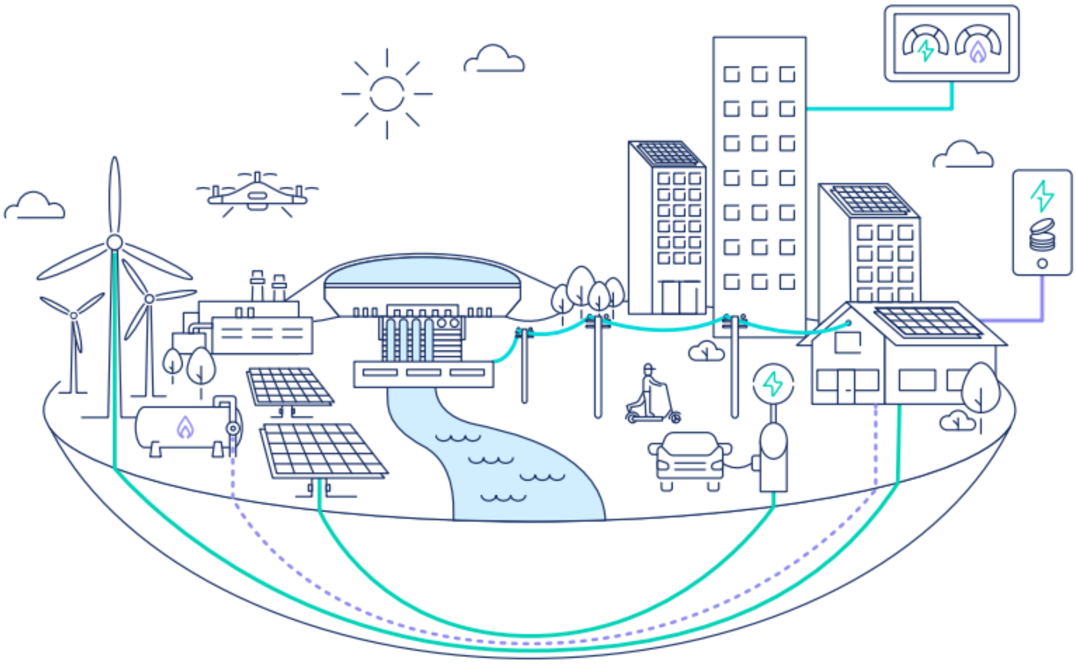
ignitis renewables

WINDLIT, UAB

Annual report for 2024

Annual report for the year ended 31 December 2024 and the financial statements of the Company for the year ended 31 December 2024, prepared in accordance with IFRS Accounting Standards as adopted by the European Union, presented together with an Independent Auditor‘s Report for the year ended 31 December 2024



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www.ignitisgrupe.lt
Company code: 300149876

ignitis grupė

Contents

Overview

1.1 Business Highlights

During the reporting period

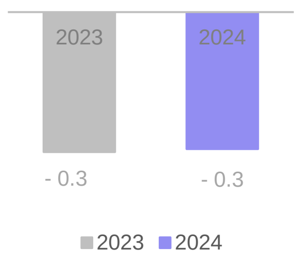
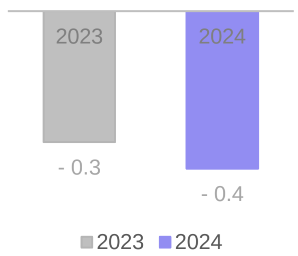
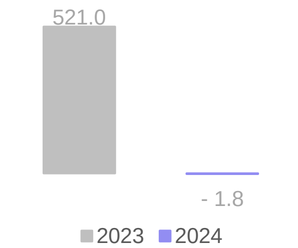
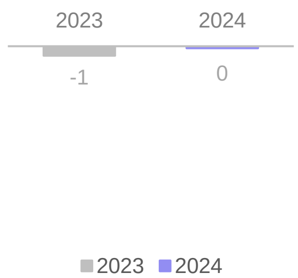
On 20 December, the first electricity was supplied to the grid.

After the reporting period

There were no significant events after the reporting period until the issue date of these financial statements.

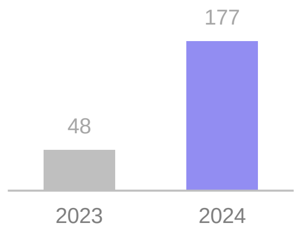
1.2 Performance Highlights

Financial

EBITDA APM EUR million 	Description. In 2024, EBITDA amounted to EUR -325 thousand, in 2023: EUR -329 thousand. The increase of EBITDA was affected by generated revenue in the amount of EUR 2028 thousand and increased expenses in the amount of EUR 203 thousand. Revenue were generated for the amount of electricity produced and sold during testing. Expenses increased due to additional need for services during construction and completion of the project.
Net loss APM EUR million 	Description. In 2024, net loss was by EUR -63 thousand higher than in 2023 and amounted to EUR -373 thousand. Major impacts: increase in revenue by EUR - 208 thousand, increase in other expenses by EUR -203 thousand, effect of impairment of depreciation PPE by EUR -44 thousand, better result of financial activities by EUR 4 thousand, change in corporate income tax by EUR -28 thousand.
ROE (LTM) APM % 	Description. In 2024, ROE decreased to -1.8% (decrease of 522.8 pp). At the end of 2024, the equity amounted to EUR 41,508 thousand and the net loss amounted to EUR 373 thousand. In 2023, the equity amounted to EUR -119 thousand and the net loss amounted to EUR 310 thousand.
ROCE (LTM) APM % 	Description. ROCE increased to -0.2% (change of 7 pp). It was mostly affected by the increase of the net debt by EUR 144.8 million, and increase in equity by EUR 41.4 million. Decrease of EBIT (LTM) by EUR 0.04 million.

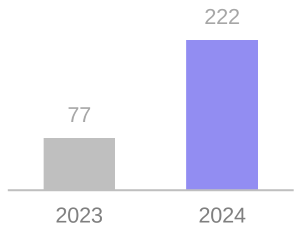
APM *Alternative performance measures are the adjusted figures presented in this report used for the internal evaluation of performance management. These indicators are not defined by IFRS Accounting Standards (IFRS) and do not comply with IFRS requirements. Definitions of alternative performance indicators can be found on the Group's website (link).*

Investments APM
EUR million



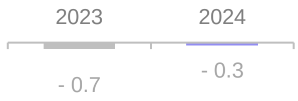
Description.
The main construction works were carried out in 2024, therefore the investments increased to EUR 177 million.

Net debt APM
EUR million



Description.
In 2024, the net debt increased to EUR 221.966 million due to loans for financing construction of the wind park.

FFO (LTM) / Net debt APM
%



Description.
FFO/net debt ratio increased by 0.4 pp. It was due to the increase in the net debt.

APM Alternative Performance Measures - Adjusted figures used in this report refer to measures used for internal performance management. *These indicators are not defined by IFRS Accounting Standards (IFRS) and do not comply with IFRS requirements. Definitions of alternative performance indicators are provided on the Group's website (link).*

Business overview

2.1 Business Model

Activity

The main activity of the Company includes the design, construction and other works related to the development of the 28-unit wind farms of renewable energy resources with the total capacity of not less than 194.6 MW.
In 2025, it is expected that the construction works will be completed, a permit to produce electricity from renewable resources will be obtained and electricity production will be started.
The first electricity was produced and fed into the grid at the end of 2024. Testing and calibration work is ongoing.

Key customers and operating model

The produced electricity will be sold to the Group's subsidiary company UAB Ignitis renewables, which will trade on the Nord pool exchange.

2.2 Strategy

The overarching ambition and integrated strategy

UAB Windlit is an important part of the integrated business model and strategy of the Ignitis Group. The Ignitis Group is an integrated energy services company prioritising renewable energy, and the largest energy group in the Baltics.

Our main aspiration is to create a 100 % green and safe energy ecosystem for present and future generations. We strengthen our contribution to decarbonising Europe and ensuring energy security in the region, accelerating the transition to green energy in the Baltics and building an exceptionally green energy system.

We are

1. **Green** (increasing capacities of green generation and green flexibility)
2. **Flexible** (creating a flexible system that could ensure operation with 100% green energy in the short, medium and long term)
3. **Integrated** (using an integrated business model to enable development of green capacities)
4. **Sustainable** (maximising sustainable value)

investing with a purpose of deploying 4 to 5 GW of operational Green Capacities by 2030 and of reaching net-zero GHG emissions by 2040 - 2050, with a focus on green production and green flexibility technologies: offshore and onshore wind power plants, batteries, hydroelectric power station, power-to-x.

Integrated business model

Green capacities

Strategic priority

Achieve 4-5 GW of operational green production and green flexibility capacities by 2023.

Networks

Strategic priority

Expanding a resilient and efficient network to enable electrification

Customers and solutions

Strategic priority

Utilising and further expanding customer portfolio to enable green capacity build-out

Reserve capacities

Strategic priority

Contributing to the security of the energy system

UAB Windlit is a part of the Ignitis Group and is included into the segment of green production. The Company's activities include production of electricity and development of the fleet using hybridisation opportunities.

Sustainability and ESG priorities

As part of our strategy, we focus on reducing the intensity of greenhouse gas emissions in Scopes 1 and 2, promoting safety at workplace with a focus on TRIR and zero fatalities, caring for the employee experience through well-being, education and growth, fair remuneration, diversity and inclusion initiatives, promoting diversity at the top, and creating sustainable value through sustainable investments and returns.

Our values

We are a team of diverse, energetically savvy people united by a common aspiration.

RESPONSIBILITY GROWTH PARTNERSHIPS OPENNESS

Strategic priorities, objectives and key performance indicators

After the completion of the park's construction project, the following is targeted for 2025: full commissioning of the park's equipment, the start of commercial operations, and the obtaining of a permit for the production of electricity from renewable energy sources.

A functioning wind power park is assigned with a strategic objective to ensure a high level of technical availability of parks. The planned indicator of technical availability must be ensured at >98%.

Governance Report

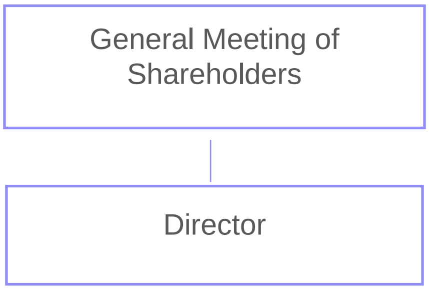
3.1 Governance Model

The Company's management model

The governing bodies of the Company are the general meeting of shareholders (hereinafter – the General Meeting) and the head of the Company – the Director of the Company (hereinafter – the Director)

The management structure of the Company consists of the Director, who is the sole management body of the Company and represents the Company in all matters and, together with the sole shareholder, is responsible for the management of the Company. The head of the Company manages the daily activities of the Company and solely represents the Company.

The sole shareholder is **UAB Ignitis Renewables**, legal entity code 304988904, registered office address Laisvės pr. 10, Vilnius, Republic of Lithuania, represented by Thierry Aelens, General Director of UAB Ignitis renewables.



Shareholders, their rights and functions

The Company WINDLIT, UAB, belongs to a group of energy companies, which consists of legal entities directly and indirectly controlled by the ultimate shareholder – the parent company of the Group of Companies. The Group's parent company is responsible for the transparent management and coordination of the Group's activities, for efficiency in delivering competitive services to customers, and for the socially responsible increase of long-term value to shareholders.

The group of companies is not a legal entity. The Company is not responsible for the obligations of the Group of Companies, and the Group of Companies is not responsible for the obligations of the Company. In compliance with the requirements of the legislation, the parent company of the Company has the right to approve the Company's operational guidelines, rules and policies of the Company's areas of operation, the annual financial plan, the annual rate of return on assets and the maximum amount of debt obligations, as well as to determine other parameters of the Company's operation, which the Company must not comply with.

100% of the Company's shares belong to the parent company UAB Ignitis renewables, which is a part of the state-owned Group of energy companies Ignitis Group.

The Company acquires rights, assumes obligations and exercises them through its management bodies. Management bodies of the Company is the General Meetings of Shareholders and the head of the Company - the Director of the Company.

The General Meeting of Shareholders is the supreme management body of the Company. The competence, convening and decision-making procedures of the General Meeting and the competence of the other bodies of the Company, the procedures for their election and convening, do not differ from those set out in the Law on Companies. If a single person is the holder of all the shares of the Company, his written decisions shall be treated as decisions of the General Meeting of Shareholders.

The Head of the Company shall obtain the approval of the sole shareholder before entering into any transactions, contracts, agreements, each of which individually has a value of more than EUR 300,000.00 (three hundred thousand euros), and before entering into a support transaction or a gratuitous assignment of assets with a value of more than EUR 5,000.00 (five thousand euros).

Activities during the reporting period

Key decisions adopted in 2024:

- On 9 July, a decision to increase of the Company's share capital was adopted;
- On 10 July, a decision to approve the Letter of Intent with the European Bank for Reconstruction and Development (EBRD) for the conclusion of the Kelme I WF I project was adopted.
- On 25 October, a decision to approve the conclusion of the Guarantee Tax Agreement between UAB Windlit and AB Ignitis Group was adopted.

Head of the Company

- **Overview**
- The Director is the sole management body of the Company. The Director organises the Company's activities, manages it, acts on behalf of the Company and concludes transactions on its own, except for the exceptions provided by the Articles of Association and legal acts. The Director's competence, election and recall procedure are determined by laws, other legal acts and the Company's Articles of Association.

- **Profile**

	Description	Experience	Education	Other currently held positions
	**Remigijus Savulionis** Head of the Company from 01/12/2023	R. Savulionis joined Ignitis Group in 2014. Before joining the Group, R. Savulionis worked as Technical Director at UAB Manfula	Master in energy of Thermal Engineering studies at Kaunas University of Technology	Project Implementation Manager at UAB Ignitis Renewables projektai (company code 305916135)

The remuneration of the Company's CEO is determined in accordance with the remuneration policy of AB Ignitis Group and the internal legal acts thereon. More information on remuneration can be found in the Remuneration Policy.

3.2 Risks and Risk Management

Risk management framework

Overview

In carrying out its activities, the Company faces internal and external risks that may affect its performance results. To ensure risk mitigation to an acceptable level, Ignitis Group applies uniform risk management principles, which are based on the best market practices, including the guidance of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and AS/NZS ISO 31000:2018. A clear segregation of risk management and control duties is controlled by applying the Three-Lines Enterprise Risk Management Framework in Ignitis (see table below), where the duties are distributed in the Group between management and supervisory bodies, structural units, and functions. In order to ensure effective risk management control, we monitor risks, risk management measures, key risk indicators and prepare internal reports to the management (both at UAB Ignitis renewables level and at the Group level) on a quarterly basis. This section provides summarised information on the risk management model and the main parts of the risk management process in Ignitis Group. For more detailed information on risk management process and review of the main risks of Ignitis renewables Group in 2024 and the plan for risk management in 2025, see the activity report of UAB Ignitis renewables for 2024.

Three-lines risk management framework applied in Ignitis Group

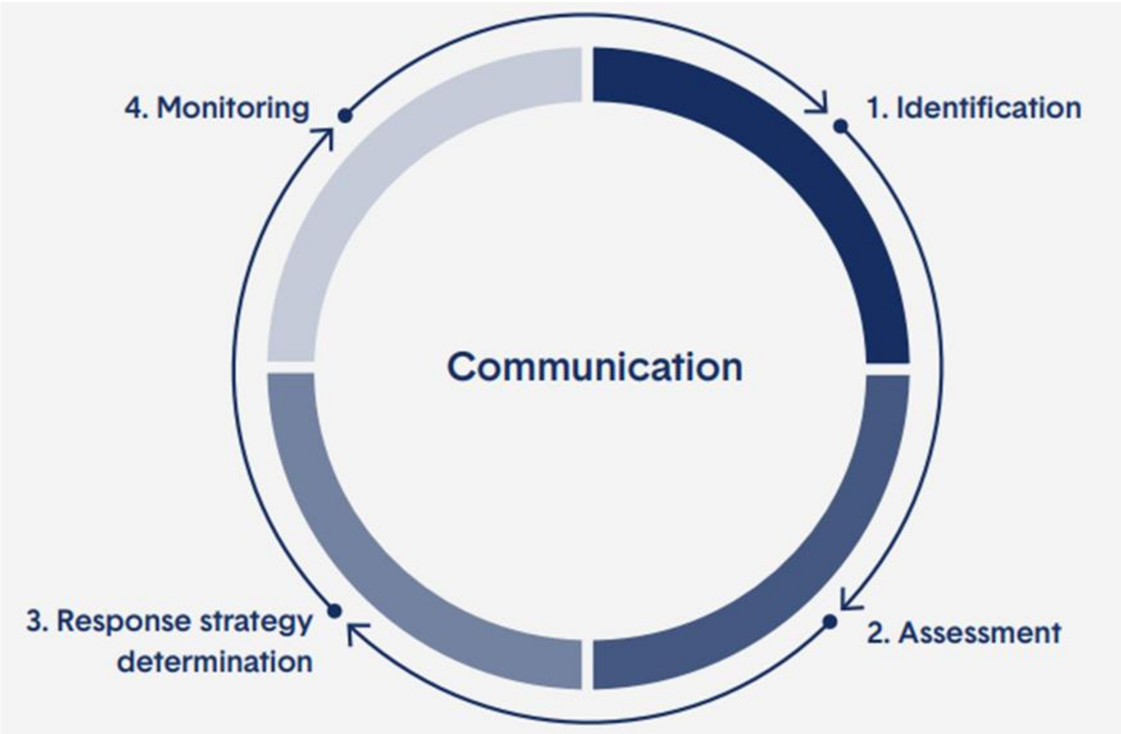
Risk management goals:

- to ensure that the values of the Group: responsibility, partnership, openness and growth are followed when making decisions and achieving set goals;
- to eliminate or reduce the impact of the materialised risks on goals for different periods as much as possible;
- to protect the interests of customers, stakeholders, and the public;
- to ensure that correct information is provided to decision-makers, shareholders, and other stakeholders in a timely manner;
- to protect and ensure reputation and reliability of the Group;
- to ensure stability and sustainability of the whole Group.

Risk management process and key principles

In order to achieve strategic goals and respond to a dynamic environment of operation, the Group pays special attention to proactive risk management. Therefore, the risk levels are reviewed, new risk management measures are planned as needed, key risk indicators are refined, new sources of risk or new risks are identified at the Group level on quarterly basis. The ability to proactively react to changing risks is extremely important and ensures that our management receives the most relevant information and makes timely decisions. Environmental, social and governance (ESG) risks and opportunities are also an integral part of the Group's day-to-day business and are fully integrated into the applicable risk management process. Our risk management process comprises four parts: risk identification, assessment, establishing response strategy and monitoring.

Risk management process



More information on risk management process and key risks of Ignitis renewables Group please find in UAB Ignitis renewables annual report 2024.

https://ignitisgrupe.lt/2024-m-metinis-pranesimas

Sustainability

4.1 Overview of Sustainability

UAB WINDLIT is a subsidiary and its information on sustainability is included in the consolidated management report of the parent company AB Ignitis Group. Therefore, in accordance with Article 23(1)(1) of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania, it qualifies with the condition allowing not to present the information on sustainability issues as specified in the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

The annual sustainability report for 2024 integrated into the consolidated management report of AB Ignitis grupė provides information on sustainability of AB Ignitis grupė and its companies (hereinafter - the Group). This includes review of liabilities and activities in such areas as environmental efficiency, social responsibility and governance practice. Sustainability Report is available on the Group's website www.ignitisgrupe.lt _under the sections 'For Investors' and 'Sustainability'.

5 Financial Statements

5.1 Company’s Financial Statements

Prepared for the year ended 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the European Union

The Company’s financial statements were prepared and signed by the management of UAB WINDLIT on 28 March 2025:

Remigijus Savulionis	**Aurelija Malinauskaitė**
Director	UAB Ignitis grupės paslaugų centras, Accounting expert, acting under Order No 24_GSC_SP_0051 of 30 September 2024

Statement of Profit or Loss and other Comprehensive income

For the year ended 31 December 2024

EUR thousand	Notes	2024	2023
Revenue from contracts with customers	5	208	-
Total revenue and other income		**208**	**-**
Depreciation and amortisation		(44)	(3)
Salaries and related expenses		(1)	(2)
Repair and maintenance expenses		(1)	-
Write-offs, revaluation and impairment of property, plant and equipment and intangible assets		(2)	-
Other expenses	6	(531)	(327)
Total expenses		**(579)**	**(332)**
Operating profit (loss)		**(371)**	**(332)**
Finance expenses	7	-	(4)
Finance activity, net		**-**	**(4)**
Profit (loss) before tax		**(371)**	**(336)**
Income tax expense (income)	8	(2)	26
Net profit (loss) for the year		**(373)**	**(310)**
Total comprehensive income (loss) for the year		**(373)**	**(310)**

Statement of Financial Position

31 December 2024

EUR thousand	Notes	31 December 2024	31 December 2023
Assets			
Property, plant and equipment	9	256,150	48,649
Right of use assets	10	2,864	1,063
Prepayments for non-current assets		84	30,626
Non-current receivables	11	-	2,919
Other non-current assets		-	434
Deferred tax assets	8	41	43
Non-current assets		**259,139**	**83,734**
Prepayments and deferred expenses		362	361
Trade receivables	12	252	-
Other receivables	11	5,529	349
Cash and cash equivalents	13	738	963
Current assets		**6,881**	**1,673**
Total assets		**266,020**	**85,407**
EQUITY AND LIABILITIES			
Share capital	14	6,003	3
Share premium		36,188	188
Retained earnings (deficit)		(683)	(310)
Equity		**41,508**	**(119)**
Non-current loans	16	219,781	76,802
Non-current lease liabilities	16	2,750	1,076
Other non-current liabilities		-	147
Non-current liabilities		**222,531**	**78,025**
Loans	16	1	237
Lease liabilities	16	172	-
Trade payables		78	7
Other current liabilities	18	1,730	7,257
Current liabilities		**1,981**	**7,501**
Total liabilities		**224,512**	**85,526**
Total equity and liabilities		**266,020**	**85,407**

Statement of Changes in Equity

For the year ended 31 December 2024

EUR thousand	Notes	Share capital	Share premium	Retained earnings (deficit)	Total
Balance as at 1 January 2023		**3**	**450**	**(262)**	**191**
Net profit (loss) for the year		-	-	(310)	**(310)**
Covered losses	14	-	(262)	262	**-**
Balance as at 31 December 2023		**3**	**188**	**(310)**	**(119)**
Balance as at 1 January 2024		**3**	**188**	**(310)**	**(119)**
Net profit (loss) for the year		-	-	(373)	**(373)**
Increase in share capital	14	6,000	36,000	-	**42,000**
Balance as at 31 December 2024		**6,003**	**36,188**	**(683)**	**41,508**

Statement of Cash Flows

For the year ended 31 December 2024

EUR thousand	Notes	2024	2023
Net profit (loss) for the year		(373)	(310)
Adjustments:			
Depreciation and amortisation expenses	10	44	3
Income tax expenses/(benefit)	8	2	(26)
Interest expenses	7	-	4
Other non-monetary adjustments		-	(263)
Changes in working capital:			
(Increase) decrease in other non-current receivables and other receivables		687	(3,241)
(Increase) decrease in prepayments and deferred expenses, other non-current assets		433	(795)
(Increase) decrease in trade payables and other non-current and current liabilities		171	1,983
Net cash flows from operating activities		**964**	**(2,645)**
Acquisition of property, plant and equipment and intangible assets		(172,515)	(72,602)
Other increases/(decreases) in cash flows from investing activities		-	1
Net cash flows from investing activities		**(172,515)**	**(72,601)**
Loans received	17	132,900	76,382
Lease payments	17	(121)	-
Interest paid	17	(253)	(174)
Increase in share capital		38,800	-
Net cash flows from financing activities		**171,326**	**76,208**
Increase (decrease) in cash and cash equivalents		**(225)**	**962**
Cash and cash equivalents at the beginning of the period		963	1
Cash and cash equivalents at the end of the period		**738**	**963**

Explanatory Notes

1 General information

UAB WINDLIT (hereinafter – the Company) is a private limited company registered in the Republic of Lithuania. The head office of the Company is located at Laisvės pr. 10. The Company is a profit-making entity with limited civil liability, registered with the Register of Legal Entities on 13 February 2013, managed by the State Enterprise Centre of Registers. Company code is 303002760, VAT payer code is LT100010610911. The Company has been founded for an indefinite period. Reporting period is one year ended 31 December 2024.

The main activity of the Company is development of wind farm.

Shareholder of the Company:

	31 December 2024		31 December 2023	
	Number of shares held	%	Number of shares held	%
UAB Ignitis renewables	20,699,756	100	10,100	100
Total	**20,699,756**	**100**	**10,100**	**100**

As at 31 December 2024, the Company's parent company is UAB Ignitis renewables (company code 301844044, Laisvės pr. 10, LT-04215 Vilnius), which owns 100% of the Company's shares since 30 October 2023. As at 31 December 2024, all shares of UAB Ignitis renewables are owned by AB Ignitis grupė (company code 301844044, Laisvės pr. 10, LT-04215 Vilnius). As at 31 December 2024 and 2023, the shareholder structure of AB Ignitis Group consisted of the Ministry of Finance of the Republic of Lithuania (74.99%), retail and institutional investors (25.01%).

AB Ignitis grupė is an ultimate parent company. The Group consists of AB "Ignitis grupė" and all its subsidiaries (hereinafter – the Group).

These financial statements were signed by the management of UAB WINDLIT on 28 March 2025. The Company's shareholder has a right to approve the present financial statements, refuse to approve them and require that new financial statements are drawn up.

2 Basis of preparation

2.1 Basis of accounting

These financial statements have been prepared in accordance with IFRS Accounting Standards (hereinafter – IFRS), approved by the International Accounting Standards Board (hereinafter – IASB) and endorsed for application in the European Union.

The Company's financial statements for the year ended on 31 December 2024 (hereinafter – the financial statements) have been prepared on a going concern basis and are measured at historical acquisition cost.

These financial statements provide comparative information of the previous period.

Detailed information about the Company's accounting policy, including changes, is presented in the financial statements under the Section 5.2 'Additional information'.

2.2 Functional and presentation currency

These financial statements are presented in euro, which is the Company's functional currency, and all values are rounded to the nearest thousand (EUR '000), except when otherwise indicated. Changes in material accounting policies

3 Changes in material accounting policies

3.1 Changes in accounting policies and disclosures

The accounting policy applied in the preparation of these financial statements is consistent with the accounting policies that were followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023, except for the new standards that came into force in 2024. The Company does not apply any standard, interpretation or amendment, for which early application is permitted but which is not yet effective.

More information about the new standards is presented in the financial statements under the section 'Material accounting policies'.

4 Critical accounting estimates and judgements used in the preparation of the financial statements

In preparing the financial statements, management has made certain assumptions and estimates about the future, including the climate-related risks and possibilities, which have affected the reported amounts of assets, liabilities, income and expenses and the disclosure of contingencies. Changes in assumptions and judgements in the future could have a material impact on these financial statements.

Assessments and judgements with underlying assumptions are kept under constant review and are consistent with the Company's risk management and climate-related commitments. Assessments and judgements are recognised prospectively.

This note describes only the critical accounting estimates and judgements used in the preparation of the financial statements. Other accounting estimates and judgments used are presented in other notes to these financial statements.

4.1 Determining whether statutory and contractual servitudes are a lease

Management of the Company analysed whether statutory and contractual servitudes are in scope of IFRS 16 Leases and concluded that statutory and contractual servitudes are not in scope since both statutory and contractual servitudes are not limited in time and can be used by the Company for an indefinite period of time. Perpetual arrangement lacks an essential characteristic of a lease – i.e. it does not meet the definition of a lease because it does not convey a right to use an underlying asset for a specified period of time.

For servitudes with a clear term or when term is renewable on a period-by-period basis IFRS 16 is applied when all other criteria are met listed in IFRS16.

4.2 Leases – determining the lease term and estimating the incremental borrowing rate

4.2.1 Determining the lease term of contracts with renewal and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Company included the renewal period as part of the lease term for leases of shorter non-cancellable period (i.e., one to three, three to five, five to seven years, etc.). The Group usually exercises its option to renew for these leases. Lease of the state-owned land is not subject to an extension clause, after which the lessee has a pre-emptive right to extend the lease. The periods covered by termination options are included as part of the lease term only when they are reasonably certain to be exercised.

4.2.2 Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (hereinafter "IBR") to measure lease liabilities (Note 16). The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5 Revenue from contracts with customers

5.1 Revenue from contracts with customers by type

EUR thousand	2024	2023
Electricity related revenue		
Revenue from sale of produced electricity	208	-
Total	**208**	**-**

In 2024, all of the Company's revenue from contracts with customers was recognised over a period.

5.2 Rights to returned goods and payable liabilities

The Company does not have any significant contracts with the customers' right to return purchased electricity.

6 Other expenses

EUR thousand	2024	2023
Finance and accounting	339	15
Asset management and administration	109	176
Legal	78	-
Support	3	1
Other	2	135
Total	**531**	**327**

7 Finance activity

EUR thousand	2024	2023
Interest expenses	-	4
Total finance expenses	**-**	**4**
Total financing activities	**-**	**(4)**

8 Income taxes

8.1 Amounts recognised in profit or loss

EUR thousand	2024	2023
Deferred income tax expenses (income)	2	(26)
Total	**2**	**(26)**

8.2 Reconciliation of effective tax rate

Income tax calculated on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate applicable to profit of the Group:

EUR thousand	2024	2024	2023	2023
Profit (loss) before tax		(371)		(336)
Income tax expenses (benefit) at tax rate of 15%	15.00%	(56)	15.00%	(50)
Non-taxable income and non-deductible expenses	(16.44)%	61	(7.14)%	24
Income tax rate change	0.81%	(3)	-	-
Corporate income tax expenses (income)	**(0.63)%**	**2**	**7.86%**	**(26)**

The income tax is calculated on the profit before taxes. The standard corporate income tax rate applicable to companies of the Republic of Lithuania in 2024 and 2023 was 15%. (from 2025 – 16%).

8.3 Deferred tax

EUR thousand	31 December 2022	Recognised in profit (loss)	31 December 2023	Recognised in profit (loss)	31 December 2024
Deferred tax assets					
Lease liabilities (IFRS 16)	-	155	155	312	467
Accrued expenses	-	2	2	12	14
Tax losses carried forward	17	148	165	1,451	1,616
Total deferred tax assets	**17**	**305**	**322**	**1,775**	**2,097**
Deferred tax liability					
Right-of-use assets (IFRS 16)	-	(154)	(154)	(303)	(457)
Capitalised interest	-	(125)	(125)	(1,474)	(1,599)
Total deferred tax liability	**-**	**(279)**	**(279)**	**(1,777)**	**(2,056)**
Net deferred tax	**17**	**26**	**43**	**(2)**	**41**

9 Property, plant and equipment

9.1 Company's property, plant and equipment

EUR thousand	Construction in progress	Total
Acquisition cost as at 1 January 2024	**48,649**	**48,649**
Additions	207,501	207,501
Acquisition cost as at 31 December 2024	**256,150**	**256,150**
Carrying amount as at 31 December 2024	**256,150**	**256,150**
Acquisition cost as at 1 January 2023	**600**	**600**
Additions	48,049	48,049
Acquisition cost as at 31 December 2023	**48,649**	**48,649**
Carrying amount as at 31 December 2023	**48,649**	**48,649**

As at 31 December 2024 and 2023, the Company did not have fully depreciated property, plant and equipment in use.

9.2 Acquisitions of property, plant and equipment

The Company has significant acquisition liabilities of property, plant and equipment which will have to be fulfilled during the later years. As at 31 December 2024, the Company's liabilities to suppliers regarding the contracts that have been concluded but not fulfilled amounted to EUR 24,585 thousand (as at 31 December 2023: EUR 208,362 thousand).

During 2024, the Company capitalised EUR 8,330 thousand of interest on loans intended to finance development of non-current assets (2023: EUR 606 thousand). The average capitalised interest rate was 4.8% in 2024 and 2023.

9.3 Pledged property, plant and equipment

As at 31 December 2024 and 2023, the Company had no pledged property, plant and equipment.

10 Right of use assets

10.1 The Company's right-of-use assets

EUR thousand	Land	Total
1 January 2024		
Acquisition cost	1,066	**1,066**
Accumulated depreciation	(3)	**(3)**
Carrying amount	**1,063**	**1,063**
Carrying amount as at 1 January 2024		
Additions	1,731	**1,731**
Remeasurement of lease contracts	63	**63**
Other movements	51	**51**
Depreciation	(44)	**(44)**
Carrying amount as at 31 December 2024	**2,864**	**2,864**
31 December 2024		
Acquisition cost	**2,911**	**2,911**
Accumulated depreciation	**(47)**	**(47)**
Carrying amount	**2,864**	**2,864**
Carrying amount as at 1 January 2023	-	**-**
Additions	1,066	**1,066**
Depreciation	(3)	**(3)**
Carrying amount as at 31 December 2023	**1,063**	**1,063**
31 December 2023		
Acquisition cost	1,066	**1,066**
Accumulated depreciation	(3)	**(3)**
Carrying amount	**1,063**	**1,063**

All lease contracts concluded by the Company are for lease of land. As at 31 December 2024 the carrying amount of land lease liability amounted to EUR 2.86 million (31 December 2023: EUR 1.06 million). As at 31 December 2024 and 2023, the interest rates for on the lease of land were 5.01 – 7.27%. The land lease contracts valid as at 31 December 2024 expire during the period 2073 – 2083. Balances of liabilities under land lease contracts are provided Note 16. Land is leased from natural persons, wind park is built on the leased land.

10.2 Expenses related to lease agreements recognised in statement of profit or loss

EUR thousand	2024	2023
Depreciation	44	3
Interest expenses	213	10
Other lease expenses	107	39
Result of lease remeasurement (lease modification gain (-)/loss (+))	2	-
Lease expenses, total	**366**	**52**

10.3 Future expenses related to lease agreements

EUR thousand	2024	2023
Future expenses related to short-term and low value leases	7	-
Leases not yet commenced to which the lessee is committed	623	6,940
Total future lease expenses	**630**	**6,940**

11 Non-current and current receivables

EUR thousand	31 December 2024	31 December 2023
Cash reserved for guarantees	-	2,919
Total non-current part:	**-**	**2,919**
Value added tax	2,329	349
Other current receivables	3,200	-
Total current part of non-current receivables:	**5,529**	**349**
Less: provision for loss	-	-
Carrying amount	**5,529**	**3,268**

As at 31 December 2024, financial assets amounted to EUR 3,200 thousand (31 December 2023: EUR 2,919 thousand). The financial assets do not include value added tax.

12 Trade receivables

EUR thousand	31 December 2024	31 December 2023
Amounts receivable under contracts with customers		-
Amounts receivable for electricity	252	-
Total	**252**	**-**
Less: provision for loss	-	-
Carrying amount	**252**	**-**

As at 31 December 2024, the Company had not pledged any claim rights to trade receivables.

No interest is charged on trade receivables, and the regular settlement period is 30 days.

12.1 Provision for losses on receivables (expected lifetime credit losses)

As at 31 December 2024, receivables under the contracts with customers are not past due. No material provision for credit losses has been established during the reporting period by applying an individual valuation to estimate the expected credit losses.

13 Cash and cash equivalents

EUR thousand	31 December 2024	31 December 2023
Cash balances in bank accounts	738	963
Carrying amount	**738**	**963**

14 Equity

14.1 Capital management

For the purpose of capital management, the management uses equity as reported in the statement of financial position.

According to the Law on Companies of the Republic of Lithuania, the share capital of a closed joint stock company must be at least EUR 1 thousand. Equity must make at least 50% of the Company’s share capital. As at 31 December 2024 and 2023, the Company did not comply with regulatory capital requirements.

14.2 Share capital

EUR thousand	31 December 2024	31 December 2023
Share capital		
Ordinary shares	6,002,929	2,929
Ordinary shares issued and fully paid	**6,002,929**	**2,929**

As at 31 December 2024, the Company’s share capital was equal to EUR 6,002,929 and was divided into 20,699,756 ordinary registered shares at a nominal value of EUR 0.29 each (as at 31 December 2023, the share capital was equal to EUR 2,929 and was divided into 10,100 ordinary registered shares at a nominal value of EUR 0.29 each).

On 9 July 2024, a decision to increase the share capital from EUR 2,929 to EUR 6,002,929 by using a non-monetary contribution of UAB Ignitis renewables, the sole shareholder, and issuing 20,689,656 new shares was adopted by the decision of UAB Ignitis renewables, the sole shareholder of the Company.

15 Reserves

15.1 Legal reserve

The legal reserve is a compulsory reserve under the Lithuanian legislation. The legal reserve shall not be used for payment of dividends and is formed to cover future losses only. The Company’s legal reserve was fully formed as of 31 December 2024 and 2023.

The legal reserve cannot be used for payment of dividends and is formed to cover future losses only.

As at 31 December 2024 and 2023, the Company's legal reserve was no formed.

16 Loans and lease liabilities

EUR thousand	31 December 2024	31 December 2023
Loan of the parent company	219,781	76,802
Lease liabilities	2,750	1,076
Total non-current portion	**222,531**	**77,878**
Current portion of non-current loans	1	237
Lease liabilities	172	-
Total current portion	**173**	**237**
Total	**222,704**	**78,115**

Loans and lease liabilities by maturity:

EUR thousand	31 December 2024	31 December 2023
Up to 1 year	173	237
From 1 to 2 years	(16)	(15)
From 2 to 5 years	219,737	76,757
After 5 years	2,810	1,136
Total	**222,704**	**78,115**

All the Company's loans are denominated in Euros.

All of the Company's lease liabilities as of 31 December 2024 and 2023 are related to land lease agreements.

16.1 Fulfilment of liabilities and unused balances

The liability to comply with financial or non-financial indicators is not provided in the loan agreements. There are no assets pledged to secure repayment of loans.

17 Net debt

Net debt is a non-IFRS liquidity indicator that is used to determine the ratio of debt to highly liquid assets under management of the Company. In implementing the risk management strategy, the management monitors the net debt ratio.

This note presents net debt, which is a non-IFRS indicator for the purpose of these financial statements and is defined by management as presented below.

Debts to the parent company, related interest payable and lease liabilities are included in the calculation of net debt.

Net debt balances:

EUR thousand	31 December 2024	31 December 2023
Cash and cash equivalents	(738)	(963)
Non-current portion	222,531	77,878
Current portion	173	237
Net debt	**221,966**	**77,152**

Reconciliation of the Company's net debt balances to cash flows from financing activities:

	Assets	Lease liabilities		Loans		Total
EUR thousand	Net cash	Non-current	Current	Non-current loans	Current loans	
Net debt as at 1 January 2023	**(1)**	**-**	**-**	**420**	**-**	**419**
Cash changes						
Increase (decrease) in cash and cash equivalents	(962)	-	-	-	-	**(962)**
Loans received	-	-	-	76,382	-	**76,382**
Interest paid[1]	-	-	-	-	(174)	**(174)**
Non-cash changes						
Covered losses	-	-	-	-	(262)	**(262)**
Lease contracts concluded	-	1,066	-	-	-	**1,066**
Accrued payable interest	-	-	10	-	610	**620**
Reclassifications between items	-	10	(10)	-	-	**-**
VAT on interest payable	-	-	-	-	63	**63**
Net debt as at 31 December 2023	**(963)**	**1,076**	**-**	**76,802**	**237**	**77,152**
Net debt as at 1 January 2024	**(963)**	**1,076**	**-**	**76,802**	**237**	**77,152**
Cash changes						
Increase (decrease) in cash and cash equivalents	225	-	-	-	-	225
Loans received	-	-	-	132,900	-	132,900
Lease payments	-	-	(121)	-	-	(121)
Interest paid[1]	-	-	(17)	-	(236)	(253)
Non-cash changes						
Lease contracts concluded	-	1,731	-	-	-	1,731
Accrued payable interest	-	-	213	8,330	-	8,543
Reclassifications between items	-	(57)	57	-	-	-
Other non-cash changes	-	-	40	-	-	40
VAT on interest payable	-	-	-	1,749	-	1,749
Net debt as at 31 December 2024	**(738)**	**2,750**	**172**	**219,781**	**1**	**221,966**

[1] Interest paid during the period includes also VAT from the interest amount.

18 Other current liabilities

EUR thousand	31 December 2024	31 December 2023
Amounts payable for property, plant and equipment	1,643	6,603
Accrued expenses	87	10
Other amounts payable and liabilities	-	644
Carrying amount	**1,730**	**7,257**

Financial liabilities amounted to EUR 1,643 thousand (31 December 2023: EUR 7,247 thousand). Accrued expenses are not financial liabilities.

19 Contingent liabilities and commitments

19.1 Litigations

In 2024 and 2023, the Company was not involved in any legal proceedings that, in the opinion of management, would have a material effect on the financial statements.

20 Related party transactions

Related parties, in EUR thousand	Amounts receivable	Amounts payable	Loans received	Sales	Purchases	Finance income (expenses)
	31 December 2024	31 December 2024	31 December 2024	2024	2024	2024
Parent company UAB Ignitis renewables	3,200	70	219,783	-	676	8,337
Other companies of the Group	252	139	-	208	43	168
State-owned companies of UAB EPSO-G Group	-	-	-	-	1	-
Total	**3,452**	**209**	**219,783**	**208**	**720**	**8,505**

Related parties, in EUR thousand	Amounts receivable	Amounts payable	Loans received	Sales	Purchases	Finance income (expenses)
	31 December 2023	31 December 2023	31 December 2023	2023	2023	2023
Parent company UAB Ignitis renewables	-	243	76,802	-	431	-
Other companies of the Group	24	4,904	-	-	18,926	-
Total	**24**	**5,147**	**76,802**	**-**	**19,357**	**-**

The Company purchases services related to management, imbalance management taxation, accounting and personnel administration services from the parent company, and services for construction and relocation of electrical equipment from the Group companies.

Also, in 2024 and 2023, the Company received a loan from the parent company (Note 16).

20.1 Terms of transactions with related parties

Settlements are subject to a 30-day payment term. The balances of payable amounts at the end of the year are not secured by pledges, they are interest-free, and settlements are made in cash. No guarantees have been given or obtained to cover amounts receivable or payable from related parties.

20.2 Remuneration to key management personnel

EUR thousand	2024	2023
Wages and salaries and other current benefits to key management personnel	1	2
Whereof:		
Current benefits	1	2
Number of key management personnel	1	1

The Company's Director was deemed to be the principal executive officer of the Company in 2024 and 2023. For more information on the key management personnel, see the 'Governance report' of Annual report.

21 Risk Management

21.1 Overview

Risk is a natural and integral part of doing business, and the risk profile is constantly changing. The Group aims to reduce its risks and reduce them to an acceptable level by applying risk management. This section describes only the management of the main financial risks. Management of other risks is presented in the Governance Report.

21.2 Financial risk factors

In managing its activities, the Company faces various financial risks: market risk (including foreign currency risk, cash flow interest rate risk), credit risk and liquidity risk. By managing these risks, the Company aims to reduce the influence of factors that may negatively affect financial performance.

21.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk includes two types of risk - interest rate risk and currency risk.

21.2.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a position will fluctuate due to changes in foreign exchange rates.

Most of purchase and sale contracts of the Company are concluded in EUR. Accordingly, the risk of exchange rate fluctuations is insignificant.

21.2.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to fluctuations in market interest rates.

The Company has concluded a long-term loan agreement with a fixed interest rate (Note 16). As interest rate is fixed, analysis of sensitivity to fluctuations in interest rates is not presented.

The Company's income and operating cash flows are not substantially dependent of changes in market interest rate.

21.2.2 Credit risk

Credit risk is the risk that a counterparty will not fulfil its liabilities under a financial instrument or contract with a customer and will incur financial losses as a result.

The Company is exposed to concentration of credit risk due to amounts receivable, although substantially all of amounts receivable are from another Group company. The Company applies individual valuation to estimate the expected credit losses (no impairment losses have been established during the reporting period). Due to that Company does not consider that risk related to concentration of amounts receivable is significant.

The Company's exposure to cash is limited as the Company only holds cash balances with reputable financial institutions. The maximum credit risk is equal to the carrying amount of the financial asset.

EUR thousand	Note	31 December 2024	31 December 2023
Financial assets measured at amortised cost:			
Non-current receivables	11	-	2,919
Trade receivables		252	-
Other receivables	11	3,200	-
Cash and cash equivalents	13	738	963
Total		**4,190**	**3,882**

21.2.3 Liquidity risk

The liquidity risk is managed by planning the Company's future cash flows and ensuring that the Company always has sufficient funds, signed credit agreements and account surpluses to ensure the Company's normal operations. The risk of refinancing is managed by ensuring that financial debts due within a given period are covered by available cash, the Company's expected cash flow from operations during that period and the amount of unused credit facilities repayable in subsequent periods. The refinancing risk is managed by ensuring that financial debts over a certain period were repaid from available cash, from cash flows expected from operating activities of the Company over that period, and from unwithdrawn committed credit facilities which have to be repaid in later periods.

As at 31 December 2024, the Company's total liquidity ratio (current assets/current liabilities) was 3.47 (as at 31 December 2023: 0.22). As at 31 December 2024, the Company's balance of credit and overdraft facilities not withdrawn amounted to EUR 16,998 thousand (31 December 2023: EUR 150,000 thousand).

The table below provides information on the Company's financial liabilities by groups:

EUR thousand	Note	31 December 2024	31 December 2023
Amounts payable measured at amortised cost			
Loans	16	219,782	77,039
Lease liabilities	16	2,922	1,076
Other non-current liabilities		-	147
Trade payables		78	7
Other current liabilities	18	1,730	7,247
Total		**224,512**	**85,516**

The table below contains information on contractual maturities of the Company's financial liabilities according to the contracts (taking into account the non-discounted cash flows of financial liabilities for which interest is calculated, and the carrying amount of other financial liabilities):

EUR thousand	2024				Total
	Less than 3 months	From 3 months to 1 year	1 to 5 years	After 5 years	
Loans	-		245,771		**245,771**
Lease liabilities	-	109	773	12,086	**12,968**
Trade payables	78	-	-	-	**78**
Other current and non-current liabilities	1,643	-	-	-	**1,643**
31 December 2024	**1,721**	**109**	**246,544**	**12,086**	**260,460**

EUR thousand	2023				Total
	Less than 3 months	From 3 months to 1 year	1 to 5 years	After 5 years	
Loans	909	2,778	89,993	-	93,680
Lease liabilities	-	-	343	4,271	4,614
Trade payables	7	-	-	-	7
Other current and non-current liabilities	7,247	-	147	-	7,394
31 December 2023	**8,163**	**2,778**	**90,483**	**4,271**	**105,695**

21.3 Going concern

The Company's financial statements have been prepared on a going concern basis. During the financial year 2024, the Company incurred a loss of 373 thousand. Despite this, as at 31 December 2024, the Company‘s current assets exceeded its current liabilities by EUR 4,900 thousand (as at 31 December 2023: current liabilities exceeded current assets by EUR 5,828 thousand), resulting in a positive equity position for the Company. The Company also has a reserve of unused borrowing capacities (see 21.2.3).
In 2025, the Company generates revenue, and therefore the result is positive.

22 Fair values of financial instruments

22.1 Financial instruments for which fair value is disclosed

The fair value of the loans from the Group companies is calculated by discounting future cash flows according to the interest rate observed in the market. The cash flows were discounted using a weighted average discount rate of 3.55 as at 31 December 2024 (31 December 2023: 6.71). The measurement of debt-related financial liabilities is assigned to level 2 of the fair value hierarchy.
The table below presents the fair value hierarchy levels of the Company’s financial instruments as at 31 December 2024:

EUR thousand	Note	Carrying amount	Level 1 Prices quoted in active markets	Level 2 Other directly or indirectly observed data	Level 3 Not observed data	Total
Financial instruments for which fair value is disclosed						
Liabilities						
Loan of the parent company	16	**219,782**	-	228,480	-	**228,480**

The table below presents the fair value hierarchy levels of the Company’s financial instruments as at 31 December 2023:

EUR thousand	Note	Carrying amount	Level 1 Prices quoted in active markets	Level 2 Other directly or indirectly observed data	Level 3 Not observed data	Total
Financial instruments for which fair value is disclosed						
Liabilities						
Loan of the parent company	16	**76,802**	-	71,411	-	**71,411**

23 Events after the reporting period

There were no significant events after the reporting period to the date of these financial statements.

5.2 Additional information

1 Material accounting policies

1.1 New standards, amendments and interpretations

1.1.1 Standards and their interpretations, announced and adopted by the European Union, effective for the current reporting period

The following are new standards and/or amendments to standards approved by the IASB and adopted for application in the European Union for the year ended 31 December 2024.

Standards or amendments that came into force during 2024
Classification of Liabilities as Current or Non-current
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback

The application of these standards, amendments and interpretations had no material impact on the financial statements.

1.1.2 Standards issued but not yet effective and not early adopted

The Group did not adopt new IFRS, IAS, their amendments and interpretations issued by IASB, the effective date of which is later than 31 December 2024 and early adoption is permitted. The following are new standards and/or amendments to the standards that have been issued but not yet effective:

1.1.3 Other standards

The following amended standards are not expected to have a significant impact on the Company's financial statements:

Other new standards and amendments	IA SB Effective date	EU Endorsement status
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025	Endorsed
Contracts related to electricity from natural resources - Amendments to IFRS 9 and IFRS 7	1 January 2026	Not yet endorsed
Annual improvements, Volume 11	1 January 2026	Not yet endorsed
Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026	Not yet endorsed
IFRS 19 Subsidiaries Without Public Accountability: Disclosures	1 January 2027	Not yet endorsed
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	Not yet endorsed

1.2 Revenue from contracts with customers

The parent company in the contracts with customers identifies performance obligations (stated either explicitly or implied) to transfer either distinct goods or services or series of distinct goods or services that are substantially the same and have the same pat-tern of transfer to the customer. Promised goods or services represent separate performance obligation if the goods or services are distinct. A promised good or service is considered distinct if both of the following criteria are met:

(i) customer can benefit from the good or service on its own or with other readily available resources; and
(ii) the good or service is separately identifiable from other promises in the contract (distinct within the context of the contract).

The main legal obligations of the Company, as defined in the contract with the customer, are the sale of the electricity produced.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

For certain service contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. When recognising revenue, the Company takes into consideration terms of contracts signed with customers and all significant facts and circumstances, including the nature, amount, timing and uncertainty relating to cash flows arising from the contract with the customer.

1.2.1 Electricity-related revenue

The Company carries out the activity of electricity generation in wind power plants, which is subject to measures to promote the use of renewable energy resources, including a fixed tariff and the purchase of electricity generated and supplied into the grid, in accordance with the procedure and under the conditions laid down by law.

The Group trades all of its electricity purchases on the day-ahead electricity exchange Nord Pool. Trading on the exchange is carried out by a Group company. When a trade executed by a Group company is confirmed on the exchange, the exchange system sends the Company a confirmation of the concluded electricity sale transaction. Under this transaction, the Company fulfils its performance obligations by supplying the amount of electricity specified in the transaction notification to the electricity transmission grid. The performance obligations are fulfilled during the period in which the supply of the quantity of electricity to the grid takes place. The progress of the performance obligation is measured by the readings of the electricity metering devices. The Company has no contractual obligations.

Income from the sale of electricity is recognised at the end of each current month. VAT invoices show the amount of electricity supplied to the electricity grid in the current month and the price of electricity per 1 MWh. The weighted average price of electricity (i.e. the market price) calculated and declared to the Company by the Group company on the basis of the sale transactions of purchased electricity on the exchange during the previous month. The payment period is 30 days from the issue date of the VAT invoice. The seller's total remuneration is fixed. Once a confirmation of the conclusion of the electricity sale transaction has been received, the transaction prices do not change.

1.3 Right-of-use assets

Right-of-use asset is the asset that reflects the right of the Company to use the leased asset over the life of a lease. The Company recognise a right-of-use asset for all types of leases, including lease of the right-of-use assets in case of sublease, with the exception of leases of intangible assets, short-term leases and leases for which the underlying asset is of low value.

1.3.1 Initial measurement of right-of-use assets

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset comprises: the amount equal to the lease liability at its initial recognition, lease payments made at or before the commencement of the lease (less any lease incentives received), any initial direct costs incurred by the Company, and an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Company incurs obligation for these costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. The Company recognises these costs as part of the cost of right-of-use asset when the Group incurs an obligation for these costs.

1.3.2 Subsequent measurement of right-of-use assets

Subsequent to initial recognition, the Company measures the right-of-use asset using the cost model. Under the cost model, the Company measures a right-of-use asset at cost less any depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability.

The right-of-use assets depreciated by the Company under the depreciation requirements of IAS 16, *Property, Plant and Equipment*.

Depreciation of right-of-use assets is provided on a straight line basis:

Group of right-of-use assets	Depreciation period (in years)
Land	50 – 60

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company presents rights-of-use assets separately from property, plant and equipment in the statement of financial position.

1.4 Financial instruments

1.4.1 Recognition and initial measurement

Financial assets and financial liabilities are recognised at an initial stage when the entity becomes a party to the terms of the contractual instrument.

A financial asset (other than a trade receivable that does not have a significant financing component) or a financial liability is initially measured at fair value increased or decreased by directly attributable transaction expenses, when an object is not measured at fair value through profit or loss (FVOCI). The trade receivable that does not have a significant financing component is initially measured at the transaction price.

1.4.2 Classification and subsequent measurement

1.4.2.1 Financial assets - classification

On initial recognition, financial assets are classified for subsequent measurement as: amortised cost; financial assets whose subsequent measurement at fair value is presented through the recognition of a change in value through other comprehensive income ('FVOCI'); or financial assets whose subsequent measurement at fair value is presented through the recognition of a change in value through profit or loss ('FVPL').
Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets. In that case, all affected financial assets are reclassified on the first day of the first reporting period after the change in business model.

Financial assets are measured at amortised cost, if both of the following conditions are met and the asset is not measured at FVTPL:

- it is held within a business model that has as its objective the holding of assets to collect contractual cash flows;
- its contractual terms generate cash flows at specified dates that are solely payments of principal and interest on the outstanding principal balance.

1.4.2.2 Financial assets - subsequent measurement and profit or loss

Financial assets, FVPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets measured at amortized cost	This asset is subsequently measured at amortised cost applying the effective interest method. Total amount of assets is reduced by impairment losses. Interest income, foreign currency gains and losses, and impairment are recognized in profit or loss. Any gain or loss on the disposal of an asset is recognised in profit or loss.
Debt instruments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using effective interest method, foreign currency gains and losses, and impairment are recognized in profit or loss. Other net gains and losses are recognised in other comprehensive results. When an asset is disposed of, the cumulative gains and losses are reclassified to profit or loss.
Capital investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividends clearly represent the recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss.

1.4.2.3 Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities measured at amortised cost or FVPL. A financial liability is measured at FVTPL if it is classified as held for trading, is a derivative or is designated as such at initial recognition. Financial liabilities are measured at FVTPL and net gains and losses, including any interest expense, are recognised in the statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost applying the effective interest method. Interest expense and foreign exchange gains or losses are recognised in the statement of profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit or loss.

1.4.3 Derecognition

A financial asset (or, where appropriate, part of a financial asset or part of a group of similar financial assets) is derecognised only when the contractual rights to the cash flows from the financial asset expire; the financial asset is transferred and the transfer may be derecognised

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognised in the statement of profit or loss.

1.4.3.1 Impairment of financial assets – expected credit losses (hereinafter "ECL")

The Company recognises ECL for all debt instruments not at fair value through profit or loss. ECL incurred by the Company are calculated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For current trade receivables without a significant financing component, the Company applies a simplified approach required by IFRS 9 and measures the loss allowance at expected lifetime credit losses from initial recognition of the receivables.

The Company's trade receivables are only from the Designated Entity, which purchases electricity generated from renewable sources. For the assessment of impairment of trade receivables, management assesses expected credit losses on an individual basis. Management's decision to perform an individual assessment is based on the availability of information about the credit history and financial position of the individual debtor at the measurement date, including forward-looking information that would enable timely identification of a significant increase in the credit risk of the individual debtor, thereby enabling a decision to be made on the recognition of a full lifetime credit loss for the individual debtor.

1.4.3.2 Credit-impaired financial assets

Fair values of receivables from contracts with customers and other amounts receivable approximate their carrying amounts. Trade receivables are non-interest bearing and their settlement is usually 30 days. Impairment allowance for receivables - expected credit losses are recognised for receivables the credit risk of which, assessed individually and considering all valid and approved information, including forward-looking information, has significantly increased compared to initial recognition. When performing individual assessment of lifetime credit losses, credit risk is assessed when the following indications exist: significant financial difficulty of the customer; probability that the customer will enter bankruptcy; significant delay in payments.

1.5 Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the parent company and payments of penalties for terminating the lease, if the lease term reflects the parent company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the parent company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased by the parent company to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

1.5.1 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The parent company also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.6 Employee benefits

1.6.1 State plans

The Company participates only in the State plans. State plans are established by legislation covering all entities and are managed by national or local government or another body (for example, in the case of the Company, the National Social Insurance Fund). State plans are a defined contribution plan, under which the Company pays fixed contributions into the Fund and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior period. The social security contributions are recognised as expenses on an accrual basis and are included in payroll expenses.

1.6.2 Termination benefits

As a general rule, termination benefits are payable whenever an employee’s employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Non-current benefits are recognised at present value using the market rate of interest.

1.6.3 Non-current employee benefits

Each employee of retirement age who terminates his/her employment with the Company upon retirement is entitled to receive a payment

equal to 2 monthly salaries as prescribed by Lithuanian laws and the Collective Agreement. If an employee belongs to trade union, he/she is also entitled to an additional length-of-service allowance in accordance with the collective agreement. A liability for employee benefits is recognised in the statement of financial position and it reflects the present value of these benefits at the date of the statement of financial position. The described long-term employee benefit obligation is estimated at the reporting date with reference to actuarial valuations using the projected relative unit method. The present value of the defined non-current liability is determined by discounting the estimated future cash flows using the effective interest rates as set for government bonds denominated in a currency in which the benefits will be paid to employees and that have maturity term similar to that of the related liability.

1.7 Fair value

Fair value is defined in IFRSs as the price that would be received to sell an asset or paid to transfer a liability to market participants in an orderly manner at the measurement date of the transaction.

The parent company measures financial instruments, such as derivatives, and non-financial assets, such as investment property, at fair value at each statement of financial position date. The determination of fair value is based on the assumption that the sale of assets or the transfer of liabilities takes place or:

- either in the main market for the asset or liability
  or
- if there is no main market, in the most favourable market for the asset or liability.

The fair value of the asset or liability is determined using the assumptions that market participants would use to determine the price of the asset or liability, assuming that market participants have their best economic interests.

The fair value of a non-financial asset is determined by reference to the market participant's ability to generate economic benefits by using the asset in the most efficient and effective manner or by selling it to another market participant who would use the asset in the most efficient and effective manner.

The Group uses valuation methodologies that are appropriate in the circumstances and for which sufficient data are available to determine fair value, using as much relevant observable data as possible and as little unobservable data as possible.

All assets and liabilities whose fair value is determined or disclosed in the financial statements are classified according to the fair value hierarchy described below, which is based on the lowest-level significant inputs used to determine fair value:

- Level 1 includes the fair value of the asset units, which is determined based on the quoted (unadjusted) prices of identical assets in active markets.
- Level 2 includes the fair value of the asset units, which is determined on the basis of other directly or indirectly observable indicators.
- Level 3 includes the fair value of the asset units determined on the basis of unobservable indicators.

For assets and liabilities that are recognised at fair value in the financial statements, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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Independent Auditor's Report

To the Shareholder of UAB Windlit

Opinion

We have audited the financial statements of UAB Windlit ("the Company"). The Company's financial statements comprise:

- the statement of financial position as at 31 December 2024,
- the statement of profit or loss and other comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended, and
- the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards, as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants and the requirements of the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Company's management report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Company code: 111494971
VAT code: LT114949716

In addition, our responsibility is to consider whether information included in the Company's management report for the financial year for which the financial statements are prepared is consistent with the financial statements and whether management report has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of financial statements, in our opinion, in all material respects:

- The information given in the Company's management report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Company's management report has been prepared in accordance with the requirements of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

On behalf of KPMG Baltics, UAB

Edvinas Žukauskas
Partner
Certified Auditor

Klaipėda, the Republic of Lithuania
28th March 2025

The electronic auditor‘s signature applies only to the Independent Auditor‘s Report on pages 37 to 39 of this document.

5.4 Information about the auditor

Overview

At the Company's shareholders' meeting, held on 5 March 2025, KPMG Baltics, UAB ("KPMG") was appointed to audit the Company's financial statements for 2024. Under the previous contracts, KPMG also audited the Company's financial statements for 2023 and 2022.

It is worth noting that all tenders for the independent auditor are carried out in accordance with best practices. In addition, as the parent company is subject to public procurement law requirements, all audit tenders are conducted in accordance with these. The main criterion for the implementation of public tenders is to ensure competitiveness, so the only specific audit selection criterion that can be included is experience in auditing companies in the energy sector. Finally, the whole audit selection process is supervised by the Audit Committee and the independent auditor is appointed by the decision of the General Meeting of Shareholders of the parent company and subsequently by the General Meeting of Shareholders of each Group company.

Independent auditors and financial period during which audit services have been provided

2022–2024
KPMG Baltics, UAB Lvivo g. 101 LT-08104 Vilnius, Lithuania

Services and fees

During the period 2023–2024, the following services have been provided to the Company by the independent auditor and its international partners.

Independent auditor's services and fees

EUR thousand	2024	2023
Audit services of annual financial statements under contracts	16	11
Total	**16**	**11**

In accordance with the Group's policy, our statutory auditor's annual fee for non-audit services cannot exceed the annual fee for statutory audit services calculated at Group level. The cap may be exceeded subject to approval by the Audit Committee of the parent company.

6. Other important statutory information

This annual report consists of the management report and the financial statements, where WINDLIT, UAB (hereinafter – "the Company") provides information to the shareholders, creditors and other interested parties about the activities of the Company during the period of January–December 2024. The composition of this document corresponds to the composition of the set of annual financial statements, as provided for in Article 6 of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

The annual report was prepared by the Company's administration in accordance with the requirements of the Law on Financial Reporting of Undertakings of the Republic of Lithuania, the Law on Companies of the Republic of Lithuania, the Law on Consolidated Financial Reporting by Groups of Undertakings of the Republic of Lithuania, and taking into account the description of the guidelines for ensuring the transparency of the activities of state-owned companies. The Company's securities are not listed and are not traded on a regulated market. The Company's Articles of Association do not provide more requirements for the content of the Company's annual report than is provided for in the above-mentioned laws.

The Company's management is responsible for the information presented in the annual report. The notification and the documents with which it was prepared can be viewed (by prior arrangement) on working days from Monday to Thursday 7:30 a.m. to 4:30 p.m., Fridays from 7:30 a.m. to 3:15 p.m. at the Company's headquarters (Laisvės pr 10, Vilnius).

Information about the Company

1. Name of the company: WINDLIT, UAB
2. Legal form of the Company: Private Limited Liability Company
3. Share capital: EUR 6,002,929
4. Date and place of registration: 13 February 2013, Jogailos g. 4, Vilnius
5. Company code: 303002760
6. Company address: Laisvės pr. 10, LT-04215,
7. Company register: Laisvės pr. 10, LT-04215
8. Telephone number: +370 696 38942
9. Fax number: none
10. E-mail address: windenergy@ignitis.lt
11. Website: www.ignitisgrupe.lt

Legal notes

1. No significant events occurred after the end of the financial year.
2. The Company has not used financial and hedging instruments subject to hedge accounting that would be significant in assessing the Company's assets, equity, liabilities, financial position, and performance.
3. The Company had no treasury shares at the beginning of the reporting period and did not acquire any treasury shares during the reporting period.
4. The Company has no branches or representative offices.
5. The Company envisages further sustainable development of its existing operations in order to ensure higher profitability of operations and efficient use of assets in the long run. Research will be carried out as and when required.
6. The Company's operations are in compliance with the requirements of environmental protection legislation.

Significant transactions

There were no significant agreements, to which the Company is a party and which would enter into force, change or terminate upon a change of control of the Company.

During the reporting period, the Company did not engage in any harmful transactions (inconsistent with the objectives of the parent company, existing normal market conditions, violating the interests of shareholders or other groups of persons, etc.), that had or may in the future have a negative impact on the Company's activities and/or performance, as well as it did not enter into transactions concluded in the event of a conflict of interest between the Company's managers, controlling shareholders or other related parties' duties to the Company and their private interests and/or other duties.

There were no agreements between the Company and members of its bodies or employees providing for compensation in the event that they resign or are dismissed without a valid reason or in the event that their employment ends due to a change in control of the Company.

Main features of internal control and risk management systems related to the preparation of financial statements

The Company's financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the European Union. All financial data presented in the annual report are calculated in accordance with IFRS and correspond to the Company's audited financial statements.

The employees of the company providing accounting services to the Company ensure that the financial statements are properly prepared, ensure that the data is collected on time and correctly. The preparation of the Company's financial statements, internal control and financial risk management systems, legal acts regulating the preparation of financial statements are controlled and managed.

Alternative performance measures

Alternative performance measures (hereinafter – "APM") are the adjusted figures presented in this report used for the internal evaluation of performance management. These indicators are not defined by IFRS Accounting Standards (IFRS) and do not comply with IFRS requirements. Definitions of alternative performance measures are provided on the website of AB Ignitis Group (link).

7. Abbreviations

#	Number
%	Per cent
‘000 / thousand	Thousand
LTM	Period of the preceding twelve months
AB	Joint stock company
UAB	Private Limited Liability Company
RE	Renewable energy
Company	Company for which annual report is prepared
Ignitis grupė	The group of companies AB Ignitis Group
Parent company	UAB Ignitis renewables
Ultimate parent company	AB Ignitis grupė

8. Certification Statement

28 March 2025

We, Remigijus Savulionis, Director of WINDLIT, UAB, and Aurelija Malinauskaitė, UAB Ignitis grupės paslaugų centras, Accounting expert, acting under Order No 24_GSC_SP_0051 of 30 September 2024, hereby confirm that, to the best of our knowledge, the financial statements of WINDLIT, UAB for 2024, prepared in accordance with the IFRS Accounting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial condition, profit or loss and cash flows of WINDLIT, UAB, and the Annual Report for 2024 includes a fair review of the development and performance of the business as well as the condition of WINDLIT, UAB, together with the description of the main risks and uncertainties it faces.

Remigijus Savulionis

Director

Aurelija Malinauskaitė

Accounting expert of UAB Ignitis grupės paslaugų centras, acting under Order No 24_GSC_SP_0051 of 30 September 2024

WINDLIT, UAB
Laisvės pr. 10, LT-04215,
Vilnius, Lithuania

Legal entity code 303002760
VAT payer’s code
LT100010610911