võib suurendada kuni 1 280 084 Suurendamisotsiooni Aktsia võrra. Seega on LAU Infra Grupa aktsiakapital pärast aktsiakapitali suurendamise edukat registreerimist kuni 37 762 491 eurot, mis jaguneb 37 762 491 Aktsiaks, eeldusel et Pakutavate Aktsiate arvu ei muudeta vastavalt Pakkumise tingimustele. LAU Infra Grupa olemasolevate aktsionäride osalus vahetult enne Pakkumist lahjeneb Pakkumise tulemusena kuni 16,95%.

Aktsiatega seotud õigused

Kõik Aktsiad, sealhulgas Pakutavad Aktsiad, kuuluvad ühte klassi, on üksteisega pari passu ja annavad võrdsed hääleõigused. Pakutavad Aktsiad annavad õiguse dividendidele, kui Äriühing neid välja kuulutab.

Iga Aktsia annab selle omanikule õiguse osaleda ja hääletada aktsionäride koosolekutel, saada dividende, saada Äriühingu likvideerimise korral likvideerimisjaotist, käsutada Aktsiat, kasutada eesõigust Äriühingu aktsiakapitali suurendamise korral ning kasutada muid aktsionäri õigusi, mis on ette nähtud Läti õiguses ja põhikirjas.

Aktsiate järk Äriühingu kapitalisstruktuuris maksejõuetuse korral

Aktsiad ei anna mingeid erilise õigusi jaotuses osalemiseks, sealhulgas likvideerimise korral, peale nende õiguste, mis tulenevad Läti õigusest. LAU Infra Grupa likvideerimise korral on igal Aktsionäril õigus saada likvideerimisjaotist proportsionaalselt oma olemasoleva osalusega seaduses sätestatud juhtudel ja korras.

Aktsiate vaba võõrandamise piirangud

Aktsiad, sealhulgas Pakutavad Aktsiad, on vabalt võõrandatavad. Aktsiaid ei ole enne Pakkumist noteeritud ega kauplemisele võetud ühelgi reguleeritud väärtpaberiturul ning nende suhtes ei ole käesoleval ega eelmisel majandusaastal tehtud ühtegi avalikku ülevõtmispakkumist.

Dividendipoliitika

26. mail 2026 kinnitas Äriühingu Ainus Aktsionär LAU Infra Grupa Dividendipoliitika, mis jõustub pärast Aktsiate noteerimist Põhinimekirjas.

Äriühingu praeguste finantsprognooside alusel 2026. ja 2027. majandusaastaks ning arvestades Pakkumishinda hindab Äriühing, et aktsionärid võivad kahe aasta jooksul saada keskmist dividenditootlust ligikaudu 7% aastas. Äriühingule kohaldatav minimaalne dividendide väljamakse määr on kehtestatud 64% ulatuses jaotatavast kasumist. Lisaks sätestab 2026. aasta riigieelarve seadus ning 2026., 2027. ja 2028. aasta eelarveraamistiku seadus dividendide väljamakse määraks 90% Äriühingu jaotatavast kasumist 2026. ja 2027. majandusaasta eest.

Kus Aktsiatega kaubeldakse?

LAU Infra Grupa esitab samaaegselt Pakkumisega Nasdaq Rigale noteerimistaotluse kõigi Aktsiate, sealhulgas Pakutavate Aktsiate, noteerimiseks ja kauplemisele võtmiseks Nasdaq Riga Põhinimekirjas. Äriühingu Aktsiatega kauplemine Nasdaq Rigal peaks eeldatavasti algama ligikaudu 3. juulil 2026. Kuni kuupäevani, mil Pakutavad Aktsiad, sealhulgas Uued Aktsiad ja, kui kohaldatav, Suurendamisotsiooni Aktsiad, registreeritakse alalise ISIN-i LV0000110906 all, Pakutavate Aktsiatega kauplemist ei toimu.

Millised on väärtpaberitele omased peamised riskid?

Aktsia hinna ja likviidsuse risk. Enne Pakkumist ei ole Aktsiad olnud avalikult kaubeldavad Nasdaq Riga Põhinimekirjas. Pärast Pakkumist võib Aktsia hind kõikuda ning puudub garantii, et pärast Pakkumist tekib või säilib aktiivne ja likviidne Aktsiate turg. Nasdaq Riga madal likviidsus võib kahjustada Aktsionäride võimalust Aktsiaid müüa või suurendada Aktsia hinna volatiilsust.

Risk, et Ainus Aktsionär võib omada huve, mis erinevad teiste Aktsionäride huvidest. Pärast Pakkumist eeldatakse, et Ainus Aktsionär säilitab vähemalt 75,01% Äriühingu aktsiakapitalist. Seetõttu võib Ainus Aktsionär mõjutada Äriühingu olulisi korporatiivseid küsimusi viisil, mis ei ole kooskõlas teiste Aktsionäride huvidega, mistõttu sellised Aktsionärid võivad olla ebasoodsamas olukorras.

Dividendide jaotamise võime riskid. Ei ole mingit kindlust, et tulevikus jaotatakse dividende või tehakse muid kapitali tagastamisi. Dividendide maksmise võime sõltub Äriühingu finantstulemustest, rahavoogudest, investeerimisvajadustest, õiguslikest piirangutest ja kohaldatavatest regulatiivsetest nõuetest.

Pakkumise tühistamise riskid. Äriühing teeb parimad jõupingutused Pakkumise edukuse tagamiseks, kuid puudub kindlus, et Pakkumine on edukas või et investorid saavad Pakutavad Aktsiad, mida nad on märkinud. Äriühingul on õigus Pakkumine tühistada.

Maksurežiimi muutuste riskid. Lätis Aktsiatega tehtavatele tehingutele või dividendidele kohaldatava maksurežiimi muutused võivad suurendada Aktsionäride maksukoormust ja avaldada ebasoodsat mõju Aktsiatesse tehtud investeeringu tootlusele.

Aktsia väärtuse lahjenemise riskid. Uute Aktsiate ja, kui kohaldatav, Suurendamisoptiooni Aktsiate emiteerimine lahjendab olemasolevate aktsionäride, kes Pakkumises ei osale, majanduslikke õigusi ja hääleõigusi. Ka tulevased aktsiate või konverteeritavate väärtpaberite emissioonid võivad lahjendada aktsionäride majanduslikke õigusi ja hääleõigusi.

1.3.4. Teave väärtpaberite avaliku pakkumise ja reguleeritud turul kauplemisele võtmise kohta

Millistel tingimustel ja millise ajakava alusel saan sellesse väärtpaberisse investeerida?

Pakkumise käigus pakutakse kuni 5 120 337 Põhipakkumise Aktsiat, mis koosnevad kuni 3 840 253 Olemasolevast Aktsiast ja kuni 1 280 084 Uuest Aktsiast, mida võib Suurendamisoptiooni alusel suurendada kuni 1 280 084 Suurendamisoptiooni Aktsia võrra, kokku kuni 6 400 421 Pakutava Aktsiani. Pakutavaid Aktsiaid pakutakse (i) avalikult jaeinvestoritele Lätis, Eestis ja Leedus ning (ii) mitteavalikult kvalifitseeritud investoritele Lätis ja teatavates valitud Euroopa Majanduspiirkonna liikmesriikides, samuti teistele valitud investoritele vastavalt kohaldatavatele eranditele.

Pakkumishind on 1,57 eurot ühe Pakutava Aktsia kohta, millest 1,00 eurot on ühe Pakutava Aktsia nimiväärtus ja 0,57 eurot on ülekurs. Jaepakkumine on suunatud kõigile jaeinvestoritele Lätis, Eestis ja Leedus.

Pakkumise indikatiivne ajakava

Pakkumisperioodi algus	10. juuni 2026
Pakkumisperioodi lõpp	19. juuni 2026
Pakkumise tulemuste ja jaotuse avalikustamine	Ligikaudu 26. juuni 2026
Pakkumise arveldamine	Ligikaudu 30. juuni 2026
Aktsiakapitali suurendamise registreerimise taotluse esitamine Uute Aktsiate ja Suurendamisoptiooni Aktsiate osas, mille eest arveldatakse ajutise ISIN-i all	Ligikaudu 1. juuli 2026
Uute Aktsiate ja Suurendamisoptiooni Aktsiate registreerimine alalise ISIN-i LV0000110906 all	Ligikaudu 2. juuli 2026
Esimene kauplemispäev Nasdaq Riga Põhinimekirjas	Ligikaudu 3. juuli 2026

Pakkumise jaoks võivad Pakkumises osaleda üksnes potentsiaalsed investorid, kes on Märkimiskorralduse esitamise ajal või selleks ajaks avanud väärtpaberikonto sellise üksuse juures, kellel on vastavate teenuste osutamise luba Lätis, Leedus või Eestis ning kes on Nasdaq Riga liige või kellel on asjakohane kokkulepe Nasdaq Riga liikmega.

Investor, kes soovib märkida Pakutavaid Aktsiaid, peab võtma ühendust finantsettevõtte, kes on Nasdaq Riga liige ja haldab asjaomase investori väärtpapierikontot, ning esitama Märkimiskorralduse Pakutavate Aktsiate ostmiseks vormis, mida asjaomane finantsettevõtte aktsepteerib, ja on kooskõlas Prospekti tingimustega.

Äriühing otsustab Pakutavate Aktsiate jaotamise pärast Pakkumisperioodi lõppu. Jaepakkumise ja Institutsionaalse Pakkumise vaheline jaotus ei ole eelnevalt kindlaks määratud ning selle otsustab LAU Infra Grupa. Pakutavate Aktsiate koguarv võib väheneda, kui Pakkumise mis tahes osa tühistatakse.

Pakkumise arveldamine toimub Nasdaq CSD kaudu. Pakutavad Aktsiad jaotatakse investoritele esialgu Ajutiste Aktsiate kaudu, mis esindavad investori õigusi Pakutavatele Aktsiatele. Üks Ajutine Aktsia esindab õigust saada üks Äriühingu Aktsia. Eeldusel et Pakkumine viiakse lõpule ning Uued Aktsiad ja Suurendamisoptiooni Aktsiad, kui neid on, registreeritakse äriregistris, vahetatakse Ajutised Aktsiad automaatselt vastava arvu Aktsiate vastu suhtes üks ühele. Omandiõigus Ajutistele Aktsiatele läheb asjaomasele investorile üle Ajutiste Aktsiate krediteerimisel selle investori väärtpapierikontole Arvelduspäeval. Omandiõigus Pakutavatele Aktsiatele läheb asjaomasele investorile üle Aktsiate Üleandmisel, kui vastavad Aktsiad krediteeritakse selle investori väärtpapierikontole alalise ISIN-i LV0000110906 all.

Pakkumisest tuleneva vahetu lahjenemise ulatus ja protsent on eeldatavasti 16,95%. Pakkumisega otseselt seotud kogukulud on eeldatavasti ligikaudu 480 000 eurot. Äriühing ega Müüv Aktsionär ei võta investoritelt Pakkumisega seoses mingeid kulusid, tasusid ega makse, kuigi investoritel võib olla kohustus kanda nende finantseerimisasutuste või maaklerite poolt võetavaid tasusid.

Miks seda Prospekti koostatakse?

Käesolev Prospekt koostatakse seoses LAU Infra Grupa olemasolevate ja uute emiteeritavate aktsiate pakkumisega ning kõigi Äriühingu Aktsiate noteerimise ja kauplemisele võtmisega Nasdaq Riga Põhinimekirjas.

Pakkumine koosneb kahest komponendist: Olemasolevate Aktsiate müügist Müüva Aktsionäri poolt ning Uute Aktsiate ja võimalike Suurendamisoptiooni Uute Aktsiate emissioonist ja müügist Äriühingu poolt. Olemasolevate Aktsiate müügi eesmärk on toetada segatud omandistruktuuri, tagada sobiv vabalt kaubeldavate aktsiate maht, kauplemisjärgne likviidsus ja turupõhine hinnakujundus ning tekitada laekumisi Läti riigieelarvesse.

Uute Aktsiate ja võimalike Suurendamisoptiooni Uute Aktsiate emissiooni ja müügi eesmärk on mitmekesistada ja tugevdada Äriühingu kapitalibaasi ning parandada juurdepääsu omakapitaliturgudele, sealhulgas kaasates täiendavat rahastust Äriühingu edasiseks arenguks, tegevuse laiendamiseks ja investeerimisprojektide elluviimiseks, ning suurendada Äriühingu pikaajalist finantspainsidlikkust ja rahastusallikate mitmekesisust, toetades Äriühingu investeerimisprogrammi, sealhulgas (i) laienemist valitud välisturgudele, peamiselt Balti riikidesse ja Skandinaaviasse, (ii) laienemist külgnevatesse taristu- ja strateegilise julgeolekutaristu teenustesse ning (iii) võimsuse suurendamist ja tootlikkust parandavaid investeeringuid.

Eeldusel et kõik Pakutavad Aktsiad märgitakse, on Äriühingule omistatav brutotulu eeldatavasti kuni 4 019 464 eurot, samas kui Müüvale Aktsionärile omistatav brutotulu on eeldatavasti kuni 6 029 197 eurot.

1.4. Summary in Lithuanian (Santrauka lietuvių kalba)

1.4.1. Įvadas ir įspėjimai

Vertybinių popierių pavadinimas ir tarptautinis vertybinių popierių identifikavimo numeris (ISIN)

LAU Infra Grupa AS („LAU Infra Grupa“ arba „Bendrovė“) akcijos, rezervuotas tarptautinis vertybinių popierių identifikavimo numeris (ISIN): LV0000110906.

Siūlomos akcijos („Siūlomos akcijos“) iš pradžių bus platinamos investuotojams per laikinuosius nematerializuotus vertybinius popierius, išleistus pagal ISIN LV0000112001, kurie atspindi investuotojo teises į Siūlomas akcijas. Užbaigus pasiūlymą ir įregistravus naujai išleistas akcijas Komerciniame registre, šie vertybiniai popieriai bus automatiškai iškeisti į atitinkamą Bendrovės akcijų skaičių santykiu vienas prie vieno.

Emitento pavadinimas ir kontaktiniai duomenys, įskaitant juridinio asmens identifikatorių (LEI)

LAU Infra Grupa yra Latvijoje įsteigta akcinė bendrovė (latvių kalba: akciju sabiedrība), įregistruota Komerciniame registre 1997 m. rugsėjo 1 d. registracijos numeriu 40003356530, kurios registruotos buveinės adresas yra Krustpils iela 4, Ryga, LV-1073. Bendrovės el. pašto adresas yra lau@lau.lv, telefono numeris +371 67249238, o interneto svetainė <https://lauinfra.com/>. Jos juridinio asmens identifikatorius (LEI) yra 64883Z56AVG75UR23W69.

Prospektą patvirtinusios kompetentingos institucijos pavadinimas ir kontaktiniai duomenys

Prospektą patvirtino Latvijas Banka kaip kompetentinga institucija, kurios adresas yra Krišjāņa Valdemāra iela 2A, Ryga, LV-1050, Latvija, el. pašto adresas info@bank.lv, telefono numeris +371 67 022 300, pagal Reglamentą (ES) 2017/1129.

Prospekto patvirtinimo data

Šis Prospektas buvo patvirtintas 04.06.2026.

Įspėjimai

Santrauka parengta pagal Reglamento (ES) 2017/1129 7 straipsnį ir turi būti skaitoma kaip įvadas į Prospektą. Bet koks sprendimas investuoti į vertybinius popierius turėtų būti priimamas investuotojui įvertinus visą Prospektą. Investuotojas gali prarasti visą investuotą kapitalą arba jo dalį. Jeigu teisme pareiškiamas ieškinys dėl Prospekte pateiktos informacijos, ieškoviui investuotojui pagal nacionalinę teisę gali tekti padengti Prospekto vertimo išlaidas prieš pradėdant teismo procesą. Civilinė atsakomybė taikoma tik tiems asmenims, kurie pateikė Santrauką, įskaitant bet kokį jos vertimą, tačiau tik tuo atveju, jeigu Santrauka yra klaidinanti, netiksli arba nenuosekli, kai skaitoma kartu su kitomis Prospekto dalimis, arba jeigu ji, skaitoma kartu su kitomis Prospekto dalimis, nepateikia pagrindinės informacijos, kuri padėtų investuotojams apsispręsti, ar investuoti į tokius vertybinius popierius.

1.4.2. Pagrindinė informacija apie Bendrovę

Kas yra vertybinių popierių emitentas?

Buveinė, teisinė forma, LEI, įsteigimo jurisdikcija ir šalis, kurioje vykdoma veikla

LAU Infra Grupa yra įsteigta Latvijoje, jos registruotos buveinės adresas yra Krustpils iela 4, Ryga, LV-1073, o jos LEI numeris yra 64883Z56AVG75UR23W69. LAU Infra Grupa yra įsteigta ir įregistruota kaip akcinė bendrovė (latvių kalba: akciju sabiedrība) Latvijos Komerciniame registre registracijos numeriu 40003356530. Bendrovė veikia pagal Latvijos teisę, o jos įsteigimo šalis yra Latvija.

Pagrindinė veikla

Bendrovė vykdo integruotą verslo modelį, apjungiantį priežiūros, statybos ir išteklių tiekimo pajėgumus. Dvi pagrindinės jos veiklos kryptys yra kelių ir gatvių priežiūra bei transporto ir kitos inžinerinės infrastruktūros statyba ir atnaujinimas. Ši veikla vykdoma keliuose rinkos segmentuose, įskaitant valstybinės reikšmės kelių, savivaldybių kelių ir gatves, miško kelių, gynybos ir saugumo infrastruktūrą bei pramonės ir logistikos parkų transporto infrastruktūrą.

Pagrindinės Bendrovės veiklos kryptys yra (i) kasdienė kelių ir gatvių priežiūra ir **(ii)** kelių, gatvių ir susijusios transporto infrastruktūros statyba ir atnaujinimas.

Šios veiklos kryptys apima sritis, kuriose Bendrovė yra sukaupusi reikšmingos patirties, išvysčiusi stiprią kompetenciją ir užėmusi tvirtą poziciją rinkoje, ir šiuo metu jos sudaro didžiausią Bendrovės pajamų dalį bei labiausiai prisideda prie jos strateginių tikslų įgyvendinimo.

Be to, Bendrovė plečia veiklą į naują besiformuojančią verslo sritį, orientuotą į sudėtingesnių infrastruktūros objektų, įskaitant su gynyba ir saugumu susijusią infrastruktūrą, statybą. Ši veiklos kryptis remiasi pastaraisiais metais išvystytomis kompetencijomis ir laikoma strategine plėtra į didesnės pridėtinės vertės projektus, daugiausia dėmesio skiriant pajėgumų stiprinimui ir teikiamų paslaugų apimties plėtimui.

Be to, mineralinių medžiagų gamyba ir pardavimas sudaro atskirą veiklos kryptį, kuri palaiko vertikalią integraciją ir didina Bendrovės pagrindinės veiklos sąnaudų konkurencingumą.

Klientų portfelis

Pagrindinės Bendrovės klientų grupės yra valstybės institucijos, valstybės valdomos įmonės, savivaldybės ir privatūs subjektai.

VSIA Latvijas Valsts ceļi. Didžiausias Bendrovės klientas yra VSIA Latvijas Valsts ceļi, valstybinės reikšmės kelių tinklo valdytojas, kuris 2024–2025 m. sudarė apie 50% Bendrovės pajamų. Bendradarbiavimas apima valstybinės reikšmės kelių priežiūros sutarčių vykdymą visoje Latvijos teritorijoje, taip pat dalyvavimą kituose infrastruktūros statybos pirkimuose.

VAS Valsts nekustamie īpašumi. Antras pagal dydį klientas yra VAS Valsts nekustamie īpašumi, valstybės nekilnojamojo turto ir gynybos infrastruktūros projektų užsakovas, kurio dalis 2024–2025 m. sudarė 29%–33% pajamų. Šis bendradarbiavimas plėtojamas nuo 2023 m., plečiant Bendrovės veiklą gynybos ir karinės infrastruktūros statybos segmente.

Savivaldybės, valstybinių miškų valdytojas ir komercinio sektoriaus bendrovės. Likę klientai, t. y. savivaldybės, valstybinių miškų valdytojas AS „Latvijas valsts meži“ ir privataus sektoriaus bendrovės, kartu sudaro 13%–17% pajamų, užtikrindami paslaugų portfelio ir rinkos diversifikavimą ir taip mažindami priklausomybę nuo didžiausių valstybės klientų.

Šiame segmente Bendrovė išsiskiria iš generalinių rangovų tuo, kad orientuojasi į specializuotus darbus, o ne į didelės apimties rangą, kas leidžia jai taikyti didesnę kainą už savo kompetenciją. Tai palaiko Bendrovės technikos parkas, galintis vykdyti platų darbų kategorijų spektrą. Bendrovės sutarčių portfeliui būdingas didelis mažų ir vidutinių sutarčių skaičius, atspindintis jos verslo modelį kaip specializuotų paslaugų teikėjos, o ne generalinės rangovės.

Pagrindiniai akcininkai

Prospekto dieną vienintelis Bendrovės akcininkas yra Latvijos Respublika, veikianti per Susisiekimo ministeriją („**Vienintelis Akcininkas**“). Pagal 2025 m. spalio 7 d. priimtą Latvijos Respublikos Ministrų Kabineto sprendimą Siūlymas buvo struktūruotas taip, kad Latvijos Respublika turėtų išlaikyti valstybės nuosavybę į ne mažiau kaip 75,01% Bendrovės įstatinio kapitalo.

Stebėtojų taryba ir valdyba

Žemiau pateikiama informacija apie Bendrovės pagrindinių korporatyvinio valdymo organų narius Prospekto dieną.

Vardas, pavardė	Pareigos	Paskyrimo data	Kadencijos pabaiga
Stebėtojų taryba			
Renārs Griškevičs	Stebėtojų tarybos pirmininkas	29.10.2021	29.10.2026
Jevgenijs Belezjaks	Stebėtojų tarybos narys	29.10.2021	29.10.2026
Andris Vanags	Stebėtojų tarybos narys	29.10.2021	29.10.2026
Valdyba			
Vilnis Vitkovskis	Valdybos pirmininkas	24.11.2022	24.11.2027
Armands Beiziķis	Valdybos narys	26.08.2025	26.08.2030

LAU Infra Grupa įstatuose numatyta, kad Valdybą sudaro trys nariai, skiriami penkerių metų kadencijai. Prospekto dieną Bendrovėje yra išrinkti du Valdybos nariai, o trečiasis Valdybos narys turėtų būti paskirtas artimiausiu metu.

Nepriklausomas auditorius

KPMG Baltics SIA, registracijos numeris 40003235171, registruotos buveinės adresas Roberta Hirša iela 1, Ryga, LV-1045, Latvija, yra Bendrovės išorės auditorius ataskaitiniam laikotarpiui, kurį apima Prospekte pateikta istorinė finansinė informacija. KPMG Baltics SIA yra sertifikuotas auditorius, licencija Nr. 55, ir Latvijos sertifikuotų auditorių asociacijos narys.

Kokia yra Emitento pagrindinė finansinė informacija?

Prospekte pateikta finansinė informacija gauta iš Bendrovės audituotų finansinių ataskaitų, parengtų pagal Tarptautinius finansinės atskaitomybės standartus („**TFAS**“), už finansinius metus, pasibaigusius 2025 m. gruodžio 31 d., 2024 m. gruodžio 31 d. ir 2023 m. gruodžio 31 d. Tarpinė finansinė informacija už trijų mėnesių laikotarpį, pasibaigusius 2025 m. kovo 31 d. ir 2026 m. kovo 31 d., buvo parengta pagal TFAS. Ši informacija nebuvo audituota ar peržiūrėta išorės auditorių.

Informacija yra pagrįsta Finansinėmis Ataskaitomis arba iš jų išvesta ir turėtų būti skaitoma kartu su Finansinėmis Ataskaitomis, įskaitant jų pastabose pateiktus paaiškinimus.

Pasirinkta Bendrovės pelno (nuostolių) ataskaita

	<i>Metai, pasibaigę gruodžio 31 d.</i>			<i>Trijų mėnesių laikotarpis, pasibaigęs kovo 31 d.</i>	
	<i>Patikrinta</i>			<i>Neaudituota</i>	
Pelno (nuostolių) ataskaita	2023	2024	2025	2025	2026
Grynoji apyvarta (pajamos)	67 256 544	94 778 759	97 114 082	17 659 988	17 315 748
Parduotų prekių gamybos sąnaudos, parduotų prekių įsigijimo sąnaudos ir įsigytų paslaugų sąnaudos	(63 015 513)	(84 183 534)	(86 540 736)	(16 067 772)	(16 411 746)
Bendrasis pelnas	4 241 031	10 595 225	10 573 346	1 592 216	904 002
Administracinės sąnaudos	(3 956 230)	(4 075 196)	(3 979 019)	(837 031)	(1 046 610)
Kitos veiklos pajamos	1 410 489	1 268 178	2 040 264	139 341	199 588
Kitos veiklos sąnaudos	(136 902)	(443 272)	(129 299)	(22 938)	(16 495)
Veiklos pelnas	1 558 388	7 344 935	8 505 292	871 588	40 485
Finansinės pajamos	32 328	168 750	331 991	54 130	115 095
Finansinės sąnaudos	(469 646)	(394 427)	(231 046)	(60 522)	(61 013)
Pelnas prieš apmokestinimą	1 121 070	7 119 258	8 606 237	865 196	94 567
Pelno mokestis	(12 000)	(179 577)	(1 214 444)	-	-
Ataskaitinio laikotarpio pelnas	1 109 070	6 939 681	7 391 793	865 196	94 567
Bendrosios visapusiškos pajamos	1 109 070	6 939 681	7 391 793	865 196	94 567

Pasirinkta Bendrovės finansinės būklės ataskaita

	<i>Metai, pasibaigę gruodžio 31 d.</i>			<i>Trijų mėnesių laikotarpis, pasibaigęs kovo 31 d.</i>	
	<i>Patikrinta</i>			<i>Neaudituota</i>	
Finansinė būklė	2023	2024	2025	2025	2026
Ilgalaikis turtas iš viso	46 417 152	43 646 852	47 181 909	43 289 342	45 997 965
Trumpalaikis turtas iš viso	16 512 288	32 995 608	33 772 769	37 722 204	37 050 216
Turtas iš viso	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181
Nuosavas kapitalas iš viso	42 980 040	49 209 916	51 743 932	49 813 441	51 838 499
Ilgalaikiai įsipareigojimai iš viso	6 758 128	7 844 330	9 847 904	8 086 350	9 746 988
Trumpalaikiai įsipareigojimai iš viso	13 191 272	19 588 214	19 362 842	23 111 755	21 462 694
Įsipareigojimai iš viso	19 949 400	27 432 544	29 210 746	31 198 105	31 209 682
Nuosavas kapitalas ir įsipareigojimai iš viso	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181

Pasirinkta Bendrovės pinigų srautų ataskaita

	<i>Metai, pasibaigę gruodžio 31 d.</i>			<i>Trijų mėnesių laikotarpis, pasibaigęs kovo 31 d.</i>	
	<i>Patikrinta</i>			<i>Neaudituota</i>	
<i>Pinigų srautų ataskaita</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2025</i>	<i>2026</i>
Grynieji pagrindinės veiklos pinigų srautai	8 079 278	20 627 649	12 463 187	8 930 200	9 036 149
Grynieji investicinėje veikloje panaudoti pinigų srautai	(706 839)	(2 929 112)	(13 965 627)	(142 160)	(1 70 027)
Grynieji finansinėje veikloje panaudoti pinigų srautai	(7 120 653)	(3 570 713)	(8 540 566)	(621 067)	(836 237)
Grynasis pinigų ir pinigų ekvivalentų padidėjimas/(sumažėjimas)	251 788	14 127 825	(10 043 006)	8 166 973	8 029 885
Pinigai ir pinigų ekvivalentai laikotarpio pradžioje	137 910	389 696	14 517 521	14 517 521	16 974 515 ¹
Pinigai ir pinigų ekvivalentai laikotarpio pabaigoje	389 696	14 517 521	4 474 515	22 684 494	25 004 400

¹2025 m. gruodžio 31 d. pasibaigusiu finansinių metų audituotose finansinėse ataskaitose Pinigai ir pinigų ekvivalentai, kurių suma yra 4 474 515 EUR, ir Kitos trumpalaikės finansinės investicijos (terminuoti indėliai, kurių terminas yra trumpesnis nei 6 mėnesiai), kurių suma yra 12 500 000 EUR, balanse pateikiami kaip atskiros eilutės. Pateikimo tikslais šios eilutės šioje lentelėje sujungtos į vieną eilutę „Pinigai ir pinigų ekvivalentai“, kurios bendra suma yra 16 974 515 EUR.

Kokios yra pagrindinės Bendrovei būdingos rizikos?

Makroekonominės rizikos. Nepalankūs makroekonominiai pokyčiai Latvijoje, platesniame Baltijos regione ar pasaulyje gali turėti reikšmingą neigiamą poveikį Bendrovės veiklai ir veiklos aplinkai. Nuo 2026 m. pradžios dominuojantis makroekonominis sukrėtimas buvo karinio konflikto Artimuosiuose Rytuose eskalacija, sukėlus reikšmingiausius pasaulinių naftos rinkų sutrikimus pastarųjų metų istorijoje. Be to, bendras ekonomines sąlygas neigiamai paveikė užsitęsęs karas Ukrainoje, regioninės saugumo įtampos, įskaitant hibridines grėsmes, ir padidėjęs pasaulinės prekybos politikos neapibrėžtumas, kilęs dėl Jungtinių Amerikos Valstijų tarifų Europos prekėms ir atsakomųjų priemonių. Taip pat bet kokia reikšminga regioninės saugumo įtampos eskalacija arba NATO pozicijos ir gynybos politikos pokyčiai gali turėti netiesioginį poveikį Bendrovės veiklai, finansinei būklei ir perspektyvoms.

Rinkos prisotinimo ir naujų dalyvių rizikos. Latvijos infrastruktūros statybos ir priežiūros rinkai būdingas didelis prisotinimas ir didelė priklausomybė nuo riboto skaičiaus didelės vertės viešųjų pirkimų. Nors Bendrovė šiuo metu turi visas 19 LVC suteiktų valstybinės reikšmės kelių priežiūros sutarčių dalių 2022–2027 m. laikotarpiui, tai taip pat reiškia, kad bet koks sutarčių dalių praradimas būsime 2027–2032 m. pirkimų cikle gali turėti neproporcingą poveikį Bendrovės pajamoms, technikos parko panaudojimui ir regioninės darbo jėgos paskirstymui.

Žaliavų prieinamumo ir sankcijų rizikos. Veiklos tęstinumas ir techninis projektų vykdymas yra labai pažeidžiami dėl specializuotų medžiagų fizinio prieinamumo ir pasaulinių tiekimo tinklų sutrikimų. Medžiagų ir degalų sąnaudos finansiniais metais, pasibaigusiais 2025 m. gruodžio 31 d., sudarė 31,8% Bendrovės tiesioginių sąnaudų, t. y. 20,9 mln. EUR. Verslas priklauso nuo laiku pristatomo bitumo, techninės druskos ir smulkinto granito. Konflikto Artimuosiuose Rytuose eskalacija nuo 2025 m. gruodžio reikšmingai padidino naftos kainas ir Europos dujų kainas. Jeigu pastaruoju metu stebėtas aukščiausias dyzelino kainų lygis išliktų, tai galėtų padidinti Bendrovės sąnaudas iki 2 mln. EUR per 12 mėnesių laikotarpį kiekvienais 2026 ir 2027 metais. Be to, Bendrovė privalo užtikrinti griežtą atitiktį taikomiems Europos Sąjungos, Latvijos ir tarptautiniams sankcijų režimams, kurie gali riboti ar drausti tam tikrų medžiagų, prekių ar paslaugų pirkimą, importą, transportavimą ar naudojimą, mažinti prieinamų tiekėjų skaičių, riboti galimybę įsigyti medžiagas komerciškai palankiomis sąlygomis ir lemti vėlavimus, sąnaudų padidėjimą, sutartines baudas, darbų sustabdymą, reputacinę žalą ir galimą reguliacinę ar teisinę atsakomybę.

Pirkimų rezultatų neapibrėžtumo rizikos. Pagrindinė Bendrovės veiklos tęstinumo rizika kyla iš pirkimų procesams būdingo neapibrėžtumo. Paskutiniame Latvijos valstybinės reikšmės kelių priežiūros pirkimų cikle 2022–2027 m. laikotarpiui LAU Infra Grupa buvo suteiktos visos 19 sutarčių dalių Latvijos valstybinių kelių institucijos pirkimo procese. Tačiau nėra jokių garantijų, kad Bendrovei bus suteikta panaši darbų apimtis būsime pirkimų cikluose, įskaitant artėjantį penkerių metų pirkimų laikotarpį.

Viešojo subjekto dalyvavimo kapitalo bendrovėje rizikos. Bendrovė veikia kaip valstybės kontroliuojamas subjektas, o jos veikla turi atitikti Latvijos Valstybės administravimo struktūros įstatymo („SASL“) 88 straipsnio reikalavimus, kurie riboja viešojo subjekto dalyvavimą komercinėje veikloje iki atvejų, kuriais siekiama pašalinti rinkos nepakankamumą, užtikrinti strategiškai svarbias paslaugas arba valdyti nacionaliniam saugumui ir plėtrai svarbų turtą. Pagrindinė rizika yra galimas

reguliacinis nustatymas, kad viešojo subjekto dalyvavimas komercinėje veikloje pagal SASL yra nepagrįstas. Be SASL, Bendrovei kaip valstybės kontroliuojamam subjektui taip pat taikomi kiti teisės aktai, reglamentuojantys jos veiklą, valdymą ir turto naudojimą, kurie paprastai nėra taikomi privačioms biržoje listinguojamoms bendrovėms.

1.4.3. Informacija apie vertybinius popierius

Kokios yra pagrindinės vertybinių popierių savybės?

Rūšis, klasė ir ISIN

Siūlymo metu LAU Infra Grupa siūlo esamas paprastąsias Bendrovės akcijas ir naujai išleidžiamas paprastąsias Bendrovės akcijas. Siūlomas Akcijas sudaro Esamos Akcijos ir Naujos Akcijos, o jų skaičius gali būti padidintas Papildomo Siūlymo Akcijomis pagal Papildomo Siūlymo Galimybę. Visos Bendrovės akcijos, įskaitant Siūlomas Akcijas, yra nematerializuotos pareikštinės akcijos, kurių kiekvienos nominali vertė yra 1,00 EUR. Akcijos yra registruotos Nasdaq CSD pagal ISIN LV0000110906 ir apskaitomos nematerialiąja forma. Akcijų sertifikatai neišleidžiami ir negali būti išleidžiami.

Valiuta, nominali vertė, išleistų Akcijų skaičius ir galiojimo trukmė

Prospekto sudarymo dieną LAU Infra Grupa įstatinis kapitalas sudaro 35 202 323 EUR, padalytas į 35 202 323 nematerializuotas pareikštines akcijas. Visos esamos Akcijos yra tos pačios kategorijos, o kiekvienos apyvartoje esančios Akcijos nominali vertė yra 1,00 EUR. Visos esamos Akcijos yra visiškai apmokėtos ir visais atžvilgiais lygiavertės. Akcijos yra denominuotos eurais ir joms taikoma Latvijos teisė. Akcijos neturi nustatyto galiojimo termino.

Siūlomų Akcijų skaičius yra iki 6 400 421, kurias sudaro iki 3 840 253 Esamų Akcijų ir iki 1 280 084 Naujų Akcijų, kurių skaičius gali būti padidintas iki 1 280 084 Papildomo Siūlymo Akcijų. Todėl po sėkmingo įstatinio kapitalo padidinimo registravimo LAU Infra Grupa įstatinis kapitalas sudarys iki 37 762 491 EUR, padalytas į 37 762 491 Akciją, su sąlyga, kad Siūlomų Akcijų skaičius nebus pakeistas pagal Siūlymo sąlygas. LAU Infra Grupa akcininkų, esančių prieš pat Siūlymą, dalys dėl Siūlymo bus sumažintos iki 16,95%.

Su Akcijomis susijusios teisės

Visos Akcijos, įskaitant Siūlomas Akcijas, yra vienos klasės, visais atžvilgiais yra lygisvertės ir suteikia vienodas balsavimo teises. Siūlomos Akcijos suteiks teises į dividendus, jeigu Bendrovė nuspręš juos mokėti.

Kiekviena Akcija suteikia jos turėtojui teisę dalyvauti ir balsuoti akcininkų susirinkimuose, gauti dividendus, gauti likvidacinę kvotą Bendrovės likvidavimo atveju, perleisti Akciją, pasinaudoti pirmumo teisėmis Bendrovės įstatinio kapitalo didinimo atveju ir įgyvendinti kitas akcininko teises, numatytas Latvijos teisėje ir įstatuose.

Akcijų vieta Bendrovės kapitalo struktūroje nemokumo atveju

Akcijos nesuteikia jokių specialių teisių dalyvauti paskirstyme, įskaitant likvidavimo atvejį, išskyrus teises, kurios egzistuoja pagal Latvijos teisę. LAU Infra Grupa likvidavimo atveju kiekvienas Akcininkas turi teisę gauti likvidacinę kvotą proporcingai savo turimai daliai įstatymų nustatytais atvejais ir tvarka.

Akcijų perleidimo apribojimai

Akcijos, įskaitant Siūlomas Akcijas, yra laisvai perleidžiamos. Prieš Siūlymą Akcijos nebuvo įtrauktos į sąrašą ar listinguojamos jokiaje reguliuojamoje vertybinių popierių rinkoje, taip pat per einamuosius ar praėjusius finansinius metus joms nebuvo taikytas joks privalomas ar savanoriškas oficialus pasiūlymas supirkti akcijas.

Dividendų politika

2026 m. gegužės 26 d. Bendrovės Vienintelis Akcininkas patvirtino LAU Infra Grupa Dividendų Politiką, kuri įsigalios po Akcijų įtraukimo į Pagrindinį sąrašą.

Remdamasi dabartinėmis Bendrovės finansinėmis prognozėmis 2026 ir 2027 finansiniams metams ir pasiūlymo kaina, Bendrovė vertina, kad akcininkai gali gauti vidutinę maždaug 7% metinę dividendų grąžą per dvejų metų laikotarpį. Bendrovei taikomas minimalus dividendų išmokėjimo rodiklis yra nustatytas 64% nuo paskirstytino pelno. Be to, 2026 metų valstybės biudžeto įstatyme ir 2026, 2027 ir 2028 metų biudžeto struktūros įstatyme numatytas 90% Bendrovės paskirstytino pelno dividendų išmokėjimo rodiklis už 2026 ir 2027 finansinius metus.

Kur bus prekiaujama Akcijomis?

LAU Infra Grupa kartu su Siūlymu pateiks Nasdaq Riga paraišką dėl visų Akcijų, įskaitant Siūlomas Akcijas, įtraukimo į Nasdaq Riga Pagrindinį sąrašą ir leidimo jomis prekiauti. Prekyba Bendrovės Akcijomis Nasdaq Riga turėtų prasidėti apie 2026 m. liepos 3 d. Iki dienos, kai Siūlomos Akcijos, įskaitant Naujas Akcijas ir, jei taikoma, Papildomo Siūlymo Akcijas, bus užregistruotos nuolatiniu ISIN LV0000110906, prekyba Siūlomomis Akcijomis nevyks.

Kokios yra pagrindinės vertybiniam popieriui būdingos rizikos?

Akcijų kainos ir likvidumo rizika. Prieš Siūlymą Akcijomis nebuvo viešai prekiaujama Nasdaq Riga Pagrindiniame sąraše. Po Siūlymo Akcijų kaina gali svyruoti ir nėra garantijos, kad po Siūlymo susiformuos ar išliks aktyvi ir likvidi Akcijų rinka. Mažas Nasdaq Riga likvidumas gali apsunkinti Akcininkų galimybę parduoti Akcijas arba padidinti Akcijų kainos svyravimą.

Rizika, kad Vienintelis Akcininkas gali turėti interesų, kurie skiriasi nuo kitų Akcininkų interesų. Po Siūlymo tikimasi, kad Vienintelis Akcininkas išlaikys ne mažiau kaip 75,01% Bendrovės įstatinio kapitalo. Todėl Vienintelis Akcininkas gali daryti įtaką reikšmingiems Bendrovės korporatyviniams klausimams būdu, kuris nesutampa su kitų Akcininkų interesais, todėl tokie Akcininkai gali patirti nepalankias pasekmes.

Gebėjimo paskirstyti dividendus rizikos. Nėra jokios garantijos, kad ateityje bus paskirstomi dividendai ar atliekamas kitas kapitalo grąžinimas. Gebėjimas mokėti dividendus priklauso nuo Bendrovės finansinių rezultatų, pinigų srautų, investicijų poreikių, teisinių apribojimų ir taikomų reguliacinių reikalavimų.

Siūlymo atšaukimo rizikos. Bendrovė dės visas pastangas siekdama užtikrinti, kad Siūlymas būtų sėkmingas, tačiau nėra jokios garantijos, kad Siūlymas bus sėkmingas ar kad investuotojai gaus Siūlomas Akcijas, kurioms jie pasirašė. Bendrovė turi teisę atšaukti Siūlymą.

Mokesčių režimo pokyčių rizikos. Latvijoje Akcijų sandoriams ar dividendams taikomo mokesčių režimo pokyčiai gali padidinti Akcininkų mokestinę naštą ir neigiamai paveikti investicijų į Akcijas grąžą.

Akcijų vertės sumažėjimo dėl praskiedimo rizikos. Naujų Akcijų ir, jei taikoma, Papildomo Siūlymo Akcijų emisija sumažins ekonomines ir balsavimo teises esamų akcininkų, kurie nedalyvauja Siūlyme. Būsimos akcijų ar konvertuojamųjų vertybinių popierių emisijos taip pat gali sumažinti akcininkų ekonomines ir balsavimo teises.

1.4.4. Informacija apie viešą vertybinių popierių pasiūlymą visuomenei ir įtraukimą į prekybą reguliuojamoje rinkoje

Kokiomis sąlygomis ir koku grafiku galiu investuoti į šiuos vertybinius popierius?

Siūlymo metu siūloma iki 5 120 337 Pagrindinio Siūlymo Akcijų, kurias sudaro iki 3 840 253 Esamų Akcijų ir iki 1 280 084 Naujų Akcijų, kurių skaičius gali būti padidintas iki 1 280 084 Papildomo Siūlymo Akcijų pagal Papildomo Siūlymo Galimybę, iš viso iki 6 400 421 Siūlomos Akcijos. Siūlomos Akcijos siūlomos (i) viešai mažmeniniams investuotojams Latvijoje, Estijoje ir Lietuvoje ir (ii) neviešai kvalifikuotiems investuotojams Latvijoje ir tam tikrose pasirinktose Europos ekonominės erdvės valstybėse narėse, taip pat kitiems pasirinktiems investuotojams pagal taikomas išimtis.

Siūlymo Kaina yra 1,57 EUR už vieną Siūlomą Akciją, iš kurių 1,00 EUR yra vienos Siūlomos Akcijos nominali vertė, o 0,57 EUR yra emisijos priedas. Mažmeninis Siūlymas skirtas visiems mažmeniniams investuotojams Latvijoje, Estijoje ir Lietuvoje.

Orientacinis Siūlymo grafikas

Siūlymo Laikotarpio pradžia	2026 m. birželio 10 d.
Siūlymo Laikotarpio pabaiga	2026 m. birželio 19 d.
Siūlymo rezultatų ir paskirstymo paskelbimas	Apie 2026 m. birželio 26 d.
Atsiskaitymas už Siūlymą	Apie 2026 m. birželio 30 d.
Paraiškos dėl įstatinio kapitalo padidinimo registravimo pateikimas dėl Naujų Akcijų ir Papildomo Siūlymo Akcijų, už kurias atsiskaitoma laikinuoju ISIN	Apie 2026 m. liepos 1 d.
Akcijų perleidimas keičiant laikinas akcijas į akcijas su nuolatinio ISIN LV0000110906	Apie 2026 m. liepos 2 d.
Pirmoji prekybos diena Nasdaq Riga Pagrindiniame sąraše	Apie 2026 m. liepos 3 d.

Siūlymo tikslais Siūlyme galės dalyvauti tik tie potencialūs investuotojai, kurie Pasirašymo įsipareigojimų pateikimo metu arba iki jo yra atidarę vertybinių popierių sąskaitas pas paslaugų teikėjus, turinčius licenciją teikti tokias paslaugas Latvijoje, Lietuvoje ar Estijoje ir esančiuose Nasdaq Riga nariais arba turinčiuose atitinkamus susitarimus su Nasdaq Riga nariu.

Investuotojas, pageidaujantis pasirašyti Siūlomas Akcijas, turi susisiekti su finansų įstaiga, kuri yra Nasdaq Riga narė ir tvarko atitinkamo investuotojo vertybinių popierių sąskaitą, ir pateikti Pasirašymo įsipareigojimą dėl Siūlomų Akcijų įsigijimo tokia forma, kurią priima finansų įstaiga, ir laikantis Prospekto sąlygų.

Bendrovė priims sprendimą dėl Siūlomų Akcijų paskirstymo pasibaigus Siūlymo Laikotarpiui. Paskirstymas tarp Mažmeninio Siūlymo ir Institucinio Siūlymo nėra iš anksto nustatytas ir jį nuspręš LAU Infra Grupa. Bendras Siūlomų Akcijų skaičius gali sumažėti, jeigu bet kuri Siūlymo dalis bus atšaukta.

Atsiskaitymas už Siūlymą bus vykdomas per Nasdaq CSD. Siūlomos Akcijos iš pradžių bus paskirstomos investuotojams per Laikinas Akcijas, kurios atspindi investuotojo teises į Siūlomas Akcijas. Viena Laikina Akcija suteikia teisę gauti vieną Bendrovės Akciją. Užbaigus Siūlymą ir įregistravus Naujas Akcijas ir Papildomo Siūlymo Akcijas, jei tokių bus, Komerciniame registre, Laikinos Akcijos bus automatiškai pakeistos atitinkamu Akcijų skaičiumi santykiu vienas prie vieno. Nuosavybės teisė į Laikinas Akcijas pereis atitinkamam investuotojui, kai Laikinos Akcijos Atsiskaitymo Dieną bus įskaitytos į to investuotojo vertybinių popierių sąskaitą. Nuosavybės teisė į Siūlomas Akcijas pereis atitinkamam investuotojui Akcijų Pristatymo metu, kai atitinkamos Akcijos bus įskaitytos į to investuotojo vertybinių popierių sąskaitą pagal nuolatinį ISIN LV0000110906.

Tikėtina, kad dėl Siūlymo atsirandantis tiesioginis praskiedimas sudarys 16,95%. Bendros su Siūlymu tiesiogiai susijusios išlaidos turėtų sudaryti apie 480 000 EUR. Bendrovė ar Investuotojams nei Bendrovė, nei akcijų pardavėjas netaikys jokių mokesčių, išlaidų ar rinkliavų, susijusių su Siūlymu, tačiau investuotojai gali turėti padengti savo finansų įstaigų ar tarpininkų taikomus mokesčius.

Kodėl rengiamas šis Prospektas?

Šis Prospektas rengiamas siekiant pasiūlyti esamas ir naujai išleidžiamas LAU Infra Grupa akcijas bei įtraukti visas Bendrovės akcijas į Nasdaq Riga pagrindinį sąrašą ir prekybą jame.

Siūlymą sudaro dvi dalys: Parduodančio Akcininko vykdomas Esamų Akcijų pardavimas ir Bendrovės vykdoma Naujų Akcijų bei galimų Papildomo Siūlymo Naujų Akcijų emisija ir pardavimas. Esamų Akcijų pardavimo tikslas yra sudaryti mišrią nuosavybės struktūrą, užtikrinti tinkamą laisvai cirkuliuojančių akcijų kiekį, likvidumą po įtraukimo į prekybą ir rinkos pagrindu formuojamą kainodarą, taip pat gauti įplaukų Latvijos valstybės biudžetui.

Naujų Akcijų ir galimų Papildomo Siūlymo Naujų Akcijų emisijos ir pardavimo tikslas yra diversifikuoti ir sustiprinti Bendrovės kapitalo bazę ir pagerinti prieigą prie nuosavo kapitalo rinkų, įskaitant papildomo finansavimo pritraukimą Bendrovės tolesnei plėtrai, veiklos plėtimui ir investicinių projektų įgyvendinimui, taip pat sustiprinti Bendrovės ilgalaikį finansinį lankstumą ir finansavimo šaltinių įvairovę, remiant Bendrovės investicinę programą, įskaitant (i) plėtrą pasirinktose užsienio rinkose, pirmiausia Baltijos valstybėse ir Skandinavijoje, (ii) plėtrą į gretimas infrastruktūros ir strateginės saugumo infrastruktūros paslaugų sritis ir (iii) pajėgumų didinimą bei produktyvumą didinančias investicijas.

Darant prielaidą, kad bus pasirašytos visos Siūlomos Akcijos, Bendrovei priskirtinos bendrosios pajamos turėtų sudaryti iki 4 019 464 EUR, o Parduodančiam Akcininkui priskirtinos bendrosios pajamos turėtų sudaryti iki 6 029 197 EUR.

2.

RISK FACTORS

An investment in the Shares involves risks. Prospective investors should carefully consider all of the risk factors and other information contained in this Prospectus before making an investment decision. The occurrence of any of the risks described below, either individually or in combination, may have a material adverse effect on the Company's business, financial condition, results of operations, cash flows, prospects or the market price and value of the Shares. As a result, investors may lose part or all of the value of their investment.

The risks and uncertainties described in this section are inherent in the business activities of LAU Infra Grupa. In addition to the risks presented herein, the Company may be exposed to further risks and uncertainties that are currently not known to the Company or that the Company currently considers immaterial, but which may nevertheless have a material adverse effect on its business.

The risks are presented in a limited number of categories, placing each risk factor in the most appropriate category based on the nature of the risk it represents. Within each category, the risk factors are presented in an order reflecting their relative materiality to the Company, with the most material risk factors presented first. Such ordering is based on the assessment and judgement of the Management Board as of the date of this Prospectus, taking into account, where relevant, the likelihood of occurrence of the risk and the scale of its potential adverse effect on the business of LAU Infra Grupa. This ordering should not be interpreted as a prediction of future outcomes.

The categories and order of the risk factors are provided solely for ease of reference and should not be considered in isolation from the detailed description of each individual risk. Certain risks may be interrelated or may fall within more than one category. Prospective investors are therefore encouraged to consider all risk factors set out in this section as a whole.

If any of these risks materialise, the market price and value of the Shares may decline, and investors may suffer a loss of some or all of their investment. Prospective investors should consult their own legal, tax and financial advisers to assess the suitability of an investment in the Shares in light of their individual circumstances.

The risks presented herein have been divided into five categories based on their nature:

2.1. Risks related to the Company's operating environment;

2.2. Risks related to the Company's business;

2.3. Risks related to the Company's financing;

2.4. Legal and Regulatory risks

2.5. Risks related to the Offering and Shares

The above categories are not presented in any order of materiality, nevertheless, the most material risks are presented at the beginning of each category listed in this Section. The order of the remaining risks included in each category does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the cash flows, financial performance and financial condition of the Company.

2.1. Risks related to the Company's operating environment

2.1.1. Macroeconomic risks

Unfavourable macroeconomic developments in Latvia, the wider Baltic region, or globally may have a material adverse effect on the Company's business and operating environment. The dominant macroeconomic shock since the beginning of 2022 has been the escalation of military conflict in the Middle East, which has caused the most significant disruption to global oil markets in recent history, materially increased European natural gas prices, and led to a broad repricing of inflation expectations and growth prospects across the euro area. Oil prices have risen significantly since December 2022, reflecting concerns over disruptions to shipments through the Strait of Hormuz, through which approximately 20% of global oil supply and a significant proportion of liquefied natural gas supply ordinarily transit. European gas prices have also risen significantly over the same period. These developments have caused disruptions in supply chains and price fluctuations, particularly affecting the costs of bitumen, fuel and specialised equipment, which are essential to the Company's operations. Given that fuel accounted for approximately 83% of the Company's total energy consumption in 2022, and that the Company's operations are dependent on diesel-powered heavy machinery, the sustained elevation of energy prices may have a direct and material impact on operating costs, subcontractor pricing, and the competitiveness of the Company's tender submissions in price-sensitive public procurement processes.

In addition, general economic conditions have been adversely affected by the prolongation of the war in Ukraine, regional security tensions including hybrid interference, and elevated global trade policy uncertainty arising from the imposition of tariffs by the United States on European goods and retaliatory measures, which have weakened external demand for euro area exports and contributed to subdued economic growth among Latvia's key trading partners. According to the European Commission Spring 2023 Economic Forecast published on 21 May 2023, Latvia's GDP growth is now projected

at 1.4% in 2026 and 1.6% in 2027, representing downward revision from the Bank of Latvia's December 2025 projection of 2.8% GDP growth for 2026. Inflation is expected to rise to 3.6% in 2026 due to higher energy prices. Any material escalation in regional security tensions or shifts in NATO posture and defence policy could have further indirect effects on the Company's business, financial condition and prospects.

In order to limit the impact of fluctuations in the prices of raw materials and energy resources, the Company negotiates with customers on price indexation. However, there is no guarantee that such mechanisms will be available in all contracts or that the Company will always be able to fully or timely pass on cost increases to customers. There is also no guarantee that the risk management measures implemented by the Company will be sufficient to mitigate the negative impact of price increases or supply disruptions. If the prices of energy resources, fuel, bitumen or other essential raw materials remain at the current level, this will have a negative impact on the profitability of the concluded contracts. On the other hand, if prices continue to increase unpredictably and supply chains are disrupted, this may adversely affect the Company's future operations, financial condition, and results of operations. The Company's revenue is predominantly generated from infrastructure projects within the public sector, which are awarded through competitive procurement processes. Latvia's fiscal position is expected to deteriorate over the forecast horizon: according to the European Commission Spring 2026 Economic Forecast, the general government deficit is projected to widen from 2.5% of GDP in 2025 to 3.3% in 2026 and 4.3% in 2027, with gross public debt projected to increase from 46.9% of GDP in 2025 to 53.8% by 2027, driven primarily by increased defence expenditure (Latvia currently allocates around 4.7 to 4.9% of GDP to defence), rising interest costs and growing social benefit obligations. General economic uncertainty and the increasing indebtedness of the Latvian state and local municipalities could have an adverse effect on the volume of investment in infrastructure construction. Since the Company operates as a commercial entity, it is highly sensitive to public sector demand; if the general economic situation weakens, or if competing fiscal demands (including defence and social expenditure) lead to reprioritisation of public expenditure away from road and transport infrastructure, public customers may postpone new projects, delay decision-making, or implement budget cuts that lead to the cancellation of existing tenders. Furthermore, as the Company is commercially dependent on winning these contracts in an open market, any significant reduction in public spending on infrastructure would intensify competition among market participants, potentially forcing the Company to accept lower margins to maintain its market share.

2.1.2. Market saturation and new entrants' risks

The infrastructure construction and maintenance market in Latvia is characterised by high saturation and a heavy reliance on a limited number of high-value public procurement tenders. The Company currently holds all 19 state road maintenance contract lots awarded by LVC for the 2022–2027 period and ranked as the largest company in the road and bridge construction segment by revenue in 2024 in Latvia. While this position reflects the Company's operational capabilities, it also means that any loss of contract lots in the upcoming 2027–2032 procurement cycle could have a disproportionate impact on the Company's revenue, fleet utilisation and regional workforce deployment. Competition in road construction procurement continues to intensify: according to LVC data, the average number of bidders per road construction tender reached 4.65 in 2024 and per bridge construction tender 4.06, in each case more than doubling compared to 2018. As the overall volume of available work is limited, any stagnation or reduction in public infrastructure spending may intensify competition among market participants, often leading to aggressive price-cutting aimed at securing contracts and maintaining workforce and machinery utilisation.

In addition, competitive pressure in the road maintenance segment is increasing due to market convergence. Traditional construction companies and environmental services companies are increasingly entering the road and urban infrastructure maintenance business as part of broader diversification strategies and efforts to mitigate the seasonality of their core operations. This convergence of market participants may further intensify competition, exert downward pressure on pricing, and reduce margins across the sector, which could adversely affect the Company's ability to win contracts and maintain profitability. The Company also intends to selectively assess expansion opportunities in the Baltic and Scandinavian markets. Any entry into new geographic markets may involve additional risks, including unfamiliar procurement practices, local technical standards, partnership requirements, mobilisation costs, regulatory and labour-market differences and competition from established local participants. These risks will be assessed in greater detail if and when specific market-entry steps are taken.

In response to competitive pressures, the Company implemented a targeted investment programme in 2025, exceeding 10 million EUR, aimed at the modernisation of its machinery fleet, digitalisation and the development of its internal infrastructure. However, there can be no assurance that these expansion plans or modernization efforts will be successful or achieve the intended operational efficiencies. Such capital expenditures represent a significant commitment of financial resources but do not serve as a guarantee of a long-term competitive advantage.

2.1.3. Raw materials availability and sanctions risks

Operational continuity and the technical execution of projects are highly vulnerable to the physical availability of specialised materials and disruptions within global supply networks. Material and fuel costs constituted 31.8% of the Company's direct costs in the financial year ended 31 December 2025 (2024: 34.8%; 2023: 53%), amounting to EUR 20.9 million in 2025. The business is dependent on the timely delivery of bitumen, technical salt and crushed granite. The escalation of the conflict in the Middle East, which has disrupted shipments through the Strait of Hormuz, a transit route for approximately 20% of global oil supply and a significant proportion of liquefied natural gas, and has caused oil

prices and European gas prices to increase significantly since December 2025. Bitumen, a petroleum derivative, is directly affected by crude oil price movements, and the availability and pricing of bitumen is therefore closely correlated with global oil market conditions. The Company's management estimates that, if the highest recently observed diesel fuel price levels are maintained, this could increase the Company's expenses by up to EUR 2 million on a 12-month basis in each of 2026 and 2027. The Company partially mitigates its exposure to input material price fluctuations through its own production of mineral materials from a network of over 30 quarries distributed across Latvia and through framework arrangements with several suppliers for fuel, bitumen emulsions, technical salt and other key inputs. However, these measures may not be sufficient to fully offset the impact of sustained price increases or supply disruption. Political tensions, shifts in international trade policies or military actions in key sourcing or transit regions can result in delays or total unavailability of specific technical components or raw materials required by contract specifications, potentially leading to project delays, cost increases, contractual penalties and suspensions.

In addition, the Company is required to ensure strict compliance with applicable European Union, Latvian and international sanctions regimes. Such sanctions regulations may restrict or prohibit the procurement, import, transportation or use of certain materials, goods or services originating from, or supplied by, sanctioned jurisdictions, entities or individuals. Given the historical significance of Russian and Belarusian supply chains for certain construction materials and energy commodities in the Baltic region, the existing sanctions framework has already reduced the number of available suppliers for certain inputs. Compliance requirements may also necessitate enhanced supplier due diligence, additional contractual safeguards and procurement restrictions, which may further reduce the number of available suppliers or limit the ability to source materials on commercially favourable terms.

Any changes in sanctions regulations, the introduction of new sanctions, or the designation of new sanctioned counterparties may result in delays or the complete unavailability of certain technical components or raw materials required under contract specifications. This may lead to disruptions in project execution, increased procurement and compliance costs, contractual penalties, suspension of works, reputational damage and potential regulatory or legal liability.

2.1.4. Risk that the Company may be affected by political considerations and changes in public policy due to its status as a public person-controlled company

Following the Offering, the State, acting through the Ministry of Transport, is expected to remain the controlling shareholder of the Company and to hold at least 75.01% of the Company's share capital. As a result, the Company's strategy, investment priorities, dividend expectations, expansion plans, participation in new business areas, mergers and acquisitions, or the scope of services provided by the Company may be affected by broader public policy, fiscal, infrastructure, regional development, national security or other strategic considerations.

In addition, the Company operates in sectors closely linked to public infrastructure. Accordingly, changes in government, the composition of the Parliament of the Republic of Latvia (in Latvian: *Saeima*), public policy priorities, budgetary considerations, shareholder expectations or the approach of public authorities towards state participation in capital companies may affect the Company's operating environment and the implementation of its strategy. In May 2026, the government of Prime Minister Evika Siliņa collapsed following political backlash over the handling of stray Ukrainian drone strikes on Latvian territory. A new coalition government led by Prime Minister Andris Kulbergs, with a new Minister of Transport appointed. Although the Company's Management Board and Supervisory Board remain in place, the change in the holder of the State's shareholder rights exercised through the Ministry of Transport may result in revised shareholder expectations, a new expectations letter (in Latvian: *gaidu vēstule*), or changes to the Company's medium-term operational strategy, dividend policy or investment priorities. Furthermore, parliamentary elections in Latvia are scheduled for 3 October 2026, and their outcome could lead to further changes in government policy, coalition composition or priorities relevant to the Company's business, including the approach to state participation in capital companies, infrastructure investment levels and the scope of services expected from the Company. Additionally, the government of the Republic of Latvia could influence the business of the Company by adopting new legislation with which the Company is bound to comply.

Any such developments may result in changes to the Company's strategic direction, investment plans, expansion strategy, capital allocation, dividend expectations or the scope of services expected from the Company. This could limit the Company's operational flexibility, delay or prevent the implementation of certain strategic initiatives, require the Company to allocate resources in a manner different from that which would be chosen by a privately-owned listed company, or otherwise have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

2.1.5. Human resources availability and demographic risks

The Company is exposed to labour market risks driven by demographic and structural developments in Latvia. The Company employs more than 1,000 employees, of whom approximately 79% are engaged in road maintenance and construction works. Approximately 55% of the Company's employees have been employed for more than ten years, which, while demonstrating operational continuity, also highlights a significant succession risk as a material proportion of experienced specialists are at or approaching retirement age. Employee remuneration costs constitute the single largest component of the Company's operating cost base. According to the European Commission Spring 2026 Economic

Forecast, nominal compensation per employee in Latvia grew by 8.4% in 2025 and is projected to remain at approximately 7.0% in 2026, driven by minimum wage increases, public sector wage growth and persistent skill shortages. Latvia's unemployment rate remains at approximately 6.8–6.9%, indicating a structurally tight labour market.

The country faces an unfavourable demographic trend, including a declining population and an ageing workforce, which reduces the overall availability of labour and limits the pool of potential employees. In addition, the construction sector is experiencing limited interest from younger generations, particularly for lower-skilled and physically demanding roles, as employees increasingly prefer alternative industries offering higher wages, better working conditions or more flexible employment opportunities. The availability of qualified personnel is further constrained by insufficient capacity and limited specialised programmes within the vocational education system, resulting in an inadequate supply of skilled workers specifically trained for infrastructure construction and road maintenance activities. The Company also faces intensified competition for labour from other European Union countries, where higher remuneration levels contribute to labour migration and wage inflation in Latvia. Furthermore, the presence of informal employment and shadow economy practices in the construction sector may distort competition and make it more difficult for the Company to attract and retain legally employed personnel. These factors may increase labour costs, limit the Company's ability to recruit and retain qualified employees, and negatively affect its operational capacity, project execution and profitability.

2.1.6. Severe or exceptional weather condition risks

Significant risks arise from the increasing frequency, unpredictability and severity of weather events, a trend which is accelerating. According to the Copernicus Climate Change Service, global surface air temperatures have consistently exceeded pre-industrial levels by more than 1.4°C in recent months, and the average global temperatures for the past three years (2023–2025) exceeded the 1.5°C threshold for the first time on a three-year average basis. Latvia is directly exposed to these trends: in January 2026, Europe experienced its coldest January since 2010 as a meandering polar jet stream displaced Arctic air across the Baltic States, while March 2026 was the second-warmest March on record for Europe, with the most pronounced warming occurring over the Baltic States and northern Fennoscandia. Such conditions may adversely affect the Company's operations, including the provision of services, employee health and safety, infrastructure and vehicle fleet, as well as overall traffic safety. The Company's operations are organised seasonally, with winter maintenance (16 October to 15 April) requiring 24-hour mobilisation for snow clearance, anti-skid treatment and emergency repairs, and summer maintenance (16 April to 15 October) focused on pavement repair, surface dressing, drainage management and roadside maintenance. Unpredictable shifts between extreme cold and unusual warmth compress or extend these seasonal windows, complicating workforce planning, equipment deployment and the timing of construction works.

Extreme events such as sudden flash floods, prolonged heatwaves, and rapid freeze–thaw cycles may cause direct damage to drainage systems and road surfaces, potentially exceeding the technical design parameters of existing infrastructure. Long-term climate data for Latvia indicates that the official Latvian climate data show a clear warming trend: mean air temperature increased by 0.7°C from 1960 to 2010, while minimum annual air temperature increased by 1.9°C, and the strongest average annual temperature increases reached 1.7°C, with the number of hot days and summer days increasing materially across the Baltic region since 1990 and the number of frost days declining. Although the overall number of frost and ice days is declining, more variable near-zero conditions during transitional periods may increase pavement stress from freeze–thaw, thaw weakening and moisture-related deterioration, which are particularly destructive to asphalt pavement structures, and to increase the incidence of extreme precipitation events, which can overwhelm drainage infrastructure designed to historical capacity parameters. For a company maintaining over 20,000 kilometres of road network on a year-round basis, such developments may require unplanned increases in the volume and cost of remedial works, accelerated deterioration of road assets under maintenance contracts, and higher consumption of anti-skid materials and fuel during atypical winter weather events.

The Company organises its operations to address these risks through a continuous, year-round maintenance process that includes 24/7 winter service readiness across the territory of Latvia. To maintain traffic safety and infrastructure resilience, the Company utilises real-time GPS tracking and data from meteorological stations to enable rapid response to changing conditions across the territory of Latvia. While these systems and operational preparedness enhance responsiveness and flexibility, there remains a risk that exceptionally severe or unforeseen weather events may exceed available operational capacity and disrupt planned activities. In addition, the increasing unpredictability of weather patterns may reduce the effective length of the summer construction season, which is the primary period for asphalt laying and surface works, and thereby compress the window available for the execution of fixed-term construction contracts subject to contractual completion deadlines.

2.2. Risks related to the Company's business

2.2.1. Procurement outcome uncertainty risks

The primary risk to the continuity of the Company's business arises from the inherent uncertainty associated with procurement processes. In the most recent procurement cycle for the maintenance of Latvian state roads for the 2022–2027 period, LAU Infra Grupa was awarded all 19 contract lots by the Latvian State Roads authority procurement process. The state road maintenance procurement model is organised in 19 territorial units and this structure is

maintained for the 2027–2032 procurement cycle. However, there can be no assurance that the Company will be awarded a comparable scope of work in future procurement cycles, including the upcoming five-year tender period.

Public procurement procedures are competitive and governed by predefined evaluation criteria, which may include price, technical capacity, and quality parameters. The outcome of such tenders may be influenced by changes in evaluation methodology, increased competition, or more aggressive pricing strategies from other market participants. The Company's contract portfolio is generally composed of multiple smaller contracts and contract lots rather than a limited number of individually large contracts, meaning that the Company must continue to secure a sufficient aggregate volume of contract awards to maintain current utilisation and revenue levels. The public sector accounts for approximately 95% of the Company's customer portfolio in terms of turnover, two largest customers being, VSIA Latvijas Valsts ceļi and VAS Valsts nekustamie īpašumi. As a result, the Company faces the risk that future contract awards may differ materially from the current contract portfolio. If the Company fails to secure a sufficient volume of contracts in future procurement cycles, this could result in a reduction in its project pipeline, lower utilisation of the technical fleet, and a potential decline in market share and revenue levels.

2.2.2. Project-based nature of the business, including, adherence to schedule risks

Significant operational and financial risks arise from the project-based structure of the infrastructure industry, where revenue is generated through the execution of individual, fixed-term contracts. In 2025, construction services generated EUR 68.7 million (approximately 71% of net turnover) while maintenance services generated EUR 24.5 million (approximately 25% of net turnover). The Company's contract portfolio is characterised by a high volume of contracts, with 55% by number falling within the EUR 1–5 million range and 20% exceeding EUR 10 million. Each project requires coordination of technical design, labour allocation, and logistical planning, all of which are subject to contractual deadlines. Delays or disruptions to project execution may arise from unforeseen technical conditions, including sub-surface conditions, adverse weather, or interruptions in the supply of external materials.

As the majority of projects are awarded through public procurement, the Company is subject to contractual provisions that may include contractual penalties for delay or non-performance, as well as performance security requirements. Failure to meet agreed timelines may therefore result in the application of contractual penalties, the calling of performance guarantees, claims for actual damages (to the extent proven by the contracting authority), exclusion from ongoing or future procurement procedures, and reputational impact that could affect the Company's ability to compete in subsequent tenders.

This project-based operating model exposes the Company to execution risk, particularly under fixed-price contractual arrangements, where cost overruns or delays cannot always be passed on to the client. The Company's state road maintenance contracts are based on unit-price models, where revenue depends on the volume of works actually performed, while construction contracts are generally awarded on a fixed-price or lump-sum basis, under which the Company bears the risk of cost increases arising after the date of tender submission. Delays in project completion may also affect the timing of resource mobilisation, including the deployment of specialised machinery and personnel to subsequent projects, which may result in reduced operational efficiency and the postponement of revenue generation from follow-on contracts. Given that the Company operates multiple concurrent projects across the territory of Latvia utilising a fleet enabling the performance of more than 200 categories of works, any material delay on one project may have cascading effects on the scheduling and execution of other contracts.

2.2.3. Personnel and workforce related risks

Internal risks are associated with the Company's workforce structure and personnel management. The Company employs more than 1,000 employees, of whom approximately 79% are engaged in road maintenance and construction works and the remainder in production, technical and administrative support functions. Approximately 55% of employees have been with the Company for more than ten years. While this reflects operational continuity and deep institutional knowledge, it also means that a material proportion of the Company's experienced specialists are either at or approaching retirement age, with limited availability of replacements possessing equivalent qualifications and field experience. This creates a succession risk: the simultaneous retirement of multiple long-tenured employees within the same regional operational unit or specialisation could result in a loss of institutional knowledge and reduced operational capacity in that area, and a temporary decline in the quality or responsiveness of service delivery. At the same time, the recruitment of younger employees remains challenging, which may hinder effective knowledge transfer within the organisation.

In addition, there is a risk that insufficient workforce availability may limit the Company's ability to flexibly increase staffing levels during peak seasonal periods. The Company's operations are organised seasonally, with the summer season (16 April to 15 October) representing the primary period for construction and pavement works, and the winter season (16 October to 15 April) requiring full 24-hour mobilisation for snow clearance, anti-skid treatment and emergency response. Staffing levels must be scaled accordingly, and an inability to recruit or redeploy sufficient personnel during peak demand periods could adversely affect project execution timelines, contractual compliance and service quality. The Company may also face employee retention risks in a competitive labour market. Qualified technical personnel who are in high demand, as well as constraints in rapidly training new employees for specialised technical roles, including the operation of specialised machinery, application of technical salt and anti-skid materials, bituminous surface works and

compliance with strict road construction specifications, may further limit the Company's ability to replace departing personnel or to scale its workforce in response to new contract awards.

Overall, these factors create a complex set of workforce-related risks that may materially affect the Company's ability to maintain stable operations, meet contractual service levels (including the 24/7 response requirements applicable to state road maintenance) and successfully execute multiple infrastructure projects simultaneously across a geographically distributed network of 19 maintenance contract areas and numerous concurrent construction assignments.

2.2.4. Health and safety risks

The nature of the Company's operations involves inherently high-risk working environments, specifically road maintenance and construction activities conducted in proximity to live traffic and active construction zones. As a result, employees are exposed to elevated occupational health and safety risks, including potential incidents involving heavy machinery, moving vehicles, and other on-site operational hazards. In 2025, the Company recorded seven work-related incidents, all classified as minor, two occupational illness cases, and zero fatalities — consistent with an annual average of seven recordable incidents over the past four years, representing a low incident rate relative to the scale and nature of the Company's operations.

Key internal risk factors include physical stressors such as noise, vibration, and exposure to extreme weather conditions, including high summer temperatures and low winter temperatures. In addition, employees may be exposed to psycho-emotional stress related to night shifts, irregular working hours, and time-sensitive operational requirements.

These conditions increase the risk of workplace accidents and injuries, which may adversely affect employee health and wellbeing. At the same time, such incidents may also impact operational continuity, project execution timelines, and the Company's reputation.

Since 2022, the Company has been a signatory of the Mission Zero Charter, committing to a culture of zero work-related fatalities and a reduction in occupational injuries. To mitigate health and safety risks, the Company conducts regular mandatory health checks, and comprehensive safety briefings, continuous training programmes, and the provision of appropriate personal protective equipment. Despite these structured preventive measures, the human factor remains a critical and unpredictable vulnerability. In an industry characterised by heavy machinery and proximity to public traffic, human error or lapses in concentration can make certain traumas nearly inevitable. These incidents may not only impact employee wellbeing, but they also may threaten project execution schedules and the Company's professional reputation.

2.2.5. Liability for errors of the employees and performance of subcontractors' risks

As a primary contractor the Company bears full responsibility for the quality of work delivered, regardless of whether it was performed by internal staff or third-party subcontractors. In the road construction industry, even minor technical errors, such as incorrect material mixing, improper asphalt compaction, or deviations from engineering specifications, can lead to significant latent defects. Because the Company's projects are typically subject to multi-year warranty periods, the financial impact of employee errors may not materialise until years after a project's completion. The Company's audited financial statements record warranty repair costs of EUR 34,290 in 2023, EUR 618,535 in 2024 and EUR 546,957 in 2025, reflecting the materialisation of warranty obligations in respect of completed projects. Any requirement to perform extensive remedial works at the Company's own expense may directly erode profitability and could lead to the forfeiture of performance bank guarantees.

The risk is further amplified by the Company's reliance on subcontractors for specialised tasks. While subcontracting allows for operational flexibility, it introduces a layer of execution risk that is outside the Company's direct daily management. If a subcontractor fails to adhere to schedules, violates safety protocols, or delivers substandard work, the Company remains the sole party liable to the customer.

2.2.6. IT systems risks

The operational efficiency and strategic transition toward data-driven management are currently hindered by significant fragmentation within its IT architecture. A primary internal risk is the continued reliance on manual data entry across various departments, which increases the probability of human error and delays in real-time decision-making and reporting processes.

To address these challenges, the Company has initiated the implementation of a unified enterprise resource and financial management system, operational data capture tools, and data analytics solutions, alongside the automation of selected processes. These measures, which commenced in 2025, are intended to reduce system fragmentation and reliance on manual data processing, with full implementation currently planned for 2026.

In addition, the Company's ongoing digitalisation initiatives increase its exposure to cybersecurity risks by expanding the potential attack surface. Existing system fragmentation complicates the consistent application of unified cybersecurity protocols across all platforms, thereby increasing vulnerability to data breaches, ransomware attacks, or the loss of

sensitive project-related documentation. The Company complies with applicable data protection legislation, including the requirements of the GDPR; however, any data protection breaches or regulatory non-compliance may adversely affect the Company's operations, reputation, and financial results.

To mitigate these risks, the Company has updated its internal policies and procedures during 2025-2026 and implemented a series of technical and organisational measures. These include network restructuring, system inventory and consolidation efforts, improvements to IT infrastructure and system resilience, as well as employee training aimed at strengthening cybersecurity awareness and reducing operational vulnerabilities. Despite these measures, cybersecurity risks cannot be fully eliminated and remain an inherent risk in an increasingly digital operating environment.

2.2.7. Dependency on equipment availability and supply chain

The Company's operational continuity and capacity to fulfil large-scale infrastructure mandates are inherently tied to the availability, readiness, and timely deployment of its specialised technical fleet. This readiness refers to the entire lifecycle of the machinery necessary to execute complex road works - from the strategic planning for the allocation of assets across several concurrent project sites to the rapid-response maintenance and repair processes required to minimise downtime.

A key internal risk relates to extended lead times in the procurement of specialised equipment and, in certain cases, spare parts. The availability of such machinery and components may be constrained by long manufacturing or delivery cycles, limited supplier capacity, or disruptions in global supply chains. These factors may delay the replacement, upgrade, or repair of critical equipment and, consequently, affect operational readiness.

The Company operates within a capital-intensive structure, where efficient utilisation of its technical fleet is essential to optimise asset depreciation and maintain cost efficiency. Prolonged equipment downtime or delays in the availability of required machinery or spare parts may adversely affect the Company's ability to meet project timelines, allocate resources efficiently across multiple sites, and execute its planned growth strategy. As a result, delays in equipment procurement or repair processes may have a material adverse impact on operational performance, project execution capacity, and overall business continuity.

2.2.8. Conflicts of interest, corruption and fraud risks

The Company maintains a zero-tolerance policy toward employee misconduct, corruption, and fraud, recognising that such actions may result in financial losses, operational disruptions and reputational damage.

The Company is exposed to corruption, conflicts of interest and fraud risks, which differ in nature and scope. Corruption risk primarily arises in connection with interactions with public sector institutions and public officials, particularly in the context of public procurement procedures and contract execution. Conflict of interest risks may arise both in relation to public officials, to the extent applicable under relevant legislation, and within the Company's internal decision-making and procurement processes. Fraud risk applies broadly to all individuals, including employees, management and third parties, and may occur both within internal operations and in dealings with suppliers and subcontractors.

The Company has implemented internal control systems, governance policies and a whistleblowing mechanism designed to enable reporting of suspected misconduct. However, there can be no assurance that such measures will prevent or detect all instances of corruption, fraud or conflicts of interest in a timely manner, or fully mitigate such risks.

Any failure to prevent, detect or appropriately address such conduct may result in adverse consequences, including termination of contracts, exclusion from or limitations in participation in public procurement procedures, regulatory investigations, administrative or criminal sanctions, financial penalties and civil liability. In addition, such events may adversely affect the Company's reputation, stakeholder confidence and its relationships with public authorities, customers and other counterparties, and may have a material adverse effect on the Company's business, financial condition and results of operations.

2.2.9. Environmental and pollution risks

The Company's operations involve regular use, storage, handling and transportation of substances that may pose environmental risks, including petroleum products, oils, technical fluids, bitumen products, paints, solvents and other hazardous materials. In the course of its road maintenance, construction and mineral extraction activities, the Company operates fuel storage facilities, including six fuel filling stations with underground reservoirs, workshops, production bases and quarry sites across the territory of Latvia, all of which give rise to a risk of accidental fuel spillages, leaks or other releases of pollutants into soil, groundwater or surface water.

The Company holds B and C category polluting activity permits issued by the State Environmental Service and is required to maintain hazardous substance accounting, storage and management systems, as well as to conduct regular environmental monitoring, including groundwater monitoring at fuel storage sites, wastewater monitoring and air emissions measurements. Historical contamination from petroleum products persists at two sites dating from the Soviet era, where groundwater pollution levels are gradually decreasing over time and are being monitored, with no exceedances

of applicable regulatory thresholds reported based on the latest available data. Although the Company conducts ongoing environmental monitoring and no material leaks have been identified or reported in the last reporting year that could give rise to a material contamination risk to soil or water, there can be no assurance that accidental spillages, equipment failures, human error or other operational incidents will not occur in the future. The Company's environmental management systems and internal controls may not prevent all such incidents, particularly in the case of unforeseen circumstances.

The Company's operations also generate various categories of hazardous waste, including used motor oils, transmission oils and lubricants, oil filters, absorbent materials and protective clothing contaminated with hazardous substances, lead batteries, fluorescent lamps and other mercury-containing waste, and asbestos-containing construction materials.

Furthermore, the Company's fuel-intensive operations, which accounted for approximately 83% of total energy from fossil fuel sources in 2025, primarily diesel for transport and heavy machinery, expose the Company to risks associated with the handling and use of such fuels, including potential localised spillages and contamination during refuelling and operational activities. Any significant environmental incident, including fuel spills, groundwater contamination or breaches of permit conditions, could result in fines, mandatory remediation at the Company's expense, suspension of operations at affected sites, reputational damage, exclusion from public procurement procedures and potential civil or regulatory liability. Changes in environmental legislation, the introduction of stricter pollution thresholds or enhanced enforcement by environmental authorities could further increase the Company's compliance burden, operating costs and exposure to environmental liability.

2.3. Risks related to the Company's financing

2.3.1. Fluctuations in interest rate risks

The Company's financial stability is sensitive to movements in market interest rates, particularly EURIBOR, which serves as the benchmark for its variable-rate credit facilities and leasing obligations. As the Company maintains a significant fleet of specialised technical equipment and infrastructure, its debt service requirements constitute a major component of its fixed operational costs. There is a material risk that any further tightening of monetary policy or a sustained high-interest-rate environment will increase the cost of borrowing, directly eroding the Company's net profit margins and reducing the capital available.

2.3.2. Credit and counterparty risks

Credit risk represents the potential for financial loss if a counterparty fails to fulfil its contractual payment obligations. For the Company, this risk is bifurcated between its historical reliance on public sector entities and its strategic pivot toward a more diversified, commercialised customer base. While the credit risk associated with major state institutions such as VSIA Latvijas Valsts ceļi and VAS Valsts nekustamie īpašumi is considered low due to the sovereign nature of their funding, the Company remains vulnerable to administrative delays in payment processing or disputes over technical acceptance of works, which can temporarily impair cash flow.

As the Company pursues its aims to increase revenue from new services and private or foreign markets, the counterparty risk profile shifts significantly. Private sector clients and international partners do not carry the same credit guarantees as state-owned entities. Entering these markets requires more rigorous credit assessments and robust monitoring of the financial health of new partners. Failure to accurately assess the creditworthiness of a new commercial counterparty, or a systemic downturn in the regional construction market that leads to widespread insolvency among private developers, could result in significant bad debt write-offs.

2.4. Legal and Regulatory risks

2.4.1. Non-compliance with regulatory requirements risk

The Company operates in the Latvian road maintenance and infrastructure construction sector, which is highly regulated and characterised by a strong dependence on public-procurement contracts, including state and municipal infrastructure projects, as well as assignments from entities such as joint-stock companies operating under state mandate. As a result, the Company is subject to a detailed regulatory framework governing the planning, award and execution of infrastructure works.

The Company's activities are subject to a wide range of applicable legal and regulatory requirements, including but not limited to construction law and technical standards applicable to road design, construction and maintenance, occupational health and safety requirements, environmental protection regulations (including waste management and material usage), public procurement legislation, as well as sanctions, anti-corruption and anti-money laundering legislation.

The Company's operations are further characterised by sector-specific features of the Latvian road maintenance market, including seasonal fluctuations (in particular winter maintenance operations), execution of works in live traffic conditions, strict compliance with technical specifications issued by contracting authorities, and significant reliance on subcontractors, material suppliers and specialised service providers. Failure by such third parties to comply with applicable requirements may also expose the Company to regulatory or contractual liability.

Given the Company's significant reliance on public sector procurement, non-compliance with legal requirements governing public procurement, including applicable exclusion grounds, may result in the Company being excluded from participation in public procurement procedures organised by state or municipal authorities, including long-term contracts for road maintenance and construction works.

As of the date of this Prospectus, the Company maintains established compliance systems and internal procedures for partner, supplier and subcontractor screening and contract execution monitoring. However, there can be no assurance that such measures will fully prevent breaches of applicable requirements or that future regulatory changes, increased enforcement intensity, or evolving technical standards will not result in additional compliance obligations, costs or risks. Any such events could have a material adverse effect on the Company's business, financial condition and results of operations.

2.4.2. Participation in a public capital company risks

The Company operates as a state-controlled entity and its activities must comply with the requirements of Section 88 of the Latvian State Administration Structure Law ("**SASL**"), which limits public participation in commercial activity to cases aimed at preventing market failure, ensuring strategically important services, or managing assets relevant to national security and development. The Company's core activity - nationwide maintenance of state roads - is currently justified under these criteria, as it supports mobility, road safety and the functioning of critical public services.

The primary risk is the potential for a regulatory determination of unjustified involvement of a public entity in commercial activity under SASL. Should the Competition Council of Latvia or the State Audit Office of Latvia conclude or identify that any of the Company's services can be sufficiently provided by the private market or otherwise do not satisfy the criteria set out in the SASL, the Company could be required to divest from specific business lines or undergo structural reorganization. This limits the Company's ability to diversify its revenue and may affect its competitiveness as compared with other private sector companies, as all new commercial ventures must be legally justified within these narrow public-interest benchmarks. These SASL-related requirements may also affect the Company's ability to implement its expansion strategy, including entry into new business areas or geographic markets, mergers and acquisitions, reorganisations or other transactions involving the acquisition of participations in other companies. In particular, any such initiatives would need to comply with the criteria set out in Section 88 of the SASL and the broader legal framework applicable to public person-controlled companies. Depending on the nature, scope and geography of the relevant initiative, such compliance may need to be based either on the Company's existing strategic role and legally justified scope of activities or on an additional assessment, approval or other confirmation that the contemplated activities or transactions are permissible under Section 88 of the SASL and other applicable legal requirements. If a contemplated expansion, acquisition or other strategic transaction, including expansion outside Latvia, were considered not to comply with the applicable Section 88 of the SASL criteria or other legal requirements, the Company may be unable to implement such initiative, or may be required to amend its scope, structure or timing. This could limit or delay the Company's ability to pursue growth opportunities, diversify its revenue base, enter new markets or compete with private sector companies that are not subject to comparable restrictions.

In addition to the SASL, the Company, as a state-controlled entity, is subject also to other legal acts governing its operations, governance and use of assets, which are not generally applicable to private listed companies. In particular, the Law on Governance of Capital Shares of a Public Person and Capital Companies and related Cabinet of Ministers regulations govern, among other things, the exercise of the state's shareholder rights, the preparation of the shareholder's expectations letter (in Latvian: *gaidu vēstule*), the development and approval of the Company's medium-term operational strategy, the nomination procedures and qualification requirements for members of the management board and supervisory board, and additional rules regarding the remuneration policy of such members. These requirements may be more extensive than those generally applicable to private listed companies and may increase the Company's compliance burden, prolong decision-making processes and reduce its operational flexibility. Additionally, it shall be noted that the Company is also subject to the Law on Prevention of Squandering of Financial Resources and Property of Public Entities, which imposes restrictions, inter alia, on the granting of loans, sureties and guarantees, the making of donations, the pledging of assets and capital shares, and the use and disposal of assets and financial resources. Compliance with the above-mentioned and other legal requirements applicable to state-controlled entities may limit the Company's competitiveness and flexibility in corporate governance, financing, asset management and the implementation of strategic initiatives. In addition, regarding Company's expansion strategy, including entry into new business areas or geographic markets, mergers and acquisitions, reorganisations or other transactions involving the acquisition of participations in other companies, under the legal framework applicable to public person companies, certain acquisitions of participations in other companies may, generally, require separate approval of the Cabinet of Ministers of Latvia. However, based on the Company's current assessment, following the Offering the Company will no longer be a wholly owned public person capital company, but rather a public person-controlled company. Accordingly, the Company does not expect that acquisitions of participations in other companies would, as such, require separate approval of the Cabinet

of Ministers of Latvia solely on that basis. Nevertheless, any such acquisition or related expansion activity would still need to comply with Section 88 of the SASL and other applicable legal requirements, and may require additional assessment, approvals, conditions or adjustments depending on the specific circumstances of the transaction.

In addition, the Company is subject to a broader legal framework applicable to state-controlled entities, including governance, remuneration, asset management and financial decision-making requirements that are more restrictive than those applicable to private listed companies. These requirements may increase compliance burden, prolong decision-making and reduce operational flexibility. Certain transactions, including acquisitions or expansion initiatives, may require additional assessments or approvals and may be restricted if they do not meet the applicable legal criteria.

Further to the above, the Company's financial flexibility is constrained by a rigid dividend framework applicable to state-controlled entities. The dividend policy approved by the sole shareholder of the Company acting through the Ministry of Transport on 26 May 2026 (the "Dividend Policy") sets out the general framework for dividend distributions and provides for dividend payouts starting from 64% of net profit. The actual dividend payout ratio is also subject to applicable laws and regulations governing the use of state capital. Currently, pursuant to Cabinet of Ministers Regulation No. 72 "Procedures for Forecasting, Determining, and Making Payments for the Use of State Capital", the minimum dividend payout ratio is 64% of net profit. In addition, the Law on the State Budget for 2026 and the Budget Framework for 2026, 2027 and 2028 stipulates a 90% payout ratio in respect of profit for the 2025, 2026 and 2027 financial years; however, the Cabinet of Ministers may determine an alternative rate applicable to the Company. Nevertheless, there can be no assurance that, in future years, the applicable legal acts will not require a different dividend payout ratio higher than 64% of net profit, nor can there be any assurance that the Company will obtain any exemption, derogation or other departure from such otherwise applicable requirements. Any such higher mandatory dividend distributions could further limit the Company's ability to retain earnings and reduce the internal capital available for reinvestment in technical modernisation and strategic initiatives aimed at increasing long-term profitability.

2.4.3. Transition to a low-carbon economy associated risks (fuel)

As the Company operates a large fleet of heavy machinery and specialized vehicles, the cost structure is sensitive to the global transition toward a low-carbon economy. Specifically, the transition is driven by the European Green Deal and the Fit for 55 legislative package, which aim to reduce greenhouse gas emissions by at least 55% by 2030. The primary risk in this area is the volatility and long-term increase in fossil fuel prices caused by tightening environmental regulations and shifting tax policies.

A significant upcoming regulatory change is the introduction of the EU Emissions Trading System 2, which is scheduled to extend carbon pricing to the road transport and buildings sectors starting in 2028. This system will effectively place a direct price on the carbon content of fuels used by the Company's fleet. Unlike the current excise taxes, the EU Emissions Trading System 2 will introduce a market-driven carbon cost that is expected to significantly increase the price of diesel and other fossil fuels. For the Company, whose operations are energy-intensive, rising fuel costs pose a direct threat to profit margins, especially since existing long-term contracts may not have flexible enough indexation clauses to pass these costs onto customers. If the highest recently observed fuel price levels are maintained, management estimates that this could increase the Company's expenses by up to EUR 2 million on a 12-month basis in each of 2026 and 2027. This estimate is subject to future market prices, procurement timing, fuel consumption levels and the Company's ability to mitigate or pass through cost increases, and actual results may differ.

2.4.4. EU climate policy objectives risks

The Company's long-term sustainability is challenged by its heavy reliance on a fossil-fuel-dependent fleet, which generates substantial CO₂ emissions. As European climate policy moves toward stricter decarbonisation targets, the Company faces increasing pressure to transition its operations. However, the current market availability of high-performance, zero-emission heavy machinery is limited.

Furthermore, significant financial and structural barriers hinder this transition. Sustainable equipment carries a high price premium compared to traditional diesel-powered units, and the Company's capacity for such large-scale green investments is restricted by its capital-intensive nature. Additionally, adopting low-carbon technology would require a simultaneous, costly investment in specialised charging and refuelling infrastructure across all regional sites, which is not currently in place.

2.5. Risks related to the Offering and Shares

2.5.1. Share price and liquidity risk

The Ministry of Transport currently holds 100% of the Shares in the Company. Immediately after the Offering, assuming 5 120 337 Base Offer Shares and 1 280 084 Upsize Option Shares are sold in the Offering, the Ministry of Transport is expected to continue to hold at least 83.1% of the shares of the Company. As a prerequisite for listing on the Nasdaq Riga stock exchange Main List, a sufficient number of shares must be in the free float (held by investors belonging to the public).

This condition is considered satisfied, if at least 25% of the shares are held by the investors belonging to the public (free float) or the capitalisation of such shares shall exceed ten million euros, in any case Nasdaq Riga management board has a right to set an exception to these requirements.

Prior to the Offering, there has been no public trading market for the Shares. Following the Offering, the Share price will be affected primarily by the supply and demand for the Shares and could fluctuate significantly in response to numerous factors, many of which are beyond the Company's control, including but not limited to: (i) actual or anticipated variations in the Company's operating results or forecasts, (ii) announcements by Company or its competitors of significant contracts, acquisitions, partnerships, (iii) geopolitical events and macroeconomic situation, (iv) changes in applicable laws, regulations, general government policy affecting the industry, (v) sale of large blocks of shares by shareholders, (vi) broader market and stock market volatility. The price of the Shares following the expected admission of the Shares to trading may vary substantially from the Offer Price. Although Company will apply for listing and admission to trading of Shares on the Main List, there is no guarantee that an active and liquid market for the Shares will develop or will be sustained after the Offering. If an active trading market is not developed or maintained, the liquidity and trading price of the Shares could be adversely affected.

Furthermore, Nasdaq Riga is considerably less liquid and considerably more volatile compared to other established securities markets with a longer history. The fairly small market capitalisation and low liquidity of Nasdaq Riga may impair the ability of Shareholders to sell the Shares on Nasdaq Riga or could increase the volatility of the price of the Shares as the impact of individual transactions may be significant with respect to the market price of the Shares.

2.5.2. Risk that the Sole Shareholder may have interests that differ from those of other Shareholders

Following the Offering, the Sole Shareholder is expected to retain at least 75.01% of the Company's share capital. As a result, the Sole Shareholder will continue to have sufficient voting power to control or significantly influence matters requiring shareholder approval, including amendments to the Company's articles of association, the election and removal of Supervisory Board members, decisions on profit distribution, share capital changes, reorganisations and other significant corporate matters, subject to applicable law and the Company's articles of association.

Although the Company will become a listed company and will be subject to applicable corporate governance, disclosure and minority shareholder protection requirements, the Sole Shareholder may have interests, objectives or policy considerations that differ from those of other Shareholders. In particular, as the Sole Shareholder is a public person, its decisions may be influenced by public policy, fiscal, infrastructure, national security, regional development or other strategic considerations, which may not always be fully aligned with the Company's commercial interests or the interests of minority Shareholders.

The Sole Shareholder may therefore influence the Company's strategic direction, governance, dividend policy, reinvestment of profits, investment priorities, mergers and acquisitions, reorganisations, capital structure or other significant corporate matters. It may also, within the limits of applicable law, delay, defer or prevent certain corporate actions, including transactions or changes in control that may otherwise be supported by other Shareholders. If the Sole Shareholder causes the Company to pursue, or refrain from pursuing, strategic objectives or corporate actions in a manner that is not aligned with the interests of other Shareholders, such Shareholders may be disadvantaged. This could have an adverse effect on the Company's business, financial condition, results of operations, prospects or the value of the Shares.

2.5.3. Ability to distribute dividends risks

While the Company does not currently envisage any changes to its Dividend Policy, there can be no assurance that dividends will be distributed or that any other capital returns will be made in the future. Furthermore, as the Company is, and following the Offering will remain, a state-controlled entity, it may be subject to applicable laws, regulations, or governmental directives that could mandate, restrict, or otherwise limit and impact the timing, amount, or frequency of dividend distributions. The ability to pay dividends depends on a number of factors, including the Company's financial performance, cash flow, investment needs, legal restrictions, and applicable regulatory requirements. Furthermore, there can be no assurance as to the amount of dividends or capital returns to be paid in respect of any financial year. As a result, investors may not receive the expected return on their investment.

2.5.4. Cancellation of the Offering risks

Best efforts will be made by the Company to ensure that the Offering is successful; however, there can be no assurances by the Company that the Offering will be successful and that the investors will receive the Offer Shares they subscribe for. The Company is entitled to cancel the Offering in accordance with the Section 4.13 "Postponement or Cancellation of Offering" of this Prospectus. Any cancellation of the Offering will be announced on the website of Nasdaq Riga <https://nasdaqbaltic.com/> and through the LAU Infra Grupa website <https://lauinfra.com/>. All rights and obligations of the parties in relation to the cancelled part of the Offering will be considered terminated as of the moment when such announcement is made public. If the Offering or part thereof is cancelled in accordance with the terms and conditions

described in this Prospectus, the funds blocked on the investor's current account, or part thereof (the amount in excess of payment for the allocated Offer Shares) is expected to be released by the respective account operator within two working days.

2.5.5. Changes in tax regime risks

Changes in the tax regime applicable to taxation of dividends or capital gains on disposal of the Shares may result in an increased tax burden on the Shareholders and reduce the after-tax return from an investment in the Shares. Such changes may include, among others, increases in applicable tax rates, the introduction of additional taxes, changes in exemptions, deductions or reporting rules, or other related aspects. Any such changes could reduce the net amount of dividends or capital gains retained by Shareholders after tax, or increase the administrative burden associated with holding or disposing of the Shares. This may adversely affect the return from an investment in the Shares and, indirectly, the market price or liquidity of the Shares.

2.5.6. Share value dilution risks

Subject to approval by the General Meeting of Shareholders or an Extraordinary General Meeting, and any additional approvals required by applicable law or regulation (including, where applicable, Cabinet of Ministers approval), the Company may seek to raise additional capital through offerings of debt securities (potentially including convertible debt securities) or additional shares. An issuance of additional shares or securities containing a right to convert into equity, such as convertible bonds, would dilute the economic and voting rights of the existing shareholders of the Company if made without granting subscription rights to existing shareholders of the Company. The timing and nature of any future offering would depend on market conditions at the time of such an offering and therefore no estimate can be made of the amount, timing or nature of future offerings.

In addition, the acquisition of other companies or investments in companies in exchange for newly issued shares of the Company could lead to a dilution of the economic and voting rights of the existing shareholders of the Company. The Company's shareholders thus bear the risk that such future offerings could dilute their shareholdings.

On the date of the Prospectus, the Company does not intend to carry out activities which may lead to a dilution of existing shareholdings other than the Admission of Shares to Trading.

2.5.7. Lack of adequate analyst coverage risks

There is no guarantee of ongoing analyst research coverage for the Company. Over time the amount of third-party research available in respect to the Company may increase or reduce with little to no correlation with the actual results of Company's operations, as the Company has no influence on the analysts who prepare such research. Negative or insufficient third-party coverage may have an adverse effect on the market price and trading volume of Shares.

3.

INTRODUCTORY INFORMATION

3.1. Information on the Company

The business name of the Company is LAU Infra Grupa AS, which is a joint stock company. The Company was registered in the Commercial Register on 1 September 1997 under registration number 40003356530 and its LEI number is 64883Z56AVG75UR23W69. The Company is organised and exists under the laws of Latvia.

The registered areas of business activity of the Company under NACE version 2.1. are: construction of roads and motorways (42.11), specialised construction activities (43.50), collection of non-hazardous waste (38.11), construction of other civil engineering projects not elsewhere classified (42.99), development of building projects (68.12), quarrying of ornamental and building stone, limestone, gypsum, chalk and slate (08.11), support activities for other mining and quarrying (09.90), operation of gravel and sand pits, mining of clays and kaolin (08.12), renting and operating of own or leased real estate (68.20).

Contact details of the Company are the following:

Address	Krustpils iela 4, Rīga, LV-1073, Latvia
E-mail address	lau@lau.lv
Telephone number	+371 67249238
Corporate website	https://lauinfra.com

3.2. Applicable Law

This Prospectus has been drawn up in accordance with the Prospectus Regulation, Financial Instruments Market Law and Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (the “**Delegated Regulation**”), in particular with Annex 1 and 11 thereof, and Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal. Latvian law applies to this Prospectus and any disputes arising from this Prospectus shall be settled in Latvian courts, except when, according to the applicable law, the jurisdiction cannot be agreed on.

Please review the following important introductory information before reading this Prospectus.

3.3. Responsible Persons and Limitation of Liability

The Company and its Management Board is responsible for the information provided in this Prospectus. The Company and its Management Board accept responsibility for the correctness and accuracy of the information contained in this Prospectus. Having taken all reasonable care, the Company and its Management Board believes that the information in this Prospectus is, to the best of the Company’s and its Management Board’s knowledge, in conformity with the facts and excludes no information likely to affect the meaning of this Prospectus.

signed with a qualified electronic signature

Chairman of the Management Board

Vilnis Vitkovskis

signed with a qualified electronic signature

Member of the Management Board

Armands Beiziķis

Without prejudice to the above, the persons responsible for the information provided in this Prospectus are not liable solely on the basis of the summary of this Prospectus, unless the information given in the summary is misleading or inaccurate together with this Prospectus or does not provide the material information needed for a decision on investment in Offer Shares together with other parts of the Prospectus.

3.4. Presentation of Information

Approximation of numbers

Numerical and quantitative values in this Prospectus (e.g., monetary values, percentage values) are presented with such precision that the Company deems necessary in order to provide adequate and sufficient information on the relevant matter while avoiding an excessive level of detail. In some cases, quantitative values have been rounded up to the nearest decimal place or whole number to avoid an excessive level of detail. As a result, certain values may not necessarily add up to the respective totals due to the effects of the approximation. Exact numbers can be examined and derived from the Audited Financial Statements to the extent that the relevant information is reflected therein.

Currencies

In this Prospectus, financial information is presented in Euro (EUR), the official currency of the EU Member States participating in Economic and Monetary Union, including Latvia.

Date of financial information

The financial information presented in this Prospectus is derived or taken from the audited financial statements of the Company pertaining to the three financial years ended on 31 December 2025, 31 December 2024, 31 December 2023 (the "**Audited Financial Statements**") and the unaudited financial statements of the Company for three-month period ended 31 March 2026 (the "**Interim Financial Report**"). The Audited Financial Statements have been prepared by the Management Board and audited by KPMG Baltics SIA for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023. The Audited Financial Statements and the Interim Financial Reports are incorporated in this Prospectus by way of reference.

Unless expressly stated otherwise, this Prospectus provides information as of the date of registration of the Prospectus. If information has been provided as of any other date than the date of this Prospectus, it will be indicated with reference to the specific date.

Third-party information and market information

Certain information contained in this Prospectus has been obtained from third parties. Such information is accurately reproduced and, as far as the Company is aware and is able to ascertain from the information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Certain information regarding the markets in which the Company operates is based on the best assessment by the Management Board. Reliable information pertaining to the markets in which the Company operates is not always available or conclusive. While all reasonable measures have been taken to provide the best possible assessment of information about the relevant area of activity, such information may not be relied upon as final and conclusive. Prospective investors are encouraged to conduct their own analysis of the relevant areas of activity or employ a professional consultant.

Updates

The Company will only update the information contained in this Prospectus to such extent, with the regularity, and by such means as required by the applicable law or considered necessary and appropriate by the Management Board. The Company is under no obligation to modify or update the forward-looking statements included in this Prospectus (please see Section 3.6 "Forward-Looking Statements" and Section 5 for "Reasons for the offering and use of proceeds" of this Prospectus).

Definitions of terms

In this Prospectus, terms with capitalised first letters have the meaning given to them in Section 17 "Glossary", unless the context evidently requires the contrary, whereas the singular includes plural and vice versa. Other terms may be defined elsewhere in the Prospectus.

References to the Company's Website

This Prospectus contains references to the LAU Infra Grupa website (<https://lauinfra.com/>). The Company does not incorporate the information available on the website in the Prospectus, i.e., the information on the website is not part of this Prospectus and has not been verified or confirmed by the Latvijas Banka. This does not apply to the hyperlinks indicating information incorporated by way of reference.

3.5. Accounting Principles

The Audited Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union. In addition, requirements set by the Latvijas Banka have been met with respect to preparation of the Audited Financial Statements.

3.6. Forward-Looking Statements

This Prospectus includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements are based on opinions and best judgments by the Company or its Management Board relative to the information currently available to the Management Board. All forward-looking statements in this Prospectus are subject to risks, uncertainties, and assumptions regarding the future operations of the Company, the local and international macroeconomic environment and other factors.

These forward-looking statements can be identified in the Prospectus by use of words including, but not limited to, “strategy”, “anticipate”, “expect”, “believe”, “estimate”, “will”, “continue”, “project”, “intend”, “targets”, “goals”, “plans”, “should”, “would” and other words and expressions of similar meaning, or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements can also be identified in the way they do not directly relate to historical and current facts. They appear in a number of places throughout this Prospectus (including, but are not limited to Section 5 of this Prospectus) and include, but are not limited to, statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which the Company operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the Company’s financial position and results of operations, and development of the markets and industries in which members of the Company operate may differ materially from those described in, or suggested by, the forward-looking statements contained in this Prospectus. In addition, even if the Company’s results of operations and financial position, and development of the markets and industries in which the Company operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. A number of risks, uncertainties and other factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements (please see Section 2 “Risk Factors” of this Prospectus).

The Company is under no obligation to, and expressly disclaims any obligation to, update or alter the forward-looking statements in this Prospectus based on changes, new information, subsequent events or for any other reason.

The validity and accuracy of forward-looking statements is influenced by the general operating environment and the fact that the Company is affected by changes in domestic and foreign laws and regulations (including those of the European Union), taxes, developments in competition, economic, strategic, political, and social conditions, as well as other factors. The Company’s actual results may differ from the Management Board’s expectations due to changes caused by various risks and uncertainties, which in turn could adversely impact the Company’s operations, business, or financial results. As a result of these risks, uncertainties and assumptions, a prospective investor should not place undue reliance on these forward-looking statements.

3.7. Use of this Prospectus

This Prospectus is prepared solely for the purposes of the Offering as well as for listing and Admission to trading of the Shares on the Main List of Nasdaq Riga. No public offering of the Offer Shares is conducted in any jurisdiction other than Latvia, Lithuania and Estonia, and, consequently, dissemination of this Prospectus in other countries may be restricted or prohibited by law. This Prospectus may not be used for any other purpose than deciding on participating in the Offering or investing in the Shares. Copying, reproduction (other than for private and non-commercial use) or dissemination of this Prospectus without the express written consent of the Company is prohibited.

3.8. Notice to US investors

The Offer Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”) or with any securities regulatory authority of any state of the United States. This Prospectus is not to be distributed to the United States or in any other jurisdiction where it would be unlawful. Accordingly, the Offer Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into or from the United States absent registration under the US Securities Act or an exemption therefrom, and in compliance with applicable state securities laws.

3.9. Approval of this Prospectus

This Prospectus has been registered by decision of the Latvijas Banka, dated 4 June 2026. Registration by the Latvijas Banka merely confirms that this Prospectus is in accordance with the standards of completeness, comprehensibility and consistency laid down in the Prospectus Regulation. Registration of this Prospectus should not be regarded as an endorsement of the Offer Shares. Prospective investors should assess the suitability of investing in the Offer Shares by themselves.

3.10. References incorporated into this Prospectus

The following information has been incorporated into this Prospectus by reference:

- 1) LAU Infra Grupa audited financial statements for the financial year ended 31 December 2025;
- 2) LAU Infra Grupa audited financial statements for the financial year ended 31 December 2024;
- 3) LAU Infra Grupa audited financial statements for the financial year ended 31 December 2023;
- 4) LAU Infra Grupa unaudited interim report for the 3-month period ended on 31 March 2026;
- 5) LAU Infra Grupa Articles of Association.

The Audited Financial Statements and related auditor's report included in this Prospectus have been extracted without material adjustment from the annual report published at the date indicated in the auditor's report. References in the auditor's report to "other information" are references to other information in the annual report. Such other information does not form part of this Prospectus.

The Audited Financial Statements have been audited by independent auditor KPMG Baltics SIA (please see Section 8.12 "External Auditor" of this Prospectus). The Audited Financial Statements include the information required under sections 18.1.1, 18.1.3, 18.1.6, 18.2.1 and 18.3.1 of Schedule 1 to the Delegated Regulation.

The aforementioned documents are accessible on the website of LAU Infra Grupa at the Company's website (<https://lauinfra.com/>).

3.11. Documents on Display

This Prospectus and its Summaries in Latvian, Estonian and Lithuanian will be available in electronic form on the website of Latvijas Banka (<https://www.bank.lv/>), on the website of Nasdaq Riga (<https://nasdaqbaltic.com/>) and on the website of the Company. In addition, the Prospectus and its Summaries can be accessed through the Company's website (<https://lauinfra.com/>) during the validity period of this Prospectus.

Any interested party may download the above documents from the Company's website free of charge or request delivery of electronic copies of the documents from the Company.

4.

TERMS AND CONDITIONS OF THE OFFERING

4.1. The Offering

In the course of the Offering, up to 6 400 421 Shares may be offered, comprising: (i) up to 3 840 253 existing ordinary shares in LAU Infra Grupa offered by the Selling Shareholder (the “**Existing Shares**”); (ii) up to 1 280 084 newly issued ordinary shares in the Company offered by the Company (the “**New Shares**” and, together with the Existing Shares, the “**Base Offer Shares**”), the offering of which is referred to as the “**Base Offering**”; and (iii) up to 1 280 084 additional newly issued ordinary shares in the Company which may be allocated pursuant to the upside option (the “**Upsize Option**” and such shares, the “**Upsize Option Shares**”). The Base Offer Shares and the Upsize Option Shares are collectively referred to as the “**Offer Shares**”.

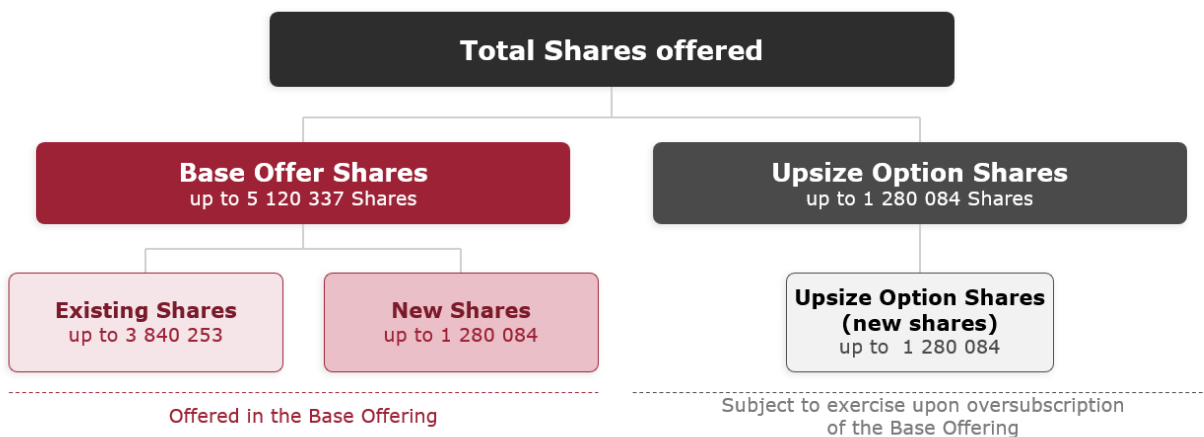
The Upsize Option is subject to exercise at the sole discretion of the Company upon investor demand (oversubscription) and may be exercised in full or in part at any time until the allocation of the Offer Shares.

The Offer Shares are offered (i) publicly to retail investors in Latvia, Estonia, and Lithuania (the “**Retail Offering**”) and (ii) non-publicly to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation in Latvia and in certain selected member states of the European Economic Area and to other selected investors in reliance on certain exemptions available under the laws of respective member states (the “**Institutional Offering**”). The Retail Offering together with the Institutional Offering are referred to as the “**Offering**”.

The Retail Offering will take place in Latvia, Lithuania and Estonia after Latvijas Banka has approved this Prospectus and notified the competent authority in Estonia (the Estonian Financial Supervision and Resolution Authority) and the Bank of Lithuania of approval of this Prospectus in accordance with Article 25 of Prospectus Regulation and the Prospectus together with its Summary translated into Estonian and Lithuanian has been published in Estonia and Lithuania.

The graph below provides an overview of the structure of the Offering.

Figure 4.1.1.



All shares of the Company, including the Offer Shares, are dematerialised bearer shares with a nominal value of EUR 1.00 each. Shares of the Company are registered with Nasdaq CSD under the ISIN LV0000110906 and are kept in a book-entry form. No share certificates have been or may be issued.

The Offer Shares will initially be distributed to investors via Temporary Shares, which represent the investor’s rights to Offer Shares. One Temporary Share represents the right to receive one Share of the Company. Payment for and settlement of the Offer Shares is expected to take place on or around 30 June 2026 (the “**Settlement Date**”) by way of delivery of temporary shares under the temporary ISIN LV0000112001 (the “**Temporary Shares**”) to investors’ securities accounts against payment from investor’s accounts, on a delivery-versus-payment basis through Nasdaq CSD. The Temporary Shares will be delivered in respect of all Offer Shares, comprising both the New Shares (together with the Upsize Option Shares, if any) and the Existing Shares.

Subject to completion of the Offering and registration of the New Shares and Upsize Option Shares (if any), with the Commercial Register, the Temporary Shares will be automatically exchanged for a corresponding number of Shares on a one-for one basis, which are expected to be delivered on or about two business days after the Settlement Date under the permanent ISIN LV0000110906 in book-entry form to the holder of the Temporary Shares account through Nasdaq CSD (“**Delivery of Shares**”). The Delivery of Shares will be effected automatically through Nasdaq CSD, without any action being required on the part of the holders of the Temporary Shares, by way of single action under which:

- (a) in respect of the New Shares and the Upsize Option Shares (if any), upon registration of the increase of the Company's share capital with the Commercial Register, the corresponding Temporary Shares will be converted, on a one-for-one basis, into Shares registered under the permanent ISIN LV0000110906, ranking pari passu in all respects with the existing Shares of the Company; and
- (b) in respect of the Existing Shares, the corresponding Temporary Shares (which represent the holders' rights to receive Shares) will be exchanged, on a one-for-one basis, for an equal number of Existing Shares registered under the permanent ISIN LV0000110906 and ranking pari passu in all respects with the other Shares of the Company, and those Temporary Shares will simultaneously be cancelled and deleted.

Upon the Delivery of Shares, the Temporary Shares will cease to exist, and each holder thereof will hold the corresponding number of Shares under the permanent ISIN LV0000110906.

The Temporary Shares will not be admitted to trading on the Main List of Nasdaq Riga or on any other regulated market, multilateral trading facility or other trading venue, and accordingly no trading in the Temporary Shares will take place on any such venue prior to the Delivery of Shares. While the Temporary Shares are not intended to be transferred prior to the Delivery of Shares, to the extent that any transfer of, or other transaction in, the Temporary Shares nevertheless takes place prior to the Delivery of Shares, it will be for the account of, and at the sole risk of, the parties involved, and the Company accepts no liability in respect thereof.

The Shares, including the Offer Shares, are denominated in Euro, governed by the laws of Latvia and freely transferrable. The Offer Shares will give rights to dividends (if any) declared by LAU Infra Grupa. For further description of the rights attached to the Shares, including the Offer Shares, please see Section 9.6 "Shareholder rights" of this Prospectus.

Allocation of the Offer Shares between the Retail Offering and Institutional Offering has not been predetermined and will be decided by LAU Infra Grupa in accordance with the principles described in Section 4.8 "Allocation of the Offer Shares and Offering Structure" of this Prospectus. The total amount of Offer Shares may decrease if any part of the Offering is cancelled – for more details please see Section 4.13 "Postponement or Cancellation of the Offering" of this Prospectus.

LAU Infra Grupa, simultaneously with the Offering, will submit a listing application to Nasdaq Riga for listing and admission to trading of all LAU Infra Grupa shares, including the Offer Shares, on the Main List of Nasdaq Riga. Trading with Company's shares is expected to commence on Nasdaq Riga on or about 3 July 2026. The indicative timetable of the Offering is as follows:

Table 4.1.1.

The indicative timetable of the Offering

Start of the Offer Period	10 June 2026
End of the Offer Period	19 June 2026
Announcement of results of the Offering and Allocation	On or about 26 June 2026
Settlement of the Offering by way of delivery of Temporary Shares	On or about 30 June 2026
Application for registration of share capital increase in respect of New Shares and Upsize Option Shares	On or about 1 July 2026
Delivery of Shares by exchanging Temporary Shares to Shares with permanent ISIN	On or about 2 July 2026
First trading day on the Main List of Nasdaq Riga	On or about 3 July 2026

Below is the overview of the statistics of the Offering.

Table 4.1.2.

The Offering statistics

Percentage of share capital being offered in the Offering	16.95 %
Number of Shares issued immediately following the Offering	37 762 491
Expected market capitalisation of LAU Infra Grupa at the Offer Price (EUR) ¹	EUR 59 287 111
Estimated net proceeds of the Offering receivable by Ministry of Transport (EUR) ²	EUR 5 741 197
Estimated net proceeds of the Offering receivable by LAU Infra Grupa (EUR) ³	EUR 3 827 464

4.2. Offer Period

The Offer Period is the period during which persons who have a right to participate in the Retail Offering and the Institutional Offering may submit subscription undertakings for the Offer Shares (the “**Subscription Undertaking**”). The Offer Period commences on 10 June 2026 at 10:00 local time in Latvia, Lithuania and Estonia and terminates on 19 June 2026 at 15:30 local time in Latvia, Lithuania and Estonia unless it is shortened or extended (described in more detail in the Section 4.11 “Change to the Offer Price and Offer Period” of this Prospectus).

The time of the termination of the Offer Period on 19 June 2026 has been indicated subject to the closing of auction system of Nasdaq Riga through which each financial institution that is a member of Nasdaq Riga will register the received Subscription Undertakings for the Offer Shares and closing of auction system of Nasdaq CSD (in Estonia) through which each financial institution that is a participant of Nasdaq CSD Latvian securities settlement system will register the received Subscription Undertakings for the Offer Shares.

It cannot be guaranteed that each financial institution that is a member of Nasdaq will provide the possibility to submit the Subscription Undertakings for the Offer Shares until 19 June at 15:30 local time in Latvia, Lithuania and Estonia as the timetable of closing the respective systems may vary. Investors are recommended to contact the financial institutions that are members of Nasdaq Riga and participants of Nasdaq CSD for more details with respect of the deadline of submission of Subscription Undertakings for the Offer Shares.

4.3. Retail Offering

Rights to Participate in the Retail Offering

The Retail Offering is directed to all retail investors in Latvia, Estonia and Lithuania. For the purposes of the Retail Offering, a natural person is considered to be “in Latvia”, if such person has a securities account with a financial institution which is a member of Nasdaq Riga. A legal person is considered to be “in Latvia”, if such person has a securities account with a financial institution which is a member of Nasdaq Riga, or such person’s registration number is a registration number with the Commercial Register.

For the purposes of the Retail Offering, a natural person is considered to be “in Estonia”, if such person has a securities account with a financial institution which is a member of Nasdaq Riga. A legal person is considered to be “in Estonia”, if such person has a securities account with a financial institution which is a member of Nasdaq Riga, or such person’s registration number is a registration number of the Estonian Commercial Register.

For the purposes of the Retail Offering, a natural person is considered to be “in Lithuania”, if such person has a securities account with a financial institution which is a member of Nasdaq Riga. A legal person is considered to be “in Lithuania”, if

¹ The market capitalisation of LAU Infra Grupa at any given time will depend on the market price of the Shares at that time. There can be no assurance that the market price of a Share will be equal to or exceed the Offer Price.

² The estimated net proceeds receivable by LAU Infra Grupa are stated after deduction of estimated fees and expenses relating to the Offering (including VAT) attributable to proportion of expenses covered by Ministry of Transport.

³ The estimated net proceeds receivable by LAU Infra Grupa are stated after deduction of estimated fees and expenses relating to the Offering (including VAT) attributable to proportion of expenses covered by LAU Infra Grupa.

such person has a securities account with a financial institution which is a member of Nasdaq Riga, or such person's registration number is a registration number of the Lithuanian Commercial Register.

The Offering is not addressed to investors who are Russian or Belarusian nationals or a natural person residing in Russia or Belarus. The latter shall not apply to nationals of Member States of the European Union or natural persons holding a temporary or permanent residence permit in a Member State of the European Union. The Offering is also not addressed to investors that are legal persons, entities or bodies established in Russia or Belarus.⁴

Submitting Subscription Undertakings for the Offer Shares in the Retail Offering

Subscription Undertakings for the Offer Shares may only be submitted during the Offer Period. An investor participating in the Offering may apply for the Offer Shares for the Offer Price only. The minimum investment amount is EUR 1.57 for which an investor can subscribe for one Offer Share. All investors participating in the Offering may submit Subscription Undertakings in Euro only. An investor shall bear all costs and fees charged in connection with the submission, cancellation or amendment of a Subscription Undertaking pursuant to the price list of the respective financial institution that is a member of the Nasdaq Riga accepting the Subscription Undertaking.

In order to subscribe for the Offer Shares an investor must have a securities account with a financial institution that is a member of Nasdaq Riga. The Subscription Undertakings submitted within the Retail Offering are registered through the auction system of Nasdaq Riga and auction system of Nasdaq CSD (Estonia).

Investors may open a securities account through a financial institution which is a member of Nasdaq Riga. A list of financial institutions that are members of Nasdaq Riga is available on the webpage of Nasdaq Riga at <https://nasdaqbaltic.com/statistics/en/members> (in order to review the list of members of the Nasdaq Riga, the selection "Riga" should be made).

An investor wishing to subscribe for the Offer Shares must contact a financial institution which is a member of Nasdaq Riga and manages that investor's securities account and submit a Subscription Undertaking for the purchase of Offer Shares in a form accepted by the financial institution and in conformity with the terms and conditions of the Prospectus. The investor may use any method that investor's account operator offers to submit the Subscription Undertaking (e.g., physically at the client service venue of the account operator, via internet bank or by other means).

An investor may submit a Subscription Undertaking through a nominee account only if that investor authorises in writing the holder of the nominee account to disclose in writing the investor's identity to Nasdaq Riga or Nasdaq CSD (Estonia). Subscription Undertakings submitted through nominee accounts shall be taken into account in allocation only if the owner of the nominee account has disclosed in writing to Nasdaq Riga the investor's identity, place of residence or seat, personal identification number or registry code, the number of securities subscribed for and the total amount of the transaction. Among others, the person's permanent address, personal identification number or the registered address in the case of a legal person must be disclosed. An investor may submit a Subscription Undertaking either personally or through a representative whom the investor has authorised to submit the Subscription Undertaking.

A Subscription Undertaking for the Offer Shares is deemed submitted from the moment Nasdaq Riga or Nasdaq CSD (Estonia) receives a duly completed transaction instruction from the financial institution managing an investor's securities account. An investor must ensure that all information contained in the Subscription Undertaking is correct, complete and legible. LAU Infra Grupa reserves the right to reject any Subscription Undertakings which are incomplete, incorrect or illegible, or which have not been completed and submitted during the Offer Period in accordance with all the terms and conditions of the Prospectus.

By submitting a Subscription Undertaking for the Offer Shares each investor:

- (1) confirms that they have read this Prospectus and its Summary, including (but not limited to) the risk factors set out in this Prospectus and a description of rights and obligations resulting from ownership of the Shares;
- (2) accepts the terms and conditions of the Offering set out in this Section and elsewhere in this Prospectus and agrees with LAU Infra Grupa that such terms will be applicable to the investor's acquisition of any Offer Shares;
- (3) acknowledges that the Offering does not constitute a binding offer for sale of the Offer Shares, and that submission of a Subscription Undertaking does not constitute acceptance of a binding sales offer, and therefore does not in itself entitle the investor to acquire the Offer Shares, nor does it result in an agreement for sale of the Offer Shares between LAU Infra Grupa and the investor;
- (4) accepts that the number of Offer Shares indicated in the Subscription Undertaking will be regarded as the maximum number of Offer Shares which the investor wishes to acquire (the "**Maximum Amount**") and that the

⁴ The prohibitions imposed in accordance with Article 5e and 5f of Regulation (EU) No. 833/2014 (as amended by Council Regulation (EU) No. 2022/328 and 2022/394) and Article 1x and 1y of Regulation (EC) No. 765/2006 (as amended by Council Regulation (EU) No 2022/398).

investor may receive less (but not more) Offer Shares than the Maximum Amount (described in more detail in the Section 4.8 “Allocation of the Offer Shares and Offering Structure”);

- (5) undertakes to acquire and pay for any number of Offer Shares allocated to them in accordance with these terms and conditions up to the Maximum Amount;
- (6) authorises the financial institution and instructs them to forward the registered Subscription Undertaking for the Offer Shares to Nasdaq Riga;
- (7) consents to processing of the investor’s personal data to the extent such data processing is required for the purposes of the Offering in accordance with this Prospectus;
- (8) accepts that LAU Infra Grupa at its sole discretion and, to extent applicable / where Company deems appropriate, in consultation with Selling Shareholder, has a right to refuse to allocate all or part of the subscribed Offer Shares to any investor due to AML and Sanctions regulations compliance risk;
- (9) authorises the financial institution, or Nasdaq Riga, or Nasdaq CSD (Estonia) as the case may be, to amend the information contained in the Subscription Undertaking for the Offer Shares, including to (a) specify the value date of the transaction and (b) specify the number of Offer Shares to be purchased by the investor and the total amount of the transaction, which results by multiplying the Offer Price by the number of Offer Shares allocated to the respective investor.

Investors have the right to amend or cancel their Subscription Undertaking for the Offer Shares at any time until the end of the Offer Period. To do so, the investor must contact a financial institution which is a member of Nasdaq Riga through whom the Subscription Undertaking for the Offer Shares in question has been made and carry out the procedure required by the financial institution for amending or cancelling the Subscription Undertaking for the Offer Shares (such procedures may differ between different financial institutions).

4.4. Institutional Offering

Rights to participate in the Institutional Offering

The Institutional Offering is directed at qualified investors within the meaning of Article 2(e) of the Prospectus Regulation in Latvia and certain selected member states of the European Economic Area, and to other investors in reliance on certain exemptions available in the laws of respective member states. The Institutional Offering is carried out non-publicly. There is no minimum number of Offer Shares that an investor is required to subscribe for in the Institutional Offering.

Submitting Subscription Undertakings for the Offer Shares in the Institutional Offering

In order to subscribe for the Offer Shares in the Institutional Offering, an application must be submitted during the Offer Period informing the financial institution, who is a member of Nasdaq Riga of the number of Offer Shares the investor wishes to subscribe (the “**Subscription Undertaking**”). Investors should contact their financial institution, who is a member of Nasdaq Riga, who manages the securities account of the respective investor, and submit a Subscription Undertaking for the Offer Shares in a format accepted by the respective financial institution for subscribing to the Offer Shares. An investor may use any method suggested by the financial institution for submitting the Subscription Undertaking (e.g., physically at the location of the broker or the bank’s customer service, via internet bank or in any other way).

The Subscription Undertakings submitted within the Institutional Offering are registered through the auction system of Nasdaq Riga and auction system of Nasdaq CSD (Estonia).

Investors have the right to amend or cancel their Subscription Undertaking for the Offer Shares at any time until the end of the Offer Period in accordance with the requirements set forth by their respective financial institution. Upon ending of Subscription Period, all Subscription Undertakings which have not been cancelled become binding to the investor.

An investor may submit the Subscription Undertaking for the Offer Shares through a nominee account only in case the investor authorises the holder of the nominee account to disclose the identity of the investor to Nasdaq Riga in writing. Subscription Undertakings submitted via nominee accounts shall be taken into account upon allocation only if the holder of the nominee account has disclosed the investor’s identity, seat and registry code, the number of securities subscribed for and the total amount of the transaction to or Nasdaq Riga in writing. Among others, the registered address of a legal person must be disclosed.

4.5. No stabilisation and over-allotment option

No over-allotment option has been or will be granted in connection with the Offering. Neither the Company nor the Selling Shareholder has authorised any party to over-allocate Offer Shares for the purpose of stabilisation.

No stabilisation measures within the meaning of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (the “**Market Abuse Regulation**”) will be undertaken in connection with the Offering. No person will have the right to acquire Offer Shares on Nasdaq Riga or otherwise engage in any transactions with a view to

stabilising the market price of the Shares at a level higher than that which would otherwise prevail. No stabilisation period will apply following the commencement of trading with the Shares on Nasdaq Riga.

4.6. Offer Price

The Offer Price is **EUR 1.57** per one Offer Share, of which EUR 1.00 is the nominal value of one Offer Share and EUR 0.57 is the issue premium. The Offer Price will be the same in the Retail Offering and in the Institutional Offering.

4.7. Payment

By submitting a Subscription Undertaking, each investor authorises the financial institution managing the investor's current account connected to their securities account to immediately block the whole transaction amount on the investor's current account until settlement is completed or funds are released in accordance with the terms and conditions of this Prospectus. The transaction amount to be blocked will be equal to the subscription price multiplied by the Maximum Amount. An investor may only submit a Subscription Undertaking when sufficient funds are in the current account. The Offer Shares allocated to the investor shall be paid for in the manner described in the Section 4.9 "Settlement and Trading".

Depending on the terms and conditions of the financial institution, which is a member of Nasdaq Riga, the financial institution which operates the current account connected to the investor's securities account may immediately block the whole transaction amount on the investor's current account until settlement is completed or funds released in accordance with the terms and conditions described in this Prospectus. The Offer Shares allocated to the investor shall be paid for in the manner described in Section 4.9 "Settlement and Trading".

4.8. Allocation of the Offer Shares and Offering Structure

The Company will decide on the allocation of the Offer Shares after the expiry of the Offer Period, on or about 26 June 2026, and may, where the Company deems appropriate, consult with the Selling Shareholder in connection with such allocation. Allocation of the Offer Shares between the Retail Offering and the Institutional Offering has not been previously determined. The Company will determine the final allocation at its sole discretion, taking into account, among others, the quantitative and qualitative analysis of the order book, and may, to the extent applicable, consult with the Selling Shareholder in connection therewith.

Upon allocation, all Subscription Undertakings submitted by one investor shall be aggregated.

If the Offering is undersubscribed, LAU Infra Grupa may reduce the number of the Offer Shares accordingly, or cancel the Offering as described in the Section 4.13 "Postponement or Cancellation of the Offering".

Upon oversubscription of the Offering, the Company may, at its sole discretion and, where the Company deems appropriate, by consulting with Selling Shareholder, decide to exercise the Upsize Option (in full or in part), which would increase the total number of Shares offered up to 1 280 084 Offer Shares. In the event of oversubscription, the Offer Shares will be allocated to investors in accordance with the principles described in this Section.

The funds blocked on the current account of an investor who participated in the Retail Offering or the Institutional Offering will be released in the amount corresponding to the Offer Price multiplied by the number of Offer Shares not allocated to such investor, as described in Section 4.12 "Release of Funds" of this Prospectus.

LAU Infra Grupa expects to announce the results of the allocation process on the website of Nasdaq Riga <https://nasdaqbaltic.com/> and the website of LAU Infra Grupa at <https://lauinfra.com/> on or about 26 June 2026.

4.9. Settlement and Trading

Settlement

Settlement of the Offering will be carried out through Nasdaq CSD on a delivery-versus-payment basis. All Temporary Shares and, following the Delivery of Shares, all Offer Shares will be registered with Nasdaq CSD in a book-entry form.

Title to the Temporary Shares will pass to the relevant investor upon the crediting of the Temporary Shares to that investor's securities account on the Settlement Date. Title to the Offer Shares will pass to the relevant investor upon the Delivery of Shares, when the corresponding Shares are credited to that investor's securities account under the permanent ISIN LV0000110906.

If an investor has submitted several Subscription Undertakings through several securities accounts, the Offer Shares allocated to that investor will be transferred to all such securities accounts proportionally to the number of shares

indicated in the Subscription Undertakings submitted for each account, rounded up or down as necessary, in order to ensure that a whole number of Offer Shares is transferred to each securities account. If the transfer cannot be completed due to lack of sufficient funds on the investor's current account, the Subscription Undertaking of that investor will be rejected, and the investor will lose all rights to the Offer Shares allocated to that investor.

Trading

The Company will submit a listing application to Nasdaq Riga for the listing and admission to trading of all the Shares of the Company, including the Offer Shares, on the Baltic Main List of Nasdaq Riga. The Company will take all necessary measures in order to comply with the rules of Nasdaq Riga to ensure that the application is approved.

Trading with the Shares on the Main List of Nasdaq Riga is expected to commence on or about 3 July 2026, being the date on which the Offer Shares (including the New Shares) are and the Upsize New Share (if applicable) are registered under the permanent ISIN LV0000110906. Until such date, no trading in the Offer Shares will take place.

4.10. Agreements related to the Offering

To facilitate the Offering, the Company has entered into several key agreements relating to the organisation and implementation of the share subscription process for LAU Infra Grupa shares.

Financial Adviser Agreement

The Company has appointed ViaClarus OÜ as its Financial Adviser in connection with the Offering. In this capacity ViaClarus OÜ advises and supports the Company in relation to the principal aspects of the Offering, including the structuring and coordination of the transaction, responsibility for the Institutional Offering, oversight of settlement-related matters, the provision of strategic advice and other consultancy services relating to capital-raising.

Baltic Retail Distribution Agent Agreement

The Company has appointed Luminor as its Baltic Distribution Agent in connection with the Offering. This entails conducting the auction process through Nasdaq Riga and Nasdaq CSD and facilitating the settlement of the Offering, including the processing of subscription orders, payment flows, allocation-related settlement actions and delivery of the Offer Shares to investors. In addition, Luminor markets and distributes the Offer Shares to retail investors in Latvia, Estonia and Lithuania on a best-efforts basis.

For the avoidance of doubt, Luminor acts solely as the Baltic Retail Distribution Agent and does not act as an underwriter or manufacturer of the Offer Shares or the Offering, nor does it assume responsibility for the creation, structuring, design, pricing, valuation or determination of the terms and conditions of the Offer Shares or the Offering, or for determining, documenting or keeping under review the target market or intended distribution strategy for the Offer Shares.

4.11. Change to the Offer Price and Offer Period

In accordance with the Prospectus Regulation, LAU Infra Grupa may be required to draw up a supplement to the Prospectus if the Offer Price of the Offering is changed or the Offer Period is shortened or prolonged. The obligation to register a supplement to the Prospectus may apply if the Offer Period is prolonged. The supplement to this Prospectus will be published after registration thereof in the same way as this Prospectus and its Summaries.

Furthermore, in accordance with the Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect assessment of the securities and which arises or is noted between the time this Prospectus is approved and the time LAU Infra Grupa Shares are listed on Nasdaq Riga, shall be mentioned in a supplement to the Prospectus. All other changes will be disclosed on the website of Nasdaq Riga <https://nasdaqbaltic.com/> and on the LAU Infra Grupa website <https://lauinfra.com//>.

If LAU Infra Grupa is required to publish a supplement to the Prospectus, an investor who has submitted a Subscription Undertaking in the Offering before publication of the supplement to the Prospectus has a right to withdraw within three working days (or within another time period as specified in the supplement to this Prospectus) after publication of the supplement to the Prospectus in accordance with the procedures described under Section 4.3 for Retail Offering and Section 4.4 for Institutional Offering of this Prospectus.

4.12. Release of Funds

If the Offering or part thereof is cancelled in accordance with the terms and conditions described in this Prospectus, if the investor's Subscription Undertaking is rejected or if the allocation deviates from the amount of Offer Shares applied for, the funds blocked on the investor's current account, or part thereof (the amount in excess of payment for the allocated Offer Shares) is expected to be released by the respective account operator within two working days. Regardless of the reason for which funds are released, LAU Infra Grupa shall not be liable for release of the respective funds and for payment of interest on the released funds for the time they were blocked.

4.13. Postponement or Cancellation of the Offering

LAU Infra Grupa has reserved the right to postpone or cancel the Offering in full or in part at any time until the end of the Offer Period. The reason for postponement or cancellation of the Offering could be, among others, the following circumstances:

- unexpected and significant change in the economic or political situation in Latvia or the world which may affect financial markets, the economic situation or the prospects and operations of LAU Infra Grupa;
- significant change or development which affects the general situation, management, financial position, capital or results of operations of LAU Infra Grupa;
- insufficient demand for the Offer Shares.

Any cancellation of the Offering will be announced on the website of Nasdaq Riga <https://nasdaqbaltic.com/statistics/en/news> and through the LAU Infra Grupa website <https://lauinfra.com/>. All rights and obligations of the parties in relation to the cancelled part of the Offering will be considered terminated as of the moment when such announcement is made public.

4.14. Conflicts of Interest

According to the knowledge of the LAU Infra Grupa Management Board, the persons connected with the Offering have no other material personal interests from the viewpoint of the Offering. The Management Board is not aware of any conflict of interest related to the Offering.

4.15. Dilution

As of the date of this Prospectus, the number of the Shares of the Company is 35 202 323. The number of the Offer Shares is up to 6 400 421 (including the Upsize Option Shares), which consist of 3 840 253 existing shares and 2 560 168 new shares of the Company. Therefore, if the Offering is subscribed in full amount, the number of the Shares of the Company after the successful registration of the increase of the share capital of the Company will be up to 37 762 491, provided, however, that the number of the Offer Shares is not changed in accordance with the terms and conditions described in Section 4.13 "Postponement or Cancellation of the Offering". Therefore, the shareholding of the Sole Shareholder in the Company existing immediately prior to the Offering will be diluted by up to 16.9% as a result of the Offering (with the assumption that Sole Shareholder does not subscribe to any new shares of the Company).

The Company's net asset value per share is EUR 1.47 as at 31 December 2025 (i.e., corresponding to the nominal value and amount of shares of the Company at 31 December 2025). Further information on the price formation of Offer Shares in the course of the Offering is provided under Section 4.6 "Offer Price".

The following table shows the size of the holding of the Sole Shareholder in the Company as at the date of this Prospectus and the assumed size after completion of the Offering (assuming that the Sole Shareholder will not subscribe for additional shares during the Offering and that the Offer Shares are issued in full volume, including Upsize Option Shares).

Table 4.15.1.

Shareholder	As at the date of Prospectus		After completion of the Offering, assuming the sale of all Base Offer shares in the Offering		After completion of the Offering, assuming the sale of all Base Offer shares and Upsize Option shares (all Offer Shares) in the Offering	
	Number of shares	% of votes	Number of shares	% of votes	Number of shares	% of votes
Sole Shareholder	35 202 323	100.00%	31 362 070	85.96%	31 362 070	83.05%
Total Shareholder Shares	35 202 323	100.00%	31 362 070	85.96%	31 362 070	83.05%
Total Offer Shares	-	-	5 120 337	14.04%	6 400 421	16.95%
TOTAL SHARES	35 202 323	100.00%	36 482 407	100.00%	37 762 491	100.00%

5.

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Reasons for the Offering

The Offering consists of two components, namely:

- 1) the sale of Existing Shares by the Selling Shareholder; and
- 2) the issue and sale of New Shares and potential Upsize New Shares by the Company.

These two components serve related but distinct purposes.

On 7 October 2025, the Cabinet of Ministers of the Republic of Latvia adopted a decision to support the disposal of up to 24.99 % of the state-owned shares in the Company through an initial public offering, while retaining state ownership of at least 75.01 % of the Company's share capital. The Offering has been structured in accordance with that decision.

The sale of Existing Shares is intended primarily to facilitate the creation of a mixed ownership structure, that supports the development of an appropriate ownership and market profile for a listed company, including an appropriate free float, post-listing liquidity and market-based price discovery for the Shares. The sale of Existing Shares enables the Selling Shareholder to realise part of the value of its investment in the Company and generate proceeds for the state budget of Latvia. The combined structure of the Offering is intended to balance the Company's need for growth capital with the Selling Shareholder's interest in realising part of the value of its existing investment, while retaining an appropriate ownership position in the Company, consistent with the Cabinet of Ministers' decision to maintain a controlling state shareholding of no less than 75.01%.

The key reasons for the Offering by way of the issue and sale of New Shares and potential Upsize New Shares are to diversify and strengthen the Company's capital base and improve access to equity capital markets, including by raising additional funding for the Company's further development, expansion of operations and implementation of investment projects, and enhance the Company's long-term financial flexibility and diversity of funding sources. The Company's primary goal is to continue its growth with mixed ownership structure enabling the Company to pursue its growth path with fewer constraints than those inherent to its current status as a fully state-owned enterprise. In practice, this means greater flexibility to pursue strategic initiatives - including M&A activity, the development of new service lines, and the execution of investment projects - which under full state ownership require extended approval processes, limiting the Company's ability to grow.

The Company's key economic activities comprise of (i) road and street maintenance and (ii) the construction and reconstruction of transport structures and other engineering structures. The Offering is intended to support the Company's further development as a commercially operated company with a strategic role in the maintenance and construction of state roads and other critical infrastructure.

The Company does not receive state budget financing or subsidies for its commercial operations and operates under market conditions, including participation in public procurement procedures. Following the legislative changes in 2021, introducing a procurement-based model for state daily road maintenance, the provider of state road daily maintenance works is selected in accordance with public procurement rules rather than through an exclusive long-term delegated arrangement. The Company operates in a competitive market environment across road maintenance, infrastructure construction and related engineering works. That environment includes larger market participants as well as medium-sized and smaller regional operators, while competitive intensity has increased as market participants increasingly compete beyond their traditional operating regions. In this market environment, the Company's continued development requires ongoing investment in operational capacity, fleet renewal, digitalisation, adjacent services and selective geographic expansion. The use of proceeds described below is intended to support these priorities.

The Offering is also intended to facilitate the development of a mixed ownership structure by broadening the Company's investor base and introducing a more diverse shareholder structure, while the Selling Shareholder (Latvia) is expected to retain decisive influence over the Company. Such mixed ownership structure is expected to further strengthen market discipline, transparency and accountability, reinforce the equitable treatment of all shareholders and support governance and decision-making processes consistent with the standards applicable to a listed company.

Being a listed company is also expected to strengthen corporate governance standards and enhance public visibility and credibility with customers, suppliers, financing partners and other stakeholders.

Use of Proceeds

The Company intends to issue New Shares (including potential Upsize New Shares) in the amount resulting in gross proceeds of up to EUR 4 019 464.

With the exception of reimbursement from the proceeds of the sale of Existing Shares for Offering-related costs, as set out below, the Company will not receive any portion of the proceeds from the sale of the Existing Shares by the Selling Shareholder, which are expected to amount to up to EUR 6 029 197, assuming full placement of such Shares. The proceeds from the sale of Existing Shares will be paid into the state budget of Latvia.

Assuming that all Offer Shares are subscribed for, the gross proceeds of the Offering attributable to the Company are expected to amount to up to EUR 4 019 464, while the gross proceeds attributable to the Selling Shareholder are expected to amount to up to EUR 6 029 197.

Total expenses directly related to the Offering are expected to amount to approximately EUR 480 000, including fees and commissions to be paid to the advisers of the Offering. Pursuant to a decision adopted by the Selling Shareholder, acting through the Cabinet of Ministers, on 14 April 2026, the Company is entitled to reimbursement from the proceeds of the sale of Existing Shares for that portion of the Offering-related costs incurred by the Company that corresponds proportionally to the share of Existing Shares in the total number of Shares sold in the Offering, provided that such reimbursement does not exceed EUR 300 000 in aggregate. If the Offering is fully subscribed, Selling Shareholder expenses are expected to amount to EUR 288 000 and expenses attributable to the Company are expected to amount to EUR 192 000.

Investors will not be charged by the Company or the Selling Shareholder any costs, expenses or taxes in connection with the Offering. Investors may, however, be required to bear customary transaction and handling fees charged by the brokers or other financial institutions through which they hold or subscribe for the Shares.

Accordingly, assuming that all Offer Shares are subscribed for, the net proceeds attributable to the Company are expected to amount to up to EUR 3 827 464 (the “**Net Proceeds**”) and the net proceeds attributable to the Selling Shareholder are expected to amount to up to EUR 5 741 197.

The Company intends to use the Net Proceeds attributable to it across three main investment areas:

(1) Expansion in selected foreign markets

The Issuer intends to support expansion outside Latvia, primarily in the Baltic States and Scandinavia. The investments may include market evaluation and entry activities, project preparation and mobilisation, tender participation, partnership structures, development of local operating capabilities, equipment deployment and working capital required for foreign operations. As part of this expansion strategy, the Company considers growth through mergers and acquisitions, including the acquisition of participations in other companies, or similar transactions, where these would support the expansion. The Company is assessing opportunities to broaden its operations outside Latvia and currently expects that revenues generated outside Latvia could account for approximately 5–10% of the Company’s total revenues at around 2028.

(2) Expansion into adjacent infrastructure and strategic security infrastructure services

The Issuer intends to expand into adjacent infrastructure and engineering service areas that are complementary to its existing operations and customer base.

The investments are expected to support the development and commercialisation of new services in infrastructure, civil construction and engineering works, including strategic security, border protection and military mobility infrastructure segments, where the Issuer has existing operational experience and sees increasing long-term demand.

The Issuer may also use a portion of the Net Proceeds to strengthen internal delivery capabilities, establish and expand cooperation partnerships, and selectively invest in operating assets supporting continuity of supply, vertical integration, operational readiness and broader service offering capabilities.

(3) Capacity expansion and productivity-enhancing investments

The Issuer intends to invest in the expansion of its operational capacity and service capabilities in order to support future growth, larger-scale infrastructure projects and the development of new services.

These investments are expected to include, among others, acquisition of innovative equipment, specialised machinery and vehicles, upgrades to operational bases and production infrastructure, the development and expansion of mineral resource sites, and investments in digitalisation and automation solutions, including artificial intelligence (AI) initiatives.

The Issuer expects these investments to improve operational efficiency, asset utilisation and service quality, while supporting production capacity growth, continuity of raw material supply and competitiveness in public procurement procedures.

The Company’s management currently expects that the Company will have sufficient capacity and opportunities to deploy the Net Proceeds primarily towards the investment areas described in paragraphs (1) and (2) above. The Company currently expects to allocate approximately 2/3 (two thirds) of the Net Proceeds to expansion into new geographic markets, primarily in the Baltic States and Scandinavia, as well as expansion into adjacent infrastructure and strategic security infrastructure services, with substantially all of the remaining Net Proceeds expected to be allocated to capacity expansion and productivity-enhancing investments. The actual allocation and timing of the use of the Net Proceeds may, however, differ depending on the availability of suitable projects, targets and market opportunities, regulatory and legal requirements and other relevant considerations.

The Net Proceeds are expected to complement other funding sources available to the Company for the financing of its investment programme, including internally generated cash flow, retained earnings and, where appropriate, other external funding sources, for instance, debt financing as described in more detail in Section 8.8 “Investment Programme of the Company”.

The exact allocation of the funds to individual ongoing or potential investment projects is not determined in this Prospectus and will depend on the progress, timing, stage and sequencing of those projects. More detailed disclosure is also commercially sensitive due to the competitive environment in which the Company operates, including in public

procurement procedures, negotiations with cooperation partners and potential acquisition or other investment opportunities. The Company will retain discretion in the allocation of the Net Proceeds, subject to the investment areas and priorities described above.

If the Net Proceeds actually received by the Company are lower than expected, the Company intends to finance its investment programme using a combination of the Net Proceeds and other funding sources available to it, as described above. In such case, the Company intends to allocate the Net Proceeds substantially across the three main investment areas described above, while retaining flexibility to adjust the precise allocation, timing and sequencing of investments depending on market conditions, tender opportunities, project pipeline, permitting and procurement timelines, the availability of alternative financing, macroeconomic conditions and the Company's cash flow generation. If the Net Proceeds exceed the amount currently expected to be required for the main investment areas, the Company may accelerate the implementation of the above priorities or allocate additional funds to general corporate purposes consistent with its strategy.

The statements included in this Section constitute forward-looking statements based on the current intentions, estimates and assumptions of the Management Board. The manner and priority order in which the Net Proceeds are used may differ from the anticipated plan assumed in this Section, depending on market conditions in the future, risks, uncertainties and Company's business development.

6.

RIGHTS TO DIVIDENDS AND DIVIDEND POLICY

6.1. Main principles of Dividend Policy

On 26 May 2026 the Sole Shareholder of the Company acting through the Ministry of Transport of Latvia ("**Ministry of Transport**") approved the Dividend Policy of LAU Infra Grupa. The Dividend Policy will enter into force after listing of shares on the Main List, which is subject to approval by Nasdaq Riga. The Dividend Policy is available at the Company's website.

LAU Infra Grupa strives to ensure a balance between cash distributions to Shareholders, LAU Infra Grupa's strategic objectives and the financial stability of LAU Infra Grupa. The following key principles are applied in determining and calculating dividends:

- maintaining a balance between the short-term (profit) and long-term (development of LAU Infra Grupa) interests of the Shareholders;
- ensuring transparency in distribution of profits by explaining to Shareholders the amount of the annual dividend determination;
- forecasting and calculating dividends in accordance with international best practices of corporate governance;
- ensuring that the dividends provide an appropriate return on the capital invested by the Shareholders and on the assets managed by the Company.

Under the Dividend Policy, at least 64% of the Company's net profit earned in the previous financial year is expected to be paid to the Company's shareholders in the form of dividends. The amount of dividends is determined by reference to the net profit of LAU Infra Grupa reflected in the Company's audited annual financial statements for the respective financial year.

Based on the Company's current financial forecasts for the financial years 2026 and 2027, the Company estimates that shareholders may receive an average dividend yield of approximately 7% per annum over the two-year period.

Pursuant to Cabinet of Ministers Regulation No. 72 "Procedures for Forecasting, Determining, and Making Payments for the Use of State Capital," the minimum dividend payout ratio applicable to the Company is established at 64% of distributable profits. In addition, the Law on the State Budget for 2026 and the Budget Framework for 2026, 2027, and 2028 stipulates a dividend payout ratio of 90% of the Company's distributable profits for the financial years 2026 and 2027.

The Cabinet of Ministers of Latvia (the "**Cabinet of Ministers**") has the authority, upon a reasoned proposal of the Selling Shareholder, to permit a different projected dividend payout ratio in the Company's strategy than that prescribed in applicable legal acts.

6.2. Decision on distributing dividends

Each Shareholder has the right to a share in the profit of the Company distributed in the form of dividend payments. Annual dividends can be paid out once per year in accordance with the payment schedule after the General Meeting in which the financial report for the previous financial year has been approved. Interim or extraordinary dividends are not provided for in the Company's Articles of Association. Under Latvian law interim dividends may be paid only if provided for in the Articles of Association. The list of Shareholders who are entitled to receive dividends shall be determined on the basis of the list of Shareholders as maintained by the Nasdaq CSD SE, which is compiled as at a specific date ("record date") as determined by the Shareholders' Meeting.

Dividends are paid to a Shareholder in proportion to the total number of shares in LAU Infra Grupa held by the Shareholder on the appropriate record date. Dividends can only be calculated and paid out for fully paid-up shares. Dividends are paid in cash by bank transfer to Shareholders' accounts on the day of payment.

The governing body of LAU Infra Grupa deciding on profit distribution and dividend payment is the Shareholders' Meeting. The Management Board prepares a proposal for dividend allocation and distribution which is then reviewed by the Supervisory Board and adopted at the Shareholders' Meeting.

The Shareholders' Meeting also decides on the date of payment of dividends, which must be in the same financial year as the decision on payment of dividends. Dividend payment is made no later than 30 days after adoption of the relevant resolution of the Shareholders' Meeting.

External and internal factors which may affect recommendation by the Management Board on distribution of LAU Infra Grupa profits include, but are not limited to, the following:

- the financial situation of LAU Infra Grupa and the state of the Latvian economy;
- LAU Infra Grupa's legal liabilities and obligations;
- the amount of equity capital required;
- the strategic objectives of LAU Infra Grupa;
- restrictions imposed by applicable laws and regulations with regard to declaration and distribution of dividends, including special laws and regulations applicable to state-controlled companies;
- taxation policy;
- the emergence of new market participants and international competitors;
- the political situation in Latvia and the world.

6.3. Entitlement to dividends

LAU Infra Grupa issues notification of payment of dividends via the stock exchange information system. If a Shareholder fails to take out dividends within 10 years, these become the property of LAU Infra Grupa unless the statute of limitations is deemed to be discontinued or suspended by law. If dividends have not been taken out in time due to the fault of the Shareholder, no interest is paid on the dividends.

In general, LAU Infra Grupa cannot demand return of dividends previously paid to shareholders unless the distribution of dividends was unlawful, provided that the shareholder receiving the dividends knew or should have known that the distribution of dividends was unlawful at the time of the distribution.

The list of Shareholders who are entitled to participate in the distribution of profit and receive dividends shall be determined on the basis of the list of Shareholders as maintained by the Nasdaq CSD SE, which is fixed on the record date determined by the Shareholders' Meeting, whereas in respect of companies listed on Nasdaq Riga, such date may not occur earlier than on the tenth trading day after the Shareholder's Meeting where the nature or extent of the rights arising from the securities were determined (rights conferred on holders of securities or their scope). While distributing profit and making dividend payments to shareholders, a public limited company is under obligation to treat all shareholders equally with respect to the number of shares held on the record date while observing relevant Latvian taxation requirements described below.

The same procedures and rights with respect to dividend payments are applied both to residents and non-residents of Latvia except for taxation requirements. Dividends paid by LAU Infra Grupa are taxable in accordance with the statutory requirements of Latvia and may also be taxed in the Shareholder's country of tax residence. For a description of withholding tax on dividends applicable to non-Latvia residents, see Section 16 "Taxation".

6.4. Historical dividend distribution

LAU Infra Grupa targets to distribute dividends of at least 64% of the Company's annual net profit earned in the previous financial year in accordance with the Cabinet of Ministers regulation No. 72 "Procedures for forecasting, determining, and making payments for the use of state capital" minimal dividend payout. The adopted Dividend Policy also establishes a minimum dividend payout ratio of 64%. Pursuant to the Law on the State Budget for 2026 and the Budget Framework for 2026, 2027, and 2028, the Company is required to apply a dividend payout ratio of 90% of its distributable profits in respect of each of the financial years ending 2025, 2026, and 2027.

The following table sets forth dividend and dividend per share paid by LAU Infra Grupa for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023:

Table 6.4.1.

	1 January – 31 December		
	2025	2024	2023
Dividend (EUR)	6 652 614	4 857 777	709 805
Dividend per share, (EUR)	0.19	0.14	0.02
Percentage of dividends from total net profit	90%	70%	64%

7.

PRINCIPAL MARKETS

Information contained herein relates to the operating segments the Company is involved in. It is provided for informational purposes only. Unless otherwise indicated, such information reflects LAU Infra Grupa estimates based on analysis of multiple sources, including data compiled by respective government institutions, publicly available information as well as Company's internal data and its own experience. The Management Board has, to the best of its abilities, sought to ascertain and accurately reproduce information contained herein, omitting no facts which could render the reproduced information inaccurate or misleading. However, the Management Board accepts no further responsibility in respect to the information contained in this Section.

Prospective investors should read this Section 7 "PRINCIPAL MARKETS" in conjunction with the more detailed information contained in this Prospectus including Section 2 "RISK FACTORS" and Section 12 "HISTORICAL FINANCIAL INFORMATION".

7.1. Principal activities of LAU Infra Grupa

The main types of commercial activity performed by LAU Infra Grupa in accordance with the statistical classification of economic activities (NACE Rev. 2.1 classification) is construction of roads and motorways (42.11), specialised construction activities (43.50), construction of other civil engineering projects not elsewhere classified (42.99) and other.

Its business is organised around two main business lines, that form the core of the Company's competence, provide a stable revenue base and determine the Company's positioning in the industry:

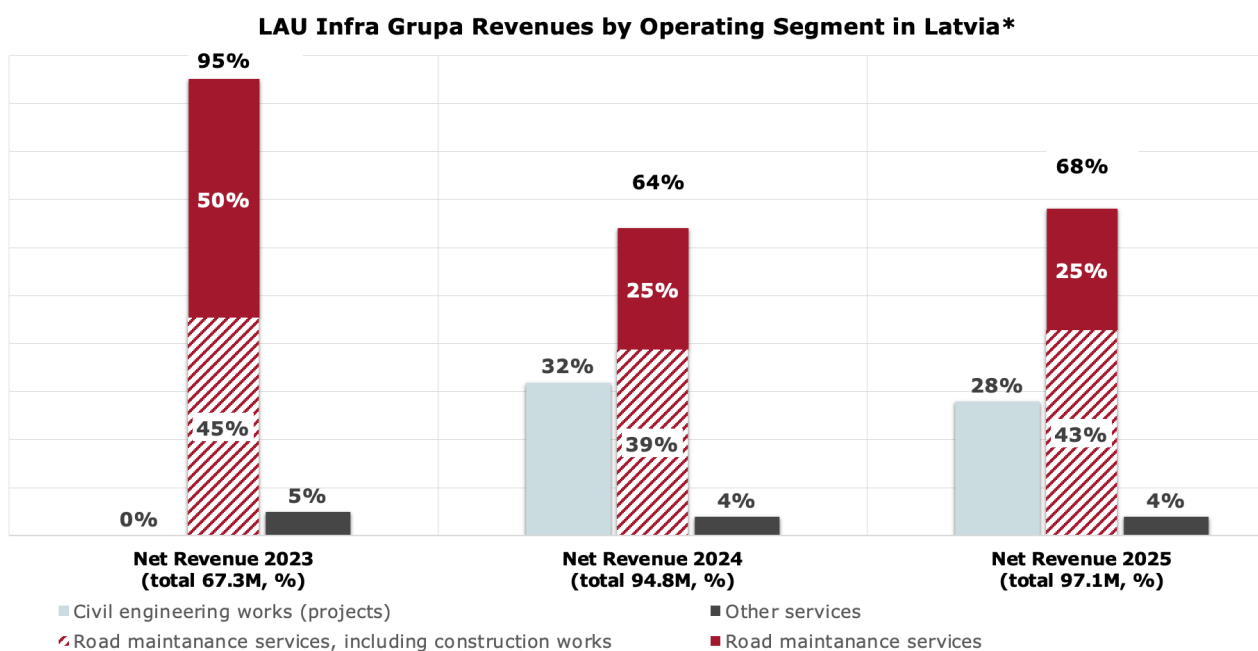
- maintenance of roads and streets;
- construction and renovation of transport and other engineering structures, including construction of complex infrastructure objects, defence and security-related infrastructure.

In addition, the Company provides the production of mineral materials for the implementation of its own projects and for sale. The vertically integrated business model ensures greater operational independence, more efficient resource management and stable service quality.

Revenue split

For each financial year covered by the historical financial information, the Company's revenue was attributable to a single geographic market – Latvia. The table below provides a breakdown of the Company's total revenue by operating segment for the last three financial years covered in Audited Financial Statements.

Figure 7.1.



* The Company's revenue for 2023, 2024 and 2025 has been presented by operating segment on the basis of the economic substance of the relevant activities. Revenue in the road maintenance segment comprises amounts from road maintenance services and construction services, which in the Company's financial information are identified separately

as construction works subject to the special tax treatment regime for construction services (in Latvian: Īpašs nodokļa piemērošanas režīms būvniecības pakalpojumiem) under Section 142 of the Value Added Tax Law (Pievienotās vērtības nodokļa likums).

Over the 2023–2025 period, the maintenance segment, excluding construction works, contributed between 25% and 50% of LAU Infra Grupa total revenues. Construction services in this segment accounted for between 39% and 45% of the total revenues. Starting from 2024, the Company commenced operations in the civil engineering works segment, which includes construction of complex infrastructure objects, generating revenue of 32% of total revenue in 2024 (2025: 28%).

Revenue from other activities (including the sale and realisation of mineral materials and other revenue not attributable to maintenance or construction) accounted for approximately 4–5% of total revenues.

For a detailed overview of the Company's activities, including the main service categories and operational segments, please refer to Section 8 "Business Overview".

7.2. Addressable market, market size and characteristics

As the Company has historically concentrated its operations within the territory of Latvia, the assessment of the addressable market and principal markets set out in this section is limited accordingly. All market sizing, demand projections, competitive dynamics, and funding availability analysis presented herein reflect conditions specific to the Latvian road maintenance and civil engineering infrastructure market.

The Company's future objectives include a targeted assessment of expansion opportunities in the Baltic and Scandinavian regions; however, as no revenues have been generated outside Latvia to date, those markets are not considered principal markets for the purposes of this Prospectus and are not included in the market assessment below.

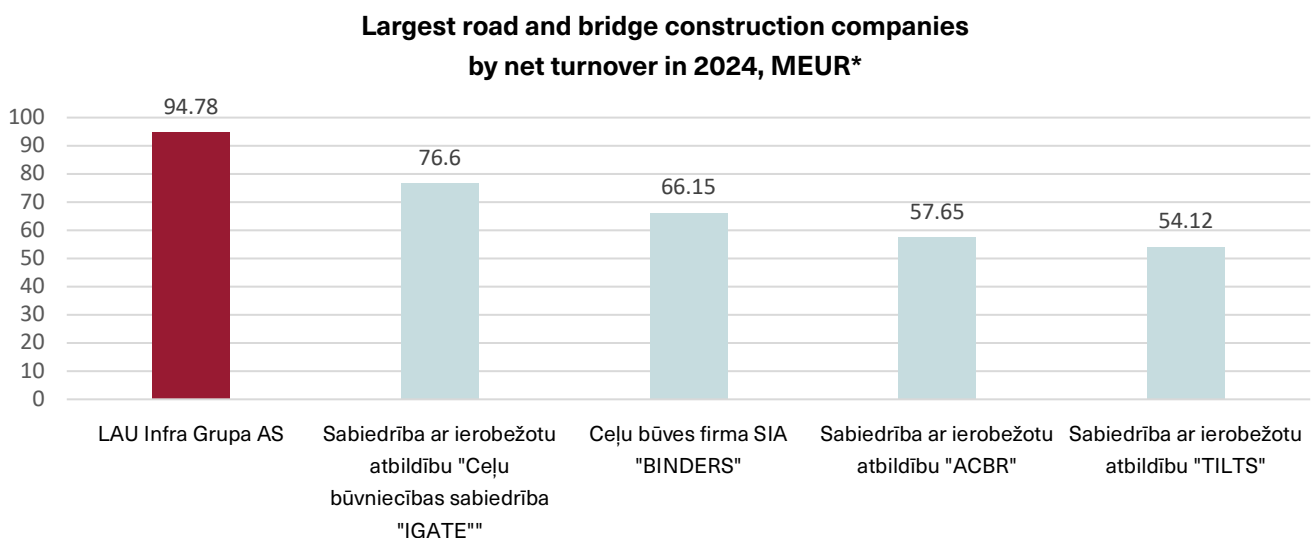
Competitive position of the Company

In 2024, the Company ranked among the top five construction companies in Latvia by revenue overall and was the largest company specifically in the road and bridge construction segment.

Companies active in the road and bridge construction segment generally have diversified infrastructure-related operations, extending beyond road and bridge construction to adjacent activities such as street and other transport infrastructure construction, reconstruction, maintenance, and related production or support services. As a result, the revenues of the companies presented in the graph may reflect a broader range of infrastructure construction activities, similarly to the Company, whose revenue is generated from both road-related maintenance and construction activities and other construction projects.

The graph below provides the top five road and bridge construction companies in 2024 by net turnover.

Figure 7.2.



*Largest road and bridge construction companies by net turnover in 2024
Source: Dienas Bizness Top 500

Road maintenance market in Latvia

Market size and structure

Latvia has a relatively large road network for the size of its population and territory. As of 31 December 2024, the total length of listed roads and streets in Latvia was 70 943 km, of which 19 897 km were national roads under the responsibility of VSIA Latvijas Valsts ceļi (“LVC”). LVC is therefore the central public-sector contracting authority for a very substantial share of the market, especially in relation to state road maintenance and related works, typically awarding such contracts for a five-year period. This provides a broad base of transport infrastructure requiring ongoing maintenance and related works.

The road maintenance market in Latvia is segmented into:

- state roads;
- municipal roads and streets; and
- forest roads and related access infrastructure.

The table below provides the division of roads by their type in Latvia.

Table 7.3.

Road Classification				
	Road length as at 31 December 2024 (km)			
Road classification	With black pavement	With crushed stone and gravel pavement	Unpaved	Total
State roads, incl.:	9,894	10,003	0	19,897
main roads (A)	1,660	–	–	1,660
regional roads (P)	4,789	696	–	5,485
local roads (V)	3,414	9,246	–	12,660
access roads	31	61	–	92
Municipal roads and streets, incl.:	6,700	30,966	0	37,666
roads	1,783	27,905	–	29,688
streets	4,918	3,060	–	7,978
Forest roads	29	12,341	1,010	13,380
Total roads and streets:	16,623	53,310	1,010	70,943

Source: Road classification and length. Latvijas Valsts ceļi. Available: <https://lvceli.lv/en/road-network/statistical-data/classification-of-roads/>

The road maintenance market is primarily public-procurement-driven. In practice, demand is driven mainly by contracts for the daily maintenance of state roads, as well as contracts for municipal roads, streets, forest roads and related transport infrastructure.

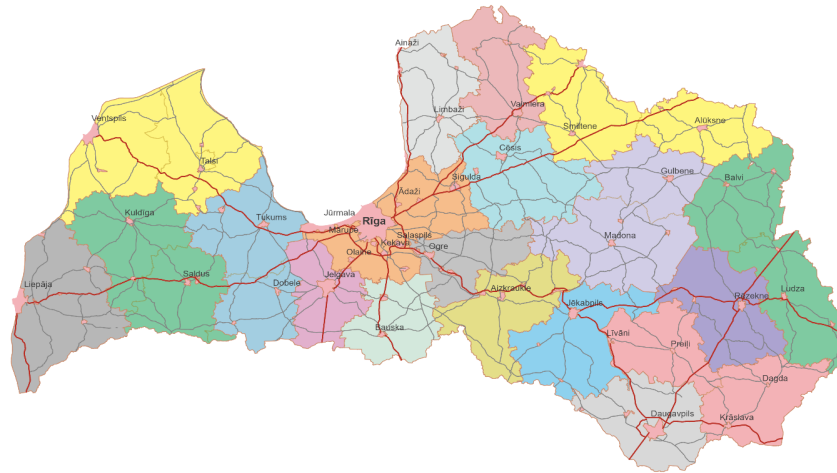
The state-road maintenance segment is particularly important because it is organised centrally through LVC and awarded through procurement procedures by contract areas or work packages.

Since 2022, state road daily maintenance works have been procured through open tender procedures, with the state road network divided into 19 maintenance contract areas, and a contract has been concluded with a maintenance contractor for each part of the work. When LVC procured routine maintenance works in these areas in 2022, it received 44 bids, indicating that the market is competitive and tender driven. The same territorial contract structure is maintained for the 2027–2032 period.⁵

⁵ Procurement announced for state road maintenance in the Bauska, Ogre, Preiļi and Dagda areas for 2027–2032. Latvijas Valsts ceļi. Available: <https://lvceli.lv/aktuali/izsludinats-iepirkums-par-valsts-autocelu-uzturesanu-bauskas-ogres-preilu-un-dagdas-apkartne-2027-2032-gada/>

Below is a figure, representing state road network for which the road network maintenance contracts are concluded with contractors.

Figure 7.4.



Source: Latvijas Valsts ceļi, <https://lvceli.lv/public-geo/>

In the municipal segment, contract duration varies depending on the contracting authority. Latvian state cities generally conclude road maintenance contracts for periods ranging from two to five years, while other municipalities may procure maintenance works under shorter-term or seasonal arrangements.

Forest road maintenance works are procured by forest infrastructure operators, including AS "Latvijas valsts meži", which typically awards contracts through public procurement procedures for a three-year period.

As a result, the Latvian road maintenance market combines medium-term contractual visibility in certain segments with shorter-term and seasonal procurement opportunities in others. As a leading road maintenance service provider in Latvia, LAU Infra Grupa ensures the accessibility of the state and municipal road network over a total length of more than 20,000 kilometres by carrying out maintenance works and providing rapid response services on a 24/7 basis.

Demand characteristics and seasonality

Market demand remains broad-based because road maintenance in Latvia covers 70 093 km - a mix of main, regional and local state roads, together with municipal infrastructure and forest roads.

The road maintenance market is characterised by seasonality. Daily maintenance is generally divided into winter and summer maintenance, with winter conditions increasing the need for rapid-response services, snow clearance, grooving and treatment with anti-skid materials. In contrast, the summer season is generally associated with works such as pothole repairs, surface dressing, gravel road maintenance and repair, drainage system maintenance, mowing, dust control and waste collection within road reserve areas.

Funding environment and procurement trends

The Latvian Road maintenance market is predominantly dependent on public sector funding with procurement volumes and the scope of works largely influenced by annual budget allocations. Funding mechanisms and procurement dynamics differ across the key market segments, including state roads, municipal roads and streets, and forest road infrastructure.

In the state road segment, daily maintenance works are primarily financed from the state budget and procured centrally through LVC. In March 2026 LVC stated that it continued to operate mainly with state budget funding, which it described as significantly limited, noting that this affects the scale and type of works that can be carried out. As a result, while the underlying demand for daily maintenance is structurally recurring, the overall market volume and project mix may vary depending on annual funding decisions and available co-financing programmes.⁶

In the municipal road and street segment, maintenance and related works are generally funded through municipal budgets and procured by individual municipalities or state cities. As municipal financial capacity and investment priorities vary, procurement activity in this segment is more fragmented and may be characterised by shorter-term contracts, seasonal tenders and fluctuations in annual expenditure levels

⁶ Construction work will take place on more than 650 km of national highways and on 14 bridges. Latvijas Valsts ceļi. Available: <https://lvceli.lv/aktuali/publiceta-valsts-autocelu-buvdarbu-karte-sim-gadam/>

In the forest road segment, maintenance and improvement works are financed by forest infrastructure operators, including state-owned and private entities. Procurement volumes in this segment are typically linked to forestry activity levels and infrastructure investment plans, rather than state road budget cycles.

Summary of key market characteristics

In summary, the Latvian road maintenance market is a procurement-driven market characterised by centrally organised state-road maintenance contracts administered by LVC, fragmented municipal procurement, and recurring maintenance needs across an extensive national road network. Key commercial characteristics include competitive tendering, regional lot-based contract structures, recurring but budget-dependent demand, and the selective use of integrated long-term contracting models, including PPP structures, for certain major transport infrastructure projects.

Construction and strategic infrastructure market in Latvia

Market characteristics, main market drivers

The construction and strategic infrastructure market addressed by the Company covers the construction, reconstruction and renewal of state and municipal roads, streets, bridges and related transport infrastructure, and includes defence and border-security infrastructure (strategic infrastructure).

LVC's 2026 roadworks plan shows that construction and renewal activity in the state road network remains geographically broad-based, with works planned on more than 650 km of state roads and 14 bridges, including 352 km of local roads, 184 km of regional roads and 121 km of main roads. Demand in the construction market is generated not only by major strategic projects, but also by recurring road renewal, bridge works, surface improvement and related civil engineering works across the wider road network.⁷

The Latvian market for strategic infrastructure construction is a newer but clearly expanding segment of the wider construction market. It is being driven primarily by defence and border-security investment, supported by national security policy, NATO commitments, including the 2025 Hague Summit commitment by Allies to invest 5% of GDP annually by 2035, comprising at least 3.5% of GDP for core defence requirements and up to 1.5% of GDP for defence- and security-related spending⁸, host-nation support requirements and eastern-border reinforcement needs which remains a multi-year strategic priority.

Additional market activity is expected to be supported by investments in strategic EU-level transport infrastructure projects, including Rail Baltica, as well as by the development of infrastructure relevant to military mobility.

Rail Baltica is a key long-term infrastructure project in this context, as its construction phase is expected to generate sustained demand for a broad range of civil engineering and transport infrastructure works over the coming years. In the 2026 state budget, EUR 260 million is planned to be allocated to the implementation of Rail Baltica in Latvia, of which EUR 247.2 million is intended for construction works. Funding is primarily directed towards the construction of the southern section of the Rail Baltica main line, as well as works at the Riga Airport station and the southern part of Riga Central Station.⁹

The activation of Rail Baltica construction works outside the main station areas may demand additional infrastructure works, including railway embankment works, engineering structures, service roads, local access roads, construction logistics areas and the adaptation or reconstruction of state and municipal road infrastructure at railway crossing points. Although the technical specifications of railway infrastructure differ from traditional road construction, many underlying construction processes are similar, including earthworks, access-road construction, drainage systems, pavement works and other civil engineering activities. This may create opportunities for the Company to participate in adjacent infrastructure segments linked to large-scale transport projects.

Funding and procurement frameworks

The Latvian road infrastructure market is characterised by a combination of public funding-driven demand and a range of procurement models, including traditional public tenders and, increasingly, PPP-based structures.

Demand remains materially dependent on public funding availability. In 2026, the Latvian road sector is planned to receive EUR 314.1 million in state financing and an additional EUR 38 million in EU fund investments. Within this funding envelope, EUR 142.7 million is planned for state road construction and renewal, covering approximately 570 km of roads. EUR 10.5 million is planned for the construction of pedestrian and cycling infrastructure, including EUR 9.7 million from EU funds. EUR 13.2 million is planned for traffic safety solutions, including EUR 9.0 million from EU funds, and EUR 60.1 million is planned as targeted grants to municipalities for street maintenance and construction.¹⁰ In certain cases, municipalities may also benefit from targeted state programmes or EU-supported infrastructure funding, particularly for rehabilitation or development projects.

⁷ Construction work will take place on more than 650 km of national roads and 14 bridges. Latvijas Valsts ceļi. Available: <https://lvceļi.lv/aktuali/publiceta-valsts-autocelu-buvdarbu-karte-sim-gadam/>

⁸ The Hague Summit Declaration. NATO. Available: https://www.nato.int/en/about-us/official-texts-and-resources/official-texts/2025/06/25/the-hague-summit-declaration?utm_

⁹ EUR 260 million is planned to be spent on the implementation of the Rail Baltica project in 2026. Ministry of Transport. Available: <https://www.sam.gov.lv/jaunums/rail-baltica-projekta-istenosana-2026-gada-planots-apgut-260-miljonus-eiro>

¹⁰ Road funding for 2026. Latvijas ceļu būvētājs. Available: <https://www.lcb.lv/lcb-statistika/autocelu-finansejums-2026-gadam/>

Another relevant feature of the Latvian road market is the gradual introduction of public-private partnership (PPP) structures for certain major transport infrastructure projects. The Ķekava Bypass project on the A7/E67, which was implemented under a design-build-finance-maintain PPP model, was the first large-scale road PPP project in Latvia, with the road becoming available for use in October 2023.¹¹ Another example of this model is the Bauska Bypass project on the A7, which was launched under a PPP model, and the planned 23-year cost envelope is stated at approximately EUR 300 million, including design, construction, financing, daily maintenance and periodic maintenance. This indicates that, alongside ordinary maintenance tenders, Latvia's road market also includes long-duration integrated contracts combining construction with lifecycle maintenance obligations.¹²

The Ministry of Defence continues to allocate a material share of its budget to infrastructure development in 2026, reflecting sustained investment in military facilities, training areas and enabling infrastructure. A key ongoing project remains the Sēlija Military Training Area, which is identified as the largest long-term development project of the National Armed Forces. This supports a continued pipeline of defence-related construction works, including transport access infrastructure, utilities, buildings, training facilities and other civil engineering works required for military readiness.¹³

Another significant demand driver is eastern border reinforcement programme, which remains a multi-year strategic priority. The Ministry of Defence has previously indicated that total planned investment in strengthening the eastern border amounts to approximately EUR 303 million over a five-year period. The programme includes reconstruction of existing roads, construction of anti-tank trenches and obstacles, and adaption of drainage systems for defensive purposes. This means that strategic infrastructure construction in Latvia includes not only military bases and training areas, but also linear transport infrastructure, access roads and border engineering works.¹⁴

The market is widening institutionally. Latvia is increasingly using a combination of state budget, allied and NATO-related funding and PPP structures for defence infrastructure development. The Ministry of Defence states that certain objects envisaged in the long-term development plans of the National Armed Forces for 2025–2036 will be implemented under PPP arrangements, including residential, administrative and transport infrastructure at the Sēlija Military Training Area and storage facilities in Nīkrāce. This reflects a gradual shift towards more diversified and contractually complex procurement structures in the strategic infrastructure segment.¹⁵

The construction market is characterised by intense competition, with revenue generated primarily through public and private procurement procedures, where price, quality, execution timelines and technical capacity are decisive factors. This competitive environment is also reflected in LVC procurement data: in the 2024 season, road construction tenders attracted an average of 4.65 bidders per tender, while bridge construction tenders attracted an average of 4.06 bidders per tender, with both indicators having more than doubled compared with 2018.¹⁶ In this context, the Company maintains its competitiveness through a vertically integrated operating model, including its own production of mineral materials, machinery fleet, logistics capabilities and regional production bases.

Increasing scale and technical diversity of projects

The increasing scale and technical diversity of defence infrastructure projects is also reflected in other military infrastructure projects. The Ministry of Defence reports ongoing or recently completed works at military and training sites including Meža Mackeviči, Lāčusils, Mežaine, Ādaži, Lielvārde, and the Karosta Naval Base, including firing ranges, barracks, command buildings, port dredging, RO-RO berth construction and hardstand surfaces. NATO Security Investment Programme funding and allied support are already being used for part of this pipeline. This illustrates a market with increasing technical diversity, spanning buildings and utilities, transport infrastructure and heavy civil engineering works.¹⁷

The Company's experience and positioning

The Company's accumulated experience in infrastructure maintenance, significant technical capacity, and regionally distributed operational assets provide a competitive foundation for expanding its construction activities. These strengths support delivery excellence and project execution efficiency across diverse environmental and operational contexts. The Company has long-standing experience in the construction, reconstruction and renewal of roads and related transport infrastructure, including road subgrade preparation, construction of roads with unbound pavement structures, gravel surface renewal, surface dressing, access-road construction, drainage works and related civil engineering works. The Company's road construction expertise is relevant to a broad range of public infrastructure projects, including state and municipal road renewal, traffic safety improvements, pedestrian and cycling infrastructure and municipal street construction.

¹¹ Ķekava bypass. Latvijas valsts ceļi. Available: <https://lvceļi.lv/celu-tikls/projekti/ppp/kekavas-apvedcels/>

¹² BAUSKA BYPASS PPP PROJECT TENDER ANNOUNCED. Latvijas Valsts ceļi. Available: <https://lvceļi.lv/en/road-network/projects/ppp-project/bauskas-bypass/>

¹³ White Book. Report on Defense Spending in year 2026. Ministry of Defence. Available: https://www.mod.gov.lv/sites/mod/files/document/BudzetaGramata_2026_4feb_0.pdf

¹⁴ Eastern border counter-mobility plan approved by Latvia, EUR 303 million to be invested in strengthening of border. Ministry of Defence. Available: <https://www.mod.gov.lv/en/news/eastern-border-counter-mobility-plan-approved-latvia-eur-303-million-be-invested-strengthening>

¹⁵ Public-private partnership (PPP) Development of residential, administrative and transport infrastructure at the Selonia Military Training Area, and storage facilities in Nīkrāce (PPP project). Ministry of Defence. Available: <https://www.mod.gov.lv/en/ppp>

¹⁶ Competition in road construction procurement continues to increase. Latvijas Valsts ceļi. Available: <https://lvceļi.lv/aktualitates/konkurence-celu-buvdarbu-iepirkumos-turpina-pieaugt/>

¹⁷ Development of military infrastructure. Ministry of Defence Republic of Latvia. Available: <https://www.mod.gov.lv/en/nozares-politika/supply-and-infrastructure/development-military-infrastructure>

In recent years, the Company has significantly strengthened its expertise in the construction of defence and security infrastructure through the implementation of large-scale projects on the eastern border, enhancing the Company's ability to operate in complex defence infrastructure projects, ensure rapid mobilisation of resources, coordinate the work of multiple subcontractors, operate under heightened security conditions, and deliver quality and compliance with deadlines in complex circumstances.

Summary of key market characteristics

In summary, the construction and strategic infrastructure market in Latvia relevant to the Company is primarily driven by public sector investment in the development and renewal of state and municipal roads, streets, bridges and related transport infrastructure. In parallel, the market is increasingly influenced by defence and security priorities, including rising national defence expenditure, NATO and allied operational requirements, eastern-border reinforcement, Rail Baltica-related infrastructure development and the long-term expansion of military and security facilities. Key market characteristics include a strong dependence on public funding availability, competitive and highly regulated procurement procedures, geographically broad-based road and bridge renewal works across Latvia. The market is also marked by increasing technical complexity and project diversity, security-sensitive execution environments in the defence segment, and a growing role for PPP, EU-funded and allied-supported procurement structures. The market therefore combines recurring demand for road renewal, bridge reconstruction, traffic safety improvements and municipal infrastructure upgrades with larger-scale strategic projects requiring significant technical capacity, rapid mobilisation of resources, cost competitiveness and the ability to deliver complex multidisciplinary engineering solutions.

7.3. Recent Trends and Developments

The information presented in this Section is a brief overview of the macroeconomic markets analysis conducted by Central Bank of Latvia as well as other publicly available data at the date of this Prospectus.

Macroeconomic trends in Latvia

The Bank of Latvia December 2025 macroeconomic forecast indicates GDP growing by 1.7% in 2025 and inflation at 3.9%. In the coming years, the situation is expected to improve as both domestic and external demand strengthen, with GDP expected to grow by 2.8% in 2026, 2.9% in 2027, and 3.2% in 2028.

The economic sentiment indicator points to economic recovery, with the industrial, retail, and services sectors, as well as consumer sentiment, currently in an upward phase. Amid declining global uncertainty about the impact of tariffs and a faster recovery in external demand, stronger export growth is expected.

Meanwhile, challenges are posed by the rapid increase in labour costs in Latvia, as well as military conflicts and the associated uncertainty in the external environment. Inflation is projected to stand at 3–4% in the next three years (3.2% in 2026, 2.9% in 2027, and 3.6% in 2028), driven by stronger wage increases, the revision of administered tariffs and government decisions, including those to raise excise taxes. Fiscal policy will remain supportive, with consumption driven by the government's recent decisions on additional expenditures for defence and demography.

Table 7.6.

	2025	2026	2027	2028
Economic activity (annual changes; %; at constant prices; seasonally adjusted data)				
GDP	1.7	2.8	2.9	3.2
Private consumption	0.6	3.0	3.1	3.1
Government consumption	2.0	0.2	1.2	1.7
Investment	9.9	4.0	2.2	6.2
Exports	1.2	4.0	2.8	2.8
Imports	5.7	3.1	2.2	3.3
HICP inflation (annual changes; %)				
Inflation	3.9	3.2	2.9	3.6
Core inflation (excluding food and energy prices)	3.5	4.0	3.3	3.5
Labour market				
Unemployment (% of the economically active population; seasonally adjusted data)	6.9	6.6	6.4	6.2
Nominal gross wage (annual changes; %)	8.0	7.6	7.6	7.9
External sector				
Current account balance (% of GDP)	- 3.2	- 3.5	- 3.2	- 3.5
Government finances (% of GDP)				
Budget surplus/deficit	- 2.7	- 3.5	- 3.5	- 3.1
General government debt	48.4	49.4	50.8	50.8

Source: Forecasts of Latvijas Banka. Latvijas Banka. Available: <https://www.bank.lv/en/operational-areas/task-monetary-policy/forecasts>

Fuel market trends and potential effect on the Company's operations

Diesel dependence of the Company's operations

The Company's operations are fuel-intensive by nature, given their dependence on heavy machinery, maintenance vehicles, transport equipment and logistics. This is particularly relevant in Latvia, where diesel remains the dominant energy source in road transport. Eurostat reports that, in 2023, gas/diesel oil accounted for 80.0% of road transport energy consumption in Latvia, which was the highest share in the EU. This indicates that fluctuations in diesel prices are likely to remain commercially relevant for road maintenance, construction and transport-intensive operators in Latvia.¹⁸

Fuel price volatility and external market drivers

A key recent trend has been the continued sensitivity of fuel prices to geopolitical events, crude oil market volatility and tax policy. The International Energy Agency stated in its March 2026 Oil Market Report that oil prices had become highly volatile and that higher oil prices and a more uncertain economic outlook created additional downside risks. In parallel,

¹⁸ Final energy consumption in transport - detailed statistics. Eurostat. Available: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Final_energy_consumption_in_transport_-_detailed_statistics

the European Commission's Weekly Oil Bulletin reported that prices for diesel and other petroleum products in the EU increased in March and April 2026 following the widening conflict in the Near East.¹⁹

Impact of domestic excise policy on fuel prices

Fuel prices in Latvia are also affected by domestic excise tax policy. The European Commission's Weekly Oil Bulletin noted that Latvia increased excise duties on diesel from 1 January 2026²⁰. Subsequently, in March 2026, the Latvian Ministry of Finance announced a proposal to reduce the excise tax on diesel fuel in order to mitigate the impact of rapidly rising fuel prices, stating that the measure would lower fuel prices by approximately 8.6 cents per litre including VAT. This illustrates that, in addition to international oil-price movements, the Latvian fuel market is influenced by fiscal policy changes that can either increase or partially offset cost pressure for fuel-consuming businesses.²¹

Potential effect on construction and strategic infrastructure operations

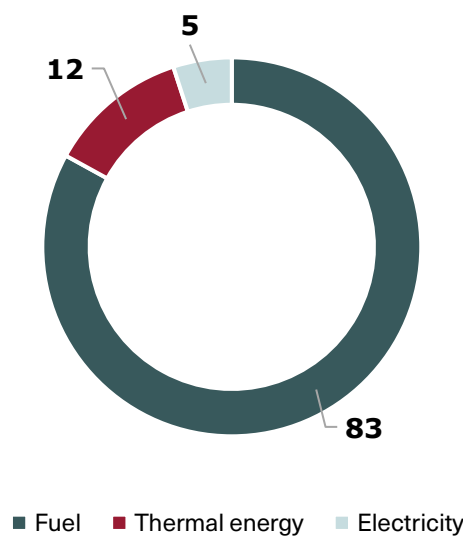
For the Company's construction and strategic infrastructure activities, fuel-market trends may also affect the cost base through higher transport costs for materials, increased running costs of earthmoving and construction machinery, and higher prices charged by subcontractors and suppliers. In an environment where public procurement remains strongly price-driven, this may influence bidding strategy, project profitability and the competitiveness of integrated self-performed operations relative to outsourced delivery models. That conclusion is an analytical inference, but it is consistent with the documented volatility in oil markets and the continued diesel dependence of transport activity in Latvia and the EU.

The Company's operations are exposed to fluctuations in fuel prices, as fuel is a significant cost component in road maintenance, construction and logistics activities. In 2025, fuel accounted for 83% of the Company's total energy consumption, followed by thermal energy at 12% and electricity at 5%. Fuel is primarily used for transport and technical units, while thermal energy and electricity are mainly used to support workplace and production processes.

The graph below presents the structure of the Company's energy consumption by energy source in 2025:

Figure 7.8.

Company's energy consumption and energy resource structure in 2025, %



Source: the Company

Exposure to fluctuations in fuel prices, as well as the structure of the Company's energy consumption, remains relevant as at the date of this Prospectus, given the Company's continued reliance on fuel-intensive activities in the ordinary course of its business. The Company mitigates this exposure through framework arrangements with several suppliers, under

¹⁹ Oil Market Report – March 2026. IEA. Available: <https://www.iea.org/reports/oil-market-report-march-2026>

²⁰ Weekly oil bulletin. DG Energy. Available: <https://ec.europa.eu/newsroom/ener/newsletter-archives/73607>

²¹ The Baltic States coordinate action: the Cabinet supports a reduction in excise duty on fuel. Cabinet of Ministers. Available: <https://www.mk.gov.lv/lv/jaunums/baltijas-valstis-koordinete-ricibu-mk-atbalsta-akcizes-nodokla-samazinasanu-degvielai>

which fuel and other key input materials may be procured on the basis of competitive quotations for specific projects or defined periods. These arrangements are described in more detail in section 8.11 “Material agreements”.

If the highest recently observed fuel price levels are maintained, management estimates that this could increase the Company’s expenses by up to EUR 2 million on a 12-month basis in each of 2026 and 2027.

7.4. Key regulatory developments and trends

The Company operates in a regulated and procurement-driven infrastructure market, where demand, operating requirements and competitive dynamics are influenced by public-sector funding priorities, road maintenance standards, public procurement procedures, environmental requirements and increasing expectations regarding digitalisation, transparency and service quality.

Sector-specific regulatory framework

The Company’s activities are subject to the regulatory framework applicable to both road maintenance and road construction. Road maintenance activities are regulated by Cabinet of Ministers Regulation No. 26 “Regulations Regarding the Requirements for Daily Maintenance of State and Local Government Roads and the Procedures for Control of the Fulfilment Thereof”, which establishes the requirements for the daily maintenance of state and municipal roads and the procedures for supervising compliance with such requirements.

Road and street construction activities are further regulated by Cabinet of Ministers Regulation No. 633 “Road and Street Construction Regulations”, which sets out requirements relating to the construction process, building permit conditions, expert examination, responsible authorities and the procedures for commissioning road and street construction works. Changes to this framework may affect the planning, permitting, documentation, supervision and handover process for road and street construction projects.

Significant changes are expected in the procurement structure of VSIA ‘Latvijas Valsts ceļi’ – in the new five-year period, a comprehensive daily maintenance work (CDMW) model will be introduced for the maintenance of 1,860 km of state roads, which provides full-cycle, continuous maintenance services and promotes market consolidation by raising requirements for the operational capacities of service providers. In addition, from 2026, road construction projects are expected to be based on the updated LVC Road Construction Specifications 2026, which increase requirements relating to:

- the quality of construction materials;
- testing, calibration and control procedures;
- documentation and handover requirements.

In order to maintain its competitive position in future tender processes, the Company expects that compliance with the updated specifications will necessitate ongoing investment in and development of its technologies, quality-control processes and documentation flows to meet the enhanced execution and handover standards.

Public procurement framework

Since the majority of the Company’s clients are public sector entities, public procurement remains the principal legal route to market for a significant part of the Company’s activities. The Company provides road and street maintenance and construction services under fixed-term private law service contracts awarded through open and competitive tender procedures.

Evolution of customer and tender requirements

Although the Company assumes that no material changes to the legal framework affecting the Company’s operations or development plans are expected during next 3-5 years, it also identifies several areas where customer and tender requirements are expected to become more demanding.

These include further standardisation of winter maintenance requirements, increased requirements for machinery and environmental performance, digital monitoring, reporting and transparency. These developments may increase the importance of technical capacity, process discipline, digital systems and the ability to demonstrate compliance throughout the term of service contracts.

Customer requirements are also expected to become more stringent in other infrastructure segments, including municipal road maintenance and construction, forest road construction and maintenance, rail-related construction and defence and security infrastructure projects. The five-year maintenance procurements of the Riga municipality have set a higher quality benchmark for the wider market, including:

- requirements for Euro 6 compliant machinery used for reducing slipperiness, carriageway cleaning and street inspection;
- 24-hour snow clearing;
- centralised pavement cleaning and spring sand collection;

- digital traceability and data transfer; and
- service-level agreements with defined KPIs for response times, cleaning cycles, treatment deadlines by street category and operational reporting.

In the forest road segment, procurement is also moving towards framework agreement structures, allowing works to be ordered more flexibly over a multi-year period and across geographically dispersed locations. Rail-related construction and defence infrastructure projects are subject to more specific technical, durability and operational requirements, including higher material quality standards, longer life-cycle expectations, restricted access conditions and coordination with public authorities.

In these segments, compliance with technical specifications, documentation requirements, environmental standards, delivery deadlines and quality-control procedures is expected to remain an important factor in the Company's ability to compete successfully in public procurement procedures.

Environmental and sustainability requirements

Sustainability and environmental requirements are becoming increasingly relevant for both maintenance and construction activities. The Company's strategic direction includes sustainable governance, responsible use of resources, integration of ESG principles and movement towards climate neutrality.

These requirements may affect the Company's selection of equipment, materials, subcontractors and working methods, as well as its ability to compete in procurement procedures where environmental, energy-efficiency or life-cycle criteria are applied. Environmental requirements are also relevant in specific infrastructure segments, including forest road works and projects carried out in environmentally sensitive areas, where the protection of natural resources, prevention of erosion and protection of water resources may be relevant to project execution.

Digitalisation, monitoring and information security

Digitalisation is another regulatory and operational trend affecting the Company's business. In 2024, the Company started developing an enterprise resource planning and operational information system intended to automate processes and improve data management and prepared a digital development roadmap as a strategic framework for further ICT development.

The Company's digital agenda is also relevant from a compliance and operational resilience perspective. The Company has identified cybersecurity as a material sustainability aspect and has developed an information and communication technology security policy. Its strategic priorities include strengthening ICT infrastructure, improving ICT service availability and business continuity, ensuring data security and aligning internal processes with applicable cybersecurity requirements, including NIS2-related requirements.

As customer requirements increasingly include digital monitoring, reporting and transparency, the Company's ability to maintain reliable data, ensure system availability and provide traceable reporting is expected to become increasingly relevant to its competitive position. Innovation, data use and new work organisation solutions are also expected to become important drivers of productivity, cost efficiency and occupational safety.

8.

BUSINESS OVERVIEW

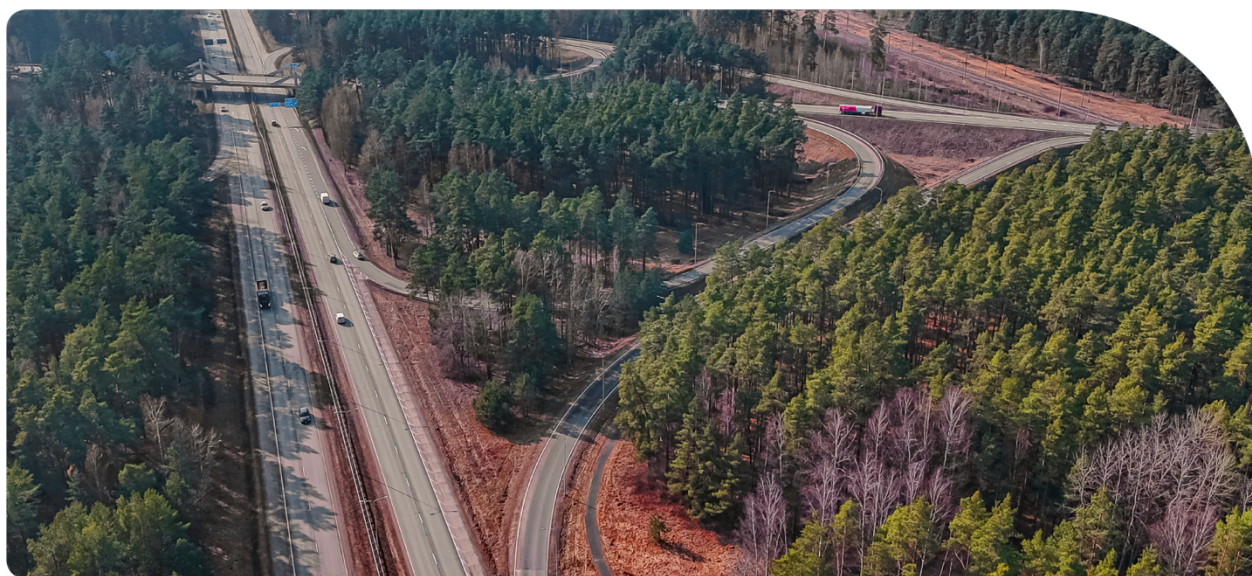
8.1. About the Company

LAU Infra Grupa is a state-owned joint stock company and one of the leading road maintenance and civil infrastructure construction companies in Latvia, operating in the strategically important transport infrastructure sector. The Company's activities are focused on ensuring safe, accessible and sustainable road infrastructure, promoting national mobility, regional accessibility, economic development and state safety.

The Company was established on 6 June 2006 through the merger of four state-owned companies. Over its operating history, the Company has operated both under market conditions and performed state delegated functions relating to the maintenance of national roads. The opening of the national road daily maintenance market to competition in 2021 fundamentally transformed the Company's operating model from a non-commercial public person-dependent capital company into a commercially oriented state-owned capital company that competes fully in the open market and participates in public procurement procedures alongside other market participants.

The Company employs more than 1,000 employees and operates a broad, seasonally adapted fleet, supported by an extensive regional infrastructure of technical bases, warehouses and production facilities throughout Latvia. The Company ensures the availability of the state and municipal road network over more than 20,000 kilometres and provides operational response on a 24/7 basis in accordance with applicable requirements and contractual service standards.

Although the Latvian state owns 100% of the Company's shares as of the date of this Prospectus, and the holder of the shares is the Ministry of Transport, all Company's revenues are generated from commercial activities, and the Company competes in public procurements alongside other market participants.



8.2. Historical timeline and developments

The Company was established on 6 June 2006 as a consolidation of four state-owned road maintenance companies: VAS "Centrālā reģiona ceļi", VAS "Latgales ceļi", VAS "Kurzemes ceļi" and VAS "Vidzemes ceļi". Over the course of nearly two decades, the Company has operated across distinct regulatory and market frameworks, initially conducting its activities on market terms and, thereafter, carrying out state-delegated functions in relation to the daily maintenance of national roads from 2014 onwards. Following the opening of the national road maintenance market to competition in 2021 with amendments to the Law on Roads (in Latvian: *likums "Par autoceļiem"*), the Company has undergone a material business model transition from a state-dependent, non-commercial entity to a commercial state-owned capital company competing in an open market environment. Since 8 August 2023, the Company has been operating fully under open market conditions, upon the discontinuation of state-delegated functions in all contract areas. The Company has since demonstrated significant growth, ranking among the top five construction sector enterprises in Latvia by net turnover in 2024.

Below is a description of milestones within the Company's development:

Year	Development
2006	Establishment of the Company on 6 June 2006 through the merger of VAS "Centrālā reģiona ceļi", VAS "Latgales ceļi", VAS "Kurzemes ceļi" and VAS "Vidzemes ceļi".
2006-2013	Operation of the Company under market conditions.
2014	Commencement of state-delegated functions relating to the daily maintenance of national roads.
2021	Amendments to the Law on Roads (in Latvian: "Par autoceļiem"), effective from 1 October 2021, introducing free market principles for the performance of national road daily maintenance works, with the Company participating as a fully commercial entity.
2023	Full transition to open market conditions from 8 August 2023, upon completion of all remaining state-delegated functions.
2024	The Company ranked among the top five construction sector enterprises in Latvia by net turnover.
2026	Planned initial public offering (IPO) under a mixed ownership model retaining state control while opening a minority stake to private investors

In addition to the above operational developments, the Company has received several recognitions in recent years reflecting its focus on sustainability, workplace practices and safety:

- Sustainability Index Silver category (2014 - 2018) and Platinum category (2019 - 2023).
- Recognition for contribution to promoting fair competition in the sector, as well as for its cooperation and support during military training activities (2018).
- Acknowledgement for participation in the State Labour Inspectorate competition "Golden Helmet" in 2019 (in Latvian: "Zelta ķivere").
- Status "Family-friendly workplace" (in Latvian: "Ģimenei draudzīga darbavieta") since 2021, and this status is subsequently renewed.
- Recognition in the nomination "Diversity and Equal Opportunities" (in Latvian: "Dažādība un vienlīdzīgas iespējas") as part of the Latvian Sustainable Governance Awards 2024.
- Status of a "Diversity-Friendly Employer" (2025) (in Latvian: Dažādībai atvērts darba devējs).
- Silver Award in the "Safest Corporate Fleet 2025" competition in the category "Local (Baltic) freight transport and special-purpose vehicle fleets".

8.3. Business Lines of the Company

The Company operates an integrated business model combining maintenance, construction and resource supply capabilities. Its two principal lines of business are road and street maintenance and the construction and renewal of transport and other engineering infrastructure. These activities are carried out across several market segments, including national roads, municipal roads and streets, forest roads, defence and security infrastructure and transport infrastructure for industrial and logistics parks.

The Company distinguishes between core business lines and emerging business lines in order to reflect the differences in maturity and strategic importance and contribution to overall revenue.

The Company's core business lines are, (i) the daily maintenance of roads and streets and, (ii) the construction and renewal of roads, streets and related transport infrastructure.

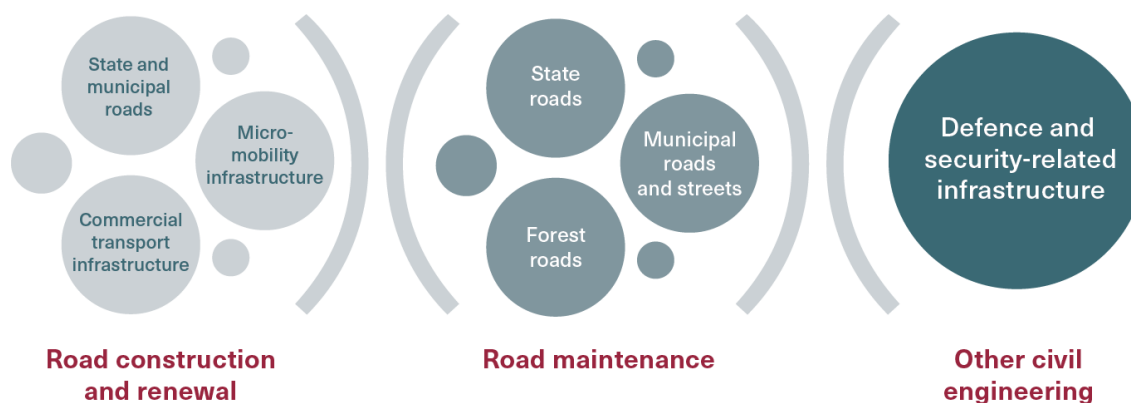
These business lines represent areas in which the Company has developed significant experience, established strong expertise and solid market position, and they currently provide the largest contribution to the Company's revenue and the achievement of its strategic objectives.

In addition, the Company is expanding into **emerging business line** focused on the construction of more complex infrastructure objects, including defence and security-related infrastructure. This business line builds on competencies developed in recent years and represents a strategic expansion into higher value-added projects, with a focus on strengthening capabilities and broadening the scope of services provided.

In addition, the production and sale of mineral materials constitute a distinct operational pillar that supports vertical integration and enhances the cost competitiveness of the Company's core operations.

Below is the figure of LAU Infra Grupa main business lines.

Figure 8.3.1.



Source: the Company.

Maintenance of Roads and Streets

Road and street maintenance is the Company's core business line and the foundation of its operating model. The Company provides maintenance services for national roads, municipal roads and streets, forest roads, transit routes, and roads belonging to commercial customers, covering a network of over 20,000 kilometres as at the date of this Prospectus. In the 2023–2025 period, maintenance services in the road maintenance segment accounted for 25% to 50% of LAU Infra Grupa total revenue.

The most significant contracts in this business line comprise 19 contracts (lots) for the daily maintenance of all state roads, with the last of these contracts remaining in force until 7 August 2028.

In addition, a key contract is the agreement for the maintenance of transport structures on the left bank of the Daugava River in Riga for the period 2024–2029, concluded by the Association of Persons “Roadeks and LAU”, one of whose members is LAU Infra Grupa. Under this contract, the contractor ensures the maintenance of transport structures, monitoring of their technical condition, and execution of maintenance works, thereby supporting the safe and uninterrupted operation of traffic infrastructure in the city of Riga.

Another material contract is a five-year agreement for the period 2025–2030 for the execution of the restoration of horizontal road markings on paved carriageways within the road network managed by the Kurzeme Regional Department. This contract is concluded by the Association of Persons “LAU and HODOS”, one of whose members is LAU Infra Grupa. Within the framework of the contract, the systematic renewal of horizontal markings is ensured, promoting the safe and continuous operation of transport infrastructure in the Kurzeme region.

Services are provided on a year-round, 24-hour basis in accordance with the requirements set out in Cabinet of Ministers Regulation No. 26 “Regulations on the Requirements for Daily Maintenance of State and Municipal Roads and the Control of Compliance Therewith”. State road maintenance services are provided on the basis of multi-year contracts, which support a stable and predictable revenue stream. Maintenance works for municipalities and other customers are provided under both seasonal and multi-year contracts, allowing the Company to operate flexibly across different market segments. Orders for road maintenance services are obtained through public procurement procedures, in which the Company competes with other market participants.

Across all seasons, the Company is required to react operatively to hazardous situations, including by restricting or eliminating immediate safety risks by preventing road damage and restoring missing or damaged road equipment elements to ensure safe and continuous road use.

Operations are organised according to seasonal requirements. The summer season, running from 16 April to 15 October, focuses on pavement repair and renewal, surface dressing, water drainage management and environmental maintenance of road corridors. During the winter season, from 16 October to 15 April, maintenance crews are mobilised on a 24-hour

basis to address anti-skid treatment, snow clearance and emergency repair requirements. The comprehensive scope of the Company's maintenance activities is summarised below.

Summer season activities (16 April – 15 October):

- Repairing potholes and restoring the surface roughness of asphalt pavements
- Maintenance and repair of gravel roads, including de-dusting of gravel and crushed stone surfaces
- Water drainage management - clearing and profiling ditches and culverts
- Mowing of grass, shrubs and roadside vegetation
- Roadside litter collection

Winter season activities (16 October – 15 April):

- Snow clearance and grooving of road surfaces
- Application of anti-skid and anti-icing treatments
- Emergency pothole filling and urgent repair works

Year-round activities:

- Maintenance and inspection of bridges
- Cleaning of water drains and transport stops
- Installation and renewal of road signs and safety barriers
- 24/7 operative response to hazardous road situations, including restricting or eliminating immediate safety risks

In addition, the Company may perform application and restoration of horizontal road markings under separate contracts or procurement procedures, where such works are awarded to the Company.

Operations of the Company are supported by a broad fleet of specialised and general-purpose equipment. Planning and execution of maintenance operations are coordinated through GPS and telemetry systems that enable real-time tracking of fleet movements and optimisation of resource utilisation across the Company's regional structure.



Construction and Renewal of Transport Infrastructure

Construction is a significant business line of the Company and has an important role in long-term growth and value creation. In the period 2023–2025, construction services in the road maintenance and engineering structures segment accounted for 45% to 71% of LAU Infra Group's total revenue.

The Company provides construction services for state and municipal transport infrastructure, forest roads, and other transport and engineering structures.

The Company's accumulated experience in infrastructure maintenance, technical capacity and regionally distributed operational infrastructure provides a competitive basis for further expansion in engineering construction.

The Company currently specialises in the following road and street construction and renewal activities:

- Earthwork and formation preparation.
- Construction of roads with unbound (gravel and crushed stone) surfaces.
- Renewal of gravel surfaces and surface dressing works.
- Reconstruction and surface dressing of road and street pavement structures.
- Development of new road infrastructure.
- Implementation of complex design-and-build projects, including preparation of design solutions, construction works and author supervision.
- Construction and maintenance of forest roads, carried out in compliance with strict environmental regulations concerning the conservation of natural resources, erosion prevention and protection of water resources.



In 2026, the Company is implementing a number of national local road surface restoration projects across the territory of Latvia. Within the framework of these contracts, works primarily include surface restoration activities, as well as, in certain cases, reconstruction works and bridge demolition. The value of individual contracts ranges from approximately EUR 330,000 to EUR 968,000.

The principal customers in this business line are LVC, municipalities, AS “Latvijas valsts meži”, VAS “Valsts nekustamie īpašumi” (State Real Estate company) and other public and commercial entities. Work is carried out through public procurement contracts and, in the case of larger or more complex projects, through supplier alliances or subcontractor arrangements to efficiently pool specialist expertise and resources.

Construction of Complex and Specialised Objects

The Company has, in recent years, developed a significant track record in the construction of complex and specialised objects, including defence and military mobility infrastructure projects, where strict quality and safety standards and the ability to operate in challenging environmental conditions are essential. Orders are obtained through public and private procurement procedures in which price, quality, delivery timing and technical capacity are assessed in competition with other market participants. This business line represents the Company's principal emerging market segment and is expected to continue contributing to value creation and profitability.

The construction of security infrastructure – encompassing military mobility and counter-mobility infrastructure – is identified as a relatively new segment of the civil engineering market in Latvia, in which growth is expected in the coming years. The broader geopolitical environment and the commitments of NATO member states to increased defence and critical infrastructure spending are expected to support demand in this segment over the medium term, which is supported by NATO member states' commitment, agreed at the 2025 Hague Summit, to invest 5% of GDP annually by 2035, comprising at least 3.5% of GDP for core defence requirements and up to 1.5% of GDP for defence- and security-related spending²².

²² The Hague Summit Declaration. NATO. Available: https://www.nato.int/en/about-us/official-texts-and-resources/official-texts/2025/06/25/the-hague-summit-declaration?utm_



Track record in border infrastructure development

In recent years, the Company has also made a significant contribution to the construction of infrastructure along the external land border of the Republic of Latvia for the needs of the State Border Guard, including fence and fence support elements on priority sections along the border between the Republic of Latvia and the Russian Federation, representing 37% of the total infrastructure volume. The Company has also constructed infrastructure on sections of the border between the Republic of Latvia and the Republic of Belarus, including access roads, communications infrastructure and technical objects, such as metal towers, communications cable ducting, service roads and pontoon boat moorings, to improve border protection in the Daugava section and around Lake *Riču*. The Company expects the continued development of this segment to remain important for value creation and profitability.

Within the framework of these projects, 60.5 km of fencing, 16.5 km of fence support elements, six communication towers with 2.2 km of access roads, as well as 4.3 km of patrol roads and 2.8 km of communication cable ducting have been constructed, in addition to the development of boat launch sites and pontoon berths.

The key contracts for the 2026–2027 period comprise two contracts for the construction of the Latvia–Russia border infrastructure, as well as three contracts for the development of counter-mobility infrastructure. Within the framework of the border infrastructure contracts, the Company carries out the development of border infrastructure, ensuring the strengthening of the state's external border, compliance with security requirements, and the construction of the necessary engineering solutions. In addition, under the counter-mobility infrastructure contracts, the Company performs the construction of counter-mobility infrastructure and the establishment of areas for the placement of material and technical resources.

The Company intends to strengthen its competencies and presence in the road maintenance services market and to potentially expand its activities in road and other engineering construction, including considering growth outside Latvia. The Company's competitive position in this segment is reinforced by its vertically integrated operating model, which includes self-produced mineral materials, an extensive specialised equipment fleet and regional production bases. The revenue model in this segment is focused on projects with higher added value, enabling the Company to participate in a larger part of the value chain, strengthen its market position and support sustainable competitiveness in a changing market environment.

Other Activities

In addition to its two principal business lines, the Company derived approximately 4% of its net turnover in 2025 from other activities, the most significant of which is the production and sale of mineral materials. Rather than constituting a standalone business line, this activity primarily serves to support the Company's core operations by securing a reliable, cost-effective supply of construction materials and reducing dependency on third-party suppliers.

The Company produces dolomite crushed stone, crushed gravel and prepared sand across a network of over 30 quarries distributed throughout Latvia, including dolomite, sand-gravel, sand, sand and clayey sand deposits. Materials extracted are used in the Company's own road maintenance and construction works and sold externally. Production at the principal sites – Dārziems, Akmeņcūciņas, Ceļinieki and Elerne – is certified under assessment system 2+, confirming compliance with harmonised standards LVS EN 13242 and LVS EN 13043, maintained through regular monitoring by accredited certification authorities. The Company continues to invest in production equipment and machinery to increase production capacity.

8.4. Strategy and Objectives

The Company is currently in the process of developing and formalising its medium-term operational strategy for the upcoming years. As at the date of this Prospectus, the strategy has not yet been formally approved by the Company's governing bodies. The information set out in this section reflects the Company's current strategic thinking and intended direction as developed by the Management Board and presented to the Supervisory Board and should be read as indicative of the Company's strategic priorities rather than as a formally adopted plan. There can be no assurance that the strategy will be adopted in the form described below, or that the objectives described will be achieved. Prospective investors should have regard to the risk factors set out in Section 2 of this Prospectus.

Subject to the foregoing, the Company's intended strategy is structured around three mutually reinforcing directions - business growth, digital and competence development, and sustainable governance - reflected in six strategic objectives designed to enhance the Company's competitive position in a procurement-driven market, improve operational execution and resilience, and deliver sustainable long-term value.

The six areas of focus of the Company's intended strategy are summarised below.

Business growth. Strengthening competitiveness in the daily maintenance of national roads remains the core priority of the Company, alongside development of new services and potentially entering foreign markets in the upcoming years. Revenue sustainability is expected to be supported by continued performance in public procurement across the operating segments and, in a more competitive environment, by continued focus on efficiency, service quality and capability building. The Company intends to selectively assess expansion opportunities in the Baltic and Nordic region, subject to careful evaluation of technical capacity, market conditions and economic viability.

Production base and capacity. Increasing production potential is planned through development of the production base, including targeted investments in production facilities and the fleet, together with measures intended to improve capacity, reduce downtime and support competitive pricing and timely contract execution. The Company also plans development and expansion of mineral extraction sites to increase raw material availability and geographic coverage, thereby reducing logistics costs and supply risks.

Employees, capabilities and customer experience. The Company intends to continue investing in employee development through structured training in relevant skills and technologies, strengthening professional competence and certification across its workforce. At the same time, the Company intends to develop a unified digital working environment to support productivity and consistent service quality, while refining customer communication and service processes through improved service standards, structured feedback mechanisms and continuous improvement practices.

Process transformation and data driven management. Operational and support processes are planned to be transformed through automation and data driven management. This includes automation of key workflows, consolidation of core information systems and implementation of integrated enterprise resource planning and business intelligence solutions to enable real time monitoring, cost control and performance management. A phased introduction of AI (artificial intelligence) solutions in selected workflows is planned, supported by an appropriate governance and security framework, alongside strengthening cybersecurity and information and communication technology continuity in line with applicable requirements, including Directive (EU) 2022/2555.

Environmental sustainability and climate neutrality pathway. Environmental sustainability is planned to be strengthened with a view to progressing towards climate neutrality. ISO 50001 energy management is expected to be maintained and modernisation projects implemented to improve energy efficiency and reduce costs. Emissions intensity is planned to be reduced through monitoring of scope 1 and scope 2 emissions, increasing the share of low emission vehicles and optimising logistics. Scope 3 emissions accounting is planned to be commenced on a phased basis, and climate risk assessment is intended to be integrated into planning and investment decisions.

ESG integration and responsible governance. ESG principles are planned to be integrated across operations and governance through further strengthening occupational safety, embedding transparency and responsibility in organisational culture, enhancing public communication on activities and contribution to the public interest, and reinforcing governance, risk management, monitoring and disclosure practices aligned with capital markets expectations.

Management Outlook

Management forecasts 2026 revenue of EUR 87 million and EBITDA of EUR 11.9 million (13.8% margin), down from EUR 97.1 million and EUR 13.9 million respectively in 2025. The strategic infrastructure part of the revenue is expected to decrease in 2026 and is expected to be replaced partially with maintenance of the same infrastructure over the coming years. Based on the company's financial forecasts for 2026 and 2027, and with a 90% dividend payout ratio mandated for

those years, shareholders are estimated to receive an average dividend yield of approximately 7% per annum over the two-year period.

8.5. Human Capital and Key Operational Resources

The specific nature of the road maintenance and engineering construction sectors determines the Company's operating model and resource requirements. In particular, the Company's operations depend on:

- a geographically distributed network of production and service bases across Latvia;
- access to specialised machinery and related maintenance infrastructure;
- the availability of qualified personnel across operational, technical and support functions;
- uninterrupted access to materials and energy resources;
- sufficient warehousing and logistics capacity;
- digital systems for operational management, monitoring and control;
- effective quality control systems; and
- reserve capacity to ensure operational continuity in emergency conditions.

Employees

Employees are the Company's largest asset and a key source of competitiveness. The Company employs more than 1,000 employees across Latvia. Approximately 79% of employees are engaged in road maintenance and construction works, while the remainder consist of production and technical personnel and administrative support functions. Their competencies cover daily road maintenance, construction of roads and other infrastructure objects, equipment maintenance and repair, project management, quality control and support functions.

Approximately 55% of the Company's employees have been employed by the Company for more than ten years, which demonstrates operational continuity and employee loyalty, while also highlighting the importance of succession planning and knowledge transfer. The Company systematically invests in employee training, occupational safety and professional development to ensure service quality, compliance with regulatory requirements and a high standard of execution discipline. The Company's human capital priorities include the development of digital skills, professional qualifications and certifications across its service lines, and employee safety, wellbeing and succession planning.

The table below sets out the average number of employees within the reporting period.

Table 8.5.1.

	Employee headcount			
	2023	2024	2025	2026 3M
Average number of employees employed	1 111	1 073	1 052	1 059

Source: the Company.

The Company's workforce is divided between production and operations employees, who carry out road maintenance, construction and related field activities, and administrative employees. This split is reflected in personnel cost allocations across the three financial years under review:

- in 2025, production and operations employees accounted for EUR 29 177 123 in personnel costs against EUR 2 615 846 for administrative staff, including Management Board and Supervisory Board;
- in 2024, the equivalent figures were EUR 25 359 520 and EUR 1 924 841 respectively; and
- in 2023, EUR 25 112 913 and EUR 1 873 230 respectively.

Across all three years, production and operations employees consistently represented approximately 90–92% of total personnel costs, reflecting the Company's character as an operationally intensive business with a lean administrative function.

Equipment fleet and production capacity

The Company's equipment fleet and production capacities constitute a strategic asset that supports uninterrupted state road maintenance across the territory of Latvia, irrespective of seasonal fluctuations or extreme weather conditions. Equipment capacity is directly linked to reliability of contract performance, reputation and long-term competitiveness. The fleet comprises vehicles, tractor machinery and specialised equipment enabling the performance of more than 200 categories of works.

As at 31 December 2025, the book value of the Company's plant and machinery amounted to EUR 30.4 million, with an overall average fleet age of approximately 15 years. The Company's accelerated renewal programme for 2026–2028 represents a strategically timed investment, driven by the Company's growth ambitions and the objective of expanding operational capacity. The maturity of a significant portion of the fleet presents a natural opportunity to upgrade to modern, higher-performing equipment, which is expected to deliver enhanced efficiency and greater output, directly supporting the Company's long-term development trajectory.

Seasonal specialisation - encompassing winter maintenance, summer maintenance and construction works - is organised to maximise equipment utilisation throughout the year and reduce idle capital. A significant portion of the Company's fleet is designed for multi-purpose, including seasonal, use, with identical base vehicles being adapted between seasons through the changeover of attachments, such as salt dispersion tanks for winter use and other equipment for summer operations. This operational flexibility supports high asset utilisation and reduces the need for single-purpose equipment. The renewal policy for the equipment fleet is based on lifecycle cost analysis and is aimed at maintaining an optimal average equipment age, improving availability and reliability, reducing unplanned downtime and progressively introducing more energy-efficient and environmentally friendly solutions.

Infrastructure network and operational resilience

The Company's infrastructure network, including production bases, workshops, warehouses and offices, ensures operational presence across the territory of Latvia and is a prerequisite for meeting contractually required service levels. The wide territorial coverage reduces response times, ensures availability of materials close to work sites, allows rapid reallocation of resources between regions, provides reserve capacity in extreme weather conditions and enhances operational resilience. The Company manages this infrastructure as a unified asset portfolio and regularly evaluates the significance, utilisation and maintenance costs of each site in order to support investment and optimisation decisions. Leasing of industrial and office premises not used in the core business provides additional income that may be reinvested in modernisation and development.

Renewable energy and infrastructure modernisation

The Company is also developing the use of renewable energy resources. One of its sites operates a solar power installation with a capacity of 100 kW comprising 240 panels and capable of generating up to 95 MWh of electricity annually. In 2025, solar-generated electricity represented 1.67% of the Company's total electricity consumption. Following planned installation of solar panels at several additional sites in 2026, the share of solar-generated electricity is expected to increase to approximately 3% of total consumption. The Company's broader modernisation programme, including thermal insulation of buildings, renewal of engineering utilities, LED lighting, modernisation of heat supply and renewable energy solutions, is intended to reduce operating costs and greenhouse gas emissions, improve the working environment and mitigate climate-related risks.

Digital architecture, data management and cybersecurity

The Company's digital architecture is a central mechanism linking equipment, infrastructure, personnel and financial management into a unified operational control system. Digital solutions support real-time visibility and traceability of works, integration of meteorological and road surface data into decision-making, route and resource optimisation, material consumption control, documentation of quality control and KPI-based management accountability. An integrated systems environment, including ERP, financial accounting, inventory management, maintenance systems, document management and business analytics, supports a unified data flow and enables data-driven decisions across all management levels. Cybersecurity management supports confidentiality, integrity and availability of data and is a prerequisite for service continuity and protection of the Company's reputation.

8.6. Work Execution Model and Resource Supply

Value Chain in the Operations

The Company's value chain reflects its integrated role in the Latvian road infrastructure and related construction market, covering the procurement of key inputs, the delivery of core operating activities and the provision of services to public-sector and other customers.

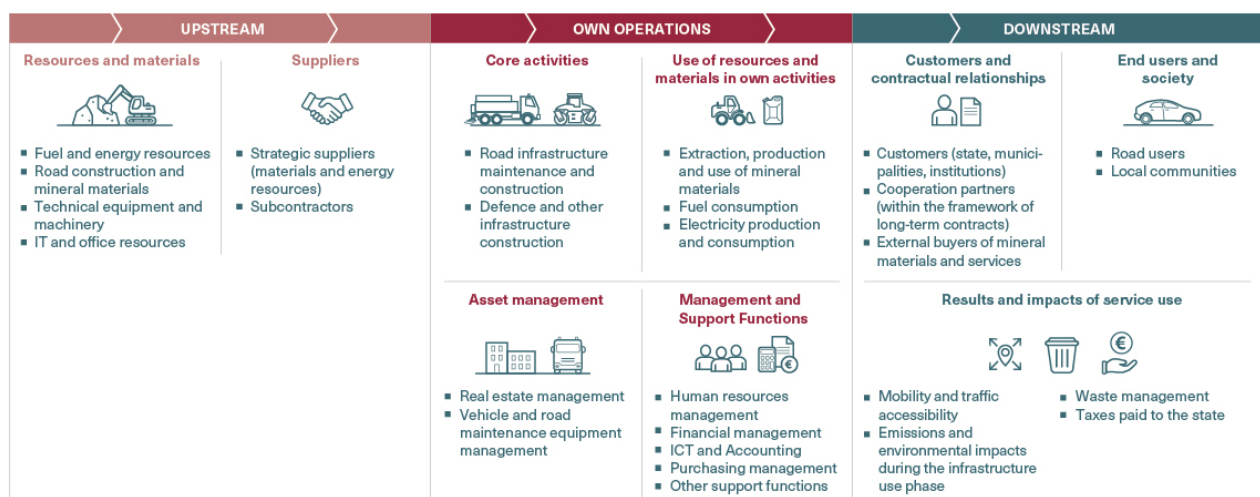
Upstream value chain includes the resources, materials and suppliers required for the Company's operations. This includes fuel and energy resources, road construction and mineral materials, technical equipment and machinery, IT and office resources, as well as strategic suppliers and subcontractors, which support the Company's ability to deliver projects across Latvia.

Own operations comprise the Company's core activities, including road infrastructure maintenance and construction, as well as defence and other infrastructure construction. These activities are supported by the Company's internal capabilities, including the extraction, production and use of mineral materials, management of its machinery and vehicle fleet, and centralised support functions such as finance, procurement, IT, accounting and human resources.

Downstream value chain includes the Company's customers, contractual counterparties and the end users of the infrastructure it maintains or constructs. This primarily includes state and municipal customers, cooperation partners and external customers for mineral materials and related services, while the ultimate beneficiaries are road users and local communities through improved mobility, accessibility and infrastructure availability.

The table below provides an overview of the Company's value chain:

Table 8.6.1.



Source: the Company.

Production and Sale of Mineral Materials

A complementary component of the Company's operating model, supporting both the Company's own maintenance and construction works and external revenue generation, is the production and sale of mineral materials, including dolomite crushed stone, crushed gravel and prepared sand. Production is carried out from the Company's own deposits, comprising two owned dolomite deposits and over 30 owned sand and sand-gravel deposits distributed across Latvia.

Produced materials and mixtures are supplied for the Company's own projects where feasible and are also sold to customers, typically in connection with projects located in proximity to the relevant deposit. Extraction and sale of mineral materials are organised in accordance with applicable legal and environmental requirements, including reclamation obligations and principles of sustainable resource use. These materials are sold primarily to construction and road building companies, developers of territories and municipalities for infrastructure projects. A small share of production, generally in the range of 3% to 10%, is exported to neighbouring countries for cross-border project needs.

To ensure required volumes, fractions and competitive production costs, the Company balances its materials portfolio with purchases from external suppliers, particularly in territories or specifications where the availability of its own deposits is not optimal.

Work Execution Model, Supply Chain and Partnerships

Core works performed using own resources

The Company's operating model provides that principal and critical works are performed using the Company's own resources, particularly in segments where it has accumulated experience, an appropriate technical base and stable utilisation. These works include (i) daily and periodic road maintenance works, (ii) winter service, (iii) maintenance of traffic organisation elements and (iv) selected construction works. This approach supports rapid response capability, greater flexibility in work organisation, and consistent quality and compliance across the territory of Latvia.

Flexible work execution model and use of subcontractors

At the same time, the Company applies a flexible work execution model, taking into account the specific characteristics, scale, complexity, seasonality and economic rationale of each project. Depending on these factors, works may be performed using the Company's own resources, under a combined model involving both internal capacity and outsourced services, or through subcontracting where this is technically or economically justified. Subcontractors are primarily engaged for specialised works, balancing capacity during seasonal fluctuations and ensuring compliance with deadlines and cost efficiency while maintaining required quality standards.

Partnerships for larger and more complex projects

For larger and more complex projects, the Company cooperates with other market participants through partnerships or supplier groupings. Such cooperation enables the implementation of projects whose scale or technical complexity exceeds the optimal capacity of a single undertaking, while also allowing allocation of risks and providing the necessary flexibility.

Supply chain management and procurement approach

The Company's supply chain is structured to ensure timely and uninterrupted execution of works. It is based on a stable network of cooperation partners, including suppliers of construction materials and raw materials, subcontractors, suppliers and servicing providers of machinery and equipment, and providers of logistics, laboratory, digital and other professional services. The Company organises procurement in accordance with the principles of transparency, fair competition and equal treatment, with a view to ensuring efficient use of resources and compliance with applicable regulatory requirements. For critical items, the Company applies a multi-supplier approach, framework arrangements and safety stocks in order to reduce the risk of supply disruption and support continuity of operations in volatile market conditions.

8.7. Customer portfolio

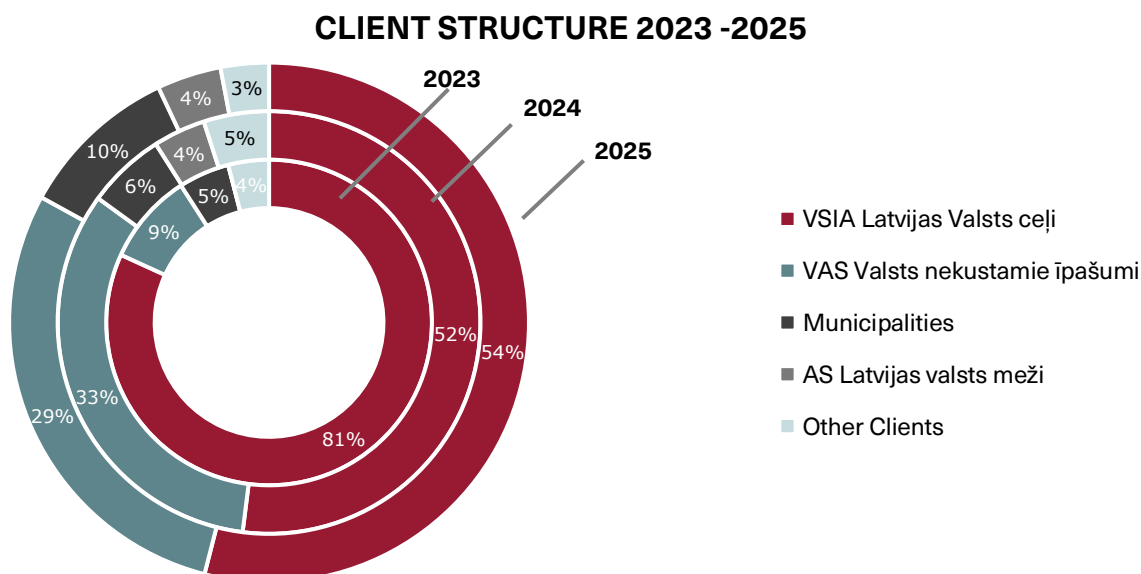
Since the opening of the state road maintenance market, the Company has been operating fully on free market terms, competing on quality, operational capacity, and price in public procurement procedures alongside other industry participants. This transition - from a delegated function provider to a commercially oriented state-owned enterprise - has shaped the Company's client relationships and revenue structure.

The Company's customer portfolio is concentrated primarily in the public sector, namely owners, managers and project companies (developers) of roads and engineering structures. The public sector accounts for approximately 95% of the Company's customer portfolio in terms of the Company's turnover, which provides stable and less cyclical demand as well as revenue predictability. Attracting private sector clients is strategic priority for the Company. The Company aims to diversify its client base beyond the public sector, with a primary focus on Latvia, while the potential expansion into Baltic and Scandinavian markets will be evaluated as part of Company's broader growth strategy.

The Company's principal customer groups are state institutions, state-owned entities, municipalities and private entities. The two largest clients are public sector contracting authorities - VSIA "Latvijas Valsts Ceļi" (LVC), a 100% state-owned company under the Ministry of Transport responsible for managing and financing Latvia's state road network, and VAS "Valsts Nekustamie Īpašumi" (VNĪ), a state-owned company under the Ministry of Finance and Latvia's largest manager of state-owned land and buildings, responsible for real estate management, development, and the construction of strategically important infrastructure including state border and defence facilities.

Graph below represents the client's structure of the Company for the period from year 2023 to 2025, expressed as a percentage of total revenues.

Figure 8.7.1.



Source: the Company.

VSIA Latvijas Valsts ceļi

The Company's largest customer is VSIA *Latvijas Valsts ceļi*, the manager of the state road network, which accounted for approximately 50% of the Company's revenues in 2024–2025. The cooperation includes performance of state road maintenance contracts throughout the territory of Latvia, as well as participation in other infrastructure construction procurements. This partnership provides a stable baseline workload and revenue base.

VAS Valsts nekustamie īpašumi

The second largest customer is VAS *Valsts nekustamie īpašumi*, the procurer of state real estate and defence infrastructure projects, whose share represented 29% to 33% of revenues in 2024–2025. This cooperation has been developed since 2023, expanding the Company's activities in the defence and military infrastructure construction segment. The revenues are primarily related to state border infrastructure projects and provide a significant volume of revenue as well as development of competencies in a strategically important segment.

Under the Law on the development of counter-mobility infrastructure (in Latvian: *Pretmobilitātes infrastruktūras izveides likums*), VAS Valsts nekustamie īpašumi has been assigned a statutory role in organising and ensuring the development of counter-mobility infrastructure, including infrastructure works related to the strengthening of Latvia's eastern border and the Baltic Defence Line. According to the announcement published by VAS Valsts nekustamie īpašumi on 20 May 2026, decisions have been adopted in the price surveys announced by VAS Valsts nekustamie īpašumi, on behalf of the Ministry of Defence, for the first stage of the development of counter-mobility infrastructure required for the Baltic Defence Line. AS LAU Infra Grupa has been named as one of the contractors for the construction of material and technical equipment placement areas and, in three work packages, for the construction of anti-tank ditches and the placement of material and technical equipment. VAS Valsts nekustamie īpašumi has also indicated that further price surveys for the second-priority tasks are expected to be announced within the next month. The total investments referred to in the announcement amount to EUR 12 977 603 and will be financed from the budget of the Ministry of Defence, with a tripartite cooperation agreement to be concluded for the financing of the construction works.²³

Municipalities, the state forest manager and commercial sector companies

The remaining customers, namely municipalities, the state forest manager AS "Latvijas valsts meži" and private sector companies, together account for 13% to 17% of revenues, providing diversification of the service portfolio and the market,

²³ VNĪ: Construction companies selected for the development of the Baltic Defence Line counter-mobility infrastructure. Available: <https://www.vni.lv/aktualitates/vni-zinami-buvuznemeji-baltijas-aizsardzibas-linijas--pretmobilitates-infrastrukturas-izveidei>

thereby reducing dependence on the largest state customers. Municipalities account for 6% to 10% of revenues, generating demand for road and street maintenance, territory maintenance and infrastructure construction services in the regions. Orders relating to state forest infrastructure account for approximately 3% to 4% of revenues and are associated with the maintenance and construction of forest roads. Private sector customers primarily use the Company's mineral materials production and specialised infrastructure services.

Contract Profile with Customers

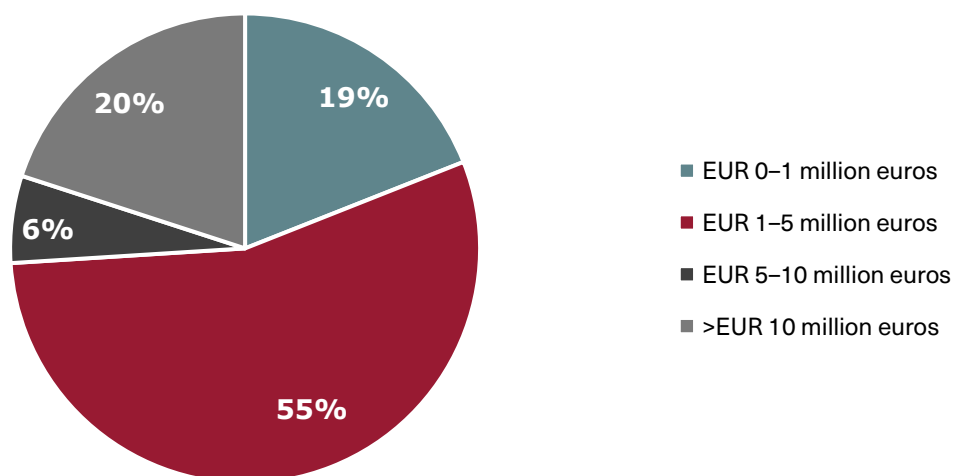
The Company differentiates itself from general contractors in this segment by focusing on specialised works rather than large-volume contracting, which enables it to command a premium for its expertise. This is supported by Company's fleet capable of performing a wide range of work categories. The Company's contract portfolio is characterised by a high volume of small and mid-size agreements, reflecting its business model as a specialised services provider rather than a general contractor. As at 2025, the majority of contracts by number - 55% - fall within the EUR 1–5 million range, making this the core operational band. Smaller contracts of up to EUR 1 million account for 19% of the portfolio, while contracts in the EUR 5–10 million range represent 6%.

Notably, contracts exceeding EUR 10 million account for 20% of the portfolio by number. These larger agreements typically relate to multi-year road maintenance frameworks or significant infrastructure construction assignments, such as a state border infrastructure.

Below is the graph representing value of contracts with customers by their size in year 2025.

Figure 8.7.2.

VALUE OF CONTRACTS IN 2025 (%)



Source: the Company.

This distribution reflects the Company's deliberate positioning around specialised, recurring service contracts rather than large, one-off general construction projects. The result is a more granular, diversified contract base that reduces dependency on any single agreement and supports revenue stability.

8.8. Investment programme of the Company

Achievement of the strategic and financial objectives requires targeted capital investments in priority development areas, while maintaining strict financial discipline and the principles of a sustainable capital structure.

Investments for the Company are planned not only as an instrument for increasing capacity, but also for improving productivity, profitability and return on capital.

Investment programme for 2026-2028

The Company's investment programme for 2026–2028, with a total amount of EUR 34.6 million, provides for an accelerated modernisation cycle, while maintaining a sustainable pace of investment towards the end of the period. The largest share of investments is planned for purchase of machinery and technological equipment, which directly affect production capacity, efficiency, productivity and competitiveness. The remaining investments are directed primarily to the purchase of acquisition of mineral deposits, renovation and reconstruction of buildings and structures, and improvement of energy efficiency. The annual investments are mainly intended for the renewal of the technical fleet, replacing technical units with more effective ones to strengthen capacity (approximately 80% of investments in machinery and technological equipment), as well as for the expansion of operations in civil engineering-related services (10–20%). The accelerated investment programme is driven by the current condition of the Company's fleet: with an overall average fleet age of approximately 15 years. Fleet renewal is expected to result in improved operational efficiency, reduced fuel consumption and impact on environment, lower maintenance-related downtime and enhanced productivity. The aforementioned distribution may change as the Company raises funds through the IPO and makes investments in new areas of operation.

At the same time, investment planning is closely linked to the Company's financial objectives, including maintaining an equity ratio of at least 45%, stable cash flow, an appropriate DSCR level and profitability indicators. The financing structure is designed to ensure the Company's capacity for development without an excessive debt burden, while preserving the Company's financial resilience, creditworthiness and reputation in the context of the capital markets.

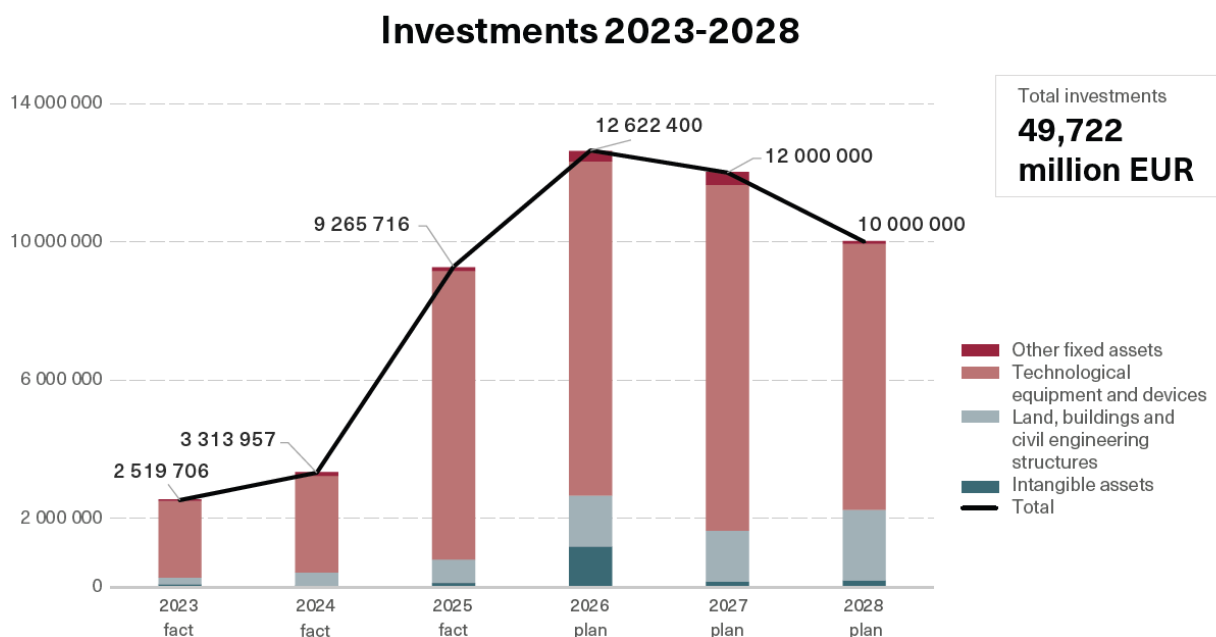
Investment prioritisation principles

The prioritisation of investments is based on a clearly defined assessment of return, risks and strategic impact. This ensures that capital is allocated to projects with the highest added value, while maintaining flexibility in the event of fluctuations in the external environment.

Use of additional capital

If the Company attracts additional capital, including through a public offering of shares, the proceeds obtained that are not allocated under this investment programme will be used primarily for the Company's development, including the creation of new services, expansion into new markets and implementation of growth initiatives related to the strategy. The Company has been growing in recent years in terms of profitability while using a conservative financial leveraging structure. Together with the public company status from fully state-owned company, it will free up the possibilities to increase financial leverage for pursuing both organic and M&A-based growth opportunities while providing shareholders at least a 64% payout ratio (as per the dividend policy, see Section 6 Rights to Dividends and Dividend Policy). The proceeds raised through the IPO are specifically targeted at activities that are less suited to traditional bank financing given their geographical scope and operational characteristics.

Figure 8.8.1.



Source: the Company.

8.9. Sustainability

Sustainable development, as defined by the Company, means achieving long term operating success by balancing economic, environmental, social and governance objectives and embedding these considerations into daily decision making. The Company has been recognised in the Latvian Sustainability Index with a Platinum rating on five occasions, reflecting an established approach to organising its operations regarding societal and environmental interests and in line with good corporate governance practices.

Education. The Company supports sector education and skills development by cooperating with higher and vocational education institutions. This includes practical support to Riga Technical University in developing course materials and student projects in the road operations field and engagement with vocational schools to align curricula with industry needs. The Company also participates in career education initiatives, including Shadow Day and university career events, providing students with insight into the road maintenance sector.

Employees. The Company's sustainability agenda includes a focus on employee wellbeing, workplace safety and professional development. The Company implements occupational safety measures, including provision of workwear and personal protective equipment and mandatory health checks, and supports upskilling and qualification enhancement. The Company provides certain additional employee support measures beyond statutory minimum requirements, including defined benefits and additional leave in specified circumstances, sick leave compensation from the second day at 90% and accident and health insurance after completion of the probation period. The Company also promotes wellbeing through sports and health related activities involving employees and their families.

Environmental protection. The Company seeks to reduce environmental impact through continuous improvement in environmental protection and energy management and maintains a certified energy management system in accordance with ISO 50001. Fleet renewal is used to improve fuel efficiency and align equipment with stricter emissions standards. The Company also assesses further steps towards lower emission solutions, including vehicles with hydrogen systems and hybrid technologies, where feasible.

Public engagement and road safety awareness. The Company carries out public information and education activities to improve understanding of road maintenance and promote safe travel on national roads, including guidance for driving in winter conditions and in road work zones and targeted safety campaigns encouraging compliance with warning signage and speed restrictions.

Innovation development. The Company monitors global road maintenance trends and evaluates new technologies and methods to improve resource efficiency. Implemented initiatives include an interactive map for visualising road network data, pilot use of mobile road surface sensors to support winter service decisions. The Company also uses electronic tools for planning, recording and monitoring works, supported by GPS based tracking across fleet units, and assesses opportunities to deploy battery powered equipment.

Corporate governance. The Company's governance framework is established in accordance with applicable requirements for public person capital companies and recognised corporate governance principles. A corporate governance policy has been approved, and governance is exercised through the shareholders meeting, the supervisory board and the management board. The Company prepares corporate governance statements on a regular basis.

Supplier code of ethics. The Company has adopted a supplier code of ethics covering, among other matters, fair business practices, conflict of interest prevention, anti-corruption and anti-money laundering standards, respect for human rights, environmental protection and information security. Material breaches may result in termination of cooperation or refusal to contract.

Sponsorship, donations and charity. The Company's donations policy is effective from 16 July 2024 and permits discretionary in-kind support, including donation of the Company's produced mineral materials, donation of movable property or provision of services using the Company's resources, for purposes such as education, culture, sport, environment, health protection and social assistance. The Company does not provide cash donations.

8.10. Material agreements

All commercial agreements entered into by the Company are within the scope of its stated business objectives.

In the opinion of the Management Board, the below specified agreements are material and require an elevated level of analysis in view of the importance for the Company.

Type of Contract	Brief Description
Public procurement and infrastructure contracts	The public sector accounts for approximately 95% of the Company's customer portfolio in terms of turnover, largest customers being, VSIA Latvijas Valsts ceļi, VAS Valsts nekustamie īpašumi and municipalities. These contracts include contracts for the daily maintenance of state, municipal and other roads, as well as

	<p>construction, reconstruction and renewal of transport and other engineering infrastructure.</p> <p>The Company's business is materially dependent on its ability to participate successfully in competitive tenders and to perform contracts in accordance with applicable technical, quality, timing and service-level requirements. The Company regularly participates in public procurement procedures and expects that such contracts, including more complex long-term infrastructure contracts, will continue to form an important part of its business and development opportunities.</p>
<p>Framework arrangements for key input materials and fuel price sensitivity</p>	<p>The Company's operations are fuel-intensive by nature, given their dependence on heavy machinery, maintenance vehicles, transport equipment and logistics. Fuel is a significant cost component in the Company's road maintenance, construction and logistics activities. For more information, please see section 7.3 "Recent Trends and Developments".</p> <p>For fuel, bitumen emulsions, technical salt and other key input materials, the Company has entered into framework arrangements with several suppliers. Under these arrangements, the Company may request price quotations for a specific project or for a defined period, typically three or six months, and agree on the relevant volume and price with the supplier offering the most favourable terms, also taking into account delivery distance and logistics costs.</p> <p>This procurement model allows the Company to obtain competitive market-based pricing and reduces its exposure to fluctuations in fuel and raw material markets. Nevertheless, if the highest recently observed fuel price levels are maintained, management estimates that this could increase the Company's expenses by up to EUR 2 million on a 12-month basis in each of 2026 and 2027 as fuel and materials are one of the main expenses for the Company. The Company's exposure to input material price fluctuations is further mitigated by its own production of mineral materials, as described in section 8.6 "Work Execution Model and Resource Supply".</p>

8.11. Legal proceedings

As at the date of this Prospectus, the Management Board is not aware of any pending or probable governmental, legal or arbitration proceedings that are likely to have a material effect on the financial condition or profitability of the Company or the Group, or which would have had such effect in the past 12 months.

8.12. The external auditor

As of the date of this Prospectus, the audit firm KPMG Baltics SIA, registration number: 40003235171, registered address: Roberta Hirša iela 1, Riga, LV-1045 is the Company's external auditor for the accounting period covered by the historical financial information contained in this Prospectus. KPMG Baltics SIA is a certified auditor (licence No. 55) and a member of the Latvian Association of Certified Auditors.

9.

SHARE CAPITAL, SHARES AND OWNERSHIP STRUCTURE

9.1. Shareholder of the Company

As at the date of this Prospectus, the sole shareholder of the Company is Republic of Latvia acting through the Ministry of Transport.

The Law On Roads does not stipulate the participation of Ministry of Transport in LAU Infra Grupa, accordingly, the decision to retain participation is derived from the conclusions of the Ministry of Transport's participation evaluation.

Section 88, paragraph 1 of the Latvian State Administration Structure Law (the "SASL") defines the exceptional cases in which a public person may establish a capital company or acquire a stake in an existing one:

1. a market failure is prevented - a situation where the market is incapable of serving the public interest in the relevant field;
2. the activity of a capital company of a public entity or a capital company controlled by public entities results in the creation of goods or services that are strategically important for the development of an administrative territory of the state or a local government or the state security;
3. the properties that are strategically important for the development of an administrative territory of the state or a local government or the state security are administered.

In accordance with paragraphs 1 and 2 of the Cabinet of Ministers Order No. 730 of 9 September 2024, "On state Participation in the Valsts akciju sabiedrība "Latvijas autoceļu uzturētājs", it was determined to retain state participation in LAU Infra Group AS, based, *inter alia*, on Section 88, paragraph 1, points 1 and 2 of the SASL.

Republic of Latvia does not have voting rights different from those described in "9.6. Shareholder Rights".

9.2. Legal status of the Company

Currently, LAU Infra Grupa is considered a state capital company in accordance with the provisions of the SASL. This means that LAU Infra Grupa is currently subject to higher requirements and restrictions that do not apply to private sector participants.

After the Offering, LAU Infra Grupa would transform from a state capital company into a company controlled by public entity within the meaning of the SASL, as private individuals would also become involved in the capital structure alongside the public entity.

If a company controlled by public entity operates in the market alongside private sector participants under similar competitive conditions, it is desirable to ensure that LAU Infra Grupa operates as similarly as possible to the legal framework of the private sector, which means ensuring that a capital company controlled by a public entity has neither advantages nor significant obstacles or restrictions in terms of its management and operations compared to the private sector.

9.3. The current share capital of LAU Infra Grupa

All LAU Infra Grupa Shares have been issued in accordance with Latvian law and, in particular, the Latvian Commercial Law and the Latvian Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof. The nature and scope of rights attaching to LAU Infra Grupa shares can only be amended according to the procedures set forth in the Latvian Commercial Law.

As of the date of this Prospectus, LAU Infra Grupa's issued share capital amounts to EUR 35 202 323, divided into 35 202 323 dematerialised bearer shares. All existing Shares are of the same category, with the nominal (face) value of each outstanding Share being EUR 1.00 (the "Share/Shares"). All existing Shares have been fully paid for. All existing Shares rank *pari passu* in all respects with each other.

Table 10.1.1.

LAU Infra Grupa Shares as of the date of Prospectus			
Type of share	Total number of shares	Nominal value per share, EUR	Total nominal value, EUR
Dematerialized bearer shares	35 202 323	1.00	35 202 323

The Shares are registered with Nasdaq CSD SE under reserved ISIN code LV0000110906 and are kept in book-entry form.

The Shares have not been listed or admitted to trading on any regulated securities market. The Shares are freely transferrable. No share certificates have been or may be issued. The Shares have not been subject to any public takeover bid during the current or last financial year.

9.4. Share capital historical changes

During the period covered by the Audited Financial Statements, no changes were made in the share capital.

9.5. Resolution to increase share capital and to issue Offer Shares

The Offering will involve the issue of new Shares (including Upsize Option Shares if the Offering is exercised in full) up to 2 560 168 shares as subscribed for in the course of the Offering. The Shares will be allocated to investors in accordance with the terms described in "Section 4 "Terms And Conditions Of The Offering" of this Prospectus.

On 2 June 2026, the Shareholders' Meeting of LAU Infra Grupa resolved to increase LAU Infra Grupa share capital by up to EUR 2 560 168 by issuing Offer Shares. During the Shareholders' Meeting, the Selling Shareholder waived their pre-emptive rights for the Offering. Please see Section 4.1 "The Offering" of this Prospectus for the indicative timetable of the Offering (the expected timeline for the completion of the Offer Shares issue).

The newly issued LAU Infra Grupa Offer Shares are expected to be registered in the accounting system of Nasdaq CSD SE, as well as listed and admitted to trading on the Main List of Nasdaq Riga.

With its decision of 7 October 2025 and 14 April 2026, the Cabinet of Ministers has given their approval for the reduction of the state's participation in LAU Infra Grupa, while simultaneously maintaining the decisive influence of a public person in LAU Infra Grupa, thereby also approving the increase of the share capital as required by the Section 154, paragraph 5 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

9.6. Shareholder rights

This Section aims to provide a general overview of the scope of rights conferred upon shareholders of LAU Infra Grupa in accordance with the applicable rules of Latvian law.

This general overview is not intended to be exhaustive, nor does it purport to cover all legal issues that may arise in connection with ownership of the Shares.

Under the applicable laws, all shareholders of LAU Infra Grupa are subject to equitable treatment. Each Share of LAU Infra Grupa confers upon its holder the same rights to a share of LAU Infra Grupa assets and profits. In the event of liquidation of LAU Infra Grupa, shareholders are entitled to a share of the surplus of assets in the proportion to the number of Shares held. No restrictions apply with respect to the transferability of the Shares.

The following rights attach to each Share:

Right of Share Disposal: Each shareholder of LAU Infra Grupa has the right to dispose of the Share(s) owned. Disposal includes sale (transfer of ownership) and other forms of disposal. No restrictions apply to the transferability of the Shares, either under the statutory provisions of Latvian law or under the Articles of Association, with the sole exception of the prohibition against the LAU Infra Grupa acquiring its own Shares, as stipulated in Section 88 of the Law on Governance of Capital Shares of a Public Person and Capital Companies.

Right to Vote: Shareholders have the right to participate and vote at Shareholders' meetings. A shareholder is eligible to participate and vote at a Shareholders' meeting if it is a shareholder of record (i.e., recorded as a shareholder in the shareholders' register of LAU Infra Grupa) at least five working days prior to the date of the Shareholders' meeting. Each fully paid-up Share, including the Offer Shares, confers upon each shareholder at least one vote at the Shareholders' meeting.

Right to Participate in Shareholders' meetings: The Annual Shareholders' meeting must be held once a year pursuant to the procedure and at a time set forth by law. The Annual Shareholders' meeting adopts resolutions on approval of LAU Infra Grupa's annual report, reports by the Management Board and Supervisory Board, and application of profit reported in the previous financial year, as well as on other matters included in the agenda of the Annual Shareholders' meeting.

Convening of Shareholders' meeting: Shareholders' meetings, both Annual and Extraordinary, are convened by the Management Board. Apart from the Management Board, the right to request the convening of an Extraordinary Shareholders' meeting is also vested in the Shareholders representing at least one-twentieth (5%) of LAU Infra Grupa share capital. In specific instances, where the Management Board fails to convene a Shareholders' meeting, it may be

convened by the Supervisory Board or by the Latvian Enterprise Register at the request of LAU Infra Grupa's auditor or Shareholders representing at least one-twentieth (5%) of LAU Infra Grupa share capital.

Right to Include Particular Matters in the Agenda of the Shareholders' meeting: Shareholders representing at least one-twentieth (5%) of LAU Infra Grupa share capital may request the Management Board to include particular matters into the agenda of the next Shareholders' meeting, provided that such request is made no later than within seven days from the date of receipt by the Shareholders of the notice convening the Shareholders' meeting.

Right to Information: The Management Board has an obligation, upon receipt of a written request by any Shareholder submitted to the Management Board at least 14 days prior to the date of the Shareholders' meeting, to provide the requesting shareholder with information regarding all matters included in the agenda of the Shareholders' meeting. The Management Board is entitled to refuse to provide the requested information if provision of such information would be detrimental to important economic interests of LAU Infra Grupa, would result in disclosure of a trade secret or if disclosure is prohibited by law.

Right to dividends: All Shareholders of LAU Infra Grupa have the right to participate in distribution of profits. A Shareholder shall be paid a share of the profit (dividend) according to the nominal or book value of the shareholder's Shares. Payment of dividends and the amount thereof shall be decided by the Shareholders' meeting. Dividends may be paid on the basis of the approved annual report, whereby a proposal for distribution of profit approved by the Supervisory Board is submitted to the Shareholders' meeting by the Management Board either as part of the annual report or as a separate document attached to the annual report. While distributing profit and making dividend payments to shareholders, a public limited company is under the obligation to treat all shareholders equally.

Revocation of Resolutions Adopted by the Shareholders' meeting: A resolution of the Shareholders' meeting which is unlawful and is in breach of the Articles of Association is detrimental to the purposes and interests of LAU Infra Grupa, or is aimed at aggrieving a Shareholder, may be appealed by way of legal action seeking revocation of the resolution. Legal action seeking revocation of resolutions adopted by the Shareholders' meeting shall be brought against LAU Infra Grupa within three months from the day when a person should have got to know the decision of the meeting, but not more than a year from the day the meeting occurred.

Right to Liquidation Quota: Upon liquidation of LAU Infra Grupa, each Shareholder is entitled to receive a liquidation quota in proportion to its existing shareholding, in the instances and accordance with the procedures established by the provisions of statutory law.

Quorum: According to Latvian law and the Articles of Association, the Shareholders' meeting is quorate (i.e., a sufficient number of shareholders is present to adopt resolutions) if Shareholders representing more than 50% of the total number of votes are present at the meeting.

Pre-Emption Rights: In the event of an increase in the amount of LAU Infra Grupa's share capital, each Shareholder has a right of pre-emption to purchase newly issued shares in the proportion to the total nominal value of Shares already owned. If a Shareholder fails to exercise the right of pre-emption within the specified period, the newly issued shares must be offered for subscription to those Shareholders who have exercised their pre-emption rights according to the procedure specified in the terms of share capital increase.

Redemption Provisions: Because the Shares are fully paid up, no redemption provisions are intended or applied.

Conversion of Shares: Latvian law stipulates no specific statutory procedure for conversion of shares from one category to another. Conversion of Shares is prohibited by Section 90 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

Shareholder Rights in Case of Mandatory Bid, Sell-Out, and Squeeze-Out: Latvian law requires a mandatory bid for all Shares to be made by one or more persons acting in concert who seek to do any of the following:

- (1) acquire the voting rights attaching to the Shares, directly or indirectly, in an amount such that the voting power exercised by that person(s) would correspond to or exceed 30% of the total number of voting shares of LAU Infra Grupa; or
- (2) have voted at a Shareholders' meeting in favour of excluding the Shares from a stock exchange.

The person(s) responsible for making a mandatory bid make a bid in accordance with the procedure specified in statutory law, once the making of the bid is permitted by Latvijas Banka.

A mandatory bid for the repurchase of Shares shall not be expressed by a qualifying person or persons if a shareholding stake which reaches or exceeds 30% of the total number of voting shares of LAU Infra Grupa is acquired prior to listing of LAU Infra Grupa shares on a regulated market and the shareholding stakes acquired prior to the listing of LAU Infra Grupa shares are disclosed in the prospectus.

If any legal entity owns, directly or indirectly, Shares in LAU Infra Grupa representing 90% or more of LAU Infra Grupa share capital, any remaining minority Shareholder has a right to require that the respective legal entity purchases all of the Shares belonging to the minority Shareholders, whereas the legal entity has the obligation to purchase such Shares. The purchase price of the Shares belonging to the minority Shareholders is then determined by the majority Shareholder in accordance with the provisions of statutory law, or by a court in case of a dispute.

A squeeze-out offer can be made by a single Shareholder acquiring 95% or more of the total number of Shares. The acquiring Shareholder can offer that all of the other Shareholders sell to the acquiring Shareholder all of the remaining Shares owned by them on terms and conditions to be approved by the Latvijas Banka. The offer to sell, if made, shall be considered a final offer.

If a Shareholder entitled to accept a final offer to sell fails to accept the offer within the specified term, the Shares shall be deemed to have been blocked on the day following the expiration of the final offer to sell, while all rights conferred upon the holder of such Shares shall be deemed to have been forgone.

A settlement with respect to shares acquired pursuant to a final Share purchase offer shall take place in accordance with the rules governing the final share purchase prospectus. The final share purchase prospectus shall be compliant with the provisions of statutory law. A final share purchase offer can only be made following review of the offer prospectus by the Latvijas Banka and grant of permission to proceed with the offer.

The Latvijas Banka monitors and ensures compliance of the final share purchase, and settlement of the purchase, with the laws and regulations of the Latvijas Banka.

The provisions relevant to mandatory bids, sell-out and squeeze-out offers are established, primarily, under the Latvian Financial Instruments Market Law and Group of Companies Law.

10.

GOVERNANCE

10.1. Governance structure

The governance structure of LAU Infra Grupa is designed to ensure effective management and oversight of the Company's operations in accordance with its objectives and applicable laws and regulations, while taking into account the interests of its shareholders, employees and clients.

The corporate governance of LAU Infra Grupa is structured in accordance with applicable laws and regulations governing state-owned enterprises and is designed to ensure effective management, oversight and accountability. The Shareholders' Meeting is the highest governing body of the Company, exercising ultimate decision-making authority on matters reserved to it by law and the Articles of Association. The Supervisory Board oversees the activities of the Management Board, represents the interests of the shareholders between Shareholders' Meetings and ensures that the Company is managed in a sound, prudent and compliant manner. The Management Board acts as the executive body of the Company and is responsible for the day-to-day management and representation of the Company, except for matters reserved to the competence of the Shareholders' Meeting or the Supervisory Board.

The organisational structure of LAU Infra Grupa ensures a clear separation of functions and responsibilities between the governing bodies, with defined reporting lines and decision-making thresholds. The Management Board operates on a collective basis and manages the Company in accordance with approved strategies, budgets and internal regulations, while ensuring compliance with applicable legal and regulatory requirements. The governance framework provides for structured oversight of financial management, procurement, asset management and operational activities, as well as for the implementation and supervision of internal control, risk management and internal audit functions. This structure is intended to support transparent decision-making, effective supervision and the sustainable operation of the Company in line with its objectives and public mandate.

As of the date of this Prospectus, the Company has not established the Audit Committee. The Audit Committee will be elected in the next Shareholders' Meeting of the Company which will take place following the date of this Prospectus.



The place of business of the Management Board and the Supervisory Board is the registered address of LAU Infra Grupa – Krustpils iela 4, Riga, LV-1073, Latvia.

10.2. Management Board

LAU Infra Grupa Articles of Association provide that the Management Board shall consist of three members who are appointed for a term in office of five years. The Members of the Management Board can represent LAU Infra Grupa jointly. As of the date of this Prospectus, the Company has two Management Board members elected and the third member is expected to be appointed in due course.

Some of the main functions (the list is non-exhaustive) of the Management Board of LAU Infra Grupa include:

•	Management.	Overall management and day-to-day administration of the Company's business and operations.
•	Strategic planning.	Preparation of the Company's medium-term operational strategy and the related implementation action plan, submission thereof to the Supervisory Board for approval, and reporting on the execution of the action plan.
•	Budgeting.	Preparation and submission of the annual budget to the Supervisory Board for approval and monitoring and reporting on budget execution.
•	Performance evaluation.	Assessment of the Company's and its structural units' operational and financial performance.
•	Pricing policy.	Approval of indirect cost allocations, general overheads and profit margins applied in the pricing of the Company's commercial services and goods.
•	Organisation and internal governance.	Approval of the organisational structure of the Company, determination of the operational framework of structural units, approval, amendment or repeal of internal policies, procedures and other internal regulatory documents governing the Company's commercial activities.
•	Human resources and remuneration.	Approval of staff position lists, determination of minimum and maximum base salary levels for position groups, establishment of the remuneration system, and conclusion of the collective labour agreement.
•	Procurement.	Consideration of matters related to the Company's planned procurements, including approval and amendment of the procurement plan, review of reports on its execution, and approval of procurement procedures and results in accordance with applicable value thresholds.
•	Financing and transactions.	Decision-making on price survey results and other matters related to financing of the Company's transactions.
•	International activities.	Decisions on the Company's participation in international activities and organisations.
•	Asset management.	Decisions on the acquisition, disposal, encumbrance, maintenance and use of real estate, lease rights and other immovable property necessary for the Company's operations, as well as on the acquisition and disposal of technological equipment and machinery.
•	Representation and powers of attorney.	Granting, amendment and revocation of powers of attorney to Management Board members, heads of structural units or employees, including authorisations for transactions exceeding standard delegation limits.
•	Legal proceedings.	Decisions regarding representation of the Company in material legal and judicial proceedings related to its activities.
•	Internal control and audit.	Consideration of internal audit reports, recommendations and the implementation of the internal audit strategic plan and annual audit plan, as well as matters relating to the internal control system and risk management, and submission thereof to the Supervisory Board for review.
•	Corporate participation.	Participation in shareholders' meetings and Supervisory Board meetings.
•	Other matters.	Decision-making on any other matters related to the Company's activities that fall within the competence of the Management Board under applicable laws and the Company's constitutional documents.

In addition, certain matters require prior approval of the Supervisory Board and/or the shareholders' meeting, including, inter alia:

- determination of key principles of employee remuneration, benefits, compensation, incentive schemes and maximum salary levels;
- acquisition, disposal or encumbrance of real estate; and
- approval of the medium-term internal audit strategic plan and the annual internal audit plan.

In state-owned companies, members of the Management Board are elected in accordance with a transparent and merit-based nomination procedure established by Law on Governance of Capital Shares of a Public Person and Capital Companies (in Latvian: *Publiskas personas kapitāla daļu un kapitālsabiedrību pārvaldības likums*). Where a Supervisory Board is in place, candidates for the Management Board are nominated by the Supervisory Board, while in the absence of a Supervisory Board the nomination is ensured by the state shareholder. The nomination process is conducted through a public call for candidates and complies with principles of good corporate governance, ensuring an open, fair and professional selection aimed at appointing competent and qualified candidates. A nomination committee is established to assess candidates and propose nominees for election, and the appointing body may reject proposed candidates with proper justification, in which case the selection process is repeated. The allocation of responsibility areas among the

members of the Management Board, as well as the structural units supervised by each Management Board member, is determined by the Management Board when approving the Company's organisational structure.

The names and positions of LAU Infra Grupa Management Board members as of the date of this Prospectus are set out in the table below.

Table 10.4.1.

Members of the Management Board			
Name	Position	Appointment date	Expiration of the Term in Office
Vilnis Vitkovskis	Chairman of the Management Board	24 November 2022	23 November 2027
Armands Beiziķis	Member of the Management Board	26 August 2025	25 August 2030

Professional experience, area of responsibility and background of Management Board members

Vilnis Vitkovskis,

Chairman of the Management Board



Experience. Mr. Vilnis Vitkovskis has more than ten years of experience in municipal administration, as well as experience as a mid- and senior-level manager. Served as Vice-Chairman of the Liepāja City Council. Prior to that, for an extended period headed the Liepāja Municipal Development Department and supervised, coordinated and managed large-scale infrastructure development projects.

Education. Mr. Vilnis Vitkovskis holds a master's degree in business administration from the joint programme of Mannheim Business School (Germany) and ESSEC Business School (France) and a professional bachelor's degree in business administration from the Riga International School of Economics and Business Administration.

Concurrent positions. As of the date of this Prospectus Mr. Vilnis Vitkovskis is a member of the Liepāja City Council and member of the Standing Development Committee.

Area of responsibility. Within the Management Board of the Company, Mr. Vilnis Vitkovskis is responsible for strategic management and - until the appointment of a third Management Board member selected through the relevant nomination process - financial management.

Shares held in the Company. Mr. Vilnis Vitkovskis holds no shares in LAU Infra Grupa.

Armands Beiziķis,

Member of the Management Board



Experience. Mr. Armands Beiziķis has more than 19 years of management-level experience in an international company in the fuel retail industry. From 2019 to 2025, he served as Chief Executive Officer and Chairman of the Management Board of SIA Neste Latvija, ensuring stable growth, implementation of investment projects, development of sustainability initiatives and introduction of digital innovations.

Education. Mr. Armands Beiziķis holds a professional master's degree in economics with a specialisation in Financial Management from the BA School of Business and Finance. He also has a higher professional qualification as an economist with a specialisation in banking from the BA School of Business and Finance and has further enhanced his knowledge through international executive management and supervisory board member programmes, including at IMD in Switzerland, the Baltic Institute of Corporate Governance and NGL Riga.

Concurrent positions. As of the date of this Prospectus, Mr. Armands Beiziķis holds no positions in other companies outside LAU Infra Grupa.

Area of responsibility. Within the Management Board of the Company, Mr. Armands Beiziķis is responsible for commercial management and - until the appointment of a third Management Board member selected through the relevant nomination process - information technology management.

Shares held in the Company. Mr. Armands Beiziķis holds no shares in LAU Infra Grupa.

10.3. Supervisory Board

LAU Infra Grupa Articles of Association provide that the Supervisory Board shall consist of three members who are appointed for a term in office of five years. The Supervisory Board oversees the performance of the Management Board of its managerial duties, taking into account the interests of the Shareholders, employees and clients.

Some of the main functions (the list is non-exhaustive) of the Supervisory Board of the Company include:

•	Oversight.	Supervision of the activities of the Management Board and oversight of the Company's operations to ensure compliance with applicable laws and regulations, the Articles of Association, resolutions of the Shareholders' Meeting and the Company's approved strategy.
•	Representation of shareholder interests.	Representation of the interests of the state as shareholder in the periods between Shareholders' Meetings.
•	Management Board matters.	Appointment and removal of Management Board members, continuous supervision of their performance and determination of the remuneration of Management Board members (certain matters may require prior approval of the shareholders' meeting, for instance, share incentive schemes).
•	Strategy.	Approval of the Company's medium-term operational strategy and supervision of its implementation, including periodic review of reports on the execution of the related action plan.
•	Financial oversight.	Approval of the annual budget and planned financial and forecast performance indicators, and supervision of budget execution.
•	Financial reporting.	Review of the annual report, the Management Board's report and proposals regarding the allocation of profit, preparation of the Supervisory Board's opinion thereon and submission of these documents to the Shareholders' Meeting.
•	Risk management and internal control.	Supervision of the adequacy and effectiveness of the Company's internal control system and risk management framework.
•	Internal audit.	Review of internal audit reports and findings, supervision of the implementation of audit recommendations and, where necessary, initiation of additional audits or inspections.
•	Policies and governance.	Approval of key internal policies defining the Company's principles in areas such as risk management, prevention of conflicts of interest, anti-corruption measures and corporate governance.
•	Transactions requiring approval.	Granting prior consent to the Management Board for certain transactions, procurements and commitments exceeding established thresholds or otherwise reserved to the Supervisory Board under applicable laws and internal regulations.
•	Conflict of interest matters.	Review of matters related to holding multiple offices and potential conflicts of interest involving Management Board members.

• Representation in disputes.	Representation of the Company in legal proceedings involving Management Board members and in other legal relationships between the Company and Management Board members.
• Shareholders' Meeting preparation.	Preliminary review of matters intended to be submitted to the Shareholders' Meeting and provision of opinions on issues falling within the competence of the Shareholders' Meeting.
• Performance evaluation.	Assessment of the Company's performance and the Management Board's reports and formulation of recommendations for improving the Company's activities.
• Self-assessment.	Performance of an annual self-assessment of the Supervisory Board's work and effectiveness.

Members of the Supervisory Board of a state-owned company are elected by the Shareholders' Meeting following a nomination process coordinated by the relevant state institutions in accordance with Law on Governance of Capital Shares of a Public Person and Capital Companies. Candidates are selected through a public application procedure that ensures transparency, objectivity and professionalism, and a nomination committee evaluates and proposes candidates for election. The law requires that at least half of the Supervisory Board members be independent and meet statutory independence criteria designed to ensure objective oversight and effective governance. Supervisory Board members are elected for a term of five years and perform their duties on the basis of a mandate agreement. The Shareholders' Meeting retains the exclusive authority to elect and remove Supervisory Board members, and no severance or similar compensation is payable upon early removal from office.

Details on the members of the Supervisory Board of LAU Infra Grupa, as of the date of this Prospectus, are provided below.

Table 10.5.1.

Members of the Supervisory Board			
Name	Position	Appointment date	Expiration of the Term in Office
Renārs Griškevičs	Chairman of the Supervisory Board	29 October 2021	28 October 2026
Andris Vanags	Member of the Supervisory Board	29 October 2021	28 October 2026
Jevgenijs Belezjaks	Member of the Supervisory Board	29 October 2021	28 October 2026

Professional experience, area of responsibility and background of Supervisory Board members

Renārs Griškevičs,

Chairman of the Supervisory Board



Experience. Mr. Renārs Griškevičs has more than ten years of experience in senior management positions, including at the international level.

Education. Mr. Renārs Griškevičs holds a master's degree in European Studies and bachelor's degree in international business management from the University of Latvia.

Concurrent positions. Mr. Renārs Griškevičs is also chairman of the Management Board of VAS "Valsts nekustamie īpašumi" and member of the Management Board of the European organisation "Pure-Net".

Area of responsibility. Within the Supervisory Board of the Company Mr. Renārs Griškevičs is responsible for matters related to road infrastructure maintenance, stakeholder relations and the management of companies and teams.

Independence. Mr. Renārs Griškevičs is an independent member of the Supervisory Board.*

Shares held in the Company. Mr. Renārs Griškevičs holds no shares in LAU Infra Grupa.

Andris Vanags,

Member of the Supervisory Board



Experience. Extensive experience in senior management positions and experience as a lecturer at higher education institutions in Latvia.

Education. Mr. Andris Vanags holds a doctoral degree in Management Science obtained from Turība University of Business, as well as master's and bachelor's degrees in engineering from the Faculty of Chemical Technology of Riga Technical University.

Concurrent positions. Mr. Andris Vanags is deputy Chair of the Supervisory Board of AS "Sakret Holdings", Chair of the Council of Riga Technical University, and Docent at SIA "Biznesa Augstskola Turība".

Area of responsibility. Within the Supervisory Board of VAS "LAU Infra Grupa", Mr. Andris Vanags is responsible for strategy development and implementation, as well as corporate governance.

Independence. Mr. Andris Vanags is an independent member of the Supervisory Board.*

Shares held in the Company. Mr. Andris Vanags holds no shares in LAU Infra Grupa.

Jevgenijs Belezjaks,

Member of the Supervisory Board



Experience. Mr. Jevgenijs Belezjaks has extensive experience in senior management positions, including in companies operating in the financial sector.

Education. Mr. Jevgenijs Belezjaks holds master's degree in business administration from Riga Business School at Riga Technical University, as well as a bachelor's degree in business administration from the Riga International School of Economics and Business Administration.

Concurrent positions. Mr. Jevgenijs Belezjaks is Chair of the Supervisory Board of AS "Rīgas siltums", Chair of the Supervisory Board of SIA "Getliņi EKO", member of the Management Board of SIA "Belconsult", member of the Management Board of the association "SI ALUMNI LV EE".

Area of responsibility. Within the Supervisory Board of the Company, Mr. Jevgenijs Belezjaks is responsible for finance and audit matters, risk management and the internal control system.

Independence. Mr. Jevgenijs Belezjaks is an independent member of the Supervisory Board.*

Shares held in the Company. Mr. Jevgenijs Belezjaks holds no shares in LAU Infra Grupa.

* Criteria for an independent Supervisory Board member: an independent Supervisory Board member is a member who meets the criteria set out in Section 31, paragraph six of the Law on Governance of Capital Shares of a Public Person and Capital Companies.

10.4. Committees and working groups

In addition to its statutory corporate bodies, LAU Infra Grupa has established a number of standing committees and working groups to support internal governance, operational decision-making, compliance, risk management and asset administration within their respective areas of responsibility.

The table below presents the standing committees and working groups established by LAU Infra Grupa:

Internal control system committee for corruption and conflict of interest risk management	Identifies, analyses and assesses positions exposed to corruption risk, prepares corruption and fraud risk prevention measures for Management Board approval, reports annually on the implementation of the prevention plan and reviews whistleblowing reports.
Standing procurement committee	Organises and conducts procurement procedures within the Company's internal value thresholds and ensures objective, clear and impartial evaluation of tenders submitted by bidders.
Personal data processing working group	Updates the Company's register of personal data processing purposes and assesses new personal data processing activities before such processing is commenced.
Energy management system working group	Assesses the structure of energy consumption in buildings, production processes, equipment and transport, and plans energy-efficiency improvement measures with the highest estimated energy savings or economic return.
Job evaluation committee	Evaluates new positions within the Company's overall position hierarchy and assigns positions to the relevant salary group in accordance with the Company's remuneration system, with the final decision on salary group allocation approved by the Management Board.
Committee for the assessment of combining offices	Reviews applications by employees who perform duties as public officials to combine offices and prepares recommendations to the Chairman of the Management Board for the final decision on whether to permit or refuse such combination of offices.
Committee for the assessment of secondary employment	Assesses whether secondary employment may be combined with an employee's existing position, taking into account the protection of the Company's interests under the Labour Law, and submits recommendations to the Chair of the Management Board for the final decision.
Committee for impairment testing of fixed assets and intangible assets	Performs impairment testing of fixed assets and intangible assets at the end of the relevant reporting period.
Fixed assets valuation committee	Documents the commissioning, value adjustments and write-off or derecognition of fixed assets and intangible assets, including changes relating to buildings, structures and intangible assets.

The Audit Committee of the Company shall be established at the Shareholders' Meeting following the listing on Nasdaq Riga.

10.5. Conflicts of interest

In order to ensure transparent, lawful and objective decision-making and to protect the interests of the Company and its shareholder, LAU Infra Grupa has established and implements a Corruption and Conflict of Interest Risk Prevention Policy. The policy applies to members of the Management Board, the Supervisory Board and all employees of the Company and forms an integral part of the Company's corporate governance and internal control framework.

The policy sets out the principles and procedures for identifying, preventing and managing actual, potential and apparent conflicts of interest and corruption risks. In particular, it provides for

- (i) the obligation to act exclusively in the interests of the Company,

- (ii) requirements to disclose and avoid conflicts of interest and to refrain from participating in decision-making where a conflict exists,
- (iii) restrictions on holding multiple positions and engaging in outside activities,
- (iv) rules governing transactions with related parties,
- (v) limitations on the acceptance and giving of gifts and other benefits, and
- (vi) the operation of an internal control and whistleblowing system enabling the reporting and review of potential breaches.

Compliance with the policy is monitored within the Company's internal control system, and breaches may result in disciplinary or other measures in accordance with applicable laws and internal regulations.

As of the date of this Prospectus, the Company is not aware of any conflicts of interest or potential conflicts of interest between the Company's duties of the members of the Management Board or Supervisory Board and their private interests and/or their other duties.

10.6. Declarations

To the knowledge of the members of the Management Board, no member of the Management Board or Supervisory Board, or Senior Management has ever been prosecuted in criminal proceedings or convicted of malicious or fraudulent acts in the previous 5 years.

To the knowledge of the members of the Management Board, no court or other competent authority has prohibited any member of the Management Board or Supervisory Board or Senior Management from serving as a member of any governing body of any company or organization or has imposed any prohibition on participation in the management of any business or company, nor has any criminally punishable offence been ordered against any such individual in the previous five years.

10.7. Corporate governance

Governance policies and procedures. LAU Infra Grupa is committed to the highest standards of corporate governance. LAU Infra Grupa has implemented internal policies and procedures which are mandatory by applicable laws and regulations. These include policies and procedures relating to, among others, corporate governance, risk management and internal control, corruption and conflict of interest risk prevention, internal audit, information and communication technology and information security, the integrated management system, whistleblowing, communication, personal data processing and supplier ethics. Together, these policies and procedures are designed to ensure lawful, transparent and responsible operations, risk-based management, internal control, information protection and stakeholder communication.

Integrated management system. The Company has established and implemented an integrated management system that forms a core element of its corporate governance framework and supports the consistent provision of high-quality services. The governance framework is designed to ensure effective management of the Company's operations, a safe working environment for employees, reliable performance of national road maintenance and construction works, and sustainable cooperation with customers, suppliers and equipment manufacturers.

The integrated management system is based on clearly defined and documented processes. These processes allocate responsibilities at all organisational levels and set out the procedures for performing specific operational and management tasks. The Company continuously analyses and improves these processes in order to increase operational efficiency, enhance service quality and ensure customer satisfaction. Particular emphasis is placed on ensuring that employees understand and comply with the requirements of the management system in their daily activities and take personal responsibility for the quality of their work.

Risk management and internal control. Risk management forms part of the Company's governance process and is supported by a risk management framework comprising the Risk Management and Internal Control System Policy, risk management methodology and a centralised approach to risk identification, assessment and monitoring.

The Company's internal control principles are aimed at ensuring effective, efficient and economical operations, good governance, compliance with applicable laws and regulations, prevention of corruption and conflicts of interest, safeguarding of assets and financial resources, timely identification and correction of errors, and reliable financial and management information.

Sustainability governance. Sustainability governance aspects are integrated into the Company's strategic objectives, internal policies, rules and action plans, daily processes and, where applicable, the individual objectives of members of the Management Board. Members of the Management Board are responsible for implementing such matters within their respective areas of responsibility, while the Supervisory Board approves key policies and, together with the Management Board, monitors their implementation through regular review of financial reports, non-financial reports and other matters submitted to the Management Board and Supervisory Board.

Environmental responsibility. In view of the nature of its activities, LAU Infra Grupa also places strong emphasis on environmentally responsible operations, including the development and implementation of environmentally friendly technologies, efficient use of natural and energy resources, reduction of emissions and waste, and adherence to sustainable development principles across its operations.

10.8. Articles of Association

Pursuant to the Articles of Association, LAU Infra Grupa is a joint stock company whose commercial activities primarily relate to road infrastructure construction, maintenance and related engineering, construction, transport and support services, as further specified by the applicable NACE classifications.

The current version of the Articles of Association was adopted by a resolution of the Shareholders' Meeting on 20 March 2026. The Articles of Association currently in force comply with the statutory provisions of Latvian law, in particular the Latvian Commercial Law and the Law on Governance of Capital Shares of a Public Person and Capital Companies, as well as other applicable laws and regulations. The text of the Articles of Association currently in force can be found on LAU Infra Grupa corporate website <https://lauinfra.com/>.

The following is a summary and explanation of the main provisions of the Articles of Association:

- **Share capital and shares.** The share capital of LAU Infra Grupa amounts to EUR 35 202 323 and consists of 35 202 323 dematerialized shares with a nominal value of EUR 1.00 each. All shares are dematerialized shares and carry equal rights.
- **Shareholder rights.** Each share entitles its holder to receive dividends, to receive a liquidation quota in the event of liquidation of LAU Infra Grupa and to vote at the Shareholders' Meeting. All shares carry equal voting rights.
- **Shareholders' Meeting.** The Shareholders' Meeting is the highest governing body of the Company and exercises the powers vested in it by applicable laws and the Articles of Association.
- **Supervisory Board.** The Supervisory Board consists of three members elected for a term of five years. The Supervisory Board supervises the activities of the Management Board and operates in accordance with the Articles of Association and its approved regulations. Decisions of the Supervisory Board are adopted by a simple majority of the votes of the members present, with the casting vote vested in the Chair of the Supervisory Board in the event of a tie.
- **Management Board.** The Management Board consists of three members elected for a term of five years. The Management Board manages and represents the Company and adopts decisions by a simple majority of the votes of the members present. The Articles of Association provide for certain matters requiring prior approval of the Supervisory Board and, in specific cases, also of the Shareholders' Meeting, including transactions exceeding specified value thresholds, real estate transactions and matters relating to remuneration principles and internal audit planning.
- **Delegation and representation.** Members of the Management Board may authorise one or more Management Board members to enter into specific transactions or categories of transactions in accordance with the Articles of Association and internal regulations.
- **Change of control.** The Articles of Association do not contain provisions that would have the effect of delaying, deferring or preventing a change of control of LAU Infra Grupa, nor do they provide for any special rights of withdrawal, redemption or conversion of shares.

11.

REMUNERATION AND BENEFITS

11.1. The amount of remuneration paid

Prior to the Offering, the remuneration of the members of the Management Board and the Supervisory Board was determined in accordance with the regulatory requirements on remuneration framework applicable to public capital companies. The remuneration of employees of the Company was determined in accordance with the applicable labour laws, the collective labour agreement and the internal remuneration arrangements of the Company then in force.

In particular, the remuneration of the members of the Management Board and the Supervisory Board was determined having regard to the requirements and principles set out in the Law on Governance of Capital Shares of a Public Person and Capital Companies, Cabinet of Ministers Regulation No. 392 of 25 June 2025 on the procedure for determining the number of members of management boards and supervisory boards and the remuneration payable to them in the management of capital shares of a public person, and the guidelines approved by the Cross-Sectoral Coordination Centre on 18 September 2020 in relation to the determination of remuneration of members of management boards and supervisory boards of public capital companies and public-private capital companies, as amended on 22 January 2021.

The remuneration amounts described in this Section therefore reflect the remuneration framework applicable to the Company prior to the admission of its shares to trading on the regulated market of Nasdaq Riga. The Remuneration Policy described below in Clause 11.2 will enter into force and become applicable upon the listing of the shares on Nasdaq Riga.

The table below outlines the total amount of remuneration paid to Management Board and Supervisory Board for the last financial year.

Table 11.1.1.

Remuneration paid to Management Board and Supervisory Board members in 2025, EUR		
Description	All Management Board members	All Supervisory Board members
Salary remuneration	249 441*	82 656
Mandatory social insurance contributions	58 843	19 498
Total	308 284	102 154

* The amount presented includes remuneration paid to a former member of the Management Board who held office throughout the financial year ended 31 December 2025.

Remuneration of Management Board. In the financial year ended 31 December 2025 Vilnis Vitkovskis, chairman of the Management Board, received total annual remuneration in the amount of EUR 117 356.00, including bonus payments and variable remuneration. Armands Beiziķis, member of the Management Board, received total annual remuneration in the amount of EUR 26 461.29, including bonus payments and variable remuneration (holds the position from 26 August 2025).

Remuneration of Supervisory Board. In the financial year ended 31 December 2025 Renārs Griškevičs, chairman of the Supervisory Board, received total annual remuneration in the amount of EUR 29 520.00. Andris Vanags, member of the Supervisory Board, received total annual remuneration in the amount of EUR 26 568.00 and Jevgenijs Belezjaks, member of the Supervisory Board, received total annual remuneration in the amount of EUR 26 568.00.

Remuneration of employees. In the financial year ended 31 December 2025, LAU Infra Grupa incurred employee remuneration expenses in respect of production employees of EUR 23 649 433 for salaries and EUR 5 527 690 in respect mandatory social insurance contributions, and employee remuneration expenses in respect of administrative employees of EUR 2 117 496 in salaries and EUR 498 350 for mandatory social insurance contributions. In the interests of preserving the privacy of its employees, the Company has chosen not to publicly disclose any further information on the amounts of remuneration paid to individual employees.

As of 31 December 2025, the Company had no stock option programme or other remuneration in form of shares or share-linked instruments in place for its employees, members of the Management Board and the Supervisory Board. Accordingly, the remuneration of the members of the Management Board, the Supervisory Board and employees in the financial year ended 31 December 2025 was paid in full as cash payment.

11.2. Remuneration policy

The Company has adopted the Remuneration Policy of the Management Board, Supervisory Board, and employees of LAU Infra Group AS (in Latvian: *LAU Infra Grupa valdes, padomes un darbinieku atalgojuma politika*) (the "**Remuneration Policy**") which sets out the principles applicable to the remuneration of the members of the Management Board, the Supervisory Board and employees. The remuneration framework is designed to ensure competitive and transparent remuneration, support the Company's long-term strategy and sustainable development and promote prudent and effective risk management. The Remuneration Policy enters into force and becomes applicable upon the admission of the Company's shares to trading on the regulated market of Nasdaq Riga.

The principles and general provisions of the Remuneration Policy

The Remuneration Policy is based on the Commercial Law, the Law on Governance of Capital Shares of a Public Person and Capital Companies and the Cabinet of Ministers regulations adopted thereunder e.g. Cabinet of Ministers Regulation No. 392 of 25 June 2025 on the procedure for determining the number of members of management boards and supervisory boards and the remuneration payable to them in the management of capital shares of a public person, as well as the Labour Law, the Financial Instruments Market Law and other applicable laws and regulations, the articles of association of the Company and the collective agreement concluded between the Company and members of the Company's trade union. In preparing the Remuneration Policy, the Company has also taken into account Latvian and international corporate governance principles, in particular the principles of the Latvian Corporate Governance Code, as well as investor and shareholder expectations in connection with the IPO. The Company has also considered the guidelines approved by the Cross-Sectoral Coordination Centre on the determination of remuneration of Management Board and Supervisory Board members of public capital companies.

The remuneration system of LAU Infra Grupa is based on the following main principles:

- **Internal fairness:** remuneration is determined fairly and comparatively across positions, taking into account the professional qualifications and experience required for the performance of the relevant duties, as well as the complexity of the role and the level of responsibility.
- **Market-based remuneration:** remuneration is set at a level appropriate for attracting specialists in the relevant sector.
- **Equal approach:** uniform principles are applied in determining remuneration for members of the Management Board, members of the Supervisory Board and employees within a relevant group.
- **Encouragement of conduct directed towards the achievement of the Company's objectives:** remuneration is determined in accordance with the contribution and results of the member of the Management Board, the member of the Supervisory Board or the employee.
- **Consistency of remuneration with the Company's financial capacity and budget:** the level of remuneration is set with due regard to the Company's financial means and budget.

The Remuneration Policy further includes, inter alia, the following general provisions:

Remuneration of the Management Board

The remuneration of the members of the Management Board is determined taking into account, among other things, their performance, the Company's operating results, applicable legal and regulatory requirements, market practice and the overall remuneration principles applied by the Company, with a view to promoting the Company's sustainability, continued growth and profitability.

Members of the Management Board may be removed from office by the Supervisory Board. No fixed notice periods or specific contractual termination arrangements are provided for, however, if a member of the Management Board is removed prior to the expiry of their term of office, they may be entitled to a severance payment of up to three months' remuneration, depending on the length of continuous service, save for certain cases, including resignation or removal for breach of duties or causing harm to the interests of the Company. No supplementary pension or accelerated retirement arrangements apply to members of the Management Board.

Remuneration of the Supervisory Board

The remuneration of the members of the Supervisory Board is intended to compensate them for the performance of their duties in accordance with market practice. The remuneration of the members of the Management Board and the Supervisory Board is required to be proportionate to the remuneration of the Company's employees and to reflect the overall remuneration policy of the Company.

Remuneration of Employees

Employees are remunerated and incentivised for the proper and high-quality performance of their duties, a conscientious approach to work and their individual contribution to the achievement of the objectives of the relevant structural unit and

of the Company as a whole. The remuneration of the Company's employees is determined, inter alia, in accordance with the collective agreement concluded between the Company and members of the Company's trade union.

IPO-Related One-Off Incentive Mechanism

The Remuneration Policy also provides that, in view of the significant role of the members of the Management Board in the preparation and implementation of the IPO and the additional responsibilities assumed by them in this process, a separate one-off incentive mechanism is established in the event of a successful IPO. Such one-off incentive mechanism has been adopted by the General Meeting of Shareholders of the Company. Based on that, the one-off incentive mechanism will be determined based on the actual results of the IPO and is subject to a separate Supervisory Board decision to be made within two months of the first day of listing on Nasdaq Riga. Such payout would be limited to an absolute cap of two monthly remuneration amounts of the respective Management Board member.

Management Board and Employee Stock Option Plans

The Remuneration Policy permits the possibility of remuneration in the form of shares or share-linked instruments, including under Management Board and employee share option plans. As of the date of this Prospectus, the Company and Sole Shareholder has not adopted or implemented any such plan, and no operative arrangements for the grant of share options or other share-linked instruments are currently in place. Should the Company decide to introduce such a plan in the future, this would be subject to a separate decision of shareholders of the Company.

Restrictions on Share and Share-Linked Incentives

The Remuneration Policy further provides that the grant and/or exercise of shares or share-linked instruments, including Management Board and employee stock option plans, is permitted only if the participation of the Republic of Latvia as the shareholder in the Company remains at least 75.01%, unless decided otherwise by the Republic of Latvia. Where a proposed grant or exercise of shares or share-linked instruments would reduce such participation below that threshold in a manner not permitted, such grant or exercise is not allowed, and the exercise of already granted share-linked instruments is suspended until that restriction no longer applies.

Deferral, Adjustment and Non-Payment of Variable Remuneration

Under the Remuneration Policy, variable remuneration of members of the Management Board and employees may be withheld, reduced or deferred in certain circumstances. That includes cases where the Company's performance is assessed as unsatisfactory, where the relevant reporting year reveals material deviations from planned targets giving rise to significant risks to the Company's financial stability and sustainable development, where misconduct or other deficiencies are identified in the conduct of the relevant individual, where such individual acts contrary to the Company's Ethics Policy or strategic objectives, or where the Company's financial targets are not achieved or its financial condition does not permit such payment. Decisions regarding members of the Management Board are taken by the Supervisory Board, while decisions regarding employees are taken by the Management Board. In addition, the Supervisory Board may reclaim, in whole or in part, variable remuneration paid to a member of the Management Board within three years after payment if the payment was based on incorrect information.

Overall remuneration structure

The remuneration structure applicable within the Company under the Remuneration Policy differs between the Supervisory Board, the Management Board and employees. The remuneration of the members of the Supervisory Board consists exclusively of a fixed remuneration component, whereas the remuneration of the members of the Management Board and the employees of the Company consist of a fixed remuneration component and, where applicable, a variable remuneration component and, if separately introduced, an additional remuneration in the form of shares or share-linked instruments. The following summarises the principal elements of the remuneration structure applicable to the members of the Management Board, the Supervisory Board and the employees of the Company.

Supervisory Board remuneration

The remuneration of the members of the Supervisory Board, including the chairman of the Supervisory Board, consists exclusively of a fixed monthly remuneration. No variable remuneration or remuneration in the form of shares or share-linked instruments are granted to the members of the Supervisory Board under the Remuneration Policy.

The monthly remuneration of the chairman of the Supervisory Board may not exceed 30% of the monthly remuneration of the Chair of the Management Board, and the monthly remuneration of each other member of the Supervisory Board may be set at up to 75% of the monthly remuneration of the chairman of the Supervisory Board, subject in each case to the terms of the relevant authorisation agreement.

The table below outlines the overall structure of the Supervisory Board remuneration.

Table 11.2.1.

Remuneration of the members of the Supervisory Board and its components		
Remuneration component	Components (description)	Permitted amount
Fixed remuneration component	Monthly remuneration	100% of total remuneration

Management Board remuneration

The remuneration of the members of the Management Board consists of a fixed remuneration component, a variable remuneration component and, where separately approved under the Remuneration Policy and in line with applicable laws and regulations, remuneration in the form of shares or share-linked instruments.

The fixed remuneration component. The fixed remuneration component consists primarily of a fixed monthly remuneration, which is determined individually for each member of the Management Board in the relevant authorisation agreement. The monthly remuneration of each member of the Management Board may be set at up to 90% of the monthly remuneration of the chairman of the Management Board, subject in each case to the terms of the relevant authorisation agreement.

In determining the fixed monthly remuneration, the Supervisory Board takes into account, among other things:

- (i) market remuneration levels in comparable private sector companies in Latvia and internationally,
- (ii) competitiveness with the private sector,
- (iii) the relevant member's professional experience and level of responsibility,
- (iv) the complexity and scope of the relevant area of responsibility,
- (v) the expected workload and
- (vi) the Company's financial capacity.

In addition to the fixed monthly remuneration, members of the Management Board may also be granted certain additional (fringe) benefits in accordance with the relevant authorisation agreement and the Company's internal rules.

The variable remuneration component. The variable remuneration component consists of an annual cash bonus linked to the achievement of financial and non-financial key performance indicators over the relevant financial year. The precise target amount of the annual bonus within the permitted range is determined individually by the Supervisory Board for each member of the Management Board, taking into account the relevant member's responsibilities, scope of activities and individual circumstances.

Under the Remuneration Policy, financial key performance indicators are intended to represent 60% to 70% of the overall key performance indicator framework and non-financial key performance indicators 30% to 40%, with the Supervisory Board determining the applicable indicators, their weighting and the assessment methodology for each financial year. The annual bonus is awarded following approval of the audited annual report and is subject to an absolute cap of two monthly remuneration amounts.

Remuneration in the form of shares or share-linked instruments. The Remuneration Policy further contemplates remuneration in the form of shares or share-linked instruments under Management Board and employee stock option plans. Any such plan must be approved separately by the shareholders' meeting and implemented in accordance with the applicable stock option issuance rules and related documents. Under the Remuneration Policy, such plans are subject to a number of minimum requirements, including limitations relating to the conditional share capital of the Company, the exercise price, holding and exercise periods and, in the case of Management Board members, key performance indicators applicable to at least part of the options granted. As mentioned above, as of the date of this Prospectus, the Company has not adopted or implemented any Management Board and employee stock option plan, and no operative arrangements for the grant of stock options or other share-linked instruments are currently in place.

The table below outlines the overall structure of the Management Board remuneration.

Table 11.2.2.

Remuneration of the members of the Management Board and its components		
Remuneration component	Components (description)	Permitted amount
Fixed remuneration component	Monthly remuneration	70–86%* of the total fixed and variable remuneration
	Additional (fringe) benefits	As individually specified in the authorisation agreement and approved by the Supervisory Board
Variable remuneration component	Annual bonus	14–30%* of the total fixed and variable remuneration
Remuneration in the form of shares or share-linked instruments	Management Board and employee stock option plans**	In accordance with the terms of the stock option plan

* The exact amounts of the fixed remuneration component within the permitted ranges are determined in the authorisation agreement of the relevant Management Board member, while the amounts of the variable remuneration component within the permitted ranges are determined individually for each Management Board member by decision of the Supervisory Board at the beginning of the financial year or when preparing the Company's budget, taking into account the Management Board member's responsibilities, scope of activities, applicable conditions and individual circumstances. The indicated percentage of variable remuneration corresponds to 100% achievement of all applicable key performance indicators and does not include cases where, in accordance with the Remuneration Policy, the variable remuneration component may be reduced, withheld or otherwise adjusted.

** The Management Board and employee stock option plan is provided for and implemented individually in accordance with the stock option issuance rules approved by the shareholders' meeting of the Company and other related documents, subject to the minimum requirements set out in the Remuneration Policy. As of the date of this Prospectus, there are no stock option plans or other share-related remuneration programmes approved or in place.

Employee remuneration

The remuneration of the employees of the Company, i.e. persons employed by the Company under employment contracts, consists of a fixed remuneration component and, where applicable, a variable remuneration component. In addition, employees may be granted certain additional benefits in accordance with the Company's internal rules and, under the Remuneration Policy, may also be eligible for remuneration in the form of shares or share-linked instruments.

The fixed remuneration component generally consists of the fixed portion of the monthly salary, together with statutory supplements payable in accordance with the Labour Law, including for overtime work, work on public holidays, night work or work involving special risk, as applicable. Employees of the Company may also be granted certain additional (fringe) benefits in accordance with the Company's internal rules.

The variable remuneration component may include, among other things, a variable portion of monthly salary for employees in certain positions, annual and one-off bonuses, as well as certain supplements, benefits, compensation and other forms of material support provided for in the Company's internal documents.

Remuneration in the form of shares or share-linked instruments may be granted under Management Board and employee stock option plans, as described in greater detail above. As of the date of this Prospectus there are no stock option plans or other share-related remuneration schemes approved or in place.

The table below outlines the overall structure of the employee remuneration.

Table 11.2.3.

Remuneration of employees and its components	
Remuneration component	Components (description)
Fixed remuneration component	Fixed portion of the monthly salary
	Supplements (as provided for in the Labour Law, for example, for work on public holidays, for overtime, etc.)
	Additional (fringe) benefits
Variable remuneration component	Variable portion of the monthly salary (for employees in certain manual labour positions)
	Annual bonus
	Supplements, benefits, compensation and other forms of material support provided for in the Company's internal documents
	One-off bonus and supplements in the cases provided for in the Company's internal documents
Remuneration in the form of shares or share-linked instruments	Management Board and employee stock option plans*

* The Management Board and employee stock option plan is provided for and might be implemented individually in accordance with the stock option issuance rules approved by the shareholders' meeting of the Company and other related documents, subject to the minimum requirements set out in the Remuneration Policy. At the date of the Prospectus, no share-based incentives or stock option plans are adopted by the Company.

12.

HISTORICAL FINANCIAL INFORMATION

The financial information included in this Section has been derived from the Company's audited financial statements, prepared in accordance with IFRS, for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023.

The interim financial information for the three-month periods ended 31 March 2025 and 31 March 2026 has been prepared in accordance with IFRS. This information has not been subject to audit or review by the external auditors.

New Standards and Interpretations Effective as of the Financial Year Ended 31 December 2025

The amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Lack of Exchangeability, effective for reporting periods beginning on or after 1 January 2025, took effect during the financial year ended 31 December 2025 and did not have a material impact on the Company's financial position or results of operations.

Standards and Interpretations Effective from 1 January 2026 and Thereafter

Several new standards and amendments to existing standards are effective for annual reporting periods beginning on or after 1 January 2026 and thereafter, some of which have not yet been approved by the European Union, and early application is permitted. However, in preparing the financial statements, the Company has not early adopted any new or amended standards.

New and amended standards effective in future periods include:

- Amendments to IFRS 7 and IFRS 9 – Contracts Referencing Nature-dependent Electricity;
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
- the Annual Improvements to IFRS Accounting Standards 2022–2024 Cycle;
- IFRS 18 Presentation and Disclosure in Financial Statements;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures;

New standards and amendments are not expected to have a significant effect on the Company's financial statements once adopted.

Income Statement of the Company

The table below sets out information from the Company's income statement for the years ended 31 December 2025, 2024, 2023 and the three-month periods ended 31 March 2026 and 2025.

Table 12.1.

	Year ended 31 December			Three-month period ended 31 March	
	Audited			Unaudited	
Income Statement	2023	2024	2025	2025	2026
Net turnover (revenue), including	67 256 544	94 778 759	97 114 082	17 659 988	17 315 748
a) From construction services	30 530 328	66 939 296	68 714 386	7 128 312	2 492 094
b) From other operating activities	36 726 216	27 839 463	28 399 696	10 531 676	14 823 654
Production costs of goods sold, acquisition costs of goods sold and services purchased	(63 015 513)	(84 183 534)	(86 540 736)	(16 067 772)	(16 411 746)
Gross profit	4 241 031	10 595 225	10 573 346	1 592 216	904 002
Administrative expenses	(3 956 230)	(4 075 196)	(3 979 019)	(837 031)	(1 046 610)
Other operating income	1 410 489	1 268 178	2 040 264	139 341	199 588
Other operating expenses	(136 902)	(443 272)	(129 299) ¹	(22 938)	(16 495)
Operating profit	1 558 388	7 344 935	8 505 292	871 588	40 485
Financial income	32 328	168 750	331 991	54 130	115 095
Financial expenses	(469 646)	(394 427)	(231 046)	(60 522)	(61 013)
Profit before tax	1 121 070	7 119 258	8 606 237	865 196	94 567
Corporate income tax	(12 000)	(179 577)	(1 214 444)	-	-
Profit of the reporting period	1 109 070	6 939 681	7 391 793	865 196	94 567
Total comprehensive income	1 109 070	6 939 681	7 391 793	865 196	94 567

¹ In the audited financial statements for the financial year ended 31 December 2025, this item is presented separately as Operating expenses in the amount of EUR (109 453) and Losses from impairment of trade receivables and contract assets in the amount of EUR (19 846).

Financial Position of the Company

The table below sets out information from the Company's statement of financial position for the years ended 31 December 2025, 2024, 2023 and the three-month periods ended 31 March 2026 and 2025.

Table 12.2.

	Year ended 31 December			Three-month period ended 31 March	
	Audited			Unaudited	
Financial Position	2023	2024	2025	2025	2026
ASSETS					
LONG-TERM ASSETS					
Intangible assets					
Licences, trademarks and similar rights	28 279	13 966	97 578	15 021	90 604
Other intangible assets	578 042	106 301	83 075	100 494	77 268
Costs of creating intangible assets	-	-	193 023	-	193 023
Total intangible assets	606 321	120 267	373 676	115 515	360 895
Fixed assets					
Land, buildings and structures	17 077 150	15 756 387	15 215 448	15 641 124	14 969 823
Plant and machinery	27 415 915	26 265 733	30 395 394	26 089 177	26 205 115
Other property, plant and equipment	62 695	134 760	224 055	132 307	216 126
Long-term investments in leased assets	3 125	38 895	36 642	38 332	36 079
Construction in progress and incomplete construction objects	97 118	108 590	4 629	87 824	285 112
Total property, plant and equipment	44 656 003	42 304 365	45 876 168	41 988 764	44 712 255
Investment property	637 102	624 868	481 425	617 369	474 175
Biological assets	416 300	416 300	415 184	398 152	415 184
Other long-term assets	101 426	181 052	35 456	169 542	35 456
Total long-term assets	46 417 152	43 646 852	47 181 909	43 289 342	45 997 965
CURRENT ASSETS					
Inventories	6 475 896	6 922 255	6 017 704	5 801 515	5 421 942
Long-term assets held for sale	143 142	591 123	555 507	591 123	555 507
Contract assets (Receivables from contracts with customers)	7 811 287	9 748 854	8 603 614	7 421 407	5 209 478
Other receivables	1 692 267	1 215 855	1 621 429	1 223 665	858 889
Cash and cash equivalents	389 696	14 517 521	16 974 515 ¹	22 684 494	25 004 400
Total current assets	16 512 288	32 995 608	33 772 769	37 722 204	37 050 216
Total assets	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181
EQUITY AND LIABILITIES					
EQUITY					
Share capital (registered capital)	35 202 323	35 202 323	35 202 323	35 202 323	35 202 323
Reserves	-	399 755	2 481 659	399 265	2 481 659

Retained earnings from previous years	6 668 647	6 668 157	6 668 157	13 346 657	14 059 950
Profit for the reporting year	1 109 070	6 939 681	7 391 793	865 196	94 567
Total equity	42 980 040	49 209 916	51 743 932	49 813 441	51 838 499
LIABILITIES					
Long-term liabilities					
Borrowings from credit institutions	144 451	25 202	65 167	10 081	45 796
Lease liabilities ³	5 480 601	3 249 356	5 595 647	3 438 722	5 595 647
Provisions	1 133 076	4 468 736	4 050 938	4 494 269	3 969 393
Deferred income	-	101 036	136 152	143 278	136 152
Total long-term liabilities	6 758 128	7 844 330	9 847 904	8 086 350	9 746 988
Short-term liabilities					
Borrowings from credit institutions	152 952	119 249	42 202	96 132	42 202
Lease liabilities	2 569 415	2 324 379	2 556 520	2 350 354	1 717 937
Payables to suppliers and contractors	6 502 292	8 323 078	8 492 747 ²	13 707 181	12 510 598 ⁴
Taxes and state social insurance contributions payable	1 155 424	1 576 422	1 825 328	1 241 358	1 890 403
Other liabilities	11 782	2 127	-	-	-
Deferred revenue	351	4 768	7 598	6 170	5 698
Provisions	663 930	3 366 567	3 855 023	3 348 496	3 512 726
Accrued liabilities	2 135 126	3 873 751	2 583 424	2 362 064	1 783 130
Total short-term liabilities	13 191 272	19 588 214	19 362 842	23 111 755	21 462 694
Total liabilities	19 949 400	27 432 544	29 210 746	31 198 105	31 209 682
Total equity and liabilities	62 929 440	76 642 460	80 954 678	81 011 546	83 048 181

¹ For the financial year ended 31 December 2025, the audited financial statements present Cash and cash equivalents in the amount of EUR 4 474 515 and Other short-term financial investments (term deposits with maturity of less than 6 months) in the amount of EUR 12 500 000 as separate line items in the balance sheet. For presentation purposes, these items have been combined in this table into a single Cash and cash equivalents line item in the aggregate amount of EUR 16 974 515.

² In the audited financial statement for the financial year ended 31 December 2025, this item is presented separately as Payables to suppliers and contractors in the amount of EUR 6 851 672 and Other liabilities in the amount of EUR 1 641 075.

³ In the audited financial statements for the financial years ended 31 December 2023, 31 December 2024 and the interim financial information for the three-month periods ended 31 March 2025 and 31 March 2026, this item is presented separately as Lease liabilities and Accrued liabilities.

⁴ In the interim financial information for the three-month period ended 31 March 2026, this item is presented separately as Payables to suppliers in the amount of EUR 5 470 978 and contractors and Other liabilities in the amount of EUR 7 039 620.

Cash Flow Statement of the Company

The table below sets out information from the Company's Cash Flow Statement for the years ended 31 December 2025, 2024, 2023 and the three-month periods ended 31 March 2026 and 2025.

Table 12.3.

	Year ended 31 December			Three-month period ended 31 March	
	Audited			Unaudited	
Cash Flow Statement	2023	2024	2025	2025	2026
Cash flow from operating activities					
Receipts from sale of goods and rendering of services	74 561 731	102 650 290	102 480 862	28 334 050	31 074 349
Payments to suppliers, employees, and for other operating expenses	(66 660 977)	(82 256 053) ¹	(89 469 159)	(19 422 429)	(21 983 432)
Other operating income or expenses	649 330	818 451	903 542	88 032	6 245
Net cash flows from operating activities	8 550 084	21 212 688¹	13 915 245	8 999 653	9 097 162
Interest paid	(470 588)	(395 806)	(235 488)	(67 327)	(61 013)
Corporate income tax paid	(218)	(189 233)	(1 216 570)	(2 126)	-
Net cash flow from operating activities	8 079 278	20 627 649¹	12 463 187	8 930 200	9 036 149
Cash flows from investment activities					
Purchase of property, plant and equipment and intangible assets	(1 241 185)	(3 589 705)	(3 359 501)	(672 382)	(285 122)
Proceeds from sale of property, plant and equipment and intangible assets	504 191	508 539	1 577 561	476 092	-
Term deposits made	-	-	(12 500 000)	-	-
Interest received	30 155	152 054	316 313	54 130	115 095
Net cash flows used in investment activities	(706 839)	(2 929 112)	(13 965 627)	(142 160)	(170 027)
Cash flow from financing activities					
Loans received	-	-	85 000	-	-
Repayment of loans	(3 788 527)	(152 952)	(122 082)	(38 238)	(19 371)
Lease payments	(3 331 255)	(2 707 956)	(3 645 707)	(582 829)	(816 866)
Dividends paid	(871)	(709 805)	(4 857 777)	-	-
Net cash flows used in financing activities	(7 120 653)	(3 570 713)	(8 540 566)	(621 067)	(836 237)
Net increase/(decrease) in cash and cash equivalents	251 786	14 127 825	(10 043 006)	8 166 973	8 029 885
Cash and cash equivalents at beginning of period	137 910	389 696	14 517 521	14 517 521	16 974 515²
Cash and cash equivalents at end of period	389 696	14 517 521	4 474 515	22 684 494	25 004 400

¹ For the financial year ended 31 December 2025, the audited financial statements reflect corrections made to several items in the audited financial statements for the financial year ended 31 December 2024, resulting in revisions to the respective amounts presented therein.

² For the financial year ended 31 December 2025, the audited financial statements present Cash and cash equivalents in the amount of EUR 4 474 515 and Other short-term financial investments (term deposits with maturity of less than 6 months) in the amount of EUR 12 500 000 as separate line items in the balance sheet. For presentation purposes, these items have been combined in this table into a single Cash and cash equivalents line item in the aggregate amount of EUR 16 974 515.

Statement of Changes in Equity of the Company

The table below sets out information from the Company's Statement of Changes in Equity for the years ended 31 December 2025, 2024, 2023 and 2022.

Table 12.4.

Statement of Changes in Equity	Share capital	Reserves	Retained earnings	Total
As at 31 December 2022¹	35 202 323	-	6 669 518	41 871 841
Distribution of dividends	-	-	(871)	(871)
Total transactions with a shareholder	-	-	(871)	(871)
2023 profit	-	-	1 109 070	1 109 070
As at 31 December 2023¹	35 202 323	-	7 777 717	42 980 040
Distribution of dividends	-	-	(709 805)	(709 805)
Transfer to reserves	-	399 755	(399 755)	-
Total transactions with a shareholder	-	399 755	(1 109 560)	(709 805)
2024 profit	-	-	6 939 681	6 939 681
As at 31 December 2024¹	35 202 323	399 755	13 607 838	49 209 916
Distribution of dividends	-	-	(4 857 777)	(4 857 777)
Transfer to reserves	-	2 081 904	(2 081 904)	-
Total transactions with a shareholder	-	2 081 904	(6 939 681)	(4 857 777)
Profit for the reporting year	-	-	7 391 793	7 391 793
As at 31 December 2025	35 202 323	2 481 659	14 059 950	51 743 932

¹ For the financial years ended 31 December 2022 and 31 December 2023 and 31 December 2024, the audited financial statements present retained earnings and profit for the reporting period as separate line items. These have been combined in this table for consistency, as the financial statements for subsequent years present a single retained earnings figure.

Alternative Performance Measures (APM)

This Prospectus contains certain financial and operating performance measures that are not defined or recognised under the IFRS and which are considered to be "alternative performance measures" as defined in the "ESMA Guidelines on Alternative Performance Measures" issued by the European Securities and Markets Authority on 5 October 2015 (the "APMs" or "Alternative Performance Measures").

The Company presents certain APMs in this Prospectus as key indicators used by the Management Board to assess the Company's operating performance and financial position. The Management Board believes that these measures provide useful supplementary information to investors and analysts by facilitating period-to-period comparisons and offering additional insight into the Company's underlying operational efficiency and liquidity. The APMs are derived from the financial information contained in the Financial Statements but are not defined under IFRS and have not been audited or reviewed by the Company's external auditors. Accordingly, they should not be considered as substitutes for, or superior to, IFRS measures and should be read in conjunction with the Financial Statements. As calculation methods for APMs vary among companies, these measures may not be directly comparable to similarly titled measures used by other entities.

Table 12.5.

	Year ended 31 December			Three-month period ended 31 March	
	Audited			Unaudited	
APMs and key measures	2023	2024	2025	2025	2026
Net Turnover (revenue), EUR	67 256 544	94 778 759	97 114 082	17 659 988	17 315 748
EBITDA, EUR	6 917 007	12 542 415	13 936 299	2 162 932	1 509 384
EBITDA margin, %	10.3 %	13.2 %	14.4%	12.2%	8.7%
Operating profit (EBIT), EUR	1 558 388	7 344 935	8 505 292	871 588	40 485
Operating profit margin (EBIT %), %	2.3%	7.7%	8.8%	4.9%	0.2%
Profit for the period, EUR	1 109 070	6 939 681	7 391 793	865 196	94 567
Profit for the period, % of revenue	1.6%	7.3%	7.6%	4.9%	0.5%
Net debt, EUR	7 859 526	(8 799 335)	(8 714 979)	(16 882 041)	(17 674 508)
Net debt/EBITDA	1.1x	(0.7x)	(0.6x)	(1.2x)	(1.3x)
Net working capital, EUR	3 321 016	13 407 394	14 409 927	14 610 449	15 587 522
Equity, EUR	42 980 040	49 209 916	51 743 932	49 813 441	51 838 499
Equity ratio, %	68%	64%	64%	61%	62%
Return on assets (ROA), %	1.7%	10.2%	10.9%	1.1%	0.1%
Return on capital employed (ROCE), %	2.9%	13.9%	14.8%	1.6%	0.1%
Return on equity (ROE), %	2.6%	15.1%	14.6%	1.7%	0.2%
Debt/EBITDA	1.2x	0.5x	0.6x	0.4x	0.6x
Debt service coverage ratio (DSCR)	1.7x	3.9x	3.5x	3.2x	1.7x
Dividends paid into the State budget, EUR	871	709 805	4 857 777	0	0
Taxes paid into the State budget, EUR	10 137 350	11 167 170	12 208 440	3 933 868	3 895 183

Calculation of APMs

The following table sets forth the calculations, definitions and reasons for use of the APMs and other key measures included above.

Table 12.6.

APM/key measure	Calculation	Reason for use
EBITDA, EUR	Profit before corporate income tax + finance costs – finance income + depreciation and amortisation	Shows whether the core business is profitable before financing, tax and non-cash depreciation and amortisation effects.
EBITDA margin, %	EBITDA for the reporting period ÷ net turnover (revenue) for the reporting period × 100	Indicates operating profitability and whether costs are increasing relative to revenue.
Operating profit (EBIT), EUR	Profit before corporate income tax + finance costs – finance income	Shows how much the Company earns from its core operations.
Operating profit margin (EBIT %), %	EBIT for the reporting period ÷ net turnover (revenue) for the reporting period × 100	Indicates whether the Company's business model is efficient at the operating-profit level.

Profit for the period, EUR	Final financial result for the reporting period after all costs, taxes, finance costs and depreciation and amortisation	Shows the amount ultimately earned by the Company for the period.
Profit for the period, % of revenue	Profit for the period ÷ net turnover (revenue) for the reporting period × 100	Shows how much profit remains from each euro of revenue.
Net debt, EUR	Total financial liabilities, including short-term and long-term borrowings, credit and finance lease liabilities, less cash and cash equivalents, short-term financial investments at period-end	Shows the Company's real debt burden after deducting available cash.
Net debt/EBITDA	Net debt at period-end ÷ EBITDA for the last 12 months	Measures the Company's ability to repay its net debt using operating profit.
Net working capital, EUR	Current assets less current liabilities at period-end	Shows the Company's ability to cover short-term liabilities with current assets and the funds available for daily operations.
Equity, EUR	Equity from the statement of financial position at period-end	Indicates the Company's financial stability and ability to cover liabilities.
Equity ratio, %	Equity at period-end ÷ total assets at period-end × 100	Shows whether the Company is financially stable and resilient in stressed conditions.
Return on assets (ROA), %	Profit before corporate income tax for the reporting period ÷ average total assets for the period × 100	Shows whether the Company's assets generate sufficient profit.
Return on capital employed (ROCE), %	EBIT for the reporting period ÷ invested capital, being average equity plus average financial liabilities, × 100	Measures how efficiently the Company generates profit from all capital invested in the business.
Return on equity (ROE), %	Profit for the period ÷ average equity for the period × 100	Measures profitability relative to shareholders' invested capital.
Debt/EBITDA	Total financial liabilities at period-end ÷ EBITDA for the last 12 months	Shows whether the Company's overall debt level is high relative to EBITDA.
Debt service coverage ratio (DSCR)	EBITDA for the reporting period ÷ debt service payments for the reporting period, being interest payments plus principal repayments	Shows whether the Company can pay loan principal and interest from operating performance.
Dividends paid into the State budget, EUR	Dividends paid to the State budget during the reporting period	Shows cash distributions made to the State as shareholder.
Taxes paid into the State budget, EUR	Taxes paid into the State budget during the reporting period	Shows the Company's tax contribution to the State budget.

13.

OPERATING AND FINANCIAL REVIEW

The following discussion of LAU Infra Grupa financial position and operational results should be read in conjunction with Company's historical financial information as at and for the financial years ended 31 December 2025, 2024 and 2023, and the accompanying notes included in the audited financial statements, and with the information relating to Company's business included elsewhere in this Prospectus.

The discussion includes forward-looking statements that reflect the current view of the Management Board and involves risks and uncertainties. Company's actual results could differ materially from those contained in any forward-looking statements as a result of factors discussed below and elsewhere in this Prospectus, in particular, in Section 2 "Risk Factors" and Section 5 "Reasons for the offering and use of proceeds". Prospective investors should read the entire Prospectus and not merely rely on the information contained in this Section 13 "Operating and Financial Review".

13.1. Overview

LAU Infra Grupa operates as a commercially oriented infrastructure company primarily engaged in road maintenance and the construction, reconstruction and renewal of transport and other engineering infrastructure in Latvia. The Company operates in a project-based and capital-intensive environment, with revenues and profitability dependent on the volume, scope and execution of contracts obtained mainly through public procurement procedures conducted by state and municipal authorities. The Company operates under competitive market conditions and does not receive state budget subsidies or perform state-delegated functions.

During the financial year ended 31 December 2025, the Company maintained revenue growth and improved profitability compared to 2024. Net turnover (revenue) increased to EUR 97.1 million in 2025 from EUR 94.8 million in 2024, representing a year-on-year increase of 2.5%. Operating performance improved, with EBITDA increasing to EUR 13.9 million in 2025 from EUR 12.5 million in 2024 and EBIT increasing to EUR 8.5 million compared to EUR 7.3 million in the prior year. Net profit for the period amounted to EUR 7.4 million in 2025, compared to EUR 6.9 million in 2024. The improvement was driven primarily by continued high construction activity, operational efficiency and the execution of infrastructure projects, notwithstanding ongoing cost pressures related to labour, fuel, materials, subcontracting and financing.

The Company finances its operations primarily through operating cash flows, borrowings and lease arrangements. Net operating cash flow remained positive at EUR 12.5 million in 2025, compared to EUR 20.6 million in 2024, while cash and cash equivalents and short-term financial investments increased to EUR 17.0 million as at 31 December 2025 from EUR 14.5 million as at 31 December 2024. Total financial liabilities amounted to EUR 8.3 million as at 31 December 2025, compared to EUR 5.7 million as at 31 December 2024, primarily reflecting the increase in lease liabilities.

The Company as of the date of this Prospectus is wholly owned by the Republic of Latvia, represented by the Ministry of Transport. In the shareholder's expectations for the Company's medium-term strategy, Company is expected to continue operating on a commercial basis, ensuring reliable and continuous road maintenance services of strategic importance to the State, while maintaining competitiveness in public procurement procedures and expanding its activities in infrastructure construction, renewal and related services. The shareholder also expects the Company to pursue a financially sustainable development path, improve operational efficiency, invest in the renewal and modernisation of machinery and equipment, strengthen corporate governance and maintain a balanced capital structure. With a view to its future development, the Company expects demand for road maintenance and infrastructure services to remain closely linked to public investment levels, including transport infrastructure and security related projects, as well as broader macroeconomic conditions in Latvia. The Company also plans to continue investments in digitalisation, process improvement and technological modernisation aimed at enhancing productivity, cost control and operational resilience. Research and development activities are primarily focused on practical innovation, including the adoption of modern technologies, process automation, digital solutions and environmentally sustainable practices relevant to infrastructure maintenance and construction.

The Management Board believes that the historical Audited Financial Statements provide a fair presentation of the Company's business development, operating performance and financial position. Past performance should not, however, be regarded as an indication of future results, which may be affected by the risks, uncertainties and external factors described elsewhere in this Prospectus.

13.2. Key factors affecting results of operations and financial performance of LAU Infra Grupa

The principal factors that have affected, and are expected to continue to affect, the Company's operating results and financial performance include:

Project portfolio composition and revenue mix. In 2025, construction services remained the dominant source of revenue, generating EUR 68.7 million, or approximately 70.7% of net turnover, while maintenance services generated EUR 24.5 million, or approximately 25.3% of net turnover, and other operating activities generated EUR 3.9 million, or approximately 4.0% of net turnover. Infrastructure and engineering projects, including border-infrastructure works, continued to represent a significant part of the Company's activity and revenue mix.

Cost structure and inflationary pressures. The Company's principal operating costs comprise labour, materials, fuel, subcontracting services, maintenance of production equipment and transport, and depreciation of machinery and equipment. Production costs increased to EUR 86.5 million in 2025 from EUR 84.2 million in 2024, representing an increase of 2.8%, and costs for services received increased materially in connection with the use of subcontractors for border-infrastructure construction. Despite these cost pressures, profitability improved in 2025 due to revenue growth, asset utilisation and operational efficiency.

Financing structure and interest rates. The Company uses bank borrowings and financial leasing to finance machinery renewal. As at 31 December 2025, total interest-bearing liabilities amounted to EUR 8.3 million, compared to EUR 5.7 million at the end of 2024, reflecting an increase in lease liabilities. All of the Company's borrowings bear variable interest rates, exposing the Company to changes in market interest rates.

Public procurement environment. The level and timing of public procurement decisions by state and municipal authorities continue to have a significant influence on Company operating results and financial performance.

13.3. Results of LAU Infra Grupa's operations

The Company's results of operations for the financial years ended 31 December 2023, 2024 and 2025 show a significant improvement in scale and profitability over the period. Net turnover (revenue) increased from EUR 67.3 million in 2023 to EUR 94.8 million in 2024 and further to EUR 97.1 million in 2025. The 2025 increase amounted to EUR 2.3 million, or 2.5%, compared with 2024. EBITDA increased from EUR 6.9 million in 2023 to EUR 12.5 million in 2024 and EUR 13.9 million in 2025.

Profitability strengthened further at the operating level, with EBIT increasing to EUR 8.5 million in 2025 from EUR 7.3 million in 2024 and EUR 1.6 million in 2023. Net profit increased to EUR 7.4 million in 2025 from EUR 6.9 million in 2024 and EUR 1.1 million in 2023. Return on equity remained strong at 14.6% in 2025, compared to 15.1% in 2024 and 2.6% in 2023.

Overall, these developments reflect a strengthening of the Company's profitability and cash-generation capacity over the 2023–2025 period, achieved within a capital-intensive and cost-sensitive operating environment.

The table below elaborates selected items of LAU Infra Grupa Income Statement.

Table 13.3.1.

	<i>Year ended 31 December</i>			<i>Three-month period ended 31 March</i>	
	<i>Audited</i>			<i>Unaudited</i>	
Income Statement	2023	2024	2025	2025	2026
Net turnover (revenue), including	67 256 544	94 778 759	97 114 082	17 659 988	17 315 748
a) From delegated state road routine maintenance services	4 613 317	-	-	-	-
b) From routine maintenance of state roads (open tender)	45 406 507	45 859 381	48 303 408	12 845 263	13 321 415
c) From the construction of state border infrastructure	-	30 238 840	27 161 676	1 839 103	717
d) From works carried out on roads	13 921 854	15 039 422	17 783 891	2 388 713	3 358 398
e) Other operating revenue	3 314 866	3 641 116	3 865 107	586 909	635 218
Cost of sales, cost of goods sold and services purchased	(63 015 513)	(84 183 534)	(86 540 736)	(16 067 772)	(16 411 746)
Gross profit	4 241 031	10 595 225	10 573 346	1 592 216	904 002
Administrative expenses	(3 956 230)	(4 075 196)	(3 979 019)	(837 031)	(1 046 610)
Other operating income	1 410 489	1 268 178	2 040 264	139 341	199 588
Other operating expenses	(136 902)	(443 272)	(129 299) ¹	(22 938)	(16 495)
Operating profit	1 558 388	7 344 935	8 505 292	871 588	40 485
Financial income	32 328	168 750	331 991	54 130	115 095
Financial expenses	(469 646)	(394 427)	(231 046)	(60 522)	(61 013)

Profit before tax	1 121 070	7 119 258	8 606 237	865 196	94 567
Corporate income tax	(12 000)	(179 577)	(1 214 444)	-	-
Profit for the reporting period	1 109 070	6 939 681	7 391 793	865 196	94 567
Total comprehensive income	1 109 070	6 939 681	7 391 793	865 196	94 567

¹ In the audited financial statement for the financial year ended 31 December 2025, this item is presented separately as Losses from impairment of trade receivables and contract assets in the amount of EUR (109 453) and Other operating expenses in the amount of EUR (19 846).

13.4. Financial position of LAU Infra Grupa

As at 31 December 2025, the Company's asset base consisted primarily of property, plant and equipment, contract assets, inventories, trade and other receivables, other short-term financial investments (term deposits) and cash and cash equivalents, as further described in the financial statements. Total assets amounted to EUR 81.0 million as at 31 December 2025, compared to EUR 76.6 million as at 31 December 2024. This asset structure reflects the capital-intensive nature of the Company's operations and its involvement in long-term maintenance and construction projects.

Property, plant and equipment comprise mainly the Company's machinery fleet, vehicles and production infrastructure, which are essential for carrying out road maintenance and construction activities across Latvia. Contract assets and trade receivables represent amounts recoverable from customers in respect of completed or partially completed works under ongoing contracts and are affected by the timing of project certification and settlement in accordance with contractual terms.

The Company's liabilities consist mainly of interest-bearing borrowings, lease liabilities and trade payables arising in the ordinary course of business. The level and structure of interest-bearing liabilities reflect the Company's investment requirements for machinery renewal. Trade payables primarily relate to suppliers and subcontractors supporting operational activities.

As at 31 December 2025, the Management Board considers that the Company's financial position was adequate to support its ongoing operations and contractual commitments. This assessment is based on the Company's asset base, operating cash-flow generation, cash and cash equivalents and other short-term financial investments (term deposits) of EUR 17.0 million, equity of EUR 51.7 million and access to external financing. The Company's financial position remains subject to liquidity, refinancing and funding risks, as described in more detail elsewhere in this Prospectus.

Material and fuel costs constitute a significant component of the Company's direct costs. In the financial years ended 31 December 2025, 2024 and 2023, material and fuel costs represented 31.8%, 34.8% and 53.0%, respectively, of the Company's direct costs. The Company's operations are affected by meteorological conditions, which influence the types of works performed and, accordingly, the volumes of materials and fuel consumed. Taking into account the increase in diesel fuel prices at the beginning of 2026, the Company has estimated that the impact of the increase in diesel fuel prices on its financial results for 2026 may amount to approximately EUR 2.0 million, assuming that the diesel fuel price per litre equals the highest diesel fuel write-off price applied by the Company in 2026.

The table below elaborates selected items of LAU Infra Grupa costs.

Table 13.3.2.

	Year ended 31 December			Three-month period ended 31 March	
	Audited			Unaudited	
Costs, EUR	2023	2024	2025	2025	2026
The cost of materials and fuel	23 478 231	24 174 430	20 908 614	5 255 030	5 482 260
Salary and equivalent costs	20 349 529	22 942 682	23 649 433	4 855 977	5 235 646
Maintenance costs of production equipment and transport	5 172 587	5 831 780	6 153 418	993 032	1 400 316
Depreciation of long-term investments	5 048 358	5 102 926	5 250 642	1 250 127	1 428 336
Mandatory state social insurance contributions	4 754 228	5 365 216	5 527 690	1 135 396	1 225 026
Maintenance costs of buildings and structures	1 393 799	1 197 967	1 171 446	573 726	484 863
Cost of services received	733 908	16 242 777	20 896 135	1 503 972	649 169
Insurance costs	588 480	729 308	849 473	195 376	214 189
Quarry development and reclamation costs	643 419 ¹	474 431	822 466	-	-
The cost of warranty repair	34 290	618 535	546 957	-	-
Other charges	1 348 294 ²	1 503 482	764 462	393 999	203 078
Total	63 015 513	84 183 534	86 540 736	(16 067 772)	(16 411 746)

¹ In the audited financial statement for the financial years ended 31 December 2024 and 31 December 2023, this item is presented separately as Reclamation costs and Quarry development costs.

² In the audited financial statements for the financial year ended 31 December 2024, this item is presented separately as Occupational safety costs, Natural resource tax, Real estate tax, Warranty repair costs and Other costs. In the audited financial statements for the financial year ended 31 December 2023, this item is presented separately as Occupational safety costs, Natural resource tax, Real estate tax and Other costs.

13.5. Recent trends, developments and material changes

Recent operational and financial trends. Since the end of the financial year ended 31 December 2025, the Company has continued to operate in the ordinary course of business. Operational activity levels and working capital requirements continue to be influenced by the timing of project execution under awarded contracts and by the composition of activities between road maintenance, construction and other operating activities. The Company has also continued activities related to the planned change in its capital structure and the initial public offering process.

Cost pressures related to labour, fuel, materials and financing have remained relevant. In response, the Company continues to implement investment, digitalisation and process improvement initiatives aimed at improving operational efficiency, machinery utilisation and cost control. While these initiatives are intended to strengthen operational resilience, their impact may depend on external market conditions.

Material changes since the last financial period. Other than as disclosed in this Prospectus, there have been no material adverse changes in the financial position or financial performance of the Company since 31 December 2025 that would require additional disclosure. The increase in the Company's net revenue during the financial year ended 31 December 2025, when net revenue increased by approximately 2.5% compared to the prior year, was primarily driven by the execution of large-scale strategic infrastructure projects, including border-infrastructure construction works, and is fully reflected in the audited financial statements for that period.

Known trends and outlook. The Company expects demand for road maintenance and infrastructure services to remain closely linked to public sector investment levels, including transport infrastructure programmes and defence and security related projects, as well as broader macroeconomic conditions in Latvia. Known uncertainties include continuing inflationary pressures, the availability of skilled labour, interest rate developments and the timing and scale of public procurement processes. These factors may materially affect the Company's operations, profitability and cash flows in future periods. The statements set out in this section are not intended to constitute profit forecasts or earnings guidance.

Management forecasts 2026 revenue of EUR 87 million and EBITDA of EUR 11.9 million (13.8% margin), down from EUR 97.1 million and EUR 13.9 million respectively in 2025. The strategic infrastructure part of the revenue is expected to decrease in 2026 and is expected to be replaced partially with maintenance of the same infrastructure over the coming years. Based on the company's financial forecasts for 2026 and 2027, and with a 90% dividend payout ratio mandated for those years, shareholders are estimated to receive an average dividend yield of approximately 7% per annum over the two-year period.

14.

LIQUIDITY AND CAPITAL RESOURCES

14.1. Summary of the Cash Flow Statement

The Company's liquidity position and capital resources are primarily driven by cash flows generated from operating activities, complemented by external funding where required. The Company monitors its liquidity on an ongoing basis to ensure that sufficient cash and cash equivalents are available to meet its short-term and long-term obligations as they fall due.

For the financial year ended 31 December 2025, the Company generated positive net cash flows from operating activities of EUR 12.4 million, reflecting the profitability of its core operations and working capital management. Cash outflows related to investing activities were primarily attributable to investments in intangible assets, technology development and other long-term assets supporting the Company's operational growth. Cash flows from financing activities mainly reflected lease payments, dividends paid, repayments of borrowings and limited proceeds from new borrowings.

The Company's capital resources consist of cash and cash equivalents, equity capital, and interest-bearing borrowings. Management considers that the Company's existing cash balances, expected cash flows from operations and available funding arrangements are sufficient to meet its foreseeable liquidity needs.

The table below summarizes selected items of LAU Infra Grupa Cash Flow Statement.

Table 14.1.

	Year ended 31 December			Three-month period ended 31 March	
	Audited			Unaudited	
Cash Flow Statement	2023	2024	2025	2025	2026
Net cash flow from operating activities	8 079 278	20 627 649	12 463 187	8 930 200	9 036 149
Net cash flow from investment activities	(706 839)	(2 929 112)	(13 965 627)	(142 160)	(170 027)
Net cash flow from financing activities	(7 120 653)	(3 570 713)	(8 540 566)	(621 067)	(836 237)
Net (decrease)/increase in cash and its equivalents	251 786	14 127 825	(10 043 006)	8 166 968	8 029 885
Cash and cash equivalents at the beginning of the reporting year	137 910	389 696	14 517 521	14 517 521	16 974 515 ¹
Cash and cash equivalents at the end of the reporting year	389 696	14 517 521	4 474 515	22 684 494	25 004 400

¹ For the financial year ended 31 December 2025, the audited financial statements present Cash and cash equivalents in the amount of EUR 4 474 515 and Other short-term financial investments (term deposits with maturity of less than 6 months) in the amount of EUR 12 500 000 as separate line items in the balance sheet. For presentation purposes, these items have been combined in this table into a single Cash and cash equivalents line item in the aggregate amount of EUR 16 974 515.

14.2. Cash Flow from Operating Activities

Cash flows from operating activities represent the Company's main source of liquidity. During the year ended 31 December 2025, operating cash flows were driven by cash receipts from goods and services of EUR 102.5 million, payments to suppliers, employees and for other operating expenses of EUR 89.5 million, other operating cash items of EUR 0.9 million, interest payments of EUR 0.2 million and corporate income tax payments of EUR 1.2 million.

Changes in working capital were mainly influenced by movements in receivables and payables arising from the Company's operating activities and by the settlement of tax liabilities. Overall, cash flows from operating activities demonstrate the Company's capacity to generate sufficient cash to fund ongoing operations without reliance on external financing.

14.3. Cash Flow from Investment Activities

Cash flows from investment activities resulted in a net outflow of EUR 14.0 million during the year ended 31 December 2025. This reflected EUR 3.4 million of acquisitions of fixed assets and intangible investments, partly offset by EUR 1.6 million of proceeds from the sale of fixed assets and intangible investments and EUR 0.3 million of interest received.

The Company has invested EUR 12.5 million in short-term term deposits with a maturity of up to 6 months.

Investment cash flows therefore primarily reflect the Company's continuing investment in its asset base, together with proceeds from the disposal of assets that are no longer required for operations.

14.4. Cash Flow from Financing Activities

Cash flows from financing activities during the year ended 31 December 2025 resulted in a net outflow of EUR 8.5 million, primarily reflecting EUR 3.6 million of lease payments, EUR 4.9 million of dividends paid and EUR 0.1 million of loan repayments, partly offset by EUR 0.1 million of new borrowings. The Company's financing activities are conducted with the objective of maintaining a prudent capital structure while ensuring adequate liquidity to support operations. Financing decisions are taken with due consideration to funding costs, maturity profiles and liquidity risk.

14.5. Cash Flow and Cash Equivalents at the End of the Period

As at 31 December 2025, the Company held cash and cash equivalents of EUR 4.5 million, compared to EUR 14.5 million as at 31 December 2024. The Company has also EUR 12.5 million with credit institutions invested in short-term deposits. Management considers that the level of cash and cash equivalents at the end of the reporting period is sufficient to meet the Company's short-term liquidity requirements.

14.6. Borrowing Requirements and Funding Structure

The Company's funding structure consists of equity capital and interest-bearing borrowings. Borrowings and lease liabilities are used to support the Company's operational development and to ensure liquidity flexibility. As at 31 December 2025, total short-term and long-term loans from credit institutions and lease liabilities amounted to EUR 8.2 million, comprising EUR 0.1 million of bank borrowings and EUR 8.1 million of lease liabilities.

The Company does not depend on a single source of financing and aims to maintain a diversified and balanced funding structure. There are no material restrictions on the use of the Company's capital resources that have materially affected, or could materially affect, directly or indirectly, the Company's operations. The Company has complied with all contractual terms and covenants associated with its financing arrangements.

Management does not expect any material changes in the Company's borrowing requirements in the near future and considers the current funding structure to be adequate for the continuation of operations and future development.

15.

CAPITALISATION AND INDEBTEDNESS

15.1. Working Capital Statement

Considering LAU Infra Grupa's existing assets, financial position and future plans, in the opinion of the Management Board Company's working capital is sufficient to cover all liabilities for the upcoming 12 months after the date of this Prospectus and there is no need to involve additional external funds to cover working capital needs. The proceeds of the Offering have not been included in the calculation of Company's working capital.

15.2. Capitalisation and Indebtedness

The tables below present the Company's capitalisation and indebtedness as at 31 March 2026, which is based on unaudited financial data. The information presented does not account for the Offering and use of proceeds therefrom, which will potentially have an impact on the Company's capitalisation and indebtedness (please see Section 5 "Reasons for the Offering and use of Proceeds" of this Prospectus). Investors should read this Section in conjunction with Section 5 "Reasons for the Offering and use of Proceeds" of this Prospectus.

Capitalisation of LAU Infra Grupa (EUR)

Table 15.2.1.

	<i>As at 31 March 2026</i>
Total current debt (including current portion of non-current debt)	1 760 139
Guaranteed	1 717 937
Unguaranteed / unsecured	42 202
Total non-current debt (excluding current portion of non-current debt)	5 569 753
Guaranteed	5 523 957
Unguaranteed / unsecured	45 796
Shareholder equity	51 838 499
Share capital	35 202 323
Other reserves (retained earnings)	16 636 176
Total capitalisation	59 168 391

Table 15.2.2.

Indebtedness of the Company (EUR)

		<i>As at 31 March 2026</i>
A	Cash	4 504 400
B	Cash equivalents	-
C	Other current financial assets	20 500 000
D	Liquidity (A + B + C)	25 004 400
E	Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	-

F	Current portion of non-current financial debt *	1 760 139
G	Current financial indebtedness (E + F)	1 760 139
H	Net current financial indebtedness (G - D)	(23 244 261)
I	Non-current financial debt (lease liabilities) *	5 569 753
J	Debt instruments	-
K	Non-current trade and other payables	4 177 235
L	Non-current financial indebtedness (I + J + K)	9 746 988
M	Total financial indebtedness (H + L)	(13 497 273)

16.

TAXATION

The following sections are based on tax laws, regulations, rulings and Double Taxation Treaties as in effect in the respective jurisdictions at the date of this Prospectus. The overview below outlines the key principles of the Latvian, Lithuanian and Estonian tax regimes that may be relevant to acquisition, holding and transfer of the Shares as well as a general overview of taxation principles applicable to LAU Infra Grupa as a Latvian tax resident. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could affect or modify the statements set forth herein. Any such changes or interpretations may be retroactive and may have a material adverse effect on the owners of the Shares. The tax legislation of the investor's state and of Latvia, i.e., LAU Infra Grupa's country of incorporation, may have an impact on the income received from the securities.

The section does not constitute a comprehensive or exhaustive explanation of all possible taxation aspects that may be of relevance to the owners of the Shares and shall not be treated as tax or legal advice to Prospective investors. Any persons interested in acquisition of the Offer Shares are strongly encouraged to seek individual professional tax advice in order to assess particular tax implications of acquiring, holding or transferring the Shares.

Please see Section 2 ("RISK FACTORS") for summary of risks associated with taxation and changes in the applicable tax regime. Future increase of applicable tax rates or imposing of additional taxes by the Latvian, Lithuanian or Estonian governments may affect taxation of dividends or capital gains of the shareholders.

16.1. Latvian tax implications

Taxation of LAU Infra Grupa

This section outlines a general overview of taxation principles applicable to LAU Infra Grupa as a Latvian tax resident.

LAU Infra Grupa is subject to a number of tax obligations, including corporate income tax (CIT), value added tax, personal income tax (PIT) (to the extent PIT is withheld at source as payroll tax or withholding tax, which may apply to other sources of income of private individuals), mandatory social insurance contributions, real estate tax, natural resource tax, vehicle operation tax and company car tax, along with other taxes. The tax policy of the government may change in a manner creating material adverse effects on business, prospects, financial condition, results of operations or cash flows of LAU Infra Grupa.

CIT

The CIT regime in Latvia differs from traditional CIT systems. Profits of a Latvian company are not taxed upon accrual but are taxed upon distribution (actual or deemed profit distribution). Retained and reinvested profits are not subject to CIT.

The CIT rate is 20% and is applicable to the taxable base divided by a coefficient of 0.8 (i.e. distributions are taxed at the rate on 20/80 of the net amount). Consequently, effective tax rate is 25%.

Distribution of profits includes: dividends, payments equivalent to dividends and conditional dividends calculated upon completion of liquidation or reduction of share capital. Deemed distribution of profits includes, inter alia: business non-related expenses, bad debts, transfer pricing adjustments, liquidation quota, certain loans to related parties, certain transfer of assets upon reorganization, certain transfer of assets to a permanent establishment abroad.

The CIT charged on the above is payable only at the level of LAU Infra Grupa with LAU Infra Grupa being responsible for calculating, declaring and paying the respective CIT. CIT paid upon profit distribution (actual or deemed) is the company's tax and shall not be treated as a withholding tax or income tax for a recipient of profits.

Dividends and capital gains are, generally, treated as regular income at the legal entity level, and hence are not taxed upon accrual, but only upon further profit distribution. Nevertheless, several tax exemptions also apply to distribution of profits accrued from dividends or capital gains received.

Taxation of Shareholders

A "resident individual" under this section means a private individual who is deemed a Latvian tax resident under Latvian laws and any applicable Double Taxation Treaty as outlined below.

Under Latvian laws a resident individual is a private individual with a declared place of residence in Latvia or present in Latvia for 183 days or longer during any twelve-month period, or a Latvian citizen employed abroad by the government of Latvia.

Whenever a private individual qualifies as a tax resident under Latvian laws and the laws of other jurisdictions, the tax residency of that person is determined by applying the rules of the Double Taxation Treaty entered into between Latvia and the respective country: the individual shall be deemed to be a resident of the country in which they have a permanent home available; an individual who maintains permanent homes in both countries shall be deemed to be a resident only of the country with which their personal and economic relations are closer (centre of vital interests); if the country in which the individual has their centre of vital interests cannot be determined, or if the individual has no permanent home available

to them in either country, they shall be deemed to be a resident only of the country in which they have an habitual abode; an individual who has a habitual abode in both countries or in neither of them shall be deemed to be a resident only of the country of which they are a national; if the individual is a national of both countries or neither of them, the competent authorities of both countries shall settle the question by mutual agreement.

“Resident entity” under this section means a legal person that is deemed a Latvian tax resident under Latvian laws and any applicable Double Taxation Treaty.

Under Latvian laws a resident entity is a Latvian resident primarily if it is established and registered in Latvia or if it should have been established and registered in Latvia according to Latvian laws, due to performance of certain activities in Latvia.

Permanent establishment is treated as a regular taxpayer in Latvia. Whenever any activity by a non-resident entity is performed in Latvia, whether such activity creates a permanent establishment under Latvian laws and the applicable Double Taxation Treaty, if any, should be evaluated.

“Non-resident individual” and “non-resident entity” in this section means all private individuals and legal persons that do not qualify as a resident individual or resident entity under Latvian laws.

Dividend income of Shareholders

No withholding tax is applied to dividends upon distribution by LAU Infra Grupa to resident and non-resident individuals or entities (except upon dividend payment to non-residents residing, located, established, or registered in low-tax or no-tax jurisdictions, when 20% withholding tax is applicable. Such jurisdictions are specified in accordance with the Regulations of the Cabinet of Ministers No.333 “List of Low Tax or No-Tax Countries and Territories”).

Resident individuals do not pay PIT on dividends received if CIT is applied upon profit distribution by the respective company or if the distributed dividends are tax exempt under applicable tax exemption.

Considering that generally no withholding tax applies to a dividend payment, non-resident individuals should determine if any tax payment and reporting obligations apply under the domestic laws in their country of residence. Non-resident individuals might not be able to credit any tax payments from LAU Infra Grupa to the tax liabilities in their country of residence, as the tax paid in Latvia is CIT of the respective dividend distributor and not a withholding tax attributable to or PIT of the dividend recipient. Each non-resident individual therefore should seek professional advice with respect to any tax obligations under the domestic law of their country of residence.

Resident entities do not pay CIT upon receipt of dividends. Profits of a resident entity are not taxed upon accrual but are taxed upon distribution (actual or deemed profit distribution). However, a resident legal entity shall not apply CIT to distribution of profits in the amount of dividends received from CIT payer or if tax was withheld at source (except when received from a low-tax or no-tax jurisdiction).

Non-resident entities should determine if any tax and reporting obligations apply under the domestic laws of the country of residence. The possibility to credit CIT paid by LAU Infra Grupa in Latvia upon profit distribution must be evaluated in each individual case in line with the domestic laws of the respective jurisdiction and applicable Double Taxation Treaty, if any.

Capital gains of the Shareholders

Resident individuals pay PIT of 25,5% from the capital gains obtained by a resident individual from the sale of the Shares. Capital gains are determined as the difference between the sale price and acquisition value of an asset. Losses from sale of assets within a tax year may be offset against income from sale of other assets of the same type within the same tax year.

Non-resident individuals do not pay PIT in Latvia from capital gains on the sale of publicly traded shares (i.e., the Shares). A non-resident individual might have an obligation to pay income tax from the sale of publicly traded shares in their country of residence. Non-resident individuals should always seek professional advice to determine whether any tax and reporting obligations apply under the domestic law of their country of residence.

Resident entities do not pay CIT upon receipt of capital gains from the disposal of Shares irrespective of the percentage of shareholding and holding period. The holding period of the Shares, however, might affect taxation of further profit distribution by a resident entity to its shareholders.

Non-resident entities do not pay CIT in Latvia upon receipt of capital gains from sale of Shares. Non-resident entities should determine if any tax or reporting obligations apply under the domestic law of their country of residence.

Investment account

Individuals who use an investment account that qualifies as such under Latvian Law on Personal Income Tax for investments (including acquisition of the Shares) and is registered with the State Revenue Service (VID) are eligible to tax deferral regime under which income derived from financial instruments (including dividend income and capital gains from the sale of the Shares) is not subject to taxation at the time of receipt. Instead, PIT at a rate of 25.5% is applied to the net amount of funds withdrawn from the investment account (i.e., when funds withdrawn from the investment account exceed the amount contributed to the investment account), minus dividend income and interest income that is already taxed upon payment and therefore not subject to additional PIT and minus income from Latvian or other EU or European Economic Area states and local government securities, in accordance with the Latvian Law on Personal Income Tax. Where the Shares are held through a qualifying investment account registered with the State Revenue Service (VID), dividend income credited to such account and gains resulted from the sale of the Shares at such account is generally not subject to withholding tax at source, and the applicable tax is instead levied upon withdrawals from the investment account. The application of this regime is determined by the account-managing institution.

Additional tax rate of 3%

Should the total taxable income, as defined under the Latvian Law on Personal Income Tax, of an individual resident of Latvia exceed EUR 200,000 in a year, additional tax rate of 3% will be applicable to the portion of income exceeding EUR 200,000.

Should the total taxable income, as defined under the Latvian Law on Personal Income Tax and to the extent derived in Latvia, of non-resident individual of Latvia exceed EUR 200,000 in a year, additional tax rate of 3% will be applicable to the portion of income exceeding EUR 200,000.

Other taxes

No transfer tax, value added tax, stamp duty or similar taxes are assessed on the purchase, sale or other transfer of the Shares.

16.2. Lithuanian tax implications

LAU Infra Grupa is not considered to be a Lithuanian tax resident. This section outlines key principles of Lithuanian taxation system that may apply to the acquisition, holding and transfer of the Shares for shareholders that are tax residents of Lithuania.

Taxation of Shareholders

“Resident individual” under this section means a private individual who is deemed a Lithuanian tax resident under Lithuanian laws and any applicable Double Taxation Treaty.

Under Lithuanian laws the following individuals are treated as Lithuanian tax residents:

- 1) an individual whose permanent place of residence during the tax period is in Lithuania;
- 2) an individual whose personal, social, or economic interests during the tax period may be considered to be in Lithuania rather than in a foreign country;
- 3) an individual who stays in Lithuania, continuously or intermittently, for 183 or more days during the tax period;
- 4) an individual who stays in Lithuania, continuously or intermittently, for 280 or more days during a number of successive tax periods and who, during one of such periods, stayed in Lithuania, continuously or intermittently, for 90 or more days;
- 5) an individual who is a Lithuanian citizen and does not satisfy the criteria set out in (3) or (4) above where such individual receives one's remuneration for work under an employment contract or any other substantially similar contract and has the costs of living in another country covered from the state or municipal budgets of Lithuania.

If a private individual qualifies as a tax resident under Lithuanian law and the domestic law of another country, the tax residency of the respective person is determined by applying the Double Taxation Treaty entered into between Lithuania and the respective country, if any.

“Resident entity” under this section means a legal person that is deemed an Lithuanian tax resident under Lithuanian laws and any applicable Double Taxation Treaty, if any.

Under Lithuanian laws a legal entity is considered resident in Lithuania for tax purposes if it is incorporated there. It may also be subject to taxation if its activities create a permanent establishment in Lithuania. Whenever any activity by a non-

resident entity is performed in Lithuania, whether such activity creates a permanent establishment under Lithuanian laws and the applicable Double Taxation Treaty, if any, should be evaluated.

Dividend income of Shareholders

Dividends distributed to Lithuanian resident individuals or entities are not subject to withholding tax in Lithuania. LAU Infra Grupa pays CIT upon profit distribution to its shareholders, which is not a withholding tax.

Lithuanian resident individuals pay an income tax of 15% on received dividends.

Lithuanian resident entities pay corporate income tax on profits, including passive income such as dividends. Taxable income is calculated by reducing the general income of a specific tax period with deductible expenses and non-taxable income. The general corporate income tax rate is 17%. A reduced rate of 7% applies to corporate profits of small companies that meet certain criteria. Newly established small companies may be subject to a corporate income tax rate of 0% as many as two taxable periods, provided that certain conditions are met. Dividends received by a Lithuanian resident entity for shares, share capital, or other rights held by or assigned to it by a foreign taxable entity registered or organized within a foreign country that is in the EEA or that has a Double Taxation Treaty with Lithuania and if the income was subject to taxation there, are tax-exempt in Lithuania.

Capital gains of Shareholders

Starting from 1 January 2026, almost all types of income received by Lithuanian resident individuals are subject to progressive personal income tax rates, with all income types being aggregated. Depending on the total amount of income, the following personal income tax rates apply: 20% for annual income up to 36 average wages (c. EUR 82,962 per year); 25% for income from 36 to 60 average wages (from c. EUR 82,963 to c. EUR 138,270 per year); and 32% for the portion of income exceeding 60 average wages (from c. EUR 138,271 per year). However, there are exceptions to income aggregation. Certain types of income are not subject to progressive personal income tax rates and are instead taxed at a reduced 15% personal income tax rate, such as income from the sale of shares acquired outside an investment account and held for at least 5 years.

Lithuanian resident entities pay corporate income tax on profits, including capital gains. General corporate income tax principles apply to the income of Lithuanian resident entities from the sale of shareholding, as outlined in the dividend taxation section above.

Capital gains derived from the transfer of shares in a company incorporated in the EEA or in a country with which Lithuania has a valid Double Taxation Treaty, and that pays corporate income tax or a similar tax in its country of residence, are tax-exempt in Lithuania.

Investment account

Since 1 January 2025, Lithuania has implemented a new investment account scheme, creating more favourable conditions for individual investors. An investment account gives the opportunity to defer income tax payments until the funds in the account are used for non-investment purposes.

The investment account tax regime applies only to accounts opened in the EEA, Organisation for Economic Co-operation and Development (OECD) member states, or countries with which Lithuania has and applies Double Tax Treaties. The investment account has to be reported to the Lithuanian tax authority by the owner.

An investment account allows to deduct losses from one year from the profits of other years, taxing only the actual final result. Only Lithuanian resident individuals are allowed to use the investment account scheme.

The income tax liability applicable to a financial instrument held in an investment account is deferred until payments are made from the investment account, that is, until the amount paid out from the account exceeds the amount paid into the account. Therefore, assets held in an investment account may be reinvested tax-free until they are paid out of the account. Funds withdrawn from an investment account that exceed the contributed amount are subject to a 15% personal income tax rate.

Other taxes

No transfer tax, value added tax, stamp duty or similar taxes are assessed on the purchase, sale or other transfer of the Shares. No net wealth tax is applied in Lithuania.

16.3. Estonian tax implications

LAU Infra Grupa is not considered to be an Estonian tax resident. This section outlines key principles of Estonian taxation system that may apply to the acquisition, holding and transfer of the Shares for shareholders that are tax residents of Estonia.

Taxation of Shareholders

“Resident individual” under this section means a private individual who is deemed an Estonian tax resident under Estonian laws and any applicable Double Taxation Treaty.

Under Estonian laws, individuals are considered residents of Estonia if they have a permanent residence in Estonia, their stay in Estonia during any 12-month period exceeds 183 days, or they are Estonian public servants (and their family members) who are sent abroad on assignment.

If a private individual qualifies as a tax resident under Estonian law and the domestic law of another country, the tax residency of the respective person is determined by applying the Double Taxation Treaty entered into between Estonia and the respective country, if any.

“Resident entity” under this section means a legal person that is deemed an Estonian tax resident under Estonian laws and any applicable Double Taxation Treaty, if any.

Under Estonian laws a legal entity is considered resident in Estonia for tax purposes if it is established under Estonian law. Legal entity may also be subject to taxation if its activities create a permanent establishment in Estonia. Whenever any activity by a non-resident entity is performed in Estonia, whether such activity creates a permanent establishment under Estonian laws and the applicable Double Taxation Treaty, if any, should be evaluated on a case-by-case basis.

Dividend income of Shareholders

No withholding tax is applied to dividends upon distribution by LAU Infra Grupa to Estonian resident individuals or entities; however LAU Infra Grupa pays CIT upon profit distribution to its shareholders.

Estonian resident individuals are, as a general rule, exempt from Estonian personal income tax on foreign dividends if either (i) income tax has been paid in the source state on the profits out of which the dividend is distributed, or (ii) withholding tax has been levied on the dividend in the source state. If neither condition is met, the dividend is taxable in Estonia at the 22% personal income tax rate and double taxation, where applicable, is relieved by the credit method, limited to the Estonian tax attributable to that income. Access to the exemption or credit requires adequate supporting evidence (e.g., a certificate confirming taxation of the underlying profits or a withholding tax certificate) and that the investor is the beneficial owner of the dividend.

Estonian resident entities do not pay CIT upon receipt of dividends. Corporate income is taxed upon the distribution of profits at the rate of 22/78, (corresponding to 22% of the gross distributed amount). However, dividends distributed by Estonian companies are exempt from CIT under certain circumstances, for instance, if the distributions are paid out of dividends received from Estonian, EU, European Economic Area (EEA), and Swiss tax resident companies (except tax haven companies), in which the Estonian company has at least a 10% shareholding, etc.

Capital gains of Shareholders

Estonian resident individuals pay PIT of 22% on capital gains from the disposal or exchange of shares, including Shares. Capital losses can be offset against capital gains. Payments received by an Estonian resident individual upon the reduction of share capital or the repurchase of shares are also taxed as capital gains if the amount of the payments received exceeds the acquisition cost of the relevant holding, except to the extent that such payment has already been taxed at the company level. If a foreign state taxes the gain, Estonia generally grants a credit for that tax, limited to the Estonian tax attributable to the same income and subject to documentation.

In the case of an investor that is an Estonian legal person, capital gains are not taxed at the time they are received, but upon distribution, due to the fact that all profit earned by a legal person, including capital gains, is taxed only when distributed. Corporate income is taxed upon the distribution of profits at the rate of 22/78, i.e. (corresponding to 22% of the gross distributed amount) .

Investment account

Estonian resident persons may, in accordance with the regulation set out in the Estonian Income Tax Act, defer their income tax liability by using a special investment account for transactions with certain financial instruments, including Shares.

An investment account is a cash account opened with a credit institution in a member state of the EEA or the Organisation for Economic Co-operation and Development (OECD), with a payment institution or e-money institution in a member state of the EEA, or with an investment firm, through which the income tax liability arising from trading in certain financial instruments, such as capital gains and similar income, may be deferred.

The income tax liability applicable to a financial instrument held in an investment account is deferred until payments are made from the investment account in the amount that exceeds the amount paid into the account. Therefore, assets held in an investment account may be reinvested tax-free until they are paid out of the account in the amount that exceeds the amount paid into the account.

Pension investment account

Shares may also be acquired through a pension investment account by natural persons who have decided to grow their Estonian mandatory funded pension, the so-called second pillar, through a pension investment account. A pension investment account is a separate bank account opened with an Estonian credit institution which, on the one hand, forms part of the mandatory funded pension system, including the applicable benefits such as additional contributions from the state, but, on the other hand, allows the person to make independent investment decisions.

Similarly to a regular investment account, a pension investment account allows transactions to be made with financial assets, while taxation of income received from such assets is deferred until the income is withdrawn from the pension investment account. Funds withdrawn from a pension investment account if the person has not reached retirement age, are generally taxed at an income tax rate of 22%, unless they are withdrawn after reaching pension age, in which case an income tax rate of 10% or 0% applies, depending on the method of payment. However, after withdrawing assets from the account before retirement age, the person withdraws from the second pillar and is not allowed to rejoin for 10 years.

Other taxes

No transfer tax, value added tax, stamp duty or similar taxes are assessed on the purchase, sale or other transfer of the Shares. No net wealth tax is applied in Estonia.

17.

GLOSSARY

The following definitions apply throughout this Prospectus unless the context requires otherwise. They are not intended as technical definitions and are provided purely for assistance in understanding certain terms used in this Prospectus.

Table 17.1.

Admission of Shares to Trading	Listing and admission of the Shares to trading on the Main List of Nasdaq Riga.
AML	Anti-money laundering.
Articles of Association	Articles of Association of the Company effective as of the date of this Prospectus.
Audited Financial Statements	Audited financial statements of the Company pertaining to the three financial years which ended on 31 December 2025, 31 December 2024, 31 December 2023.
Audit Committee	Internal body which assists the Supervisory Board in carrying out its role in relation to internal control and risk management, regulatory compliance, supervision of internal audit in accordance with Financial Instrument Market Law.
Bank of Lithuania	The Bank of Lithuania (in Lithuanian: Lietuvos bankas) with its registered office in Vilnius, Lithuania. The Lithuanian financial supervision authority.
Base Offer Shares	The Existing Shares and the New Shares collectively, being up to 5 120 337 Shares offered in the Base Offering.
Base Offering	The offering of the Base Offer Shares.
Cabinet of Ministers	Cabinet of Ministers of Latvia.
CEO	Chief executive officer.
CIT	Corporate income tax.
Delivery of Shares	The delivery of Shares under the permanent ISIN LV0000110906 in book-entry form through Nasdaq CSD to the holders of Temporary Shares accounts, expected to occur on or about two Business Days after the Settlement Date, following completion of the Offering and registration of the New Shares and the Upsize Option Shares (if any) with the Commercial Register and the automatic exchange of Temporary Shares for Shares on a one-for-one basis.
DVP or Delivery Versus Payment	A securities settlement mechanism which links a securities transfer and a funds transfer in such a way as to ensure that delivery occurs if and only if the corresponding payment occurs.
Commercial Register	The Register of Enterprises of Latvia.
Company or LAU Infra Grupa	LAU Infra Grupa (previously – VAS Latvijas autoceļu uzturētājs) is a joint stock company (akciju sabiedrība), incorporated in Latvia and registered in the Commercial Register on 1 September 1997 under registration number 40003356530, having its registered address at Krustpils street 4, Riga, LV-1073.
COVID-19	The respiratory disease caused by the SARS-CoV-2 virus.
Delegated Regulation	Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.
Distributors	Persons who offer, sell or recommend Shares.
Dividend Policy	On 26 May 2026 approved by the Ministry of Transport LAU Infra Grupa Dividend Policy.

Double Taxation Treaty	General reference to any applicable tax treaty for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income that is concluded by Latvia, Lithuania or Estonia.
EEA	European Economic Area.
Estonian Financial Supervision and Resolution Authority	The Estonian Financial Supervision and Resolution Authority, a financial supervision institution with autonomous competence and a separate budget which conducts supervision over credit institutions, insurance companies, insurance intermediaries, investment firms, management companies, investment and pension funds as well as payment service providers, e-money institutions and the securities markets that have been authorised by the Financial Supervision Authority in the name of the state and which is independent in its activities and decisions.
Estonia	The Republic of Estonia.
EU	The European Union.
EUR	Euro, the official currency of eurozone countries, including Latvia, Lithuania and Estonia.
ESMA	European Securities and Markets Authority.
Existing Shares	Existing ordinary shares of the Company offered by the Selling Shareholder in the Offering.
Financial Adviser	ViaClarus OÜ, registration number: 16750527, legal address: Suur-Karja tn 14, Kesklinna linnaosa, 10140 Tallinn, Harju Maakond, Estonia.
Financial Statements	The Audited Financial Statements and the Interim Financial Report.
General Meeting or Shareholders' Meeting	A meeting of LAU Infra Grupa's shareholders, the highest governing body of LAU Infra Grupa.
IAS	International Accounting Standards.
Institutional Offering	The non-public offering of the Offer Shares to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation in Latvia and in certain selected member states of the European Economic Area, as well as to other selected investors in reliance on certain exemptions available under the laws of the respective member states.
Interim Financial Report	Unaudited financial statements of the Company pertaining to the three-month periods ended 31 March 2026.
IFRS	International Financial Reporting Standards.
ISIN	International Securities Identification Number.
IT	Information Technologies.
Latvia	The Republic of Latvia.
Latvijas Banka	The Latvijas Banka with its registered office in Riga, Latvia. The Latvian financial supervision authority.
Listing	Listing of Shares on the Main List of Nasdaq Riga.
Lithuania	Republic of Lithuania.
LEI	Legal entity identifier.

Law on Governance of Capital Shares of a Public Person and Capital Companies	Law on Governance of Capital Shares of a Public Person and Capital Companies (in Latvian: <i>Publiskas personas kapitāla daļu un kapitālsabiedrību pārvaldības likums</i>).
Luminor or Baltic Distribution Agent	Luminor Bank AS, a credit institution incorporated under the laws of Estonia with registration number: 11315936, legal address: Harju maakond, Tallinn, Kesklinna linnaosa, Liivalaia tn 45, 10145, Estonia represented within the Republic of Lithuania by Luminor Bank AS Lithuanian Branch, registered at Konstitucijos ave. 21A, 03601 Vilnius, Lithuania, reg no. 304870069.
LVC	Valsts sabiedrība ar ierobežotu atbildību "Latvijas Valsts ceļi", registration No. 40003344207, registered address at Emīlijas Benjamiņas iela 3, Rīga, LV-1050.
Main List	A list of regulated market operated by Nasdaq Riga.
Maximum Amount	The number of the Offer Shares indicated in the Subscription Undertaking will be regarded as the maximum number of Offer Shares which the investor wishes to acquire.
Management Board	The Management Board of LAU Infra Grupa.
Member States	The Member States of the European Union.
MIFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.
Ministry of Transport	Ministry of Transport of Latvia.
Nasdaq CSD	Nasdaq CSD SE (<i>Societas Europaea</i>), the regional Baltic central securities depository (CSD), registration No. 40003242879, registered address Vaļņu iela 1, Rīga LV-1050, Latvia.
Nasdaq Riga	Nasdaq Riga AS, registration No. 40003167049, registered address at Vaļņu Street 1, Rīga, LV-1050.
Net Proceeds	The gross proceeds received by the Company from the issue of the New Shares (including the Upsize New Shares, if applicable) less the costs and expenses related to the Offering borne by the Company, expected to amount to up to EUR 3 827 464.
New Shares	Up to 1 280 084 newly issued ordinary shares in the Company offered by the Company in the Offering, which, together with the Existing Shares, constitute the Base Offer Shares.
Offering	The Retail Offering together with the Institutional Offering.
Offer Period	The Offer Period commences on 10 June 2026 at 10:00 local time in Latvia, Lithuania and Estonia and terminates on 19 June 2026 at 15:30 local time in Latvia, Lithuania and Estonia unless it is shortened or extended.
Offer Price	The price at which each Offer Share is to be issued or sold under the Offering.
Offer Shares	The Base Offer Shares and the Upsize Option Shares collectively. The number of the Offer Shares is up to 6 400 421 Shares.
PIT	Personal income tax.
Prospective investor	A person considering the possibility of investing in the Company.
Prospectus	This document.

Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public of admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
Remuneration Policy	The Remuneration Policy of the Management Board, Supervisory Board, and employees of LAU Infra Grupa, which sets out the principles applicable to the remuneration of the members of the Management Board, the Supervisory Board and employees.
Retail Offering	The public offering of the Offer Shares to retail investors in Latvia, Lithuania and Estonia.
Sanctions	Restrictive measures, namely, restrictions or prohibitions imposed pursuant to international public law, including restrictive measures adopted by the United Nations Security Council (UN), the European Union (EU), Office for Foreign Assets Control (OFAC) and by Latvia.
SASL	Latvian State Administration Structure Law.
Section	A Section of this Prospectus.
Selling Shareholder or Sole Shareholder	The Republic of Latvia, represented by the Ministry of Transport, holding 100% of the Shares as of the date of this Prospectus.
Shares	Dematerialised bearer shares of the Company with a nominal value of EUR 1.00 each, registered with Nasdaq CSD under ISIN LV0000110906 and kept in book-entry form.
Shareholder	Natural or legal person(s) holding the Share(s) of LAU Infra Grupa at any relevant point in time.
Upsize Option	The option to allocate additional newly issued ordinary shares of the Company if demand exceeds the Base Offer Shares, exercisable in full or in part at the sole discretion of the Company.
Upsize New Shares	New Shares issued and sold by the Issuer pursuant to the Upsize Option, if the Upsize Option is exercised.
Settlement Date	The date on or around 30 June 2026 on which payment for the Offer Shares is made from investors' accounts and delivery of the corresponding Temporary Shares under the temporary ISIN LV0000112001 is effected through Nasdaq CSD.
Subscription Undertaking	An order submitted by an investor for the purchase of the Offer Shares in accordance with the terms and conditions of the Offering.
Summary	The summary of this Prospectus.
Supervisory Board	The Supervisory Board of LAU Infra Grupa.
Temporary Shares	Temporary dematerialised securities issued under the temporary ISIN LV0000112001 on the Settlement Date, representing a right to receive Shares, and remaining outstanding until registration of the New Shares and the Upsize Option Shares (if any) with the Commercial Register, upon which each Temporary Share will automatically be exchanged on a one-for-one basis for one Share deliverable under the permanent ISIN LV0000110906 through Nasdaq CSD.
United States/US	The United States of America.
Upsize Option Shares	Additional newly issued ordinary shares of the Company within the Offering of up to 1 280 084 Shares that may be allocated if demand exceeds the Base Offer Shares.

COMPANY

LAU Infra Grupa AS

(registration no. 40003356530, registered address Krustpils iela 4, Rīga, LV-1073)



LEGAL COUNSEL TO COMPANY

ZAB Eversheds Sutherland Bitāns SIA

(registration No. 40203329751, registered address Marijas iela 2A, Rīga, LV-1050, Latvia)

EVERSHEDS
SUTHERLAND
BITĀNS

FINANCIAL ADVISER TO COMPANY

ViaClarus OÜ

(registration no. 16750527, registered address Suur-Karja tn 14, Kesklinna linnaosa, 10140 Tallinn, Harju Maakond, Estonia)



BALTIC DISTRIBUTION AGENT

Luminor Bank AS

(registration no. 11315936, registered address Harju maakond, Tallinn, Kesklinna linnaosa, Liivalaia tn 45, 10145, Estonia)

Luminor