# Christmas came early

**Q3/26 adj. EBITDA was slightly above estimate putting the company on track to meet its 2026 guidance. A raised dividend floor was the main positive. Key metrics imply Ignitis is the most attractive energy utility in Europe. We raise our Fair value and dividend forecast.**

## Adj. EBITDA inline and on track to meet guidance

Q3/26 adj. EBITDA of EUR 124m was 2% above estimate. Customers & Solutions EUR 20m adj. EBITDA beat more than offset the EUR 18m negative deviation from other segments. The 9M/26 EUR 430m adj. EBITDA leaves EUR 157m in Q4/26 to reach mid-guidance of EUR 588m, which is highly achievable, in our view.

## Dividend floor raised 7%

The targeted 2026 DPS floor was raised 7% to EUR 1.50 (prev. 1.41) corresponding to a div. growth of 10%. This motivates a 7% share price increase according to our dividend based valuation model, which is more than the 3% appreciation seen after the report.

## Estimates and Fair value raised

We raise our dividend forecast in-line with the new DPS floor indicating a 2026 yield of 6.8% (net 5.8%). Our sum-of-the-parts valuation is raised to EUR 28.36 (prev. 27.61). Based on dividend yield, EV/EBITDA, and credit rating, Ignitis Group appears most compelling among European peers.

**Key figures (MEUR)**

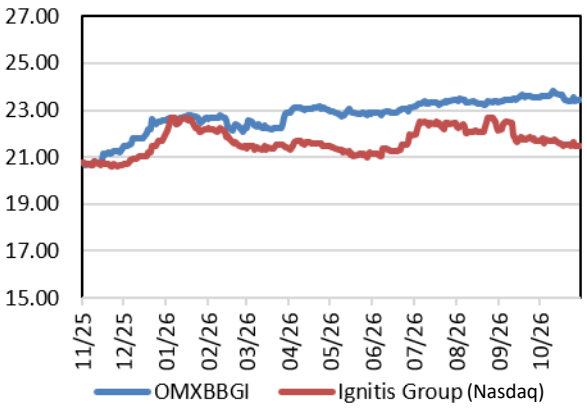
| | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| Total revenues | 2,307 | 2,498 | 2,934 | 3,020 | 3,068 |
| Total revenue growth | -9.5% | 8.3% | 17.5% | 2.9% | 1.6% |
| Adj. EBITDA | 528 | 546 | 590 | 629 | 649 |
| Adj. EBITDA margin | 22.9% | 21.3% | 19.7% | 20.6% | 21.0% |
| EBIT | 350 | 251 | 322 | 349 | 378 |
| EBIT margin | 15.2% | 10.1% | 11.0% | 11.6% | 12.3% |
| EV/Sales | 1.3 | 1.4 | 1.3 | 1.2 | 1.2 |
| EV/adj. EBITDA | 5.7 | 6.3 | 6.2 | 6.0 | 5.9 |
| EV/adj. EBIT | 8.8 | 10.9 | 11.2 | 10.4 | 10.2 |
| PE | 5.1 | 9.4 | 7.3 | 6.4 | 5.7 |
| P/BV | 0.6 | 0.6 | 0.6 | 0.6 | 0.5 |
| EPS | 3.82 | 2.26 | 3.03 | 3.45 | 3.86 |
| EPS growth | -13.7% | -40.7% | 33.9% | 13.8% | 12.0% |
| Div. per share | 1.33 | 1.37 | 1.50 | 1.55 | 1.60 |
| Dividend yield* | 6.8% | 6.4% | 6.8% | 7.0% | 7.2% |

Source: Company data, Enlight Research estimates
*Pre-tax yield on EUR 22.15 share price for 2026-28E and end-of-year share price for 2024 and 2025

| Fair value range (EUR) | |
|---|---|
| Bull | 34.04 |
| Base | 28.36 |
| Bear | 24.58 |

| Key Data | |
|---|---|
| Price (EUR) | 22.10 |
| Ticker | IGN1L |
| Country | Lithuania |
| Listed | Vilnius (Lithuania) |
| Market Cap (EURm) | 1,600 |
| Net debt (EURm)* | 2,066 |
| Shares (m) | 72.4 |
| Free float | 25% |

*End of current forecast year estimate




| Price range | |
|---|---|
| 52-week high | 22.70 |
| 52-week low | 20.60 |

**Analyst**

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**Coverage frequency**

4x per year

## Key takeaways

### Adj. EBITDA inline and on track to meet guidance

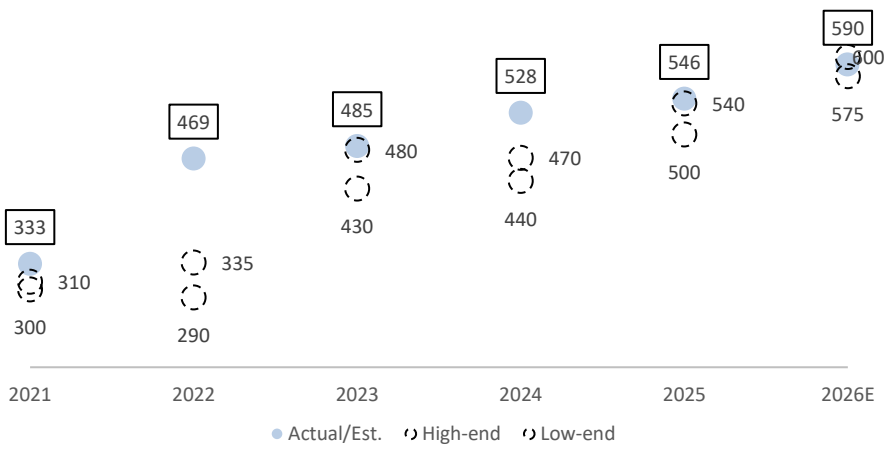
Customers & Solutions Q3/26 adj. EBITDA beat our estimate by EUR 20m, lifting Group adj. EBITDA 2.0% above forecast. The Customers & Solutions beat was driven by a change in the prosumer compensation scheme (management estimated the positive effect at EUR 30m for the 9M/26 period at the earnings call). Q3/26 Networks adj. EBITDA of EUR 59m was 16.9% or EUR 12.0m below forecast, and Green Capacities adj. EBITDA of EUR 47m was 5.9% or EUR 2.9m below. This means the beat from Customer & Solutions more than offset the negative deviation from other segments (Networks, Green Capacities, Reserve Capacities). We reiterate our full-year 2026 adj. EBITDA estimate of EUR 590m. The Q3/26 and 9M/26 adj. EBITDA of EUR 124m (est. 121) and 430m (est. 428), respectively, leaves EUR 157m in Q4/26 to reach the mid-point 2026 adj. EBITDA guidance of EUR 588m (est. 590). We believe this is highly likely which is supported by the raised lower-end of guidance from EUR 550m to EUR 575m (guidance now EUR 575-600m).

| Adjusted EBITDA by Segment | Q3/26 Estimate | Q3/26 Outcome | Deviation EURm | % |
|---|---|---|---|---|
| Green Capacities | 50.1 | 47.2 | -2.9 | -5.9% |
| Networks | 71.1 | 59.1 | -12.0 | -16.9% |
| Reserve Capacities | 5.5 | 3.1 | -2.4 | -43.6% |
| Customers and Solutions | -7.9 | 12.3 | 20.2 | -255.4% |
| **Total adj. EBITDA bef. Other/eliminations** | **118.9** | **121.7** | **2.8** | **2.4%** |
| Other segments/eliminations | 2.6 | 2.1 | -0.4 | -17.6% |
| **Total adjusted EBITDA after Other/eliminations** | **121.4** | **123.8** | **2.4** | **2.0%** |

| Adjusted EBITDA margin by Segment* | Q3/26 Estimate | Q3/26 Outcome | Deviation EURm | %-pts |
|---|---|---|---|---|
| Green Capacities | 48.4% | 47.2% | -1.1%p | -1.1 |
| Networks | 40.4% | 29.4% | -11.0%p | -11.0 |
| Reserve Capacities | 13.8% | 15.7% | 2.0%p | 2.0 |
| Customers and Solutions | -2.9% | 3.7% | 6.6%p | 6.6 |
| **Total adjusted EBITDA** | **20.1%** | **18.7%** | **-1.4%p** | **-1.4** |
| **Total adjusted EBITDA after Other/eliminations** | **21.7%** | **20.5%** | **-1.2%p** | **-1.2** |

Source: Company reports (outcome), Enlight Research (estimates)
*Adjusted EBITDA divided by Adjusted Revenues (might differ from company reported Adjusted EBITDA margin calculated due to different calculation method used)

2022-2026E actual/estimated adj. EBITDA vs guidance (EURm)




Source: Company reports, 2026 Enlight estimate vs. guidance

## Dividend floor raised 7% for 2026-29

According to the strategic plan 2026-29, the annual dividend growth should be at least 3% which implies a dividend of EUR 1.41/shr. in 2026. However, following solid performance, successful asset rotation, and the expected long-term capex need, management raised the 2026 dividend floor by 7% from EUR 1.41/shr. to EUR 1.50/shr. which indicates 10% y/y 2026 dividend growth. The target of 3% dividend growth remains for 2027-29 but now it is from a higher base. The effect is a 7% increase in the dividend floor for 2026-29. Given that our estimates are aligned with the stated dividend floor, it means our dividend forecast is raised by 7% for 2026-29. Based on the current share price (EUR 22.10), the estimated 2026 and 2027 net yield increased from 5.4% to 5.8%, and 5.6% to 6.0%, respectively. In addition, the share gained 3.0% vs. the EUR 21.45 pre-report price which has benefited existing shareholders. The dividend is usually paid on a half-year basis (H1/26 dividend of EUR 0.704/shr. has been paid). However, due to asset rotation proceeds this year (sale of 49% of Vilnius CHP), the intention is to pay a quarterly (Q3/26) dividend of EUR 0.40/shr. subject to EGM decision on 10 December 2026, and an additional EUR 0.40/shr. for Q4/26 subject to decision at the AGM. We believe the 3% post report share price uplift leaves room for further upside. According to the dividend based Gordon Growth Model, a 7% increase in assumed dividend motivates a 7% increase in Fair value (all else equal). Worth noting is that the Ignitis Group's dividend policy has stood the test of time, from a "heavy focus on green expansion" to a "moderate green expansion" environment.

Annual dividend floor (EUR / %)

| | floor | growth rate | floor | growth rate | |
|---|---|---|---|---|---|
| 2025 (actual) | EUR 1.37 | - | EUR 1.37 | - | - |
| 2026 | EUR 1.41 | +3% | EUR 1.50 | +10% | +7% |
| 2027 | EUR 1.45 | +3% | EUR 1.55 | +3% | +7% |
| 2028 | EUR 1.49 | +3% | EUR 1.60 | +3% | +7% |
| 2029 | EUR 1.54 | +3% | EUR 1.64 | +3% | +7% |

*1. All dividends, except for those paid for 2025 and the six-month period ended 30 June 2026, are subject to the required decisions to be made.*

Source: Ignitis Group notice of the Extraordinary General Meeting of Shareholders

Quarterly dividend floor (EUR / %)

| *2026 breakdown by quarters* | Based on Strategic Plan 2026–2029 | Intention |
|---|---|---|
| Q1 2026 | - | - |
| Q2 2026 | EUR 0.704 | EUR 0.704 |
| Q3 2026 | - | EUR 0.400 |
| Q4 2026 | EUR 0.704 | EUR 0.400 |
| Total DPS | EUR 1.408 | EUR 1.504 |
| Growth, YoY | +3% | +10% |

*1. All dividends, except for those paid for 2025 and the six-month period ended 30 June 2026, are subject to the required decisions to be made.*

Source: Ignitis Group notice of the Extraordinary General Meeting of Shareholders

| Gordon Growth Model | Old | New | Diff% |
|---|---|---|---|
| Estimated DPS 2026 (EUR) | 1.41 | 1.50 | 7% |
| Estimated cost of equity | 7.90% | 7.90% | |
| Estimated constant dividend growth | 3.00% | 3.00% | |
| Fair value per share (EUR) | 28.73 | 30.69 | 7% |

Source: Company (Historic), Enlight Research (Estimates)

## Best in Europe

Based on Dividend yield, EV/EBITDA, and Credit rating, Ignitis Group could be argued to be the best in its peer group. Following the raised dividend floor, Ignitis Group has the highest forecast dividend yield for 2026-28 at 6.8-7.2%. At the same time, it has the lowest EV/EBITDA for 2026-27 (6.2-6.0x) and the second lowest (with Audax) in 2028 (5.9x). The dividend premium and valuation discount is not due to a weaker financial position. In fact, based on S&P and Moody's credit ratings, Ignitis Group belongs to the best rated peers (see table on next page). To summarize, Ignitis Group appears to be the most compelling valuation case among European listed energy utilities.

| Dividend yield | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Ignitis Group | 6.4% | 6.8% | 7.0% | 7.2% |
| Engie | 6.0% | 6.1% | 6.3% | 6.6% |
| Enel | 5.5% | 5.6% | 5.9% | 6.2% |
| Italgas | 4.5% | 5.5% | 6.0% | 6.6% |
| Hidroelectrica | 7.2% | 5.2% | 5.6% | 5.3% |
| Redeia Corp. | 5.3% | 5.0% | 5.1% | 5.2% |
| REN | 5.0% | 4.4% | 4.5% | 4.6% |
| Terna | 4.4% | 4.4% | 4.4% | 4.5% |
| EDP | 5.2% | 4.2% | 4.5% | 4.6% |
| National grid | 3.8% | 4.2% | 4.3% | 4.4% |
| Endesa | 4.3% | 3.9% | 4.0% | 4.1% |
| E.ON | 3.5% | 3.5% | 3.6% | 3.7% |
| Iberdrola | 3.7% | 3.2% | 3.4% | 3.7% |
| SSE | 2.7% | 2.7% | 2.9% | 3.1% |
| Audax Renewables | 2.4% | 2.7% | 2.7% | 2.7% |
| RWE | 2.7% | 2.2% | 2.4% | 2.7% |
| Orsted | n/a | 2.0% | 2.5% | 2.7% |
| EDP Renewables | 0.7% | 1.5% | 1.6% | 1.9% |
| Acciona Renewables | 0.1% | 0.3% | 1.3% | 1.2% |
| Polenergia | n/a | n/a | n/a | n/a |

| EV/EBITDA | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Ignitis Group | 6.3x | 6.2x | 6.0x | 5.9x |
| Enel | 6.4x | 6.6x | 6.6x | 6.5x |
| Orsted | 8.1x | 6.8x | 6.6x | 5.4x |
| EDP | 6.3x | 7.0x | 7.0x | 6.8x |
| Audax Renewables | 8.1x | 7.1x | 6.4x | 5.9x |
| Engie | 6.3x | 7.4x | 6.9x | 6.7x |
| Acciona Renewables | 7.4x | 8.3x | 8.9x | 8.4x |
| REN | 9.0x | 9.0x | 8.8x | 8.5x |
| RWE | 8.5x | 9.2x | 8.2x | 8.0x |
| Italgas | 10.8x | 9.2x | 8.7x | 8.3x |
| Endesa | 7.3x | 9.3x | 9.4x | 9.3x |
| E.ON | 8.7x | 9.3x | 8.6x | 8.4x |
| EDP Renewables | 10.5x | 9.4x | 9.2x | 8.6x |
| Redeia Corp. | 10.9x | 11.2x | 11.4x | 11.1x |
| SSE | 12.9x | 11.3x | 10.2x | 9.8x |
| Terna | 11.3x | 11.4x | 11.3x | 11.1x |
| National grid | 13.5x | 12.1x | 11.3x | 10.8x |
| Polenergia | 11.9x | 12.5x | 11.8x | 12.9x |
| Iberdrola | 10.4x | 12.6x | 12.1x | 11.6x |
| Hidroelectrica | 10.6x | 13.9x | 12.0x | 12.7x |

Source: Enlight Research (Ignitis Group), MarketScreener (Peers)

| Credit rating | S&P | Outlook | Moody's | Outlook |
|---|---|---|---|---|
| Terna | A- | stable | Baa1 | stable |
| Ignitis | BBB+ | stable | Baa1 | stable |
| Engie | BBB+ | stable | Baa1 | stable |
| SSE | BBB+ | stable | Baa1 | stable |
| Redeia Corp. | BBB+ | stable | Baa1 | stable |
| REN | BBB+ | stable | Baa1 | stable |
| Iberdrola | BBB+ | stable | Baa1 | n/a |
| Italgas | BBB+ | stable | Baa2 | positive |
| E.ON | BBB+ | stable | Baa2 | n/a |
| Enel | BBB | positive | Baa1 | stable |
| Endesa | BBB | positive | Baa1 | n/a |
| EDP | BBB | stable | Baa2 | stable |
| National grid | BBB | stable | Baa2 | stable |
| Audax Renewables | BB- | stable | NR | n/a |
| RWE | NR | n/a | Baa2 | stable |
| Orsted | NR | n/a | Baa2 | negative |
| EDP Renewables | n/a | n/a | n/a | n/a |
| Hidroelectrica | n/a | n/a | n/a | n/a |
| Acciona Renewables | NR | n/a | NR | n/a |
| Polenergia | n/a | n/a | n/a | n/a |

Source: S&P, Moody's

# Valuation

## Sum-of-the-parts valuation raised

Given the operational differences between the segments, we use the sum-of-the-parts valuation model (SOTP). For Green Capacities, we use our renewable peer group EV/EBITDA multiple, while we use the integrated utilities peer group multiple for Reserve Capacities and Customers & Solutions. For Networks, we use the 2026 RAB value. Multiplying the average peer EV/EBITDA multiples by our estimated 2026 EBITDA (except for the Networks segment) implies an EV of EUR 4,842m (Customers & Solutions segment is now included at EUR 104m as we forecast a positive adj. EBITDA of EUR 12m in 2026, prev. valued at zero). By deducting the estimated 2026 Net debt of EUR 2,066m and minority interest of EUR 39m, we get an equity value of EUR 2,738m or EUR 37.82 per share. Finally, we apply a Baltic discount (most peers are Western European) to get our fair values. Our Base case applies a discount of 25%, resulting in a fair value per share of EUR 28.36 (prev. 27.61) while our Bear and Bull case indicate a Fair value per share of EUR 24.58 (prev. 23.93), and EUR 34.04 (prev. 33.14). The only difference between our Bear and Bull case is the Baltic discount assumption (35% in Bear, 10% in Bull).

SOTP valuation

| Segment | 2026E adj. EBITDA | EV/EBITDA multiple | EV (EURm) |
|---|---|---|---|
| Green Capacities | 269 | 9.7 | 2,605 |
| Networks* | 1,907 | 1.0 | 1,907 |
| Reserve Capacities | 25 | 9.0 | 227 |
| Customers & Solutions | 12 | 9.0 | 104 |
| | | **Total EV** | **4,842** |
| | | 2026E Net debt (EURm) | 2,066 |
| | | Minority interest (EURm) | 38.6 |
| | | **Equity value (EURm)** | **2,738** |
| | | Number of shares (m) | 72.4 |
| | | **Value per share (EUR)** | **37.82** |

* Networks segment's valuation equal to 2026 RAB
Source: Enlight Research

| Fair value | Bear case | Base case | Bull case |
|---|---|---|---|
| Value per share (EUR) | 37.8 | 37.8 | 37.8 |
| Motivated discount | 35% | 25% | 10% |
| **Motivated fair value (EUR)** | **24.58** | **28.36** | **34.04** |
| Current share price (EUR) | 22.10 | 22.10 | 22.10 |
| Potential upside | 11% | 28% | 54% |

Source: Enlight Research

## Peer valuation

Based on the 2026E EV/EBITDA multiple, Ignitis Group is trading at a 32% discount to the Integrated utilities peer group (6.2x vs. 9.1x integrated average), and a 36% discount to the renewables peer group (6.2x vs. 9.7x renewables average), despite offering a substantially higher estimated dividend yield (6.8% vs. 3.9% for integrated, and 2.3% for renewables). The 2026E discount is even higher vs. the Regulated peer group at 41% (6.2x vs. 10.6x regulated average) while also offering a higher yield (6.8% vs. 4.7% for regulated). We believe the valuation gaps are excessive, especially given our high confidence in Ignitis Group's long-term dividend growth. Worth noting is that

the EV/EBITDA multiples have converged following the changed environment from green generation focus to a more moderate green focus (two years ago, the Renewables peer group traded at a 49% premium to the integrated peer group). The EV/EBITDA valuation spread between Renewable and Integrated utilities illustrates the change in environment. In 2024, our Renewable peer group traded at an EV/EBITDA premium of 49% to the Integrated peer group (10.0x vs. 6.7x) based on the current forecast year. Today, the spread has narrowed to 6% (9.7x vs. 9.1x).

**Peer valuation**

| | Ticker | Ccy | Price (last) | Mcap (m) (last) | EV (m) (last) | EV/EBITDA 2025 | EV/EBITDA 2026E | EV/EBITDA 2027E | EV/EBITDA 2028E | Div. yield 2025 | Div. yield 2026E | Div. yield 2027E | Div. yield 2028E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ignitis Group | IGN1L | EUR | 22.10 | 1,600 | 3,666 | 6.3 | 6.2 | 6.0 | 5.9 | 6.4% | 6.8% | 7.0% | 7.2% |
| IGN discount vs Integrated | | | | | | 24% | 32% | 31% | 30% | | | | |
| IGN discount vs Renewables | | | | | | 33% | 36% | 35% | 34% | | | | |
| IGN discount vs Regulated | | | | | | 43% | 41% | 42% | 41% | | | | |

**Integrated**

| Company | Ticker | Ccy | Price (last) | Mcap (m) (last) | EV (m) (last) | EV/EBITDA 2025 | EV/EBITDA 2026E | EV/EBITDA 2027E | EV/EBITDA 2028E | Div. yield 2025 | Div. yield 2026E | Div. yield 2027E | Div. yield 2028E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EDP | EDP | EUR | 5.12 | 19,661 | 36,829 | 6.3 | 7.0 | 7.0 | 6.8 | 5.2% | 4.2% | 4.5% | 4.6% |
| Endesa | ELE | EUR | 45.99 | 44,883 | 55,894 | 7.3 | 9.3 | 9.4 | 9.3 | 4.3% | 3.9% | 4.0% | 4.1% |
| Enel | ENEL | EUR | 9.90 | 91,284 | 155,631 | 6.4 | 6.6 | 6.6 | 6.5 | 5.5% | 5.6% | 5.9% | 6.2% |
| Engie | ENGI | EUR | 25.32 | 56,664 | 111,260 | 6.3 | 7.4 | 6.9 | 6.7 | 6.0% | 6.1% | 6.3% | 6.6% |
| E.ON | EOAN | EUR | 19.48 | 44,835 | 89,171 | 8.7 | 9.3 | 8.6 | 8.4 | 3.5% | 3.5% | 3.6% | 3.7% |
| Iberdrola | IBE | EUR | 23.70 | 153,341 | 209,108 | 10.4 | 12.6 | 12.1 | 11.6 | 3.7% | 3.2% | 3.4% | 3.7% |
| RWE | RWE | EUR | 59.66 | 41,954 | 56,237 | 8.5 | 9.2 | 8.2 | 8.0 | 2.7% | 2.2% | 2.4% | 2.7% |
| SSE | SSE | GBX | 2732.00 | 32,639 | 44,510 | 12.9 | 11.3 | 10.2 | 9.8 | 2.7% | 2.7% | 2.9% | 3.1% |
| **Average** | | | | | | **8.3** | **9.1** | **8.6** | **8.4** | **4.2%** | **3.9%** | **4.1%** | **4.3%** |

**Renewables**

| Company | Ticker | Ccy | Price (last) | Mcap (m) (last) | EV (m) (last) | EV/EBITDA 2025 | EV/EBITDA 2026E | EV/EBITDA 2027E | EV/EBITDA 2028E | Div. yield 2025 | Div. yield 2026E | Div. yield 2027E | Div. yield 2028E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EDP Renewables | EDPR | EUR | 13.89 | 12,663 | 20,420 | 10.5 | 9.4 | 9.2 | 8.6 | 0.7% | 1.5% | 1.6% | 1.9% |
| Orsted | ORSTED | DKK | 141.95 | 174,974 | 207,716 | 8.1 | 6.8 | 6.6 | 5.4 | n/a | 2.0% | 2.5% | 2.7% |
| Hidroelectrica | H2O | RON | 191.40 | 87,172 | 83,287 | 10.6 | 13.9 | 12.0 | 12.7 | 7.2% | 5.2% | 5.6% | 5.3% |
| Acciona Renewables | ANE | EUR | 20.26 | 6,757 | 9,845 | 7.4 | 8.3 | 8.9 | 8.4 | 0.1% | 0.3% | 1.3% | 1.2% |
| Audax Renewables | ADX | EUR | 1.09 | 514 | 815 | 8.1 | 7.1 | 6.4 | 5.9 | 2.4% | 2.7% | 2.7% | 2.7% |
| Polenergia | PEP | PLN | 51.50 | 4,193 | 5,927 | 11.9 | 12.5 | 11.8 | 12.9 | n/a | n/a | n/a | n/a |
| **Average** | | | | | | **9.4** | **9.7** | **9.1** | **9.0** | **2.6%** | **2.3%** | **2.7%** | **2.7%** |

**Regulated**

| Company | Ticker | Ccy | Price (last) | Mcap (m) (last) | EV (m) (last) | EV/EBITDA 2025 | EV/EBITDA 2026E | EV/EBITDA 2027E | EV/EBITDA 2028E | Div. yield 2025 | Div. yield 2026E | Div. yield 2027E | Div. yield 2028E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| National grid | NG | GBX | 1279.00 | 59,188 | 110,211 | 13.5 | 12.1 | 11.3 | 10.8 | 3.8% | 4.2% | 4.3% | 4.4% |
| Redeia Corp. | RED | EUR | 16.30 | 8,817 | 14,578 | 10.9 | 11.2 | 11.4 | 11.1 | 5.3% | 5.0% | 5.1% | 5.2% |
| REN | RENE | EUR | 3.74 | 2,438 | 5,011 | 9.0 | 9.0 | 8.8 | 8.5 | 5.0% | 4.4% | 4.5% | 4.6% |
| Italgas | IG | EUR | 9.39 | 8,858 | 19,731 | 10.8 | 9.2 | 8.7 | 8.3 | 4.5% | 5.5% | 6.0% | 6.6% |
| Terna | TRN | EUR | 10.04 | 18,320 | 33,486 | 11.3 | 11.4 | 11.3 | 11.1 | 4.4% | 4.4% | 4.4% | 4.5% |
| **Average** | | | | | | **11.1** | **10.6** | **10.3** | **10.0** | **4.6%** | **4.7%** | **4.8%** | **5.0%** |

Source: MarketScreener (consensus), Enlight Research (Ignitis Group)
Based on peers' share prices on 13 November 2026

## Estimate deviations

The key line is the adjusted EBITDA, as this is the main indicator for the dividends and our SOTP model. This is also the line where the Company's guidance is provided. The Q3/26 Group adj. EBITDA of EUR 123.8m was 2.0% or EUR 2.4m above our forecast of EUR 121.4m. The beat was driven by Customers & Solutions, whose Q3/26 adj. EBITDA of EUR 12.3m was EUR 20.2m better than our forecast loss of EUR 7.9m due to a change in the prosumer compensation scheme. The Green Capacities, Networks and Reserve Capacities Q3/26 adj. EBITDA were below expectations, missing our estimates by EUR 2.9m (-5.9%), EUR 12.0m (-16.9%) and EUR 2.4m (-43.6%), respectively.

Forecast deviation table by Segment

| Revenue by Segment (EURm) | Q3/26 Estimate | Q3/26 Outcome | Deviation EURm | % |
|---|---|---|---|---|
| Green Capacities | 103.7 | 99.9 | -3.8 | -3.7% |
| Networks | 171.9 | 182.4 | 10.5 | 6.1% |
| Reserve Capacities | 40.0 | 60.6 | 20.6 | 51.5% |
| Customers and Solutions | 272.9 | 330.2 | 57.3 | 21.0% |
| **Revenue bef. Other segm./eliminations** | **588.5** | **673.1** | **84.6** | **14.4%** |
| Other segments/eliminations | -32.2 | -46.4 | -14.2 | 44.1% |
| **Revenue after Other segm./eliminations** | **556.3** | **626.7** | **70.4** | **12.6%** |

| Revenue growth | Q3/26 Estimate | Q3/26 Outcome | Deviation EURm | %-pts |
|---|---|---|---|---|
| Green Capacities | -2.3% | -5.8% | -3.6%p | -3.6 |
| Networks | 8.6% | 15.2% | 6.6%p | 6.6 |
| Reserve Capacities | -0.2% | 51.1% | 51.4%p | 51.4 |
| Customers and Solutions | 20.8% | 46.1% | 25.4%p | 25.4 |
| Revenue bef. Other segm./eliminations | 10.9% | 26.9% | 15.9%p | 15.9 |
| **Revenue after Other segm./eliminations** | **11.1%** | **25.2%** | **14.1%p** | **14.1** |

| Adjusted EBITDA by Segment | Q3/26 Estimate | Q3/26 Outcome | Deviation EURm | % |
|---|---|---|---|---|
| Green Capacities | 50.1 | 47.2 | -2.9 | -5.9% |
| Networks | 71.1 | 59.1 | -12.0 | -16.9% |
| Reserve Capacities | 5.5 | 3.1 | -2.4 | -43.6% |
| Customers and Solutions | -7.9 | 12.3 | 20.2 | -255.4% |
| **Total adj. EBITDA bef. Other/eliminations** | **118.9** | **121.7** | **2.8** | **2.4%** |
| Other segments/eliminations | 2.6 | 2.1 | -0.4 | -17.6% |
| **Total adjusted EBITDA after Other/eliminations** | **121.4** | **123.8** | **2.4** | **2.0%** |

| Adjusted EBITDA margin by Segment* | Q3/26 Estimate | Q3/26 Outcome | Deviation EURm | %-pts |
|---|---|---|---|---|
| Green Capacities | 48.4% | 47.2% | -1.1%p | -1.1 |
| Networks | 40.4% | 29.4% | -11.0%p | -11.0 |
| Reserve Capacities | 13.8% | 15.7% | 2.0%p | 2.0 |
| Customers and Solutions | -2.9% | 3.7% | 6.6%p | 6.6 |
| **Total adjusted EBITDA** | **20.1%** | **18.7%** | **-1.4%p** | **-1.4** |
| **Total adjusted EBITDA after Other/eliminations** | **21.7%** | **20.5%** | **-1.2%p** | **-1.2** |

Source: Company reports (historical), Enlight Research (estimates)
*Adjusted EBITDA divided by Adjusted Revenues (might differ from company reported Adjusted EBITDA margin calculated due to different calculation method used)

## Estimate changes

Our 2026 Group adj. EBITDA estimate is unchanged at EUR 590m, as a higher Customers & Solutions estimate (EUR 12m vs. prev. EUR -10m), following the strong Q3/26 result, offsets lower Green Capacities (-4.2%) and Reserve Capacities (-10.5%) estimates. Our 2027 and 2028 Group adj. EBITDA estimates are lowered by 1.1% and 0.2%, respectively, as lower Green Capacities (-3.3% and -3.0%) and Reserve Capacities (-5.9% and -5.7%) estimates are largely offset by higher Customers & Solutions (EUR +9m in both years) and Networks (+1.2% and +2.7%) estimates.

Adj. EBITDA (EURm)

| Green Capacities | 2026E | 2027E | 2028E |
|---|---|---|---|
| Old estimate | 280 | 299 | 306 |
| New estimate | 269 | 289 | 297 |
| Change | -12 | -10 | -9 |
| Change (pct) | -4.2% | -3.3% | -3.0% |

| Networks | 2026E | 2027E | 2028E |
|---|---|---|---|
| Old estimate | 293 | 298 | 303 |
| New estimate | 293 | 302 | 311 |
| Change | 0 | 4 | 8 |
| Change (pct) | 0.0% | 1.2% | 2.7% |

| Reserve Capacities | 2026E | 2027E | 2028E |
|---|---|---|---|
| Old estimate | 28 | 32 | 33 |
| New estimate | 25 | 30 | 31 |
| Change | -3 | -2 | -2 |
| Change (pct) | -10.5% | -5.9% | -5.7% |

| Customers & Solutions | 2026E | 2027E | 2028E |
|---|---|---|---|
| Old estimate | -10 | 7 | 9 |
| New estimate | 12 | 16 | 18 |
| Change | 22 | 9 | 9 |
| Change (pct) | n.m. | 119.2% | 100.4% |

| Group Adjusted EBITDA | 2026E | 2027E | 2028E |
|---|---|---|---|
| Old estimate | 590 | 636 | 650 |
| New estimate | 590 | 629 | 649 |
| Change | 0 | -7 | -1 |
| Change (pct) | 0.0% | -1.1% | -0.2% |

| Adj. EBITDA Guidance | 2026E | | 2028E |
|---|---|---|---|
| Adj. EBITDA high | 600 | | 680 |
| Adj. EBITDA mid | 588 | | 640 |
| Adj. EBITDA low | 575 | | 600 |
| Forecast | 590 | | 649 |
| Diff to high | -1.6% | | -4.5% |
| Diff to mid | 0.4% | | 1.4% |
| Diff to low | 2.6% | | 8.2% |

Source: Company (Guidance), Enlight Research (Estimates)

## Forecast

| Adjusted EBITDA by Segment | Q1/26 | Q2/26 | Q3/26 | Q4/26E | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|
| Green Capacities | 86 | 63 | 47 | 72 | 292 | 269 | 289 | 297 |
| Networks | 81 | 67 | 59 | 86 | 263 | 293 | 302 | 311 |
| Reserve Capacities | 15 | 3 | 3 | 4 | 38 | 25 | 30 | 31 |
| Customers and Solutions | 13 | -13 | 12 | -1 | -49 | 12 | 16 | 18 |
| **Total adjusted EBITDA bef. Other/eliminations** | **195** | **119** | **122** | **162** | **544** | **598** | **637** | **657** |
| Other segments/eliminations | -3 | -5 | 2 | -2 | 2 | -8 | -8 | -8 |
| **Total adjusted EBITDA after Other/eliminations** | **192** | **114** | **124** | **160** | **546** | **590** | **629** | **649** |

| Adjusted EBITDA margin by Segment | Q1/26 | Q2/26 | Q3/26 | Q4/26E | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|
| Green Capacities | 57.3% | 55.9% | 47.2% | 52.0% | 56.7% | 53.5% | 54.7% | 55.2% |
| Networks | 30.8% | 38.1% | 29.4% | 38.0% | 33.7% | 33.9% | 34.8% | 35.7% |
| Reserve Capacities | 22.6% | 14.4% | 15.7% | 3.6% | 16.5% | 11.3% | 13.2% | 13.7% |
| Customers and Solutions | 2.5% | -4.6% | 3.7% | -0.2% | -4.0% | 0.7% | 1.0% | 1.1% |
| **Total adjusted EBITDA** | **19.3%** | **20.4%** | **18.7%** | **17.4%** | **19.9%** | **18.8%** | **19.7%** | **20.1%** |
| **Total adjusted EBITDA after Other/eliminations** | **20.1%** | **21.0%** | **20.5%** | **18.0%** | **21.3%** | **19.7%** | **20.6%** | **21.0%** |

| Income statement (EURm) | Q1/26 | Q2/26 | Q3/26 | Q4/26E | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|
| **Total Revenue & Other income** | **939** | **559** | **627** | **810** | **2,498** | **2,934** | **3,020** | **3,068** |
| Purchase of electricity, gas for trade | -664 | -330 | -360 | -583 | -1,625 | -1,936 | -1,978 | -1,994 |
| Salaries and related expenses | -53 | -52 | -50 | -68 | -189 | -223 | -232 | -236 |
| Repair and maintenance expenses | -15 | -18 | -35 | -20 | -78 | -88 | -91 | -92 |
| Other expenses | -33 | -31 | -36 | -4 | -124 | -103 | -106 | -92 |
| *Total expenses* | *-764* | *-430* | *-481* | *-675* | *-2,016* | *-2,350* | *-2,407* | *-2,414* |
| **EBITDA** | **175** | **128** | **145** | **135** | **482** | **584** | **613** | **654** |
| **Adj. EBITDA** | **192** | **114** | **124** | **160** | **546** | **590** | **629** | **649** |
| Depreciation and amortization | -63 | -64 | -65 | -65 | -220 | -257 | -262 | -274 |
| Write-offs, revaluations PP&E, Intang. | -3 | -1 | -1 | -1 | -11 | -5 | -3 | -3 |
| **EBIT** | **110** | **63** | **80** | **70** | **251** | **322** | **349** | **378** |
| *Financial net* | *-20* | *-17* | *-16* | *-16* | *-61* | *-69* | *-62* | *-56* |
| **Pre-tax profit** | **89** | **46** | **64** | **54** | **190** | **253** | **287** | **322** |
| Current year income tax (expenses)/benefit | -16 | -6 | -6 | -5 | -26 | -34 | -38 | -42 |
| **Net profit (loss)** | **73** | **40** | **58** | **49** | **164** | **220** | **250** | **280** |

| Revenue growth (IFRS reported) | Q1/26 | Q2/26 | Q3/26 | Q4/26E | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|
| Group Revenue growth y-on-y | 21.5% | 6.3% | 25.2% | 15.9% | 8.3% | 17.5% | 2.9% | 1.6% |

| Margins | Q1/26 | Q2/26 | Q3/26 | Q4/26E | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|
| EBITDA | 18.7% | 22.9% | 23.2% | 16.7% | 19.3% | 19.9% | 20.3% | 21.3% |
| EBIT | 11.7% | 11.3% | 12.8% | 8.6% | 10.1% | 11.0% | 11.6% | 12.3% |
| Pre-tax profit | 9.5% | 8.2% | 10.3% | 6.7% | 7.6% | 8.6% | 9.5% | 10.5% |
| Net profit | 7.8% | 7.2% | 9.2% | 6.0% | 6.6% | 7.5% | 8.3% | 9.1% |

Source: Company reports (historical), Enlight Research (estimates)

## Risk factors

Below is a list of risk factors that we have chosen to highlight. It should not be regarded as an extensive list of all risk factors. For more risk factors, we recommend reading the Ignitis Group IPO prospectus, and annual/interim reports.

### Regulatory risk

Tariffs for electricity and gas distribution, which form one of Ignitis Group's core business areas, are set by the Lithuanian regulator, NERC, based on regulated assets and a reasonable rate of return (WACC). The regulated asset base (RAB) depends on approved investments, while the allowed rate of return (WACC) depends on the approved calculation method. Both values are reconsidered on an annual basis.

### Financing risk

To execute expansion plans, the Company is using external financing sources such as bonds and bank loans. Changes in the financing environment (base interest rate or finance rating) could negatively impact the Company's financial performance.

### Operational risk

Ignitis Group is operating complex energy generation and distribution assets that can be affected by various external forces (e.g., weather conditions). Disturbed assets could result in unplanned downtime or additional expenses.

### Commodities price risk

The Green Capacities, Reserve Capacities, and Customers & Solutions segments are exposed to the electricity market price volatility. In addition, the Reserve Capacities and Customers & Solutions segments are exposed to the natural gas market price volatility. Changes in electricity and natural gas market prices can significantly impact the financial performance of the mentioned business segments.

### Dividend risk

If, for whatever reason (large investments, weak financial performance, regulatory changes), the dividend growth is below our forecast, the forecast dividend yield will most likely change compared to our forecast.

### Political risk

The Lithuanian Ministry of Finance is Ignitis Group's main shareholder (~75%). Changes in Lithuania's long-term energy strategy can potentially influence Ignitis Group's short-term and long-term financials.

| Income Statement | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| Total revenues | 2,307 | 2,498 | 2,928 | 3,020 | 3,068 |
| Total operating costs | -1,774 | -2,016 | -2,344 | -2,407 | -2,414 |
| **EBITDA** | **533** | **482** | **584** | **613** | **654** |
| Depreciation | -178 | -220 | -257 | -262 | -274 |
| Amortizations | 0 | 0 | 0 | 0 | 0 |
| Impairment charges | -4 | -11 | -5 | -3 | -3 |
| **EBIT** | **350** | **251** | **322** | **349** | **378** |
| Associated companies' | 0 | 0 | 0 | 0 | 0 |
| Net financial items | -42 | -61 | -69 | -62 | -56 |
| Exchange rate differences | 0 | 0 | 0 | 0 | 0 |
| **Pre-tax profit (PTP)** | **308** | **190** | **253** | **287** | **322** |
| **Net earnings** | **276** | **164** | **220** | **250** | **280** |

| Balance Sheet | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| Assets (EURm) | | | | | |
| Cash and cash equivalent | 235 | 296 | 347 | 358 | 368 |
| Receivables | 294 | 272 | 293 | 302 | 307 |
| Inventories | 248 | 240 | 281 | 290 | 295 |
| Other current assets | 178 | 190 | 190 | 190 | 190 |
| **Total current assets** | **954** | **999** | **1,111** | **1,140** | **1,160** |
| Tangible assets | 4,027 | 4,699 | 4,943 | 5,161 | 5,387 |
| Goodwill & Other Intangibles | 306 | 293 | 288 | 286 | 283 |
| Long-term investments | 7 | 4 | 4 | 4 | 4 |
| Associated Companies | 0 | 0 | 0 | 0 | 0 |
| Other non-current assets | 380 | 235 | 193 | 196 | 197 |
| **Total fixed assets** | **4,720** | **5,231** | **5,428** | **5,646** | **5,872** |
| Deferred tax assets | 32 | 49 | 49 | 49 | 49 |
| **Total assets** | **5,706** | **6,279** | **6,589** | **6,836** | **7,081** |
| Liabilities | | | | | |
| Non-ib current liabilities | 246 | 221 | 205 | 211 | 215 |
| Short-term debt | 67 | 223 | 244 | 255 | 262 |
| Other current liabilities | 396 | 465 | 465 | 465 | 465 |
| **Total current liabilities** | **709** | **908** | **914** | **931** | **942** |
| Long-term IB debt | 1,712 | 1,888 | 2,072 | 2,161 | 2,227 |
| Convertibles & Lease liabilities | 68 | 98 | 98 | 98 | 98 |
| Other long-term liabilities | 596 | 639 | 639 | 639 | 639 |
| **Total long-term** | **2,375** | **2,625** | **2,809** | **2,898** | **2,964** |
| **Total (liabilities)** | **3,269** | **3,784** | **3,974** | **4,080** | **4,157** |
| Deferred tax liabilities | 85 | 90 | 90 | 90 | 90 |
| Provisions | 101 | 160 | 160 | 160 | 160 |
| Shareholders' equity | 2,437 | 2,495 | 2,615 | 2,756 | 2,924 |
| Minority interest (BS) | 0 | 0 | 0 | 0 | 0 |
| Total shareholders equity | 2,437 | 2,495 | 2,615 | 2,756 | 2,924 |
| **Total equity & liabilities** | **5,706** | **6,279** | **6,589** | **6,836** | **7,081** |

| DCF valuation | | Cash flow (EURm) | |
|---|---|---|---|
| WACC (%) | 6.19% | NPV FCF (2026-2028) | 121 |
| | | NPV FCF (2029-2035) | 995 |
| Assumptions 2022-2028 (%) | | NPV FCF (2036+) | 3,110 |
| CAGR Sales growth | -5.8% | Non-operating assets | 403 |
| Average EBIT margin | 11.8% | Interest-bearing debt | -2,413 |
| | | Fair value estimate | 2,215 |
| | | Fair value per share (EUR) | 30.61 |
| | | Share price (EUR) | 22.10 |

| Free Cash Flow | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| Operating profit | 276 | 164 | 322 | 349 | 378 |
| Depreciation | 178 | 220 | 261 | 264 | 276 |
| Change in wc | 105 | 90 | -78 | -12 | -6 |
| Other oper. CF items | 102 | 142 | -43 | -46 | -49 |
| **Operating CF** | **661** | **615** | **463** | **556** | **598** |
| CF from Investments | -654 | -711 | -600 | -480 | -500 |
| Other CF items | 22 | 158 | 120 | 0 | 0 |
| **Free Cash Flow** | **-194** | **-192** | **-17** | **76** | **98** |

| Capital structure | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| Equity ratio | 43% | 40% | 40% | 40% | 41% |
| Debt/Equity | 76% | 89% | 92% | 91% | 88% |
| Capital invested (EURm) | 4,284 | 4,703 | 5,029 | 5,270 | 5,511 |

| Profitability | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| ROE % | 11.8% | 6.6% | 8.6% | 9.3% | 9.8% |
| EBITDA % | 23.1% | 19.3% | 19.9% | 20.3% | 21.3% |
| EBIT % | 15.2% | 10.1% | 11.0% | 11.6% | 12.3% |
| Net Margin | 12.0% | 6.6% | 7.5% | 8.3% | 9.1% |

| Valuation (x) | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| P/E | 5.1 | 9.4 | 7.3 | 6.4 | 5.7 |
| P/E adjusted | 5.1 | 9.4 | 7.3 | 6.4 | 5.7 |
| P/Sales | 0.6 | 0.6 | 0.5 | 0.5 | 0.5 |
| EV/Sales | 1.3 | 1.4 | 1.3 | 1.2 | 1.2 |
| EV/EBITDA* | 5.7 | 6.3 | 6.2 | 6.0 | 5.9 |
| EV/EBIT* | 8.8 | 10.9 | 11.2 | 10.4 | 10.2 |
| P/BV | 0.6 | 0.6 | 0.6 | 0.6 | 0.5 |

*Calculated using adj. EBITDA and adj. EBIT figures

| Per share measures | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| EPS | 3.82 | 2.26 | 3.03 | 3.45 | 3.86 |
| EPS adjusted | 3.82 | 2.26 | 3.03 | 3.45 | 3.86 |
| CEPS | 9.13 | 8.50 | 6.40 | 7.68 | 8.27 |
| EBITDA/share | 7.36 | 6.66 | 8.07 | 8.47 | 9.03 |
| Capital empl./share | 59.2 | 65.0 | 69.5 | 72.8 | 76.1 |
| Div. per share | 1.33 | 1.37 | 1.50 | 1.55 | 1.60 |
| Payout ratio | 35% | 60% | 50% | 45% | 41% |
| Dividend yield (%) | 6.8% | 6.4% | 6.8% | 7.0% | 7.2% |

| Shareholders | |
|---|---|
| Ministry of Finance | 74.99% |
| Institutional investors | 13.37% |
| Retail invetors | 11.65% |

**Key people**

| | |
|---|---|
| Chair, CEO | Darius Maikštėnas |
| Member, CFO | Jonas Rimavičius |
| Member, Chief Organisational Development Officer | Dr. Živilė Skibarkienė |
| Member, Chief Commercial Officer | Vytenis Koryzna |
| Member, Head of Group Regulated Activities | Mantas Mikalajūnas |

| | |
|---|---|
| **P/E**<br>$\frac{\text{Price per share}}{\text{Earnings per share}}$ | **EPS**<br>$\frac{\text{Profit before extraordinary items and taxes – income taxes + minority interest}}{\text{Number of shares}}$ |
| **P/Sales**<br>$\frac{\text{Market cap}}{\text{Sales}}$ | **DPS**<br>Dividend for financial period per share |
| **P/BV**<br>$\frac{\text{Price per share}}{\text{Shareholders' equity + taxed provisions per share}}$ | **CEPS**<br>$\frac{\text{Gross cash flow from operations}}{\text{Number of shares}}$ |
| **P/CF**<br>$\frac{\text{Price per share}}{\text{Operating cash flow per share}}$ | **EV/Share**<br>$\frac{\text{Enterprise value}}{\text{Number of shares}}$ |
| **EV (Enterprise value)**<br>Market cap + Net debt + Minority interest at market value – share of associated companies at market value | **Sales/Share**<br>$\frac{\text{Sales}}{\text{Number of shares}}$ |
| **Net debt**<br>Interest-bearing debt – financial assets | **EBITDA/Share**<br>$\frac{\text{Earnings before interest, tax, depreciation and amortization}}{\text{Number of shares}}$ |
| **EV/Sales**<br>$\frac{\text{Enterprise value}}{\text{Sales}}$ | **EBIT/Share**<br>$\frac{\text{Operating profit}}{\text{Number of shares}}$ |
| **EV/EBITDA**<br>$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$ | **EAFI/Share**<br>$\frac{\text{Pre-tax profit}}{\text{Number of shares}}$ |
| **EV/EBIT**<br>$\frac{\text{Enterprise value}}{\text{Operating profit}}$ | **Capital employed/Share**<br>$\frac{\text{Total assets – non-interest-bearing debt}}{\text{Number of shares}}$ |
| **Div yield, %**<br>$\frac{\text{Dividend per share}}{\text{Price per share}}$ | **Total assets**<br>Balance sheet total |
| **Payout ratio, %**<br>$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes – income taxes + minority interest}}$ | **Interest coverage (x)**<br>$\frac{\text{Operating profit}}{\text{Financial items}}$ |
| **Net cash/Share**<br>$\frac{\text{Financial assets – interest-bearing debt}}{\text{Number of shares}}$ | **Asset turnover (x)**<br>$\frac{\text{Turnover}}{\text{Balance sheet total (average)}}$ |
| **ROA, %**<br>$\frac{\text{Operating profit + financial income + extraordinary items}}{\text{Balance sheet total – interest-free short-term debt – long-term advances received and accounts payable (average)}}$ | **Debt/Equity, %**<br>$\frac{\text{Interest-bearing debt}}{\text{Shareholders' equity + minority interest + taxed provisions}}$ |
| **ROCE, %**<br>$\frac{\text{Profit before extraordinary items + interest expenses + other financial costs}}{\text{Balance sheet total – non-interest-bearing debt (average)}}$ | **Equity ratio, %**<br>$\frac{\text{Shareholders' equity + minority interest + taxed provisions}}{\text{Total assets – interest-free loans}}$ |
| **ROE, %**<br>$\frac{\text{Profit before extraordinary items – income taxes}}{\text{Shareholders' equity + minority interest + taxed provisions (average)}}$ | **CAGR, %**<br>Cumulative annual growth rate = Average growth rate per year |

## Disclaimer

Enlight Research OÜ's main valuation methods are discounted cash flow valuation and peer valuation with common multiples such as Price to Earnings, Enterprise Value to EBITDA, dividend yield, etc. The aforementioned methods are used to estimate a company's fair value according to the following three scenarios: Bull (positive), Base (main scenario), and Bear (negative).

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