AS Agrova Baltics

Supervisory Board Report for 2025

Assessment of the Company's Operations and Financial Position

2025 was a significant year of growth and development for AS Agrova Baltics (hereinafter – the Company), as the parent company, and all entities directly or indirectly controlled by it (hereinafter – the Group), during which investments made in previous years began to generate substantial economic returns. The Group significantly increased its scale of operations, strengthened its market position and continued to implement its long-term development strategy.

The Supervisory Board positively evaluates the Group's financial performance, the significant increase in revenue, profitability and net profit, as well as the successful implementation of investment projects that expanded production capacity and supported the development of higher value-added products.

The Board also welcomes the corporate rebranding to Agrova Baltics, the Company's capital market initiatives and its ability to attract financing for future growth.

At the same time, the Board recognises that rapid growth and implementation of the investment programme increase financial, investment and operational risks. Accordingly, throughout the reporting period the Board regularly reviewed the Group's financing structure, liquidity, progress of investment projects and principal business risks.

Assessment of the Management Board

The Supervisory Board positively evaluates the Management Board's performance during 2025.

The Management Board successfully implemented the Group's strategy, delivered major investment projects, expanded production capacity and significantly improved financial performance. The Board particularly appreciates management's ability to lead the Company through several major investment projects while securing long-term financing.

The Board regularly reviewed management reporting on financial performance, investment programmes, financing activities and key risks, paying particular attention to liquidity, capital structure, related-party transaction oversight and continuous improvement of risk management.

In the Board's opinion, the Management Board acted professionally, responsibly and in the long-term interests of the Company.

Activities of the Supervisory Board

During 2025 the Supervisory Board held eight meetings, regularly reviewing the Group's operations, financial performance, investment progress, financing matters and strategic development.

When reviewing the 2025 Annual Report, the Board considered the independent auditor's report, significant audit matters and management's explanations regarding key accounting estimates and judgements.

The Board also reviewed the proposed profit distribution taking into account the Company's development plans, investment programme, financing structure and shareholders' interests, supporting a balanced approach between shareholder returns and future growth.

The Board considers the Company's internal control, financial management and corporate governance systems to be appropriate for its current stage of development while supporting their continued enhancement.

Recommendations for Future Development

The Supervisory Board recommends continuing to:

- continue investments in production efficiency and sustainable development;
- implement the approved investment programme while maintaining prudent financial and liquidity management;
- develop higher value-added product segments and expand export markets;
- strengthen capital market communication and corporate governance practices;
- continue enhancing risk management and internal control systems in line with the Group's growth.

The Supervisory Board believes that the Group has established a solid foundation for sustainable growth and long-term value creation for its shareholders.

The Supervisory Board expresses its appreciation to the Management Board, employees, shareholders, business partners and investors for their contribution to the Company's development during 2025.

Uldis Iltners
Chairman of the Supervisory Board
Agrova Baltics