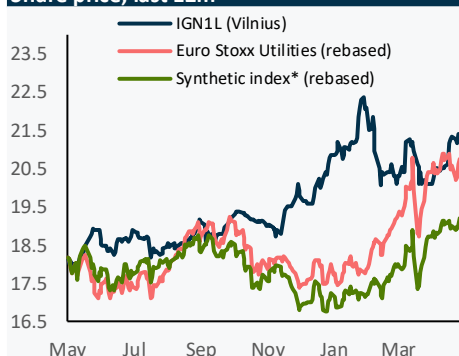


Ignitis Group

Key share data

Sector	Integrated Utilities
Ticker - Nasdaq Vilnius	IGN1L
Ticker - London Stock Exchange	IGN
Market Cap (EURm)	1,549
Net Debt (EURm)	1,593
EV (EURm)	3,142
Net debt / Equity	64%
Issued shares, m	72.4

Share price, last 12m



* Based on selected peers of Integrated (#12), Networks (#8) and Renewables (#10). See p. 7 for list of peers

Performance

	1m	3m	12m
IGN1L	6%	-4%	17%
Euro Stoxx Utilities	2%	16%	14%

Upcoming events

2Q25 report	August 13, 2025
Ex-dividend date	September 23, 2025
3Q25 report	November 12, 2025

This report is paid for by the company covered in it.

Analysts

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The Green Energy Spark

Ignitis Group's 1Q25 results last week beat our and consensus estimates on the back of strong performance in Green Capacities and Networks. Investment case remains intact: strong growth and pipeline in Green Capacities, high dividend yield, defensive stock features and diversified integrated utilities business vs European peers.

Solid 1Q driven by Green Capacities and Networks

Ignitis Group's 1Q25 adj. EBITDA landed at EUR 188.5m, which was 6% ahead of us, 3.7% better YoY and 14% stronger than consensus projected EUR 165m. The results were driven mostly by strong beat in Green Capacities at EUR 109.3m (+42% YoY) vs our EUR 88.2m and Networks EUR 74.1m (+13% YoY) vs awaited EUR 69.4m. Solid adj. EBITDA beat was supported by high electricity generation, which came in at 1.21 TWh in 1Q vs our awaited 0.89 TWh and 0.77 TWh in 1Q24.

On the negative side, Customers & Solutions segment was weak due to the less favourable margins secured in natural gas supply compared to 1Q24, while electricity result decrease was driven by the prosumers operating under the current net-metering scheme.

The net debt decreased by 1.2% driven by positive FCF. The FFO LTM/Net Debt ratio decreased by 90bps QoQ to 28.8% (29.7% in 4Q24). Capex came in below our estimate at EUR 147m vs our estimated EUR 235m, while FCF were better at EUR 17m (our awaited EUR -98m) vs EUR 5m in 1Q24. However, ROCE was lower YoY at 8.9% vs 11.1% in 1Q24.

1Q/25 results EURm	1Q/24	4Q/24	1Q/25 Reported	1Q/25e Norne	Deviation %	YoY %	Consensus*
Adjusted Revenues	653.5	685.9	772.8	806.7	-4.2%	18.3%	696.0
Adjusted EBITDA	181.7	130.9	188.5	178.3	5.7%	3.7%	165
Green Capacities	77.1	81.5	109.3	88.2	24%	42%	87
Networks	65.5	54.3	74.1	69.4	7%	13%	73
Reserve Capacities	20.0	5.3	17.4	20.9	-17%	-13%	16
Customers & Solutions	17.4	-4.0	-14.2	0.0	nm	nm	-1
Other activities and eliminations	1.7	-6.2	1.9	-0.1	nm	nm	-
Adjusted EBIT	140.3	81.2	138.4	130.8	5.8%	-1.4%	118
Net profit to shareholders	118.7	62.2	83.9	85.9	-2.3%	-29.3%	90
EPS (EUR)	1.64	0.86	1.16	1.19	-2.3%	-29.3%	1.27
Investments	209.5	228.3	146.5	234.7	-37.6%	-30.1%	-
Electricity Generated (net) TWh	0.77	0.93	1.21	0.89	36.1%	57.1%	-

* Consensus collected by Ignitis Group

Adj. EBITDA guidance stays intact for 2025

Ignitis Group reiterated its adj. EBITDA guidance for 2025 at EUR 500-540m vs our estimate of EUR 564m as well as investments of EUR 700-900m (vs our estimate ~EUR 720m). With solid 1Q earnings beat, we get more confident that adj. EBITDA should be again exceeded.

Adj. EBITDA target unchanged at EUR ~500–540m in 2025

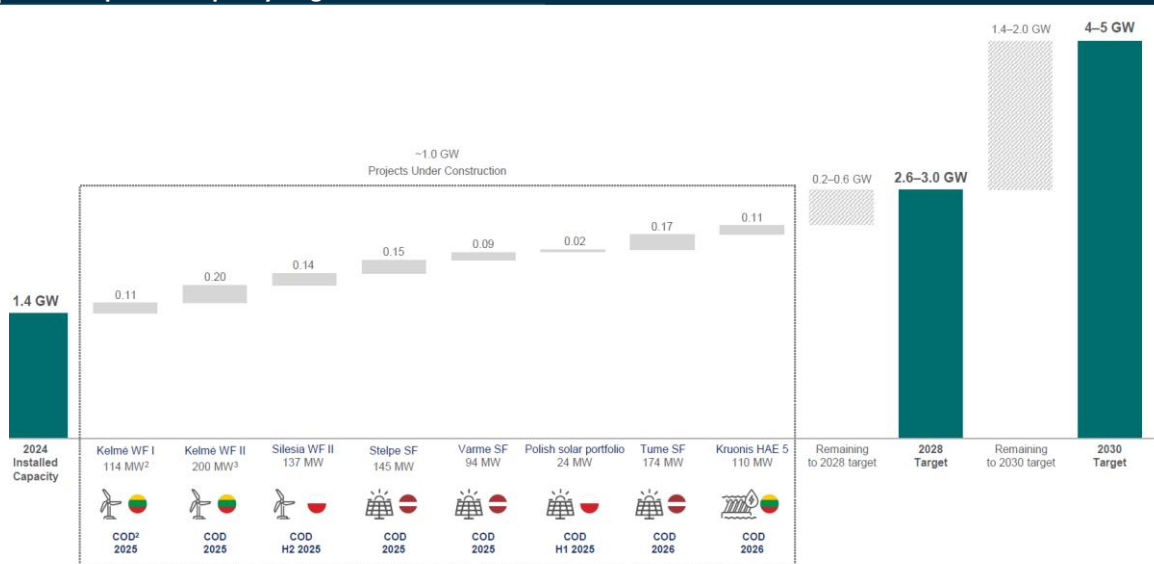


Source: Ignitis Group

Strategic plan for 2025-2028 issued

With regards to strategic plan for 2025-2028, the Group targets to double the installed Green Capacities, reaching a total of 2.6–3.0 GW in 2028 compared to 1.4 GW in 2024 and vs the previous 2024-2027 strategic plan target of 2.4-2.6 GW and 4-5 GW by 2030. The target of 2.6-3.0 GW 2028 seems to be doable as 2.4 GW is covered with Operational/Under Construction projects, while large share of projects will reach COD through 2025.

Green Capacities capacity targets



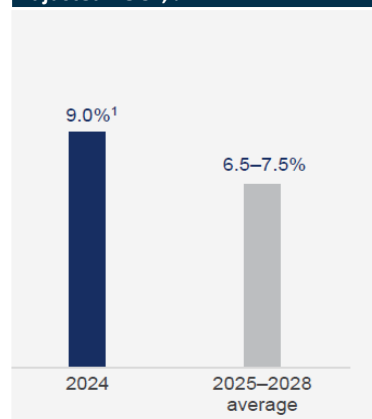
Source: Ignitis Group

The company also guides adj. EBITDA to be in the range of EUR 600-680m in 2028 vs previous guiding of EUR 550-650m in 2027, which is broadly in line with the guided 7% CAGR. Our 2028 adj. EBITDA stands at EUR 665m. The average adj. ROCE is expected to be within 6.5–7.5% in 2025-2028 (our 6.6%-6.8%), unchanged from the previous guiding, but lower than seen in in 2023/2024.

Adj. EBITDA expected to reach EUR ~600–680m in 2028



Adjusted ROCE, %



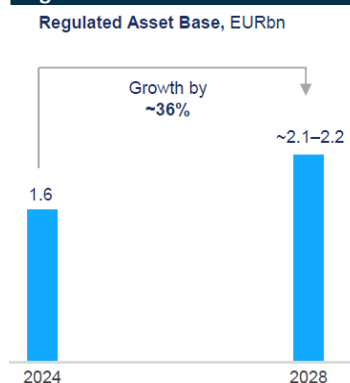
Source: Ignitis Group

The company plans to invest EUR 3-4bn in 2025-2028, in line with the previous guidance for 2024-2027 and vs our estimate of ~EUR 3.9bn.

Investments in strategic plan for 2025–2028



Regulated Asset Base in Networks, EURbn



Source: Ignitis Group

Estimates changes

We have lowered our 2025/2026 estimates for Customers & Solutions segment as the CFO noted in the conference call that they do not expect any major changes in the natural gas supply business compared to 1Q25 as well as there should be no regulatory update related to prosumers this year (prosumers are operating under the current net-metering scheme). As a result, no major EBITDA improvement should be expected compared to 1Q25 Customers & Solutions result. As for long-term estimates, we have not made any significant changes.

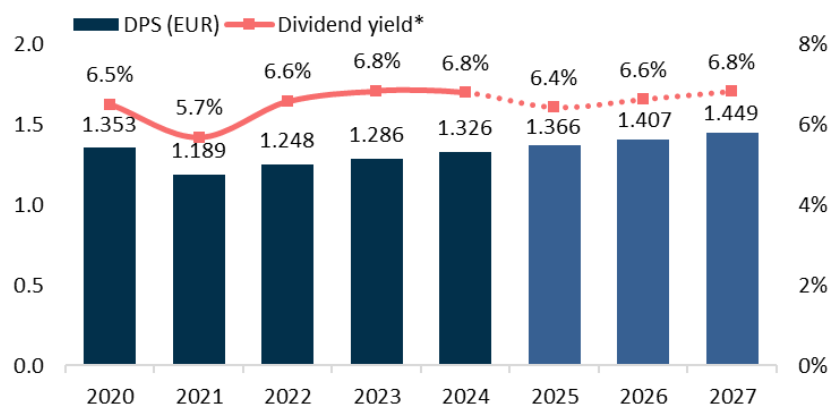
Estimate changes (EURm)

Item	1Q25		2025E		2026E	
	Act.	Est.	New	Old	New	Old
Adjusted Revenues	801	807	2,542	2,567	2,557	2,623
Adjusted EBITDA	189	178	564	557	539	571
Green Capacities	109	88	305	271	284	284
Networks	74	69	255	247	253	249
Reserve Capacities	17	21	49	52	34	34
Customers & Solutions	-14	0	-43	-6	-27	13
Other activities and eliminations	2	0	-2	-8	-5	-9
Net profit to shareholders	84	86	185	190	163	190
EPS (EUR)	1.16	1.19	2.56	2.63	2.26	2.62
Investments	147	235	706	753	911	899

Investment case remains intact: strong growth in Green Capacities, high dividend yield, defensive stock features and diversified business vs peers

Ignitis Group investment case stays interesting in our view: the company is on track to deliver ambitious Green Capacities targets. Meeting these objectives is likely to drive share price growth, fuelled by an anticipated boost in operational and financial performance. Albeit dividend yield offering slightly reduced on the back of modest rebound in the share price, it still stands at decent levels of 6.4-6.8% for the next three years.

Dividends per share (DPS) and yield

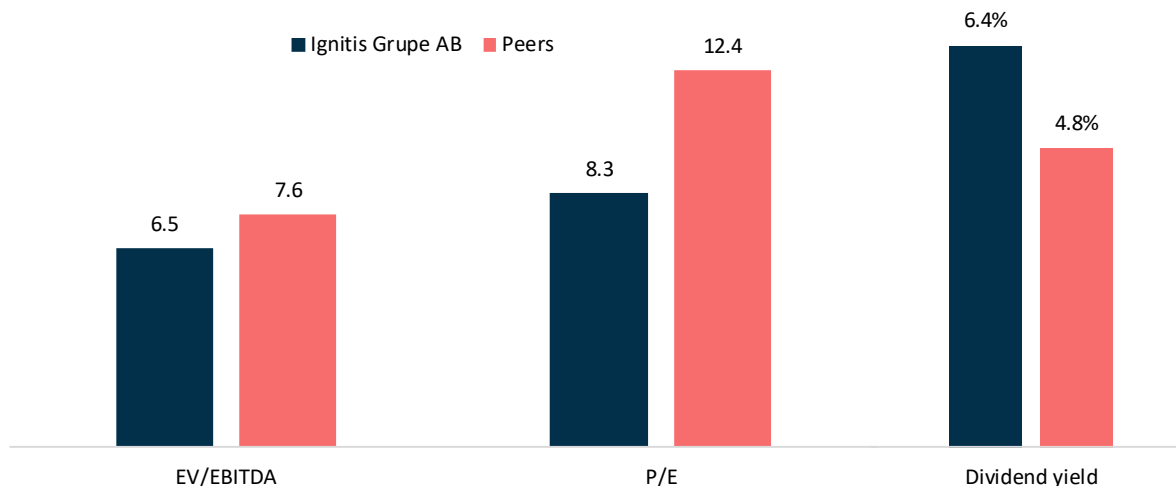


* Year-end share price applied in the calculation

Source: Ignitis Group, Norne Securities for estimates

Ignitis Group's share remains discounted relative to European integrated utilities peer medians. According to our estimates, the company's 2025 EV/EBITDA is 14% lower than the peer median, while its P/E discount is even larger at 33%, both broadly unchanged since our last update. At the same time, Ignitis Group's dividend yield for 2025 stands at 6.4% —notably higher than the peer median of 4.8%. However, this premium can largely be attributed to Ignitis Group's presence in a frontier market, where trading volumes are significantly lower than those of its integrated utilities peers.

Valuation multiples comparison vs European peers for 2025e



* For peers list, see the information in the next pages

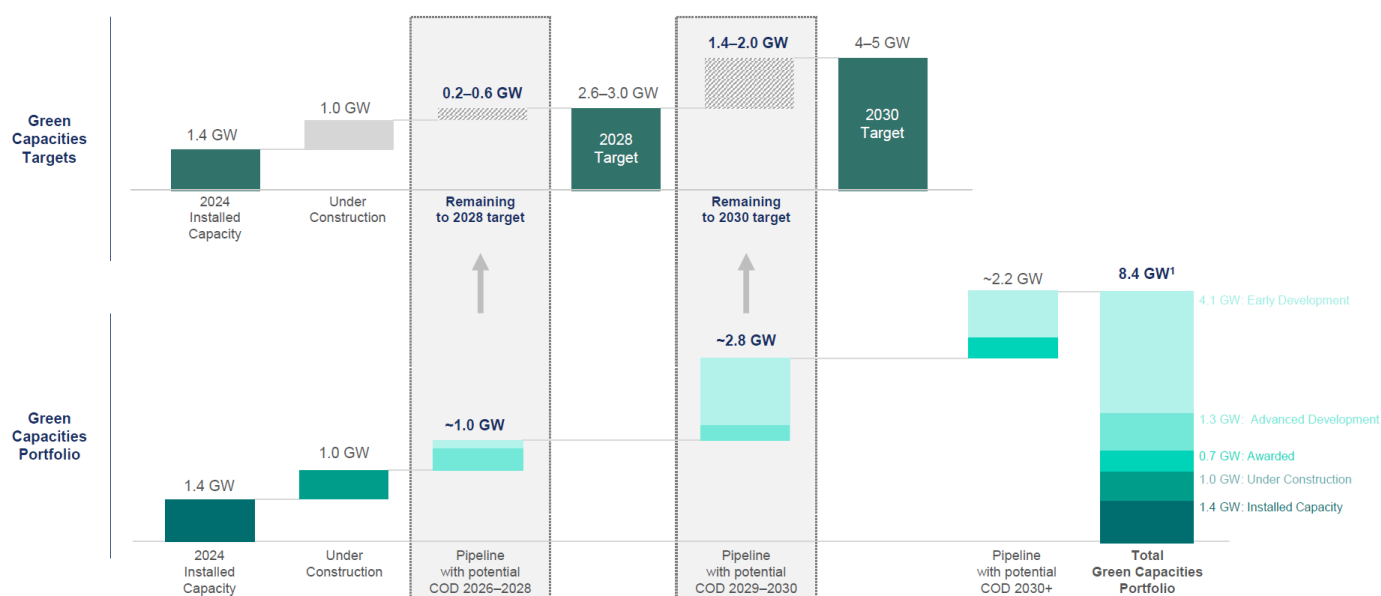
Potential upside of the investment case

- Our terminal electricity price of EUR 65/MWh is rather conservative compared to market futures of EUR 80-90/MWh. Higher than expected electricity prices would lead to significantly stronger than expected results.
- Improving geopolitical landscape with prospects of ending war in Ukraine would improve confidence in CEE region and might also imply narrowing discount relative to European/CEE peers.
- Ignitis Group aims to increase its installed renewable energy capacity from 1.5 GW currently to 2.6–3.0 GW by 2026, and further to 4–5 GW by 2030. The 2030 target appears realistic, given it is largely supported by the existing combined portfolio of 8.4 GW. Meeting these objectives is likely to drive share price growth, fuelled by an anticipated boost in operational and financial performance.
- Ignitis Group has a very strong management team with immense experience which allows to deliver projects on time and budget.



Remaining targets are well covered with the current Pipeline

- The remaining 0.2–0.6 GW to the 2028 target are covered ~2.5x with ~1.0 GW Pipeline
- The remaining 1.4–2.0 GW to the 2030 target are covered ~1.6x with ~2.8 GW Pipeline



Potential downsides of the investment case

- Lower-than-forecasted Nordpool electricity prices could have a detrimental impact on Ignitis Group's revenues and profitability.
- Risk of an increase in required Capex. However, the company so far managed to deliver on its Capex guiding.
- Large-scale renewables expansion carries execution risk; projects that are not completed successfully or are delayed could lead to value destruction
- Rising numbers of prosumers—individuals producing their own electricity—could dampen demand for the Group's power generation, especially with governmental support for solar projects.
- Potential corporate tax rate increases in Lithuania (currently at 16%, but the Government is considering to lift corporate tax) could erode earnings, as the need for higher military spending and other budgetary pressures may prompt lawmakers to consider raising corporate taxes onwards.

Valuation

We base our valuation of Ignitis Group on a DCF model. We use 2035 as the normalised year as we expect this to be the first full year of generation from the large offshore wind project in Estonia. We apply normalised conservative electricity price of 65 EUR/MWh in 2035 for all the markets of Ignitis Group's operations and apply normalised CapEx assumptions which only include maintenance-investments as well as average annual investment level required to replace the producing assets after the end of their useful lifetime (which is ~30 years for onshore wind and solar, and ~35 years for offshore wind installations).

We derive a DCF value of EUR 35.5/sh (prev. EUR 35.6/sh) per share for Ignitis Group.

DCF model

Proportionate basis EURm	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e (normalised year)
Electricity market price Lithuania, EUR/MWh	89	85	80	80	79	78	77	76	74	73	65
Electricity production (proportionate), TWh	2.96	3.99	5.85	6.06	6.54	7.50	7.93	7.91	7.88	7.87	9.76
Revenues	2,434	2,513	2,649	2,604	2,710	2,724	2,746	2,708	2,691	2,677	2,626
EBIT	224	254	332	341	368	392	407	366	351	338	321
Tax on EBIT	-37	-42	-56	-57	-62	-66	-68	-61	-59	-56	-54
Income tax rate	16.4%	16.5%	16.8%	16.8%	16.8%	16.7%	16.7%	16.7%	16.7%	16.7%	16.9%
EBIT less tax	187	212	276	284	306	327	339	305	292	282	267
Depreciation & amortization (+)	209	242	308	316	334	346	352	354	351	348	370
Investments	-746	-787	-776	-764	-561	-364	-370	-567	-1,006	-527	-370
Change in working capital	27	19	18	2	-12	-45	-9	2	0	-1	0
Free Cash Flow to the Firm	-323	-315	-174	-162	67	264	312	93	-364	102	267
NPV of FCFF	-311	-288	-150	-133	52	195	219	62	-230	61	152

WACC	Assumptions	Valuation
Debt ratio	55%	Net debt (-)/cash (+)
Cost of debt (after tax)	3.4%	-1,612
Risk free rate*	3.2%	NPV cash flow:
Beta	0.75	Explicit period
Market risk premium	6.0%	-370
Cost of equity	7.7%	Terminal value
WACC	5.4%	4,599
		Total NPV cash flow
		4,182
		Equity value
		2,569
		Value per share, EUR
		35.5

*Lithuania 10Y govt. bond yield (approx.)

The following table represents DCF value under different combinations of WACC and long-term growth rate:

Sensitivity of DCF to WACC and long-term growth, EUR/sh.						
WACC	L.t. growth					
	1.0%	1.5%	2.0%	2.5%	3.0%	
	4.0%	53.2	69.9	94.9	136.5	219.8
	4.5%	38.0	49.4	65.3	89.2	128.9
	5.4%	20.4	27.0	35.5	47.0	63.3
	5.9%	13.2	18.1	24.4	32.5	43.5
	6.4%	7.3	11.2	15.9	21.9	29.7
	6.9%	2.6	5.7	9.3	13.9	19.6
	7.4%	-1.3	1.1	4.0	7.6	11.9

We have also looked into sensitivity of the DCF value to electricity price, one of the key assumptions in the model. We note that e.g. Ignitis Group said during 1Q24 conference call that it estimates long-term power price in the range of EUR 80-90/MWh, which indicates a significant upside potential in estimates and thus our valuation, as we are more conservative on this assumption. However, the provided sensitivity table allows to calculate the approximate fair value in case of anticipated higher/lower electricity prices than our base case scenario.

Sensitivity of DCF to electricity price					
Electricity market price 2035, EUR/MWh (LT, LV, EE, PL)	55	60	65	70	75
DCF, EUR/sh.	17.9	26.7	35.5	44.3	53.0

Finally, we arrive at the fair value range for the Ignitis Group stock, which is based on the DCF value with a 10% discount on top to account for various risks related to estimates (e.g. renewable energy projects not being realised due to increased costs) as well as market related issues (e.g. Lithuania as a frontier market, geopolitical aspect, share liquidity and thin trading). We see the Low-case scenario, assuming electricity prices for the normalised year of 60 EUR/MWh, gives fair value of EUR 24.0/sh, which is around 10% higher than the last closing price. The High-case scenario, assuming electricity price of 70 EUR/MWh, yields fair value of EUR 39.4/sh. The Base-case fair value is indicated at EUR 31.9/sh under electricity price of EUR 65/MWh.

Fair value range		
	Electricity market price 2035, EUR/MWh	Fair value (DCF with 10% discount), EUR/sh.
Low Case	60	24.0
Base Case	65	31.9
High Case	70	39.4

We also apply the Dividend Discount Model (DDM) approach for valuation since Ignitis Group is a high dividend-paying entity. With a stable dividend growth rate of 3% we get a fair value of EUR 28.7/sh.

DDM (Dividend Discount Model)	
Dividend next 12m, EUR/sh.	1.346
Cost of equity	7.7%
Growth of dividends	3.0%
Fair value of stock, EUR	28.7

Portfolio overview

Wind & Solar plants	Energy source	Country	Ignitis Group ownership share, %	COD ¹ /Expected COD	Capacity, MW	Electricity generation, annual avg, GWh	Load factor ⁴	Proportion of secured revenue	OPEX, last 12m or expected, kEur/MW	Construction Capex, EURm
Total operating wind and solar farms					419.4	794.0	30%	79%		
Vėjo gūsiai (Liepynė)	Onshore Wind	Lithuania	100%	2010	9.1	22	28%	100%	50	-
Vėjo gūsiai (Kreivėnai)	Onshore Wind	Lithuania	100%	2010	10.0	24	27%	70%		
Vėjo Vatas	Onshore Wind	Lithuania	100%	2011	14.9	33	25%	73%	49	-
Tuuleenergia	Onshore Wind	Estonia	100%	2013-2014	18.3	46	29%	70%	87	-
Eurakras	Onshore Wind	Lithuania	100%	2016	24.0	70	34%	72%	54	-
Pomerania	Onshore Wind	Poland	100%	2021-4Q	93.9	279	33%	100%	49	128
Mažeikiai	Onshore Wind	Lithuania	100%	2023	63.0	186	31%	65%	37	82
Silesia I	Onshore Wind	Poland	100%	Q1 2024	50.0	110	25%	100%	28-32	75
Tauragės solar project I	Solar farm	Lithuania	100%	2024	22.1	24	12%	0%	12-17	16
Kelmė WF I	Onshore Wind	Lithuania	100%	2025	114.1	-	-	65%	-	~190
Total wind and solar farms under construction					768.2			69%		
Silesia II	Onshore Wind	Poland	100%	2H25	137.0	-	-	100%	-	~240
Kelmė WF II	Onshore Wind	Lithuania	100%	2025	194.6	-	-	65%	-	~360
Polish solar portfolio	Solar farm	Poland	100%	1H25	24.0	-	-	100%	-	19
Stelpe SF	Solar farm	Latvia	100%	2025	145.0	-	-	50%	-	112
Varme SF	Solar farm	Latvia	100%	2025	94.0	-	-	50%	-	66
Tume SF	Solar farm	Latvia	100%	2025	173.6	-	-	51%	-	106

¹ COD – Commercial operation date.

Source: Ignitis Group

Hydro plants	Country	Ownership	COD	Major overhaul / lifetime extension	Capacity, MW	Electricity generation, annual avg 2022-2023, GWh	Load factor	Revenue model ²	Proportion of secured revenue	Investment EURm
Operating										
Kruonis PSHP (pumped-storage)	Lithuania	100%	1992-1998	-	900	529	7%	Merchant	0%	-
Kaunas HPP	Lithuania	100%	1959	2010	101	365	41%	PPA	75%	-
Under construction										
Kruonis PSHP expansion	Lithuania	100%	2026		110	-	-	Merchant	0%	~150

Biofuel and Waste-to-energy assets

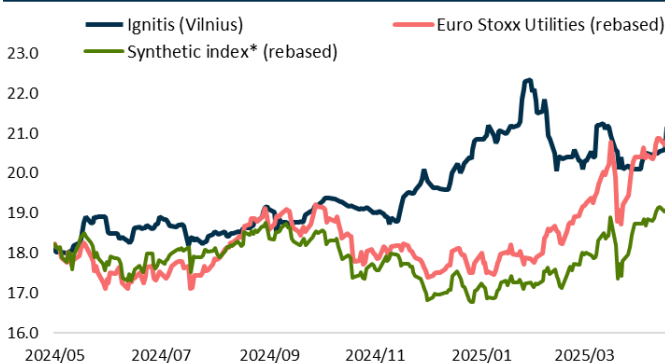
	Energy source	Country	Ownership	COD	Electricity capacity, MW	Heat capacity, MW	Electricity generation, annual avg or expected, GWh	Heat generation, annual avg or expected, GWh	Waste incineration amount, annual avg, thous. t.	Biofuel volumes, GWh	Revenue model	Proportion of secured revenue	COGS and OpEx, annual avg, EURm
Operating													
Kaunas CHP	Waste	Lithuania	51%	Q3 2020	24	70	154	379	198	-	PPA	83%	16.7
Vilnius CHP waste unit	Waste	Lithuania	100%	Q1 2021	20	70	109	424	169	-	PPA	91%	29.5
Vilnius CHP biomass unit	Biomass	Lithuania	100%	Q1 2024	71	170	279	827	-	430	PPA	91%	29.5
Elektrėnai biomass boiler	Biomass	Lithuania	100%	2015	-	40	-	91	-	-	Merchant	0%	-

Peer comparison

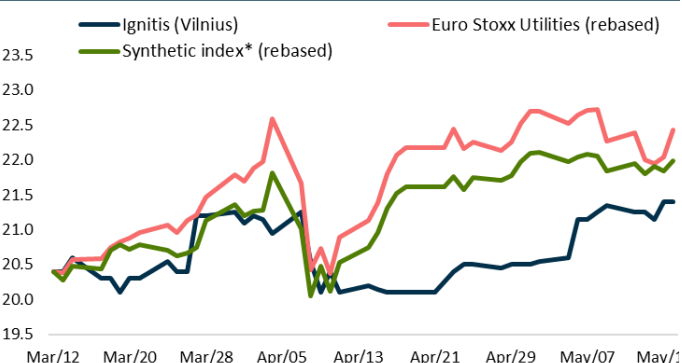
Company	Source	Mcap (EURm)	EV (EURm)	EV/EBITDA			EV/EBIT			P/E			Dividend yield		
				2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Ignitis Grupe AB	Norne	1,542	3,135	6.5	6.3	4.9	11.8	12.3	9.5	8.3	9.4	7.7	6.4%	6.6%	6.8%
Integrated															
CEZ AS	Bloomberg	26,093	33,861	6.8	7.8	7.7	11.1	13.4	14.4	23.3	15.4	17.7	3.5%	4.4%	4.7%
EDP SA	Bloomberg	14,376	39,047	8.1	8.0	7.9	13.3	13.2	13.2	11.8	11.9	11.9	5.9%	5.9%	5.9%
Endesa SA	Bloomberg	28,057	38,464	7.0	6.8	6.8	11.8	11.5	11.6	13.8	13.3	13.2	5.1%	5.3%	5.5%
Enel SpA	Bloomberg	80,886	155,490	6.7	6.5	6.4	10.4	10.2	10.0	11.7	11.4	11.1	6.0%	6.2%	6.3%
Engie SA	Bloomberg	44,736	74,758	5.2	5.3	5.2	8.3	8.4	8.2	9.6	10.1	9.8	7.3%	7.1%	7.3%
EVN AG	Bloomberg	4,245	5,614	7.3	6.7	6.4	14.0	13.7	12.3	9.9	9.9	10.5	3.8%	3.8%	3.8%
E.ON SE	Bloomberg	38,999	79,658	8.2	8.2	7.5	13.2	13.7	12.1	12.9	13.7	11.9	3.9%	4.0%	4.2%
Iberdrola SA	Bloomberg	101,568	177,700	10.8	10.3	9.7	16.8	16.0	15.0	16.7	16.1	15.0	4.2%	4.4%	4.7%
Naturgy Energy Group SA	Bloomberg	25,384	39,451	7.6	7.7	7.6	11.9	12.1	12.0	14.1	14.8	14.4	6.2%	6.4%	6.7%
Public Power Corp SA	Bloomberg	5,122	11,602	5.8	5.1	4.3	11.3	9.8	7.7	11.7	9.0	6.3	4.3%	5.8%	7.2%
SSE PLC	Bloomberg	22,985	36,620	9.2	8.9	7.4	12.8	12.6	10.1	11.0	11.0	9.4	3.7%	3.9%	4.2%
Verbund AG	Bloomberg	22,582	25,032	8.8	10.2	10.4	11.2	13.9	14.5	15.1	19.3	20.4	3.3%	2.7%	2.6%
Average		34,586	59,775	7.6	7.6	7.3	12.2	12.4	11.8	13.5	13.0	12.6	4.8%	5.0%	5.3%
Median		25,739	38,756	7.4	7.7	7.4	11.8	12.9	12.1	12.4	12.6	11.9	4.3%	4.9%	5.1%
Networks															
Elia Group SA/NV	Bloomberg	10,062	23,997	12.5	10.1	8.2	20.9	16.7	13.2	18.2	15.8	13.5	2.3%	2.3%	2.4%
Enagas SA	Bloomberg	3,522	6,123	9.1	9.8	9.4	16.5	18.6	17.2	13.4	15.0	14.0	7.4%	7.4%	7.1%
Italgas SpA	Bloomberg	5,970	12,894	7.1	6.2	5.9	11.4	10.2	9.4	10.8	10.0	9.3	6.1%	6.5%	7.0%
National Grid PLC	Bloomberg	61,942	110,411	12.2	11.5	10.2	17.7	16.4	14.6	14.7	14.3	12.9	4.4%	4.5%	4.6%
Redeia Corp SA	Bloomberg	9,961	16,146	12.8	11.3	10.6	20.1	17.2	16.1	19.6	16.6	15.8	4.4%	4.6%	4.9%
REN - Redes Energeticas Nacionais SGPS S	Bloomberg	1,912	4,403	8.5	8.2	8.0	17.5	17.0	16.3	13.7	13.3	12.8	5.5%	5.5%	5.7%
Snam SpA	Bloomberg	17,382	33,981	11.6	11.1	10.5	18.4	17.8	16.6	12.6	12.6	12.1	5.8%	6.0%	6.3%
Terna - Rete Elettrica Nazionale SpA	Bloomberg	17,394	28,489	10.5	9.9	9.1	16.2	15.3	14.1	16.4	16.1	15.3	4.6%	4.6%	4.7%
Average		16,018	29,556	10.5	9.8	9.0	17.3	16.1	14.7	14.9	14.2	13.2	5.1%	5.2%	5.3%
Median		10,012	20,072	11.1	10.0	9.2	17.6	16.8	15.3	14.2	14.7	13.2	5.1%	5.1%	5.3%
Renewables															
Acciona Energia SA	Bloomberg	5,732	9,929	6.6	8.2	8.1	9.9	14.9	14.4	10.9	18.6	18.1	3.1%	2.5%	2.3%
Alerion Cleanpower SpA	Bloomberg	770	1,303	7.8	7.0	5.7	11.1	10.2	8.1	19.2	16.5	11.0	4.9%	5.4%	7.0%
Enfit Green AS	Bloomberg	885	1,580	12.8	11.2	na	22.8	19.6	na	25.8	20.9	na	1.8%	2.4%	na
ERG SpA	Bloomberg	2,724	4,390	7.8	7.2	7.1	15.1	13.5	13.5	14.2	12.7	12.8	5.7%	5.8%	5.8%
Neoen SA	Bloomberg	6,328	10,695	15.0	12.9	10.7	23.5	20.6	15.5	41.4	36.1	21.0	0.6%	0.5%	0.6%
RWE AG	Bloomberg	23,862	37,687	7.8	6.9	5.8	14.2	12.7	10.3	14.7	13.1	10.8	3.7%	4.0%	4.3%
Scatec ASA	Bloomberg	1,199	3,329	8.7	8.3	7.0	11.6	11.6	9.9	17.0	25.2	17.5	na	na	na
Voltaia SA	Bloomberg	1,052	3,118	12.9	10.0	8.0	26.4	19.0	14.0	na	43.5	24.6	0.3%	0.0%	na
Ørsted AS	Bloomberg	13,901	27,292	7.2	6.3	6.1	12.4	10.2	10.3	11.5	9.2	10.1	na	4.2%	4.7%
Average		6,273	11,036	9.6	8.7	7.3	16.3	14.7	12.0	19.3	21.8	15.7	2.9%	3.1%	4.1%
Median		2,724	4,390	7.8	8.2	7.0	14.2	13.5	11.9	15.9	18.6	15.2	3.1%	3.2%	4.5%

* Consensus

Share price performance vs peers 1Y (rebased)

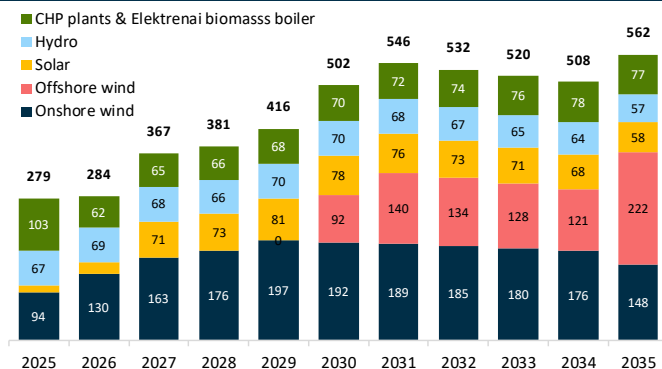


Share price performance vs peers last 3 months (rebased)

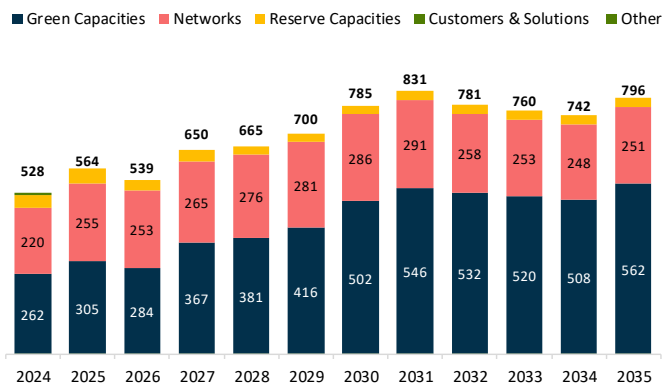


Key Operating Indicators

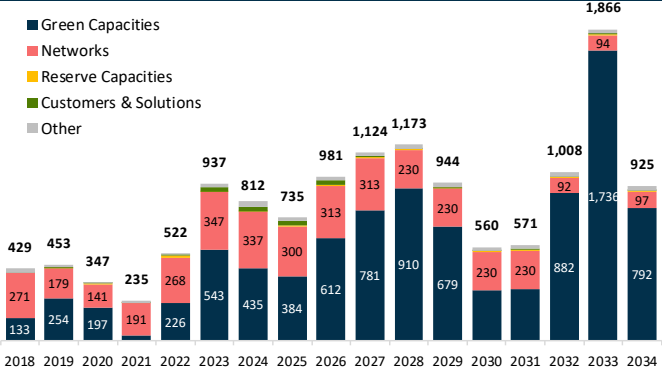
Green Capacities adj. EBITDA (consolidated), EURm



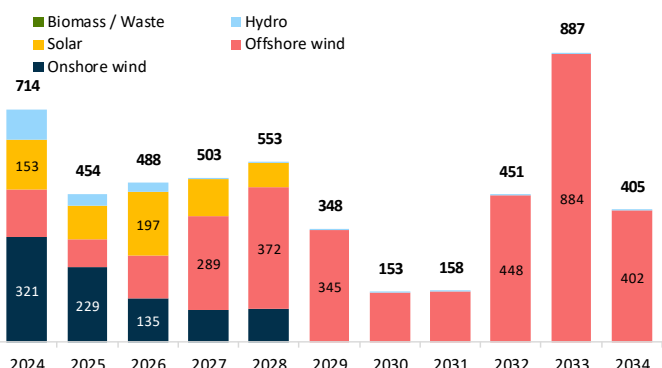
Adj. EBITDA by segment, EURm



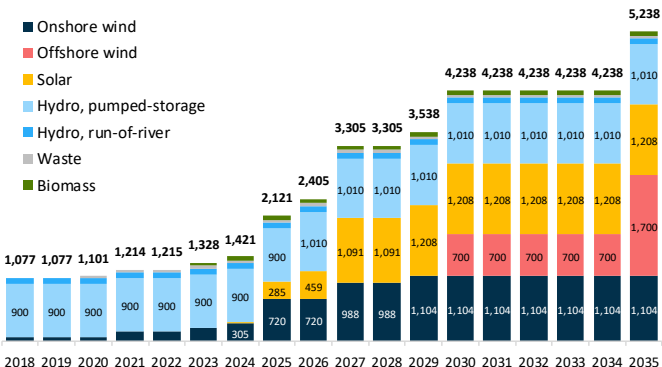
Investments by segment (consolidated), EURm



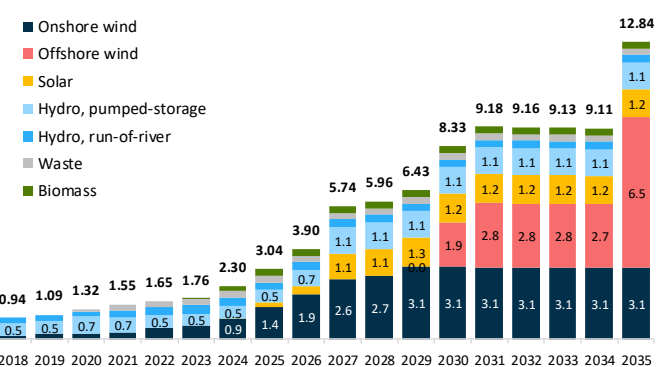
Investments in Green Capacities (proportionate), EURm



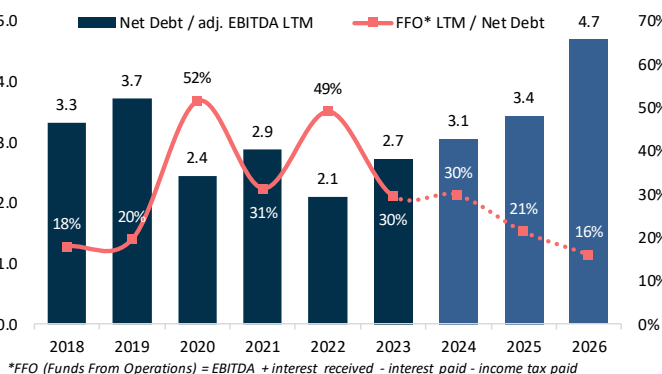
Installed electricity capacity of Green Cap. (gross), GW, EOY



Electricity generated, Green Cap. (100% basis), TWh

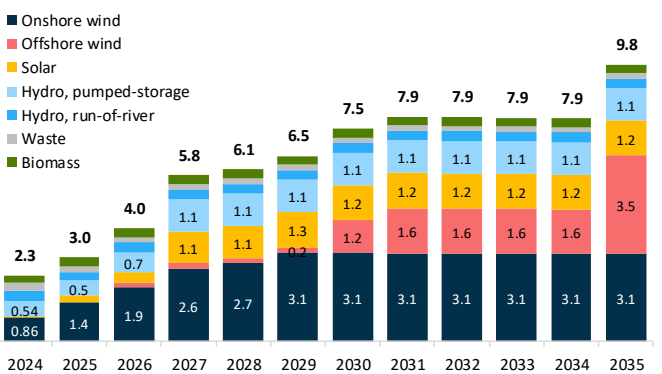


Debt ratios



*FFO (Funds From Operations) = EBITDA + interest received - interest paid - income tax paid

Electricity generated, Green Cap. (proportionate), TWh



Annual Financial Statements

Income statement (EURm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Revenue from contracts with customers	1,024	1,080	1,215	1,877	4,381	2,542	2,296	2,440	2,499	2,635
Other income	46	9	8	22	6	7	11	16	16	16
Total revenues	1,070	1,089	1,223	1,899	4,387	2,549	2,307	2,456	2,515	2,651
Purchases of electricity, nat. gas and other serv.	-795	-729	-706	-1,381	-3,609	-1,758	-1,445	-1,602	-1,613	-1,559
Repair and maintenance expenses	-21	-30	-34	-32	-41	-61	-67	-108	-80	-91
Salaries and related expenses	-80	-87	-93	-97	-116	-137	-163	-156	-208	-231
Other expenses	-26	-42	-56	-46	-82	-86	-100	-109	-117	-128
EBITDA	148	202	335	343	540	507	533	480	498	641
Depreciation and amortisation	-88	-110	-113	-123	-138	-153	-178	-211	-239	-306
Write-offs, revaluation and impairments	-81	-9	-6	-28	-14	-2	-4	-4	-4	-4
Operating profit (EBIT)	-20	83	215	192	388	352	350	265	254	331
Finance income	2	2	2	18	4	42	23	13	9	8
Finance expenses	-15	-19	-23	-34	-54	-40	-65	-55	-68	-98
Equity earnings	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	-34	66	195	176	337	354	308	223	196	241
Taxes	12	-7	-25	-16	-44	-34	-32	-38	-32	-40
Non-controlling interest	0	-2	0	0	0	0	0	0	0	0
Net profit to shareholders of the company	-22	57	170	160	293	320	276	185	163	201
EPS (EUR)	-0.41	1.04	2.85	2.16	4.04	4.42	3.82	2.56	2.26	2.78
Dividends per share (EUR)	0.239	0.516	1.353	1.189	1.248	1.286	1.326	1.366	1.407	1.449
Balance sheet (EURm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Deferred tax asset	14	12	6	14	31	57	32	33	33	33
Intangible assets	106	143	95	114	148	315	306	305	305	305
Goodwill	0	0	0	0	0	0	0	0	0	0
Property, plant and equipment	2,091	2,348	2,560	2,618	2,811	3,363	4,027	4,510	5,182	5,930
Right-of-use assets	0	61	64	58	49	50	78	98	98	98
Other long-term assets	199	207	174	150	211	433	309	335	339	342
Non-current assets	2,411	2,771	2,899	2,954	3,250	4,217	4,752	5,281	5,956	6,708
Inventories	43	47	66	186	570	275	248	202	174	144
Accounts receivable	143	118	128	275	424	266	294	271	301	298
Other current assets	129	131	169	395	333	171	178	242	242	242
Cash and cash equivalents	128	132	659	449	694	205	235	320	272	237
Short-term deposits	0	0	0	0	0	110	0	0	0	0
Current assets	443	428	1,022	1,304	2,022	1,028	954	1,034	988	920
Total assets	2,854	3,198	3,921	4,258	5,272	5,244	5,706	6,315	6,944	7,628
Shareholders' equity	1,255	1,300	1,812	1,856	2,126	2,263	2,437	2,488	2,551	2,649
Non-controlling interests	48	49	1	0	0	0	0	0	0	0
Equity	1,303	1,349	1,813	1,856	2,126	2,263	2,437	2,488	2,551	2,649
Deferred tax liability	36	38	46	47	55	87	85	89	89	89
Provisions	35	36	41	30	18	61	101	129	129	129
Long-term interest bearing debt	735	822	1,246	1,118	1,423	1,521	1,712	2,114	2,351	2,946
Long-term lease liabilities	14	34	29	46	45	42	68	86	86	86
Other long-term liabilities	347	421	442	463	523	608	596	611	618	625
Non-current liabilities	1,169	1,350	1,804	1,705	2,064	2,320	2,561	3,029	3,273	3,876
Current interest bearing debt	110	234	15	237	209	65	61	49	356	355
Short-term lease liabilities	5	8	13	5	4	5	6	8	8	8
Accounts payable	93	79	52	100	177	177	246	223	238	223
Other current liabilities	175	178	223	355	692	414	396	518	518	518
Current liabilities	383	499	304	697	1,082	661	709	797	1,119	1,103
Total equity and liabilities	2,854	3,198	3,921	4,258	5,272	5,244	5,706	6,315	6,944	7,628
Cash flow (EURm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Operating profit (EBIT)	-20	83	215	192	388	352	350	265	254	331
Depreciation & amortisation (+)	88	110	113	123	138	153	178	211	239	306
Other items	73	18	17	46	91	46	74	63	-3	-3
Paid taxes	-6	-5	-10	-18	-27	-81	-44	-22	-32	-40
Change in working capital	45	-29	-55	-237	-25	329	105	28	14	17
Cash flow from operating activities	179	177	281	105	564	800	661	546	473	611
Acquis. of prop., plant & equip. and intang. assets	-416	-428	-301	-245	-439	-839	-774	-706	-911	-1,054
Proceeds from sale of assets	48	40	14	2	3	3	1	1	0	0
Interest received	1	1	1	1	1	11	6	5	6	4
Other items	0	40	28	8	-20	-257	113	0	3	4
Cash flow from investment activities	-367	-347	-258	-235	-456	-1,081	-654	-700	-902	-1,046
Free cash flow	-188	-170	22	-129	108	-282	44	-154	-429	-435
Change in interest bearing debt	197	61	392	93	276	-55	67	367	543	595
Share issues / buy-backs	0	0	450	-27	-14	0	7	0	0	0
Dividends paid	-81	-14	-73	-88	-89	-106	-95	-97	-100	-103
Interest paid	-10	-14	-16	-26	-29	-39	-51	-48	-68	-98
Lease payments	-1	-7	-10	-14	-5	-6	-7	-9	-9	-9
Other items	7	0	-47	-20	-2	-3	66	27	15	16
Cash flow from financing activities	112	25	696	-81	137	-209	22	239	381	400
Change in cash	-76	-145	718	-210	245	-490	29	85	-48	-35

Annual Segmental and Operating Data

Revenues per segment (EURm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Green Capacities (adj.)*	77	84	90	218	458	343	424	472	466	596
Networks (adj.)	440	465	439	510	698	592	701	860	900	911
Reserve Capacities (adj.)	63	66	111	152	237	129	150	204	155	160
Customers & Solutions (adj.)	630	539	505	1,024	3,001	1,734	1,227	1,197	1,171	1,150
Other and Eliminations (adj.)	-65	-3	-10	-14	-77	-161	-195	-191	-135	-140
Total adjusted	1,145	1,151	1,135	1,888	4,317	2,636	2,307	2,542	2,557	2,677
Adjustments	-75	-52	88	10	70	23	5	-86	-42	-26
Total reported	1,070	1,099	1,223	1,899	4,387	2,659	2,312	2,456	2,515	2,651

EBITDA per segment (EURm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Green Capacities (adj.)*	38	43	50	108	253	223	262	305	284	367
Networks (adj.)	169	181	138	145	164	180	220	255	253	265
Reserve Capacities (adj.)	13	22	29	37	35	50	42	49	34	38
Customers & Solutions (adj.)	7	11	27	41	16	30	7	-43	-27	3
Other and Eliminations (adj.)	-6	3	2	2	2	2	-4	-2	-5	-6
Total adjusted	221	260	246	333	469	484	528	564	539	667
Adjustments	-76	-53	88	10	70	23	5	-86	-42	-26
Total reported	145	207	334	343	540	507	533	478	497	641

Green Capacities, key metrics	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Installed Electricity Capacity (period end), MW										
Onshore wind	76	76	76	170	170	233	305	720	720	988
Offshore wind	0	0	0	0	0	0	0	0	0	0
Solar	0	0	0	0	0	0	22	285	459	1,091
Hydro	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,111	1,111
<i>Pumped-storage</i>	900	900	900	900	900	900	900	900	1,010	1,010
<i>Run-of-river</i>	101	101	101	101	101	101	101	101	101	101
Waste	0	0	24	43	44	44	44	44	44	44
Biomass	0	0	0	0	0	50	71	71	71	71
Total installed electricity capacity	1,077	1,077	1,101	1,214	1,215	1,328	1,441	2,121	2,405	3,313

Electricity Generated, TWh										
Onshore wind	0.13	0.23	0.24	0.30	0.47	0.58	0.86	1.37	1.92	2.57
Offshore wind	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Solar	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.24	0.36	1.11
Hydro	0.82	0.86	1.01	1.01	0.92	0.89	0.90	0.83	1.05	1.49
<i>Pumped-storage</i>	-	0.58	0.77	0.70	0.54	0.52	0.54	0.54	0.69	1.14
<i>Run-of-river</i>	-	0.58	0.24	0.31	0.38	0.37	0.36	0.29	0.35	0.35
Waste	0.00	0.00	0.08	0.24	0.26	0.27	0.29	0.27	0.27	0.27
Biomass	0.00	0.00	0.00	0.00	0.00	0.01	0.24	0.33	0.31	0.31
Total electricity generated	0.95	1.09	1.32	1.55	1.65	1.76	2.30	3.04	3.90	5.74

Electricity market price, EUR/MWh:										
Lithuania	50.0	46.1	34.0	90.2	229.2	92.9	93.0	89.0	85.1	80.5
Latvia	49.9	46.3	34.0	88.6	225.9	94.1	90.1	88.7	84.9	80.2
Estonia	47.0	45.9	33.7	86.5	192.0	91.0	87.1	86.0	81.4	77.0
Poland	53.1	53.6	47.2	87.3	166.3	111.9	78.7	106.3	104.8	101.6
Avg. realised el. price, EUR/MWh (ex. Kruonis)	na	na	na	na	na	na	103.9	99.6	87.8	80.3

Heat										
Installed heat capacity (period end), MW	40	40	110	170	180	329	349	349	349	349
Heat generated, TWh	-	0.09	0.32	0.85	0.89	1.07	1.66	1.74	1.67	1.67

Networks, key metrics	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
RAB (Regulated Asset Base), EURm	-	1,416	1,186	1,258	1,345	1,429	1,584	1,795	1,930	2,059
WACC (regulatory), combined el. and gas	-	4.85%	5.00%	5.05%	4.13%	4.14%	5.08%	5.79%	5.05%	4.96%

Reserve Capacities, key metrics	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Installed electricity capacity (period end), MW	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055
Electricity generated, TWh	0.07	0.02	1.20	0.82	0.27	0.31	0.52	0.72	0.34	0.35

Customers & Solutions, key metrics	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Electricity sales (retail), TWh	5.40	5.40	6.37	6.77	7.71	6.65	6.70	7.83	9.39	10.05
Natural gas sales (retail and wholesale), TWh	11.33	9.83	14.77	11.56	12.80	9.29	8.71	8.18	7.66	7.63

*Green Capacities - previously Green Generation

Quarterly Financial Statements

Income statement (EURm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Revenue from contracts with customers	651	438	521	686	768	499	499	675
Other income	3	1	7	0	5	3	4	3
Total revenues	654	439	529	686	773	502	503	678
Purchases of electricity, nat. gas and other serv.	-393	-253	-337	-462	-529	-311	-314	-448
Repair and maintenance expenses	-14	-17	-23	-12	-46	-20	-27	-15
Salaries and related expenses	-38	-42	-40	-43	-14	-47	-46	-49
Other expenses	-19	-22	-25	-34	-24	-27	-26	-31
EBITDA	189	105	104	135	160	97	89	135
Depreciation and amortisation	-41	-45	-47	-46	-49	-52	-53	-57
Write-offs, revaluation and impairments	-1	0	0	-3	-1	-1	-1	-1
Operating profit (EBIT), adj.	140	63	61	81	138	62	53	95
Operating profit (EBIT)	148	60	57	85	110	43	35	77
Finance income	7	5	5	7	8	1	2	2
Finance expenses	-15	-13	-14	-23	-16	-13	-13	-13
Equity earnings	0	0	0	0	0	0	0	0
Pre-tax profit	139	52	48	70	102	32	23	66
Taxes	-21	-2	-2	-7	-18	-5	-4	-11
Non-controlling interest	0	0	0	0	0	0	0	0
Net profit to shareholders of the company	119	50	46	62	84	27	20	55
EPS (EUR)	1.64	0.69	0.63	0.86	1.16	0.37	0.27	0.76
Dividends per share (EUR)	-	0.663	-	0.663	0.000	0.683	0.000	0.683

Balance sheet (EURm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Deferred tax asset	53	25	27	32	33	33	33	33
Intangible assets	322	323	323	306	305	305	305	305
Goodwill	0	0	0	0	0	0	0	0
Property, plant and equipment	3,480	3,667	3,774	4,027	4,129	4,281	4,379	4,510
Right-of-use assets	52	58	58	78	98	98	98	98
Other long-term assets	450	432	372	309	322	329	333	335
Non-current assets	4,358	4,505	4,554	4,752	4,887	5,045	5,147	5,281
Inventories	230	238	293	248	232	204	203	202
Accounts receivable	238	210	229	294	267	211	204	271
Other current assets	153	138	174	178	242	242	242	242
Cash and cash equivalents	347	276	210	235	283	327	348	320
Short-term deposits	3	0	0	0	0	0	0	0
Current assets	970	861	905	954	1,024	984	998	1,034
Total assets	5,328	5,366	5,459	5,706	5,911	6,029	6,145	6,315
Shareholders' equity	2,321	2,370	2,372	2,437	2,485	2,464	2,483	2,488
Non-controlling interests	0	0	0	0	0	0	0	0
Equity	2,321	2,370	2,372	2,437	2,485	2,464	2,483	2,488
Deferred tax liability	90	85	80	85	89	89	89	89
Provisions	63	65	63	101	129	129	129	129
Long-term interest bearing debt	1,519	1,560	1,550	1,712	1,711	1,914	2,014	2,114
Long-term lease liabilities	44	50	51	68	86	86	86	86
Other long-term liabilities	606	611	614	596	602	604	606	611
Non-current liabilities	2,322	2,370	2,358	2,561	2,618	2,823	2,925	3,029
Current interest bearing debt	69	73	54	61	71	49	49	49
Short-term lease liabilities	5	4	4	6	8	8	8	8
Accounts payable	175	162	199	246	212	168	162	223
Other current liabilities	436	387	473	396	518	518	518	518
Current liabilities	684	626	729	709	809	743	737	797
Total equity and liabilities	5,328	5,366	5,459	5,706	5,911	6,029	6,145	6,315

Cash flow (EURm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Operating profit (EBIT)	148	60	57	85	110	43	35	77
Depreciation & amortisation (+)	41	45	47	46	49	52	53	57
Other items	2	11	0	61	70	-2	-1	-4
Paid taxes	-11	-38	43	-2	-2	-5	-4	-11
Change in working capital	75	62	-22	-11	-8	40	1	-5
Cash flow from operating activities	255	140	124	181	219	129	84	115
Acquis. of prop., plant & equip. and intang. assets	-212	-191	-158	-214	-163	-204	-151	-188
Proceeds from sale of assets	1	0	0	0	1	0	0	0
Interest received	1	4	1	0	0	1	2	2
Other items	111	1	1	0	0	0	0	0
Cash flow from investment activities	-99	-186	-156	-213	-163	-202	-149	-186
Free cash flow	156	-46	-32	-33	56	-74	-65	-71
Change in interest bearing debt	-10	50	-13	40	-13	180	100	100
Share issues / buy-backs	7	0	0	0	0	0	0	0
Dividends paid	0	-47	0	-48	0	-48	0	-49
Interest paid	-9	-12	-19	-12	-9	-13	-13	-13
Lease payments	-2	-2	-2	-2	-3	-2	-2	-2
Other items	0	-14	0	80	17	0	1	8
Cash flow from financing activities	-14	-23	-33	58	-7	118	86	43
Change in cash	142	-70	-65	25	49	44	21	-29

Quarterly Segmental and Operating Data

Revenues per segment (EURm)	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Green Capacities (adj.)*	129	100	64	74	105	114	87	84	128	157	95	85	135
Networks (adj.)	223	122	106	198	167	206	161	165	186	218	206	204	231
Reserve Capacities (adj.)	72	15	47	25	43	45	19	33	53	84	34	42	44
Customers & Solutions (adj.)	918	680	335	276	442	338	216	286	376	411	226	225	335
Other and Eliminations (adj.)	-77	-33	-51	-28	-50	-57	-42	-35	-61	-69	-40	-34	-49
Total adjusted	1,265	883	501	545	708	646	442	533	682	801	521	522	697
Adjustments	94	45	-59	17	20	7	-3	-4	4	-28	-19	-19	-19
Total reported	1,359	928	442	561	727	654	439	529	686	773	502	503	678

EBITDA per segment (EURm)	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Green Capacities (adj.)*	67	70	39	45	68	77	57	46	82	109	61	47	88
Networks (adj.)	48	49	40	40	51	66	50	50	54	74	57	57	66
Reserve Capacities (adj.)	17	29	4	6	12	20	5	12	5	17	8	13	10
Customers & Solutions (adj.)	-20	1	21	-1	9	17	-6	-1	-4	-14	-10	-10	-9
Other and Eliminations (adj.)	1	2	0	1	-1	2	1	0	-6	2	-1	-1	-3
Total adjusted	112	150	104	92	139	182	108	107	131	189	115	107	153
Adjustments	94	45	-59	17	20	7	-3	-4	4	-28	-19	-19	-19
Total reported	206	195	45	108	159	189	105	104	135	160	96	88	134

Green Capacities, key metrics	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Installed electricity capacity (period end), MW:													
Onshore wind	170	170	170	233	233	283	283	283	305	442	548	548	792
Offshore wind	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar	0	0	0	0	0	0	0	0	22	22	263	263	279
Hydro	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001
<i>Pumped-storage</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>	<i>900</i>
<i>Run-of-river</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>	<i>101</i>
Waste	44	44	44	44	44	44	44	44	44	44	44	44	44
Biomass	0	0	0	0	50	50	71	71	71	71	71	71	71
Total installed electricity capacity	1,215	1,215	1,215	1,278	1,328	1,378	1,399	1,399	1,421	1,581	1,927	1,927	2,121

Electricity generated (100% basis), TWh:													
Onshore wind	0.13	0.16	0.10	0.11	0.21	0.24	0.14	0.14	0.34	0.35	0.27	0.28	0.46
Offshore wind	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Solar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.11	0.10	0.03
Hydro	0.22	0.28	0.20	0.17	0.22	0.26	0.23	0.21	0.20	0.18	0.23	0.19	0.23
<i>Pumped-storage</i>	<i>0.15</i>	<i>0.13</i>	<i>0.08</i>	<i>0.13</i>	<i>0.14</i>	<i>0.11</i>	<i>0.13</i>	<i>0.16</i>	<i>0.13</i>	<i>0.11</i>	<i>0.13</i>	<i>0.13</i>	<i>0.16</i>
<i>Run-of-river</i>	<i>0.07</i>	<i>0.15</i>	<i>0.10</i>	<i>0.05</i>	<i>0.08</i>	<i>0.16</i>	<i>0.09</i>	<i>0.05</i>	<i>0.06</i>	<i>0.07</i>	<i>0.10</i>	<i>0.05</i>	<i>0.07</i>
Waste	0.07	0.08	0.07	0.05	0.07	0.07	0.08	0.06	0.08	0.08	0.06	0.06	0.07
Biomass	0.00	0.00	0.00	0.00	0.01	0.04	0.06	0.04	0.10	0.11	0.07	0.05	0.09
Total electricity generated	0.42	0.52	0.36	0.36	0.51	0.61	0.50	0.47	0.72	0.73	0.74	0.67	0.89

Electricity market price, EUR/MWh:													
Lithuania	226.7	102.2	81.3	101.2	87.0	89.7	96.2	95.3	90.7	111.3	75.7	76.8	92.3
Latvia	226.5	100.4	80.9	101.2	93.9	86.7	86.7	96.3	90.7	110.6	75.4	76.5	92.0
Estonia	218.9	99.9	74.5	95.8	93.9	90.0	75.8	96.0	86.7	110.0	72.4	73.4	88.3
Poland	159.6	129.9	115.3	110.9	91.3	81.3	90.0	101.3	42.0	113.2	102.4	104.8	104.8

Avg. realised el. price, EUR/MWh (ex. Kruonis)	na	na	na	na	85.4	90.7	117.4	95.0	112.4	84.1	101.1	101.8	111.3
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Heat													
Installed heat capacity (period end), MW	180	180	180	180	329	329	329	349	349	350	349	349	349
Heat generated, TWh	0.25	0.28	0.20	0.20	0.40	0.46	0.37	0.24	0.47	0.61	0.36	0.27	0.49

Networks, key metrics	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
RAB (Regulated Asset Base), EURm, annual	1,345	1,429	1,429	1,429	1,429	1,584	1,584	1,584	1,584	1,795	1,795	1,795	1,795
WACC (regulatory), combined el. and gas, annual	4.13%	4.14%	4.14%	4.14%	4.14%	5.08%	5.08%	5.08%	5.08%	5.79%	5.79%	5.79%	5.79%

Reserve Capacities, key metrics	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Installed electricity capacity (period end), MW	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055
Electricity generated, TWh	0.14	0.02	0.05	0.08	0.16	0.15	0.05	0.11	0.21	0.47	0.04	0.08	0.12

Customers & Solutions, key metrics	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Electricity sales (retail), TWh	1.84	1.82	1.50	1.51	1.82	1.77	1.50	1.58	1.86	1.91	1.79	1.91	2.22
Natural gas sales (retail and wholesale), TWh	3.83	3.85	1.45	1.34	2.65	2.84	1.27	1.83	2.77	2.94	1.45	1.27	2.52

*Green Capacities - previously Green Generation

Ratios & Share Data

Share data	2020	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares, weighted average (m)	59.0	74.3	72.6	72.4	72.4	72.4	72.4	72.4
Share price, period end (EUR)	20.85	21.00	19.02	18.84	19.58	21.30	21.30	21.30
Market capitalisation, period end (EURm)	1,549	1,560	1,377	1,364	1,417	1,542	1,542	1,542
Enterprise value (EURm)	2,151	2,517	2,364	2,681	3,030	3,479	4,070	4,699

Valuation	2020	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	1.8	1.3	0.5	1.1	1.3	1.4	1.6	1.8
EV/EBITDA	6.4	7.3	4.4	5.3	5.7	7.2	8.2	7.3
EV/EBIT	10.0	13.1	6.1	7.6	8.7	13.1	16.0	14.2
P/E	7.3	9.7	4.7	4.3	5.1	8.3	9.4	7.7
P/B	0.85	0.84	0.65	0.60	0.58	0.62	0.60	0.58
Dividend yield	6.5%	5.7%	6.6%	6.8%	6.8%	6.4%	6.6%	6.8%

Balance sheet	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net Debt (incl. lease liabilities)	600	957	987	1,318	1,612	1,937	2,528	3,157
Net Debt / EBITDA LTM	1.79	2.79	1.83	2.60	3.03	4.03	5.08	4.92
Net Debt / adj. EBITDA LTM	2.44	2.88	2.10	2.72	3.05	3.44	4.69	4.73
FFO* LTM / Net Debt	51.5%	31.3%	49.1%	29.6%	29.7%	21.5%	16.0%	16.1%
Equity / Assets	46%	44%	40%	43%	43%	39%	37%	35%

Growth (YoY)	2020	2021	2022	2023	2024	2025E	2026E	2027E
Revenue	12%	55%	131%	-42%	-9%	6%	2%	5%
EBITDA	65%	3%	57%	-6%	5%	-10%	4%	29%
EBIT	159%	-11%	102%	-9%	-1%	-24%	-4%	30%
Net profit to shareholders	201%	-6%	83%	9%	-14%	-33%	-12%	23%
EPS	173%	-24%	88%	9%	-14%	-33%	-12%	23%

Margins	2020	2021	2022	2023	2024	2025E	2026E	2027E
EBITDA	27%	18%	12%	20%	23%	20%	20%	24%
EBIT	18%	10%	9%	14%	15%	11%	10%	12%
Net profit to shareholders	14%	8%	7%	13%	12%	8%	6%	8%

Profitability	2020	2021	2022	2023	2024	2025E	2026E	2027E
ROE	10.9%	8.7%	14.7%	14.6%	11.8%	7.5%	6.5%	7.7%
ROCE**	9.1%	7.4%	13.1%	10.5%	9.2%	6.3%	5.3%	6.1%
ROCE** adj.	5.4%	7.9%	10.7%	9.8%	9.0%	8.2%	6.2%	6.6%

* FFO (Funds From Operations) = EBITDA + interest received - interest paid - income tax paid

** Based on Ignitis' definition: ROCE = EBIT / (avg equity + avg net debt)

Valuation, risks and sources

Target price and valuation

Valuation range history for Ignitis Group during the previous 12 months:

Date	Valuation range (EUR/share)
19/05/2025	EUR 25–39
07/05/2025	EUR 25–39
04/03/2025	EUR 25–39
27/02/2025	EUR 25–39
19/02/2025	EUR 25–39
19/11/2025	EUR 25–39
07/11/2024	EUR 24–37
21/08/2024	EUR 24–37
07/08/2024	EUR 24–37
28/05/2024	EUR 22–36
13/05/2024	EUR 21–36

Valuation

We base our valuation of Ignitis Group on a Discounted Cash Flow (DCF) model and Dividend Discount Model.

Sources

The sources used in the preparation of this report were: Ignitis Group, NERC, Our World In Data, Enefit, ESO, Litgrid Nord Pool, Nasdaq, Baltpool, Bloomberg.

Risks

- **Electricity price.** Ignitis Group's electricity generation business could be adversely affected by decreases in electricity prices. Prices could fluctuate greatly depending on the macroeconomic environment, prices for energy sources used in production of electricity like nat. gas, prices in neighbouring countries (Sweden, Finland, Poland, Estonia, Latvia), cross border capacities, weather conditions – temperatures, wind flow, hydrological situation. Ignitis Group's exposure to fluctuations in electricity prices for its supply business is generally the opposite to that for its generation business – for the supply business, decreases in the market price for electricity generally have a positive effect on the results, though the effect is limited by the low-margin profile of the supply business. Persistently low market price of electricity could also put the renewable energy growth plans at risk due to negative effect on project IRRs, particularly for the high-cost large offshore wind projects.
- **Regulatory risk.** Ignitis Group is subject to regulations in Lithuania, particularly the Networks segment which is 100% regulated and generates a 40% of Ignitis Group's EBITDA. These regulations are complex and subject to change. Particularly, Ignitis Group's financial performance could be adversely affected by lowering of the allowed rate of return (WACC) for the distribution business set by the regulator annually, or changes in the RAB calculation through lower approved investments, leading to lower RAB than expected, which would eventually negatively affect EBITDA.

- **Renewable growth risk.** Ignitis Group plans a significant expansion of the renewable energy generation capacity in the coming years. This is associated with risks of project delays and/or unforeseen increases in the capital expenditures required.
- **Growth in prosumers.** Growing number of electricity prosumers (individuals who both consume and produce), related to high energy prices and government's support schemes for solar parks, may reduce the demand for electricity generated by Ignitis Group. The share of prosumers and producers in the total number of distribution customers at the end of 2023 was relatively low at 3.3%, but the growth rate is substantial with a near-doubling over 2023.
- **Risk of higher corporate taxes.** Corporate profit tax rate is relatively low in Lithuania at 16%. Due to the need to raise military spending in relation to increased geopolitical risks, also due to insufficient funding of the state sector in general, associated with relatively low state budget compared to GDP, an increase in corporate profit tax rate may be considered by the ruling political parties.
- **Geopolitical risk.** Russia presents military threat to all neighbouring countries in Europe, including Lithuania. A factor significantly limiting this threat to Lithuania is that it belongs to the NATO military alliance with a clause of collective defence.

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