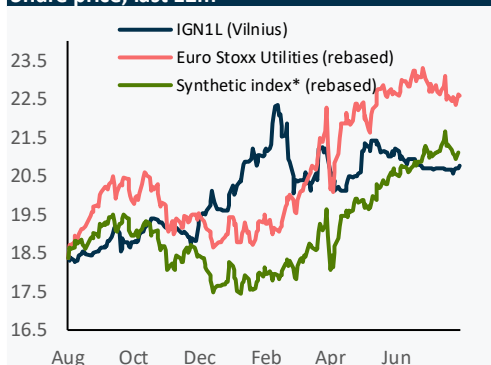


Ignitis Group

Key share data

Sector	Integrated Utilities
Ticker - Nasdaq Vilnius	IGN1L
Ticker - London Stock Exchange	IGN
Market Cap (EURm)	1,513
Net Debt (EURm)	1,610
EV (EURm)	3,123
Net debt / Equity	65%
Issued shares, m	72.4

Share price, last 12m



* Based on selected peers of Integrated (#12), Networks (#8) and Renewables (#10). See p. 9 for list of peers

Performance

	1m	3m	12m
IGN1L	0.0%	0.5%	13.9%
Euro Stoxx Utilities	-1.8%	1.4%	23.2%

Upcoming events

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 core fundamentals of the investment case remain stable

Ignitis Group's 2Q25 results last week showed rather limited deviations to our estimates across all segments. This together with no changes in the financial guiding and projects progressing in line with the timeline, led that our model also saw only modest revisions post 2Q. 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.

Figures reflected limited divergence from anticipated results

Ignitis Group's 2Q25 adj. EBITDA landed at EUR 112m, which was 3% below our estimate, but 4.0% growth YoY (3.7% in 1Q25). Weaker-than-estimated result in Green Capacities (EUR 57.3m vs awaited EUR 61.8m) was mitigated by better Reserve Capacities segment (EUR 11.7m vs awaited EUR 9.6m). The growth in Green Capacities was driven by the launch of news assets and solid electricity generation, which was at 1.05 TWh in 2Q vs our awaited 0.89 TWh and 0.55 TWh in 2Q24. Networks segment was spot on our estimate at EUR 58.5m or 17% up on YoY basis. On the negative side, Customers & Solutions segment remained under pressure due to the natural gas B2B supply result amid less favourable margins secured compared to 2Q24, negative impact from natural gas inventory valuation in 2Q (due to accounting method), while electricity result decrease was driven by the consumers operating under the current net-metering scheme.

2Q/25 results	2Q/24	1Q/25	2Q/25	2Q/25e	Deviation	YoY %	Consensus*
EURm			Reported	Norne	%		
Adjusted Revenues	438.8	772.8	525.5	469.8	11.9%	19.8%	482
Adjusted EBITDA	108.0	188.5	112.3	116.0	-3.2%	3.9%	115
Green Capacities	57.4	109.3	57.3	61.8	-7%	0%	60
Networks	50.2	74.1	58.5	57.4	2%	17%	58
Reserve Capacities	5.2	17.4	11.7	9.6	22%	123%	7
Customers & Solutions	-5.6	-14.2	-13.5	-11.9	nm	nm	-10
Other activities and eliminations	0.8	1.9	-1.7	-0.9	nm	nm	-
Adjusted EBIT	63.2	138.4	60.2	63.0	-4.4%	-4.7%	48
Net profit to shareholders	49.7	83.9	27.5	30.7	-10.5%	-44.7%	32
EPS (EUR)	0.69	1.16	0.38	0.42	-10.5%	-44.7%	0.44
Investments	212.8	146.5	196.7	219.1	-10.2%	-7.6%	-
Electricity Generated (net) TWh	0.55	1.21	1.05	0.89	18.3%	90.9%	-

* Consensus collected by Ignitis Group

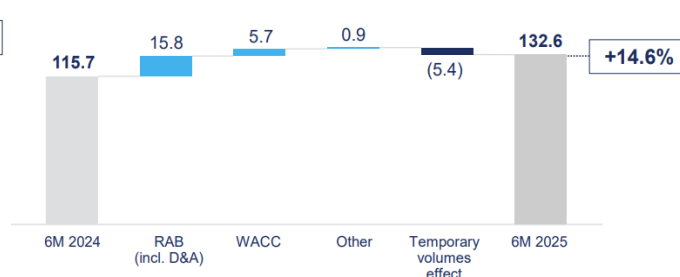
The company proposed to distribute a dividend of EUR 0.683/sh or in line with the policy of $\geq 3\%$ growth. The FFO LTM/Net Debt ratio rose by 100bps QoQ to 29.8% (28.8% in 1Q25).

Adjusted EBITDA development, EURm

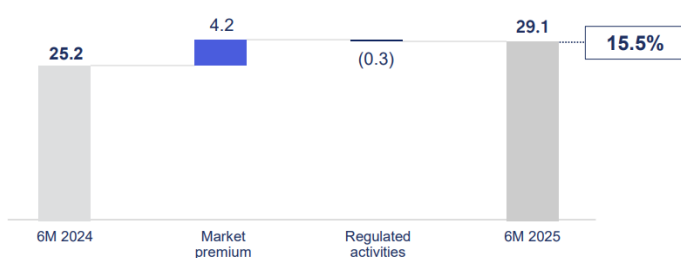
Green Capacities



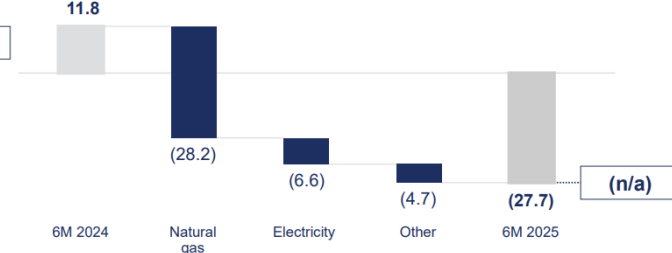
Networks



Reserve Capacities



Customer & Solutions



Source: Ignitis Group

Capex came in below our estimate at EUR 197m vs our estimated EUR 219m. Investments in 1H were in general 19% lower than in 1H24 at EUR 343m, of which as indicated by CFO around 20% is used for maintenance of current assets, while the rest of Capex is invested for growth assets. FCF remained positive for the second consecutive quarter at EUR 47m (EUR 17m 1Q25) and vs EUR -110m in 2Q24 mainly due to reduced working capital and lower investments. However, adj. ROCE was lower YoY at 8.6% vs 10.4% in 1H24.

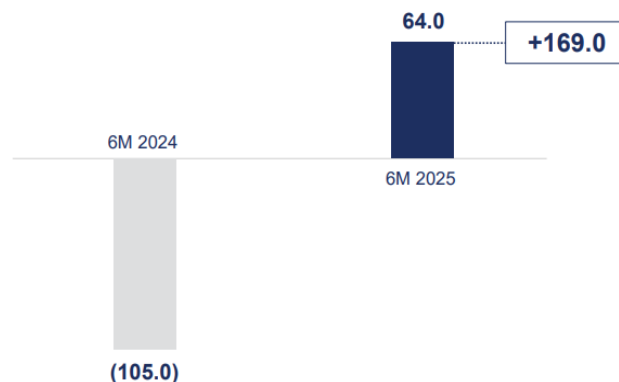
Investments and FCF

Investments, EURm



Source: Ignitis Group

FCF, EURm



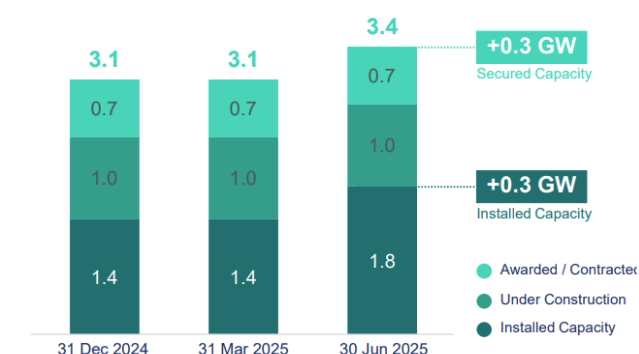
No changes in the financial guiding

The company stated that there are no changes in the main drivers of adj. EBITDA and directional effect per business segment for 2025. As a result, Ignitis Group reiterated its adj. EBITDA guidance for 2025 at EUR 500-540m (we are slightly ahead of the guiding at EUR 555m) as well as investments of EUR 700-900m. The guidance does not include any gains from asset rotation.

Both Installed and Secured Capacity increased by 0.3 GW

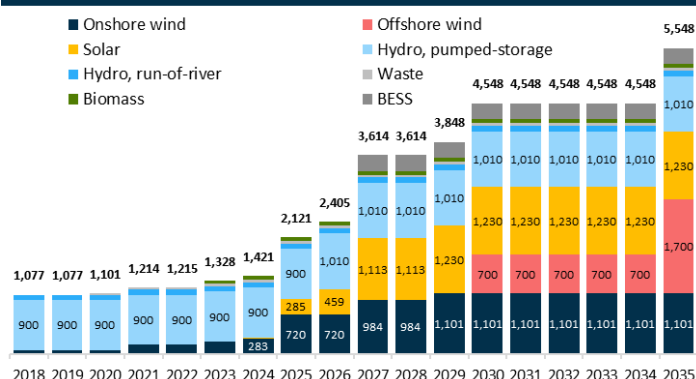
Ignitis Group has increased its Secured Capacity by 0.3 GW to 3.4 GW following FID decisions in BESS projects in Lithuania. Installed Capacity also increased by 0.3 GW after Kelmė WF reached COD.

Secured Capacity portfolio, GW



Source: Ignitis Group

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



Estimates changes

With the 2Q results broadly aligning with our estimates, rather predictable quarter and no changes in the guiding, our model estimates also saw rather limited adjustments across the segments after 2Q.

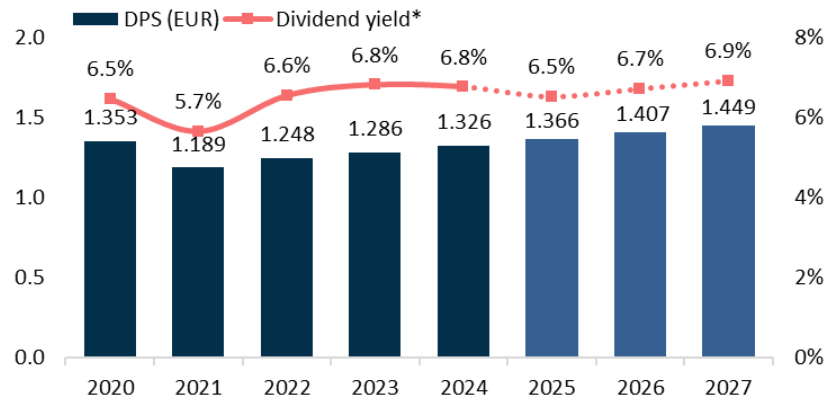
Estimate changes (EURm)

Item	2Q25		2025E		2026E	
	Act.	Est.	New	Old	New	Old
Adjusted Revenues	535	489	2,506	2,449	2,569	2,561
Adjusted EBITDA	112	116	552	555	551	543
Green Capacities	57	62	294	299	283	289
Networks	59	57	257	255	261	253
Reserve Capacities	12	10	52	50	35	34
Customers & Solutions	-14	-12	-49	-48	-26	-27
Other activities and eliminations	-2	-1	-2	-2	-2	-5
Net profit to shareholders	28	31	184	189	179	173
EPS (EUR)	0.38	0.42	2.55	2.61	2.48	2.39
Investments	196.7	219	696	706	997	911

A compelling portfolio of green capabilities, consistent delivery on strategic goals, and a robust dividend yield

Ignitis Group's investment case remains unchanged and attractive: a key driver of both short- and long-term value is the company's proven ability to consistently meet ambitious Green Capacities targets, reinforcing investor confidence in management's credibility and long-term strategic execution. Dividend yield of 6-7% is also likely to limit any downside in the share with the growing installed capacity portfolio.

Dividends per share (DPS) and yield

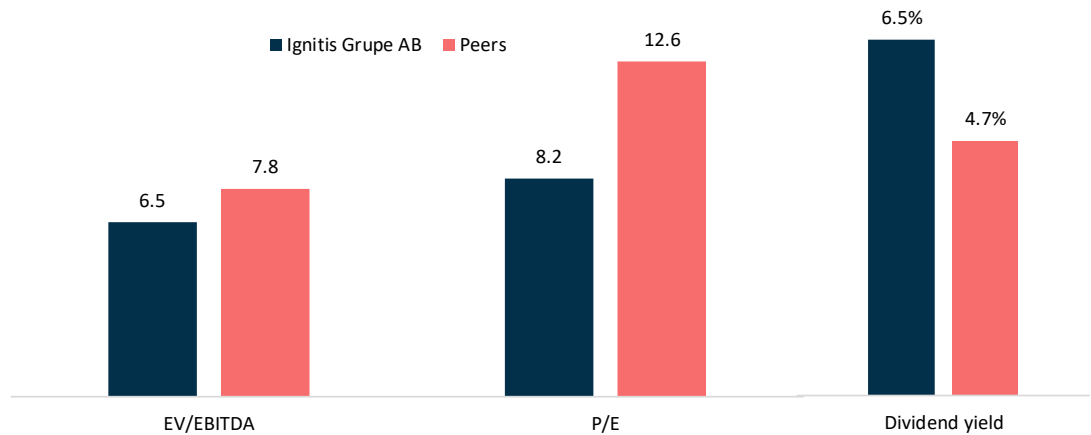


* Year-end share price applied in the calculation

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 11% lower than the peer median, while its P/E discount is even larger at 35%, both broadly unchanged since our last update. At the same time, Ignitis Group's dividend yield for 2025 stands at 6.5% —notably higher than the peer median of 4.7%. 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

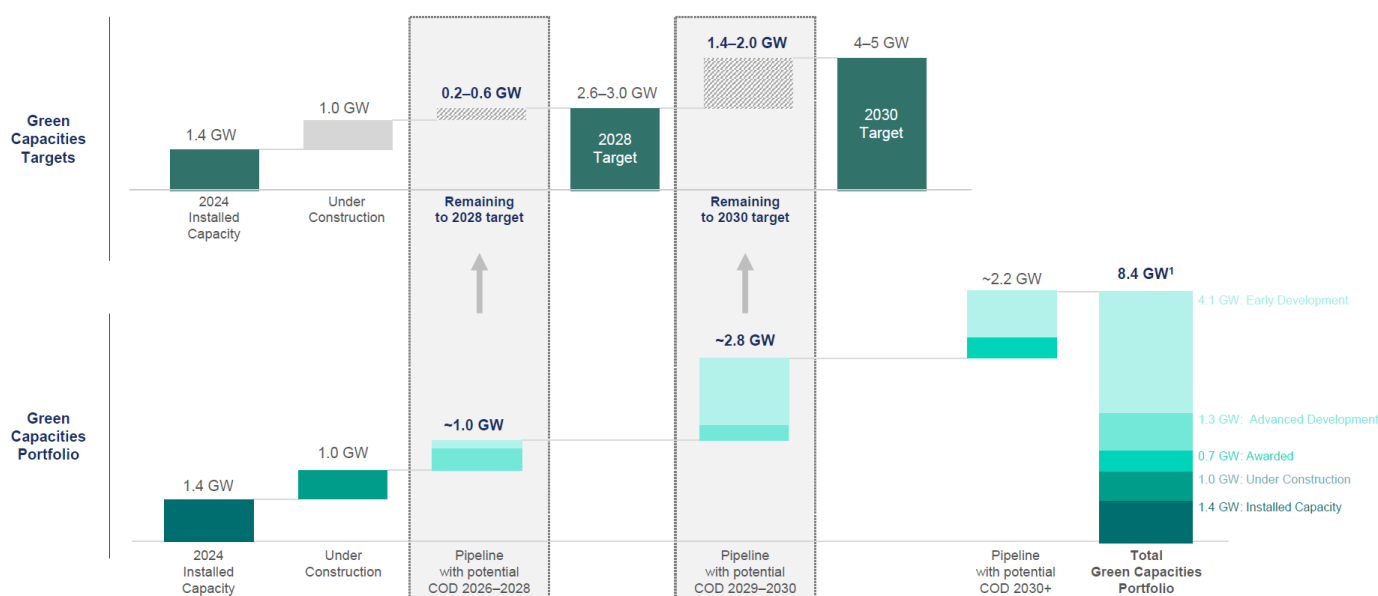
Potential upside of the investment case

- 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 Green Capacities capacity from 1.8 GW currently to 2.6–3.0 GW by 2028, 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



Source: Ignitis Group Strategic Plan 2025-2028

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 will increase to 17% from January 1st. However, further increase should not be ruled out 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 35.8/sh (prev. EUR 35.7/sh) per share for Ignitis Group.

Proportionate basis	3Q-4Q 2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e
EURm	(normalised year)										
Electricity market price Lithuania, EUR/MWh	79	85	80	80	79	78	77	76	74	73	65
Electricity production (proportionate), TWh	2.92	4.01	5.88	6.12	6.62	7.59	8.02	8.00	7.98	7.96	9.89
Revenues	1,124	2,526	2,649	2,596	2,698	2,703	2,722	2,682	2,662	2,644	2,590
EBIT	92	266	333	339	368	392	408	367	352	339	337
Tax on EBIT	-15	-44	-56	-57	-62	-66	-68	-61	-59	-57	-57
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	77	222	277	282	306	327	340	306	293	283	280
Depreciation & amortization (+)	111	243	319	332	350	362	368	370	367	364	373
Investments	-337	-873	-788	-763	-560	-363	-369	-568	-1,007	-528	-373
Change in working capital	54	38	25	3	-13	-49	-12	2	-1	-1	0
Free Cash Flow to the Firm	-94	-371	-166	-146	83	276	327	109	-348	118	280
NPV of FCFF	-92	-352	-149	-124	67	211	238	75	-227	73	164

WACC	Assumptions	Valuation
Debt ratio	55%	Net debt (-)/cash (+)
Cost of debt (after tax)	3.4%	-1,593
Risk free rate*	3.5%	NPV cash flow:
Beta	0.75	Explicit period
Market risk premium	6.0%	-117
Cost of equity	8.0%	Terminal value
WACC	5.5%	4,351
		Total NPV cash flow
		4,186
		Equity value
		2,593
		Value per share, EUR
		35.8

*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%	56.7	72.4	95.4	132.3	201.3
	4.5%	42.0	52.8	67.7	89.6	124.8
	5.5%	22.4	28.3	35.8	45.7	59.4
	6.0%	15.5	20.1	25.7	32.9	42.3
	6.5%	10.0	13.6	17.9	23.2	30.1
	7.0%	5.4	8.3	11.7	15.8	20.9
	7.5%	1.6	3.9	6.6	9.9	13.8

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.	19.7	27.7	35.8	43.9	51.9

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 24.9/sh, which is around 14% higher than the last closing price. The High-case scenario, assuming electricity price of 70 EUR/MWh, yields fair value of EUR 39.0/sh. The Base-case fair value is indicated at EUR 32.2/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	24.9
Base Case	65	32.2
High Case	70	39.0

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 27.0/sh.

DDM (Dividend Discount Model)	
Dividend next 12m, EUR/sh.	1.346
Cost of equity	8.0%
Growth of dividends	3.0%
Fair value of stock, EUR	27.0

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					713.0	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
Kelmė WF II	Onshore Wind	Lithuania	100%	2025	199.6	-	-	65%	-	~360
Varne SF	Solar farm	Latvia	100%	2025	94.0	-	-	50%	-	66
Total wind and solar farms under construction					479.4			75%		
Silesia II	Onshore Wind	Poland	100%	2H25	136.8	-	-	100%	-	~240
Polish solar portfolio	Solar farm	Poland	100%	1H25	24.0	-	-	100%	-	19
Stelpe SF	Solar farm	Latvia	100%	2H2025	145.0	-	-	50%	-	112
Tume SF	Solar farm	Latvia	100%	2026	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%	-

BESS

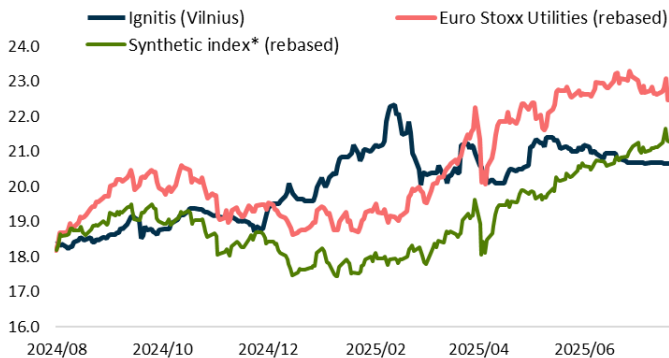
Unit	Country	Ownership	Energy	COD	Capacity, MW
Kelmė	Lithuania	100%	BESS	2027	147
Kruonis	Lithuania	100%	BESS	2027	99
Mažeikiai	Lithuania	100%	BESS	2027	45

Peer comparison

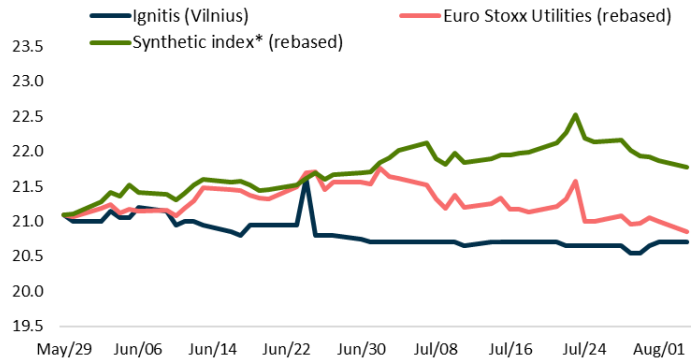
Company	Source	Mcap (EURm)	EV (EURm)	EV/EBITDA			EV/EBIT			P/E			Dividend yield		
				2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Ignitis Grupe AB	Norne	1,513	3,123	6.5	6.1	4.8	12.0	11.7	9.4	8.2	8.4	7.5	6.5%	6.7%	6.9%
Integrated															
CEZ AS	Bloomberg	27,110	34,855	6.6	7.6	8.2	10.9	14.1	16.3	23.5	17.9	21.4	3.5%	4.0%	3.8%
EDP SA	Bloomberg	15,577	40,905	8.4	8.3	8.3	13.7	13.6	13.8	12.5	12.7	12.8	5.5%	5.4%	5.5%
Endesa SA	Bloomberg	27,072	37,383	6.8	6.7	6.6	11.4	11.4	11.4	13.3	12.9	12.7	5.4%	5.6%	5.8%
Enel SpA	Bloomberg	79,524	153,251	6.7	6.5	6.3	10.3	10.0	9.8	11.5	11.2	10.8	6.1%	6.3%	6.5%
Engie SA	Bloomberg	46,611	92,016	6.5	6.6	6.3	10.2	10.4	10.0	9.8	10.4	9.9	7.1%	7.0%	7.2%
EVN AG	Bloomberg	4,308	5,787	7.0	6.7	6.3	12.3	11.8	11.0	10.1	10.0	9.8	3.6%	3.7%	3.7%
E.ON SE	Bloomberg	43,370	84,029	8.7	8.7	7.8	14.0	14.4	12.7	14.4	15.2	13.2	3.5%	3.6%	3.8%
Iberdrola SA	Bloomberg	103,125	181,767	11.1	10.5	10.0	17.1	16.4	15.4	16.5	15.9	14.9	4.3%	4.5%	4.9%
Naturgy Energy Group SA	Bloomberg	25,132	40,746	7.7	7.8	7.8	11.7	12.1	12.1	12.7	13.7	13.7	6.5%	6.8%	7.2%
Public Power Corp SA	Bloomberg	5,262	11,743	5.8	5.1	4.5	11.9	9.5	7.7	12.1	8.9	7.0	4.1%	5.6%	6.8%
SSE PLC	Bloomberg	23,576	37,930	9.7	10.0	8.2	13.6	14.3	11.2	11.7	12.0	9.7	3.5%	3.7%	4.0%
Verbund AG	Bloomberg	23,207	26,135	9.2	10.6	10.6	11.7	14.4	14.9	15.5	19.7	20.6	3.2%	2.6%	2.5%
Average		35,323	62,212	7.8	7.9	7.6	12.4	12.7	12.2	13.6	13.4	13.0	4.7%	4.9%	5.1%
Median		26,102	39,338	7.3	7.7	7.8	11.8	12.9	11.7	12.6	12.8	12.7	4.2%	5.0%	5.2%
Networks															
Elia Group SA/NV	Bloomberg	11,436	23,799	12.5	10.1	8.2	20.6	16.5	13.1	20.3	17.6	15.1	2.0%	2.1%	2.1%
Enagas SA	Bloomberg	3,465	6,031	8.9	9.6	9.2	16.3	18.4	17.0	12.8	14.8	13.6	7.6%	7.6%	7.3%
Italgas SpA	Bloomberg	7,524	18,843	10.3	9.1	8.5	16.4	14.7	13.6	11.2	10.5	9.6	5.8%	6.3%	6.8%
National Grid PLC	Bloomberg	61,972	110,474	12.4	11.8	10.3	18.2	16.7	14.5	15.1	14.1	12.6	4.3%	4.3%	4.4%
Redeia Corp SA	Bloomberg	8,987	15,383	12.2	10.9	10.2	19.2	16.7	15.5	17.8	15.4	14.4	4.9%	4.9%	5.2%
REN - Redes Energeticas Nacionais SGPS S/	Bloomberg	1,998	4,374	8.5	8.1	7.9	17.7	16.7	16.5	13.9	12.6	12.5	5.3%	5.3%	5.5%
Snam SpA	Bloomberg	17,295	35,501	12.1	11.5	10.8	19.2	18.5	17.4	12.6	12.4	11.9	5.8%	6.0%	6.4%
Terna - Rete Elettrica Nazionale SpA	Bloomberg	17,081	31,102	11.5	10.8	9.9	17.6	16.7	15.3	15.9	15.8	15.1	4.7%	4.7%	4.7%
Average		16,220	30,688	11.1	10.2	9.4	18.1	16.8	15.4	14.9	14.1	13.1	5.0%	5.2%	5.3%
Median		10,212	21,321	11.8	10.4	9.6	17.9	16.7	15.4	14.5	14.4	13.1	5.1%	5.1%	5.4%
Renewables															
Acciona Energia SA	Bloomberg	7,671	12,273	7.5	10.0	10.0	12.3	18.6	18.3	13.7	24.0	24.3	2.2%	1.8%	1.6%
Alerion Cleanpower SpA	Bloomberg	1,041	1,667	8.6	7.5	6.4	11.7	10.2	8.5	31.5	22.9	15.2	4.9%	5.6%	6.7%
Enefit Green AS	Bloomberg	897	1,592	14.2	12.3	na	23.7	21.2	na	34.0	17.0	na	1.8%	2.4%	na
ERG SpA	Bloomberg	2,913	5,249	9.4	8.7	8.5	18.2	16.2	16.2	15.4	13.7	13.8	5.3%	5.3%	5.4%
RWE AG	Bloomberg	27,202	41,027	8.5	7.5	6.4	15.7	13.9	11.4	17.3	15.2	12.4	3.2%	3.5%	3.7%
Scatec ASA	Bloomberg	1,379	3,509	9.2	9.1	6.9	13.0	13.8	10.0	14.9	24.9	13.8	na	na	na
Voltaia SA	Bloomberg	971	3,037	12.6	9.8	7.9	25.2	18.3	13.2	na	41.8	22.7	0.4%	0.4%	na
Ørsted AS	Bloomberg	17,310	30,702	8.1	7.1	6.9	14.4	11.7	11.6	15.6	11.8	11.9	na	3.4%	3.8%
Average		7,423	12,382	9.8	9.0	7.6	16.8	15.5	12.7	20.3	21.4	16.3	3.0%	3.2%	4.3%
Median		2,146	4,379	8.9	8.9	6.9	15.0	15.0	11.6	15.6	19.9	13.8	2.7%	3.4%	3.8%

* Consensus

Share price performance vs peers 1Y (rebased)

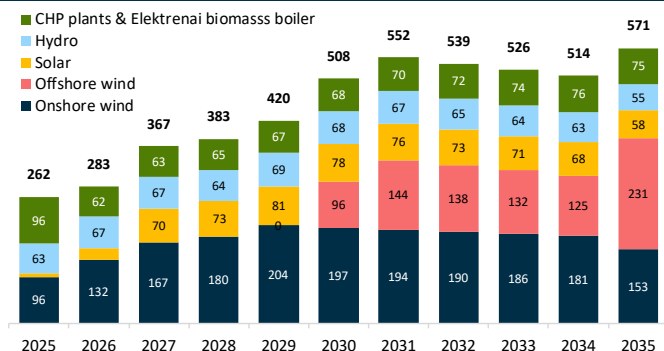


Share price performance vs peers last 3 months (rebased)

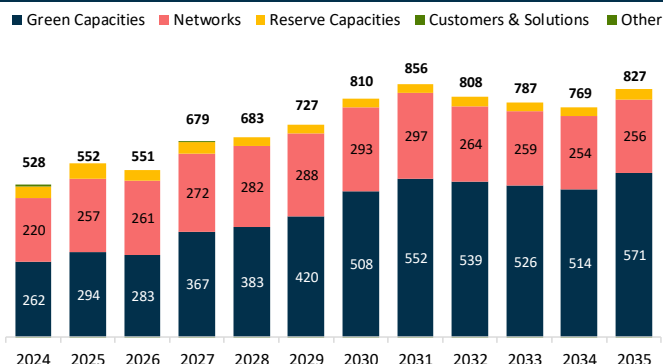


Key Operating Indicators

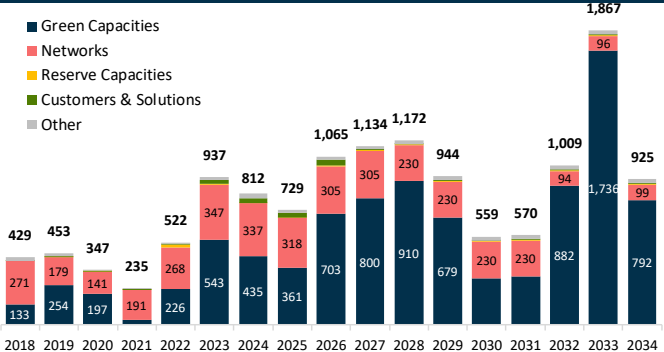
Green Capacities adj. EBITDA (consolidated), EURm



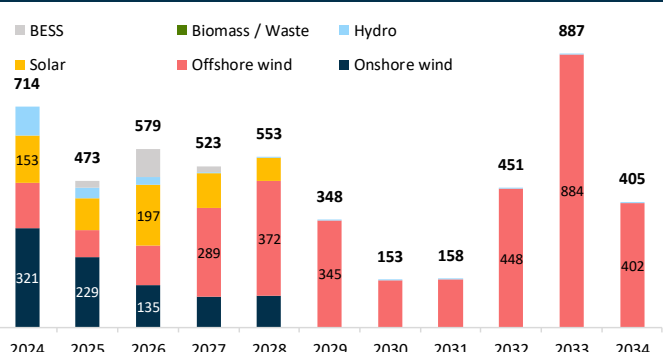
Adj. EBITDA by segment, EURm



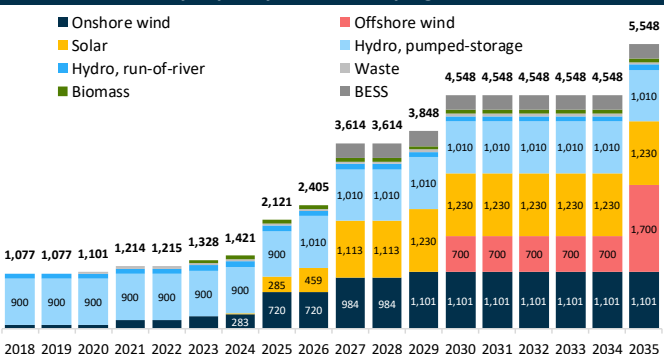
Investments by segment (consolidated), EURm



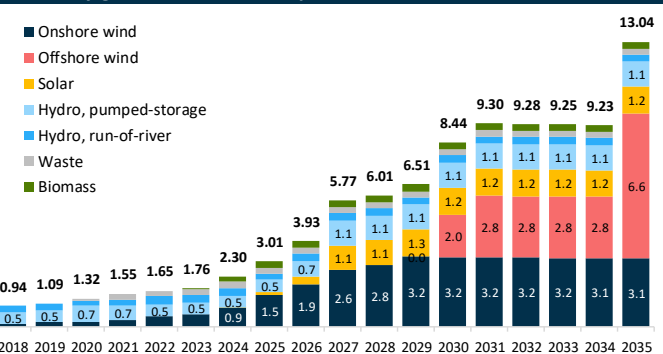
Investments in Green Capacities (proportionate), EURm



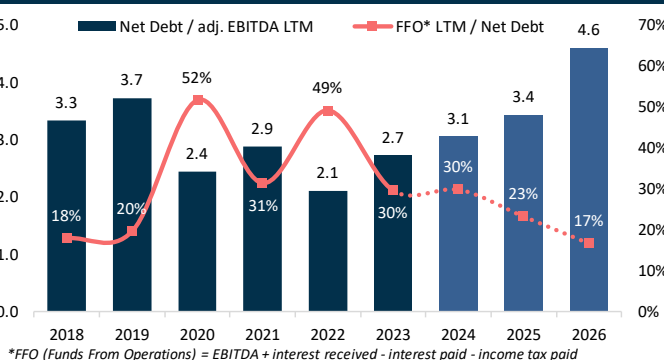
Installed electricity capacity of Green Cap. (gross), GW, EOY



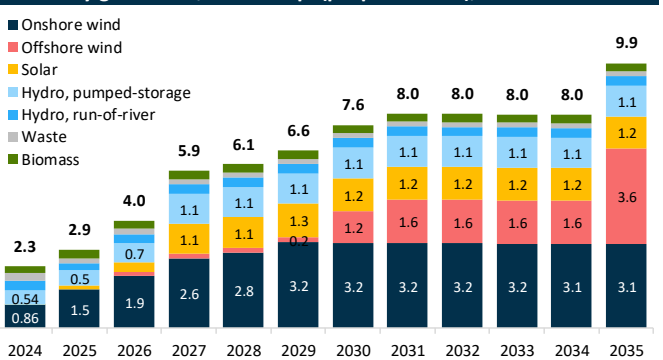
Electricity generated, Green Cap. (100% basis), TWh



Debt ratios



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	2,421	2,520	2,642
Other income	46	9	8	22	6	7	11	8	7	8
Total revenues	1,070	1,089	1,223	1,899	4,387	2,549	2,307	2,429	2,527	2,650
Purchases of electricity, nat. gas and other serv.	-795	-729	-706	-1,381	-3,609	-1,758	-1,445	-1,575	-1,634	-1,576
Repair and maintenance expenses	-21	-30	-34	-32	-41	-61	-67	-106	-74	-85
Salaries and related expenses	-80	-87	-93	-97	-116	-137	-163	-155	-203	-225
Other expenses	-26	-42	-56	-46	-82	-86	-100	-116	-106	-111
EBITDA	148	202	335	343	540	507	533	477	510	653
Depreciation and amortisation	-88	-110	-113	-123	-138	-153	-178	-212	-240	-317
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	261	266	332
Finance income	2	2	2	18	4	42	23	19	17	8
Finance expenses	-15	-19	-23	-34	-54	-40	-65	-62	-68	-98
Equity earnings	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	-34	66	195	176	337	354	308	218	215	243
Taxes	12	-7	-25	-16	-44	-34	-32	-34	-35	-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	184	179	202
EPS (EUR)	-0.41	1.04	2.85	2.16	4.04	4.42	3.82	2.55	2.48	2.79
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	34	34	34
Intangible assets	106	143	95	114	148	315	306	306	306	306
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	4,676	5,433	6,182
Right-of-use assets	0	61	64	58	49	50	78	115	115	115
Other long-term assets	199	207	174	150	211	433	309	136	140	144
Non-current assets	2,411	2,771	2,899	2,954	3,250	4,217	4,752	5,267	6,027	6,780
Inventories	43	47	66	186	570	275	248	255	219	182
Accounts receivable	143	118	128	275	424	266	294	266	293	289
Other current assets	129	131	169	395	333	171	178	181	181	181
Cash and cash equivalents	128	132	659	449	694	205	235	377	275	248
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	1,078	969	900
Total assets	2,854	3,198	3,921	4,258	5,272	5,244	5,706	6,345	6,996	7,680
Shareholders' equity	1,255	1,300	1,812	1,856	2,126	2,263	2,437	2,515	2,594	2,693
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	2,515	2,594	2,693
Deferred tax liability	36	38	46	47	55	87	85	88	88	88
Provisions	35	36	41	30	18	61	101	35	35	35
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	93	93	93
Other long-term liabilities	347	421	442	463	523	608	596	619	626	633
Non-current liabilities	1,169	1,350	1,804	1,705	2,064	2,320	2,561	2,949	3,193	3,795
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	9	9	9
Accounts payable	93	79	52	100	177	177	246	244	266	249
Other current liabilities	175	178	223	355	692	414	396	579	579	579
Current liabilities	383	499	304	697	1,082	661	709	881	1,209	1,192
Total equity and liabilities	2,854	3,198	3,921	4,258	5,272	5,244	5,706	6,345	6,996	7,680
Cash flow (EURm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Operating profit (EBIT)	-20	83	215	192	388	352	350	238	266	332
Depreciation & amortisation (+)	88	110	113	123	138	153	178	212	240	317
Other items	73	18	17	46	91	46	74	99	-3	-3
Paid taxes	-6	-5	-10	-18	-27	-81	-44	-5	-35	-40
Change in working capital	45	-29	-55	-237	-25	329	105	53	30	25
Cash flow from operating activities	179	177	281	105	564	800	661	598	498	630
Acquis. of prop., plant & equip. and intang. assets	-416	-428	-301	-245	-439	-839	-774	-696	-997	-1,066
Proceeds from sale of assets	48	40	14	2	3	3	1	2	0	0
Interest received	1	1	1	1	1	11	6	14	13	4
Other items	0	40	28	8	-20	-257	113	-3	3	4
Cash flow from investment activities	-367	-347	-258	-235	-456	-1,081	-654	-682	-980	-1,057
Free cash flow	-188	-170	22	-129	108	-282	44	-85	-482	-427
Change in interest bearing debt	197	61	392	93	276	-55	67	360	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	-49	-68	-98
Lease payments	-1	-7	-10	-14	-5	-6	-7	-10	-10	-10
Other items	7	0	-47	-20	-2	-3	66	24	16	17
Cash flow from financing activities	112	25	696	-81	137	-209	22	227	381	400
Change in cash	-76	-145	718	-210	245	-490	29	142	-101	-27

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	481	465	595
Networks (adj.)	440	465	439	510	698	592	701	817	902	903
Reserve Capacities (adj.)	63	66	111	152	237	129	150	237	165	171
Customers & Solutions (adj.)	630	539	505	1,024	3,001	1,734	1,227	1,155	1,163	1,139
Other and Eliminations (adj.)	-65	-3	-10	-14	-77	-161	-195	-185	-126	-133
Total adjusted	1,145	1,151	1,135	1,888	4,317	2,636	2,307	2,506	2,569	2,676
Adjustments	-75	-52	88	10	70	23	5	-77	-42	-26
Total reported	1,070	1,099	1,223	1,899	4,387	2,659	2,312	2,429	2,527	2,650

EBITDA per segment (EURm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Green Capacities (adj.)*	38	43	50	108	253	223	262	294	283	367
Networks (adj.)	169	181	138	145	164	180	220	257	261	272
Reserve Capacities (adj.)	13	22	29	37	35	50	42	52	35	39
Customers & Solutions (adj.)	7	11	27	41	16	30	7	-49	-26	3
Other and Eliminations (adj.)	-6	3	2	2	2	2	-4	-2	-2	-3
Total adjusted	221	260	246	333	469	484	528	552	551	679
Adjustments	-76	-53	88	10	70	23	5	-77	-42	-26
Total reported	145	207	334	343	540	507	533	475	509	653

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	283	720	720	984
Offshore wind	0	0	0	0	0	0	0	0	0	0
Solar	0	0	0	0	0	0	22	285	459	1,113
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
BESS	0	0	0	0	0	0	0	0	0	291
Total installed electricity capacity	1,077	1,077	1,101	1,214	1,215	1,328	1,419	2,121	2,405	3,614

Electricity Generated, TWh										
Onshore wind	0.13	0.23	0.24	0.30	0.47	0.58	0.86	1.45	1.94	2.61
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	0.15	0.36	1.10
Hydro	0.82	0.86	1.01	1.01	0.92	0.89	0.90	0.80	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	0.26	0.35	0.35
Waste	0.00	0.00	0.08	0.24	0.26	0.27	0.29	0.28	0.28	0.27
Biomass	0.00	0.00	0.00	0.00	0.00	0.01	0.24	0.32	0.31	0.31
Total electricity generated	0.95	1.09	1.32	1.55	1.65	1.76	2.30	3.01	3.93	5.77

Electricity market price, EUR/MWh:										
Lithuania	50.0	46.1	34.0	90.2	229.2	92.9	93.0	79.0	85.1	80.5
Latvia	49.9	46.3	34.0	88.6	225.9	94.1	90.1	79.0	84.9	80.2
Estonia	47.0	45.9	33.7	86.5	192.0	91.0	87.1	76.9	81.4	77.0
Poland	53.1	53.6	47.2	87.3	166.3	111.9	78.7	102.5	104.8	101.6

Avg. realised el. price, EUR/MWh (ex. Kruonis)	na	na	na	na	na	na	103.9	90.9	87.7	80.3
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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	1.78	1.68	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	2,003	2,123
WACC (regulatory), combined el. and gas	-	4.85%	5.00%	5.05%	4.13%	4.14%	5.08%	7410.00%	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	1.02	0.36	0.39

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	7.68	9.21	9.86
Natural gas sales (retail and wholesale), TWh	11.33	9.83	14.77	11.56	12.80	9.29	8.71	8.17	7.72	7.67

*Green Capacities - previously Green Generation

Quarterly Financial Statements

Income statement (EURm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25E	4Q25E
Revenue from contracts with customers	651	438	521	686	768	527	444	682
Other income	3	1	7	0	5	-1	3	2
Total revenues	654	439	529	686	773	525	447	684
Purchases of electricity, nat. gas and other serv.	-393	-253	-337	-462	-529	-320	-270	-455
Repair and maintenance expenses	-14	-17	-23	-12	-46	-18	-27	-15
Salaries and related expenses	-38	-42	-40	-43	-14	-47	-46	-48
Other expenses	-19	-22	-25	-34	-24	-37	-25	-30
EBITDA	189	105	104	135	160	102	80	135
Depreciation and amortisation	-41	-45	-47	-46	-49	-51	-55	-57
Write-offs, revaluation and impairments	-1	0	0	-3	-1	-1	-1	-1
Operating profit (EBIT), adj.	140	63	61	81	138	60	42	95
Operating profit (EBIT)	148	60	57	85	110	50	23	77
Finance income	7	5	5	7	8	-2	5	8
Finance expenses	-15	-13	-14	-23	-16	-19	-13	-13
Equity earnings	0	0	0	0	0	0	0	0
Pre-tax profit	139	52	48	70	102	29	16	71
Taxes	-21	-2	-2	-7	-18	-1	-3	-12
Non-controlling interest	0	0	0	0	0	0	0	0
Net profit to shareholders of the company	119	50	46	62	84	28	13	60
EPS (EUR)	1.64	0.69	0.63	0.86	1.16	0.38	0.18	0.82
Dividends per share (EUR)	-	0.663	-	0.663	0.000	0.683	0.000	0.683

Balance sheet (EURm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25E	4Q25E
Deferred tax asset	53	25	27	32	33	34	34	34
Intangible assets	322	323	323	306	305	306	306	306
Goodwill	0	0	0	0	0	0	0	0
Property, plant and equipment	3,480	3,667	3,774	4,027	4,129	4,436	4,535	4,676
Right-of-use assets	52	58	58	78	98	115	115	115
Other long-term assets	450	432	372	309	322	130	134	136
Non-current assets	4,358	4,505	4,554	4,752	4,887	5,021	5,124	5,267
Inventories	230	238	293	248	232	224	257	255
Accounts receivable	238	210	229	294	267	203	178	266
Other current assets	153	138	174	178	242	181	181	181
Cash and cash equivalents	347	276	210	235	283	269	395	377
Short-term deposits	3	0	0	0	0	0	0	0
Current assets	970	861	905	954	1,024	877	1,010	1,078
Total assets	5,328	5,366	5,459	5,706	5,911	5,897	6,133	6,345
Shareholders' equity	2,321	2,370	2,372	2,437	2,485	2,492	2,505	2,515
Non-controlling interests	0	0	0	0	0	0	0	0
Equity	2,321	2,370	2,372	2,437	2,485	2,492	2,505	2,515
Deferred tax liability	90	85	80	85	89	88	88	88
Provisions	63	65	63	101	129	35	35	35
Long-term interest bearing debt	1,519	1,560	1,550	1,712	1,711	1,576	2,014	2,114
Long-term lease liabilities	44	50	51	68	86	93	93	93
Other long-term liabilities	606	611	614	596	602	612	614	619
Non-current liabilities	2,322	2,370	2,358	2,561	2,618	2,404	2,844	2,949
Current interest bearing debt	69	73	54	61	71	201	49	49
Short-term lease liabilities	5	4	4	6	8	9	9	9
Accounts payable	175	162	199	246	212	213	148	244
Other current liabilities	436	387	473	396	518	579	579	579
Current liabilities	684	626	729	709	809	1,001	784	881
Total equity and liabilities	5,328	5,366	5,459	5,706	5,911	5,897	6,133	6,345

Cash flow (EURm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25E	4Q25E
Operating profit (EBIT)	148	60	57	85	110	28	23	77
Depreciation & amortisation (+)	41	45	47	46	49	51	55	57
Other items	2	11	0	61	70	34	-1	-4
Paid taxes	-11	-38	43	-2	-2	11	-3	-12
Change in working capital	75	62	-22	-11	-8	124	-73	10
Cash flow from operating activities	255	140	124	181	219	248	3	128
Acquis. of prop., plant & equip. and intang. assets	-212	-191	-158	-214	-163	-180	-154	-198
Proceeds from sale of assets	1	0	0	0	1	1	0	0
Interest received	1	4	1	0	0	0	5	8
Other items	111	1	1	0	0	-2	0	0
Cash flow from investment activities	-99	-186	-156	-213	-163	-181	-149	-190
Free cash flow	156	-46	-32	-33	56	68	-147	-61
Change in interest bearing debt	-10	50	-13	40	-13	-13	286	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	-14	-13	-13
Lease payments	-2	-2	-2	-2	-3	-3	-2	-2
Other items	0	-14	0	80	17	-3	1	9
Cash flow from financing activities	-14	-23	-33	58	-7	-81	272	43
Change in cash	142	-70	-65	25	49	-14	125	-18

Quarterly Segmental and Operating Data

Revenues per segment (EURm)	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25E	4Q25E
Green Capacities (adj.)*	129	100	64	74	105	114	87	84	128	157	115	73	136
Networks (adj.)	223	122	106	198	167	206	161	165	186	218	169	196	234
Reserve Capacities (adj.)	72	15	47	25	43	45	19	33	53	84	67	41	45
Customers & Solutions (adj.)	918	680	335	276	442	338	216	286	376	411	224	187	334
Other and Eliminations (adj.)	-77	-33	-51	-28	-50	-57	-42	-35	-61	-69	-40	-30	-46
Total adjusted	1,265	883	501	545	708	646	442	533	682	801	535	467	703
Adjustments	94	45	-59	17	20	7	-3	-4	4	-28	-10	-19	-19
Total reported	1,359	928	442	561	727	654	439	529	686	773	525	447	684

EBITDA per segment (EURm)	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25E	4Q25E
Green Capacities (adj.)*	67	70	39	45	68	77	57	46	82	109	57	39	88
Networks (adj.)	48	49	40	40	51	66	50	50	54	74	59	57	66
Reserve Capacities (adj.)	17	29	4	6	12	20	5	12	5	17	12	13	10
Customers & Solutions (adj.)	-20	1	21	-1	9	17	-6	-1	-4	-14	-14	-11	-10
Other and Eliminations (adj.)	1	2	0	1	-1	2	1	0	-6	2	-2	0	-2
Total adjusted	112	150	104	92	139	182	108	107	131	189	112	98	153
Adjustments	94	45	-59	17	20	7	-3	-4	4	-28	-10	-19	-19
Total reported	206	195	45	108	159	189	105	104	135	160	102	79	134

Green Capacities, key metrics	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25E	4Q25E
Installed electricity capacity (period end), MW:													
Onshore wind	170	170	170	233	233	283	283	283	283	283	597	734	784
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	22	285	301
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	1,421	1,735	2,135	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	0.35	0.29	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	0.02	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	0.20	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>0.14</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>0.06</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	0.07	0.06	0.08
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	0.71	0.68	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	61.8	50.8	92.3
Latvia	226.5	100.4	80.9	101.2	93.9	86.7	86.7	96.3	90.7	110.6	62.8	50.6	92.0
Estonia	218.9	99.9	74.5	95.8	93.9	90.0	75.8	96.0	86.7	110.0	60.8	48.6	88.3
Poland	159.6	129.9	115.3	110.9	91.3	81.3	90.0	101.3	42.0	113.2	87.4	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	85.4	80.2	86.4	111.7

Heat													
Installed heat capacity (period end), MW	180	180	180	180	329	329	329	349	349	350	350	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	0.40	0.28	0.49

Networks, key metrics	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	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	2Q25	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	0.35	0.08	0.12

Customers & Solutions, key metrics	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	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	1.64	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	1.47	1.26	2.50

*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	20.90	20.90	20.90
Market capitalisation, period end (EURm)	1,549	1,560	1,377	1,364	1,417	1,513	1,513	1,513
Enterprise value (EURm)	2,151	2,517	2,364	2,681	3,030	3,401	4,046	4,668

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	7.1	7.9	7.1
EV/EBIT	10.0	13.1	6.1	7.6	8.7	13.1	15.2	14.0
P/E	7.3	9.7	4.7	4.3	5.1	8.2	8.4	7.5
P/B	0.85	0.84	0.65	0.60	0.58	0.60	0.58	0.56
Dividend yield	6.5%	5.7%	6.6%	6.8%	6.8%	6.5%	6.7%	6.9%

Balance sheet	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net Debt (incl. lease liabilities)	600	957	987	1,318	1,612	1,889	2,533	3,155
Net Debt / EBITDA LTM	1.79	2.79	1.83	2.60	3.03	3.96	4.96	4.83
Net Debt / adj. EBITDA LTM	2.44	2.88	2.10	2.72	3.05	3.42	4.59	4.65
FFO* LTM / Net Debt	51.5%	31.3%	49.1%	29.6%	29.7%	23.1%	16.6%	16.5%
Equity / Assets	46%	44%	40%	43%	43%	40%	37%	35%

Growth (YoY)	2020	2021	2022	2023	2024	2025E	2026E	2027E
Revenue	12%	55%	131%	-42%	-9%	5%	4%	5%
EBITDA	65%	3%	57%	-6%	5%	-10%	7%	28%
EBIT	159%	-11%	102%	-9%	-1%	-26%	2%	25%
Net profit to shareholders	201%	-6%	83%	9%	-14%	-33%	-3%	13%
EPS	173%	-24%	88%	9%	-14%	-33%	-3%	13%

Margins	2020	2021	2022	2023	2024	2025E	2026E	2027E
EBITDA	27%	18%	12%	20%	23%	20%	20%	25%
EBIT	18%	10%	9%	14%	15%	11%	11%	13%
Net profit to shareholders	14%	8%	7%	13%	12%	8%	7%	8%

Profitability	2020	2021	2022	2023	2024	2025E	2026E	2027E
ROE	10.9%	8.7%	14.7%	14.6%	11.8%	7.4%	7.0%	7.6%
ROCE**	9.1%	7.4%	13.1%	10.5%	9.2%	6.2%	5.6%	6.1%
ROCE** adj.	5.4%	7.9%	10.7%	9.8%	9.0%	7.9%	6.4%	6.5%

* 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)
18/08/2025	EUR 25–39
06/08/2025	EUR 25–39
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

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 17% from 2026. 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, a further 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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