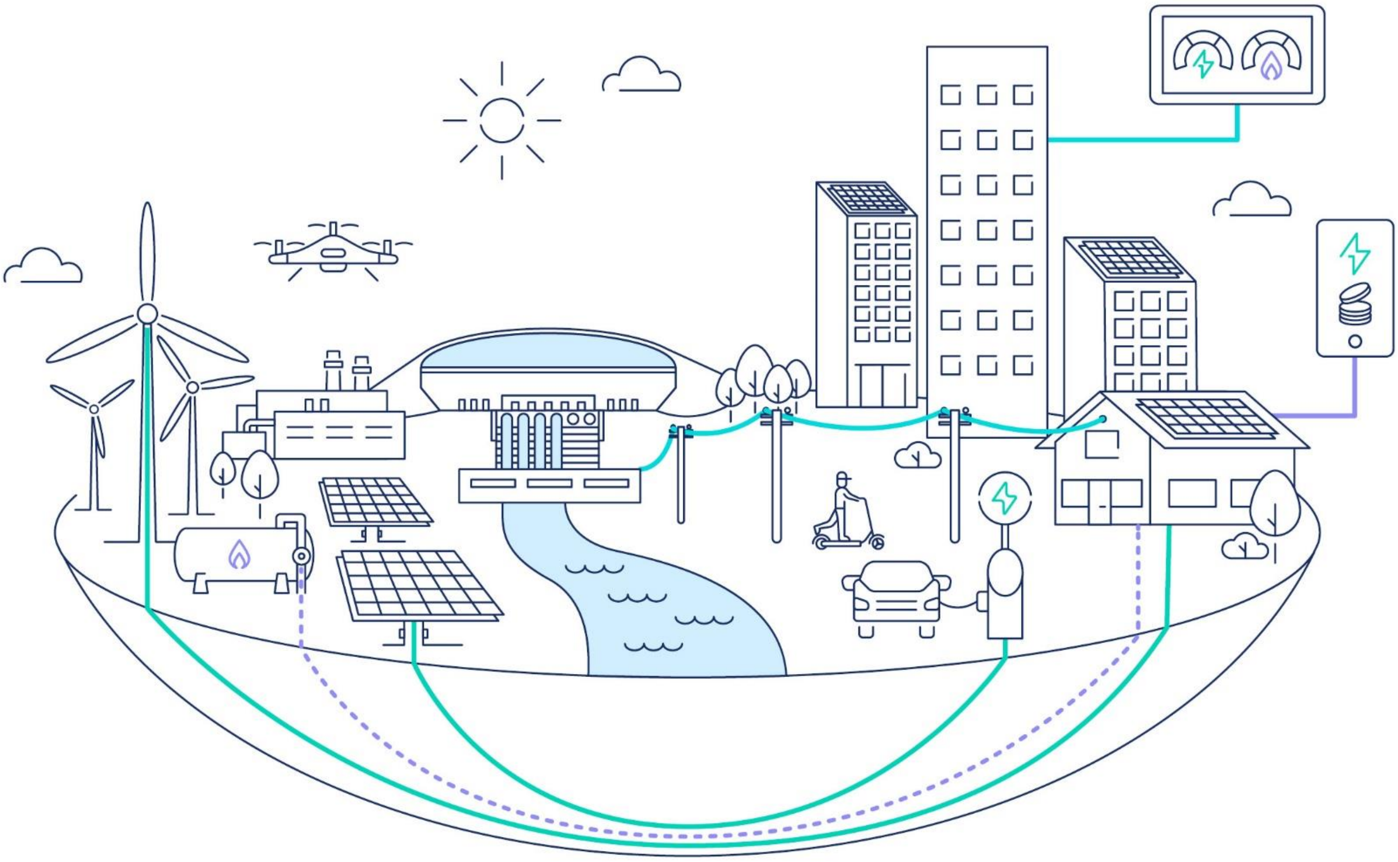
Ignitis Renewables Annual Report 2024

Consolidated Annual Report for the year ended 31 December 2024, and the consolidated and the company's financial statements for the year ended 31 December 2024 prepared according to the international Financial Reporting Standards, adopted by the European Union, and presented together with the independent auditor's report for the year ended 31 December 2024.



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1. Overview

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1.1 CEO's statement

Dear All,

Ignitis Group is creating an energy smart world, which is green, safe, empowering and sustainable, with a clear commitment to reach net zero emissions by 2050. Ignitis Renewables is at the core of this transformation and is leading the green generation breakthrough in the Baltic States and Poland.

We focus on developing green generation and green flexibility technologies. By developing onshore and offshore wind, solar, battery and power-to-X technologies, we are implementing Ignitis Group's strategic priority to deliver 4–5 GW of installed Green Capacities by 2030. During the reporting period Ignitis Group's Green Capacities portfolio increased to 8.0 GW (from 7.1 GW), secured Capacity to 3.1 GW (from 2.9 GW), Installed Capacity to 1.4 GW (from 1.3 GW).

In 2024, we continued our long-term growth – we reached CODs at Silesia WF I (50 MW) in Poland, Tauragė SF (22.1 MW) in Lithuania. We completed the construction of and supplied first power to the grid at Silesia WF II (137 MW) in Poland, supplied first power to the grid at Kelmė WF (300 MW) in Lithuania, made the Final Investment Decision for Tume SF (174 MW) in Latvia. We also secured grid connection capacity for our first BESS projects (<290 MW) in Lithuania, secured land for the development of hybrid projects (314 MW), i.e., we are planning to develop wind farms near our Latvian solar farms as well as secured seabed site (Liivi 1) in Estonian offshore wind tender together with CIP.

Such achievements require a dedication. We are a diverse team of energy smart people united by a common purpose to create a 100% green and secure energy ecosystem for current and future generations. As our ambitions grow, so does the need for a wide range of competences. As of the report announcement date, our team has grown to 254 employees.

Ambitious goals, innovative solutions and motivating results empower us. We are moving ahead with the help of constantly growing innovators, talented creators, and top professionals in different fields of expertise – people who are united in their values and seek to make a meaningful impact on the world.

Gary Bills

CEO

Ignitis Renewables

1.2 Business highlights

During the reporting period

January

- Ignitis Renewables and CIP win second seabed site in Estonia's offshore wind tender. The theoretical potential capacity of both sites is calculated to be 2.3 GW, depending on environmental impact assessment results, site optimization as well as other factors, the actual capacity of the offshore wind park is expected to be 1–1.5 GW. (Link);

March

- 50 MW Silesia WF I in Poland has reached commercial operation date. Installed capacity of the wind farm is 50 MW and estimated production is expected to be approximately 110 GWh per year (Link);

April

- Ignitis Renewables submits bid for the second 700 MW Lithuanian offshore wind tender. Winning the tender would grant the right to use the maritime area for 41 years and a secured grid connection. Located at approximately 30 km from the coast, the site for a future offshore wind farm covers an area of approximately 136 km2 and is expected to generate around 3 TWh of clean energy annually (Link);

July

- 22 MW Tauragė solar farm in Lithuania has reached commercial operation date. The installed capacity of the solar power plant is 22 MW. The project is located in the south-western part of Lithuania, on the territory of an existing wind farm, making this a hybridisation project. The installed capacity of the solar power plant is 22 MW. Alone, it will power around 13,000 homes. Together with the 25 MW wind farm, they will power around 40,000 homes in Lithuania (Link);

September

- Ignitis Renewables makes final investment decision for 174 MW Tume solar farm in Latvia. The targeted total capacity of the Projects will reach 174 MW. Project will enter the construction phase with the construction works estimated to start in 2024 and COD in 2026. The total investment amount is up to EUR 106 million (Link);

October

- Ignitis Renewables announces the decisions to participate in the second offshore wind tender for the rights to develop around 700 MW of offshore wind capacity in the Baltic Sea and to launch a partner (up to 49%) selection process (Link);

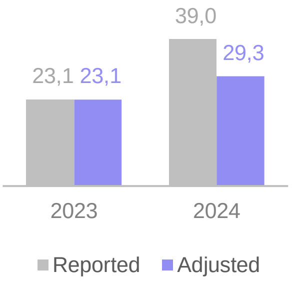
After the reporting period

Mr. Thierry Aelens, the Chief Executive Officer (CEO) of Ignitis Renewables has decided to resign from his position effective from 30 March 2025. The selection of a new CEO will commence immediately (Link).

1.3 Performance highlights

Financial

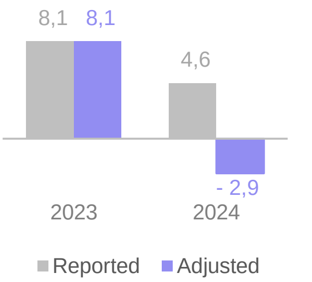
EBITDA, Adjusted EBITDA APM
EURm



In 2024 Renewables Group's adjusted EBITDA was 26.9%, or EUR 6.2 million, higher than in 2023 mainly due to the increased revenue caused by higher volumes generated, which was driven by new assets, including Mažeikiai WF (in 2023 it was going through testing phase thus not operating at full capacity), Silesia WF I and testing phase revenue in Kelmė WF I and Silesia WF II.

In 2024 EBITDA adjustment of EUR 9.8 million relates to Pomerania WF CfD provision discounting, whereas in 2023 there were no EBITDA adjustments.

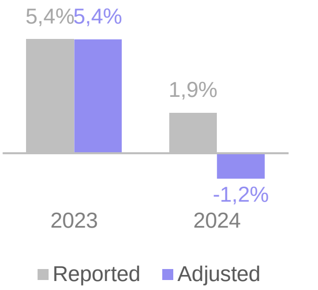
Net profit, Adjusted net profit APM
EURm



In 2024, the reported net profit was EUR 3.4 million (42.8%) lower compared to 2023, mainly due to the increased depreciation on assets, higher finance costs due to more interest expense, and higher current income tax expenses.

In 2024 adjustments to net profit of EUR 7.5 million relates to Pomerania WF CfD provision discounting, whereas in 2023 there were no net profit adjustments.

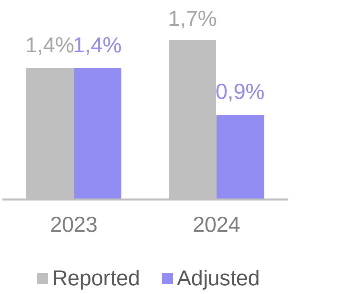
ROE LTM, Adjusted ROE LTM APM
%



The reported ROE decreased from 5.4% to 1.9% mainly due to increased UAB "Ignitis renewables" authorized capital and the lower net profit.

Adjusted ROE decreased due to the negative change in adjusted net profit (see the comment on the adjusted net profit).

ROCE LTM, Adjusted ROCE LTM APM
%

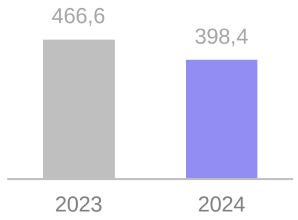


The reported ROCE increased to 1.7%. One of the main drivers was the higher reported EBIT, which was mostly affected by higher EBITDA.

Adjusted ROCE decreased due to a decrease in the adjusted EBIT, the main reason for which is adjusted EBITDA disclosed in the text next to the EBITDA graph above.

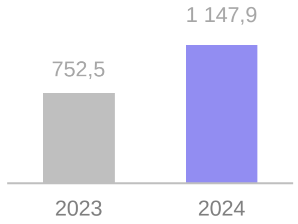
APM *Alternative Performance Measure - Adjusted figures used in this report refer to measures used for internal performance management. As such, they are not defined or specified under International Financial Reporting Standards (IFRS), nor do they comply with IFRS requirements. Definitions of alternative performance measures can be found in the 'Further information' section of this report and on the Ignitis Group's website.*

Investments APM
EURm



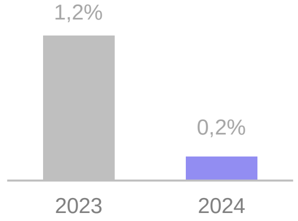
The investments in 2024 decreased by EUR 68.2 million, totalling EUR 398.4 million. The main reason for the decrease was successful completion of several major projects. In 2024, Silesia WF I has reached COD, while Silesia WF II construction work has been completed. The decrease in Investments was partly offset by continued Investments in Kelmė WF I and II in Lithuania, Stelpe SF and Vārme SF in Latvia and offshore projects.

Net debt APM
EURm



In 2024 the net debt increased by 52.5% to EUR 1147.9 million mostly due to the increased loans to fund investments into wind farm, solar and offshore projects.

FFO / Net debt APM
%

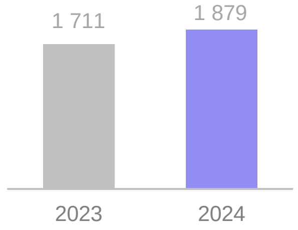


FFO / Net debt decreased from 1.2% to 0.2% due to a proportional lower FFO which was lower because of more paid interest, also higher net debt.

APM *Alternative Performance Measure - Adjusted figures used in this report refer to measures used for internal performance management. As such, they are not defined or specified under International Financial Reporting Standards (IFRS), nor do they comply with IFRS requirements. Definitions of alternative performance measures can be found in the 'Further information' section of this report and on the Ignitis Group's* website.

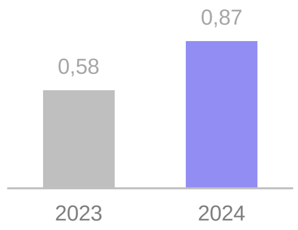
Operational

Secured capacity
MW



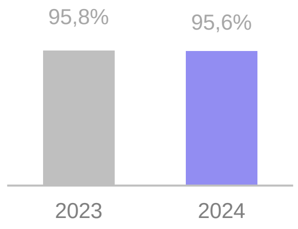
In 2024 the secured capacity increased by 168 MW to 1,879 MW (from 1,711 MW), as Tume SF (173.6 MW) in Latvia reached the construction phase and Polish solar portfolio reduced by 6 MW.

Electricity generated (net)
TWh



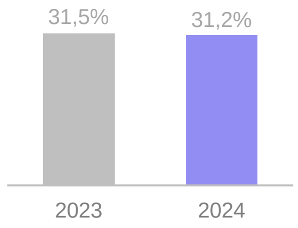
In 2024, the generated electricity volume (net) increased by 50%. The increase was driven by electricity generated by Mažeikiai WF operating at full capacity (in 2023 it was going through testing phase), Silesia WF I reached COD, also Kelmė WF I and Silesia WF II supplied their first power to the grid and started commissioning activities.

Wind farms availability factor
%



The wind farms availability factor remained at the same level and comprised 95.6%. Availability was mostly affected by maintenance works of the operational WFs.

Wind farms load factor
%



In 2024, the wind farms load factor slightly decreased by 0.3% to 31.2% compared to prior year value.

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2.1 Business profile

Business

Ignitis Renewables manages assets of renewable energy in the Baltics and Poland, also is responsible for the efficient operation of wind and solar farms, as well as supervision of farms under construction and the development of new generation capacities. By developing new wind and solar generation projects, Ignitis Renewables is implementing the strategic goal of Ignitis Group to expand its Green Capacities portfolio to 4-5 GW by 2030.

Revenue model

Ignitis Renewables sells electricity via (1) energy long-term support schemes (FiP, CfD), (2) long-term PPAs and (3) merchant.

Feed-in premium (FiP) - provides renewables electricity projects with a fixed premium in addition to the market price.

Contract for Difference (CfD) - provides renewables electricity projects with a fixed inflation indexed ‘strike’ price. If the electricity price is lower the state compensates the difference to the fixed bid price. If the electricity price exceeds the bid price, the wind farm operator must transfer the additional revenue to the state.

Main customers

The buyers of electricity generated by the subsidiaries of the Ignitis Renewables are other Ignitis Group companies, as well as other business customers, which acquire produced electricity through power exchange or PPA agreements.

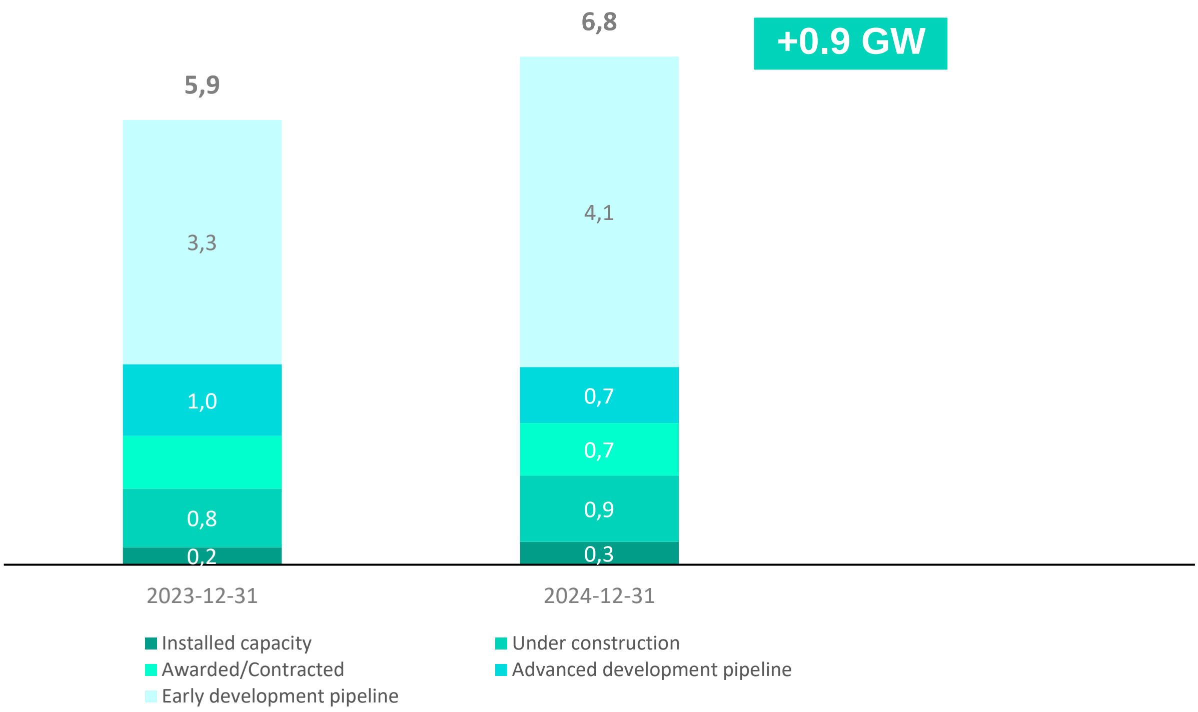
Net zero strategy support

Through development of zero carbon electricity generating assets.

Portfolio and markets

As of 31 December 2024, Ignitis renewables owns a portfolio of operating assets in the Baltic states and Poland: four wind farms (121 MW) and a solar PV project (22 MW) in Lithuania, two wind farms (144 MW) in Poland and a wind farm (18 MW) in Estonia. In addition, 874 MW of renewable energy projects are currently under construction, including two wind farms (300 MW) in Lithuania and two solar PV projects (413 MW) in Latvia and a wind farm (137 MW) and a portfolio of solar PV projects (24 MW) in Poland.

Renewables Group Portfolio, GW



Operational (305 MW):

- Silesia wind farm I (50 MW)
- Tauragė solar farm (22 MW)
- Mažeikiai wind farm (63 MW)
- Pomerania wind farm (94 MW)
- Jurbarkas wind farm (24 MW)
- Tamba-Mäli wind farm (18 MW)
- Tauragė wind farm I (10 MW)
- Tauragė wind farm II (15 MW)
- Kretinga wind farm (9 MW)

Under construction (874 MW):

- Tume solar farm (174 MW)
- Vārme solar farm (94 MW)
- Stelpe solar farm (145 MW)
- Kelmė wind farm I (105 MW)
- Kelmė wind farm II (195 MW)
- Polish solar portfolio (24 MW)
- Silesia wind farm II (137 MW)

Awarded / contracted (700 MW):

- Lithuanian offshore wind farm Curonian Nord (700 MW)

2.2 Business environment

Business environment

Ignitis Renewables performance continues to be affected by macroeconomic and industry dynamics, particularly in the specific markets in which it operates. In order to assess the business environment and identify potential opportunities and challenges, we closely monitor economic indicators and industry developments. Our commitment to providing a comprehensive overview extends to highlighting relevant changes in the regulatory framework, ensuring a nuanced understanding of the markets in which we operate. Thus, especially during this turbulent period, we closely monitor developments in the industry to assess the business environment in our home market and provide an overview, including key regulatory framework changes below.

Macroeconomic environment

GDP

In 2024, GDP in the euro area and European Union (EU) grew slightly compared to 2023. Looking ahead, GDP in the euro area is expected to grow by 1.3% in 2025 and 1.6% in 2026, while the EU's GDP is projected to increase by 1.5% and 1.8% respectively. Meanwhile, Lithuania's GDP in 2024 showed a strong rebound, growing by 3.6% compared to 2023 and outperforming other countries we are active in. The growth is expected to slow down slightly to 3.0% in 2025 and in 2026 while maintaining positive momentum. According to Eurostat's autumn forecast, GDP growth in the countries we are active in should be similar to those of the EU and the euro area in 2025, but are expected to surpass them in 2026, except for Poland, which is also expected to show a growth momentum similar to Lithuania (Link).

Inflation

In December 2024 the annual inflation rate in the euro area settled around 2.4%, down from 2.9% in 2023. Among the countries we operate in, Latvia, Estonia and Poland had the highest inflation, exceeding both the euro area and EU averages at the end of the year. Similarly, Lithuania and Finland had the lowest inflation rates compared to euro area and EU. Poland and Estonia are expected to have the highest harmonised CPI in 2025 and 2026, while all other countries we active in are expected to have inflation either slightly below or similar to the EU and euro area (Link).

Regional interconnections and infrastructure

Electricity imports from Russia and Belarus to Lithuania have been stopped since autumn 2021 due to the launch of the Belarusian Astravyets Nuclear Power Plant (Belarusian ANPP). In addition, all Baltic countries have stopped importing electricity from Russia since Q2 2022, after Europe's Nord Pool power market stopped trading Russian electricity. It's important to note that this has not affected the energy supply, as Lithuania is one of the most interconnected countries in Europe, which allows it to cover its electricity demand despite the reduction in flows from third countries. Additionally, resilience and reliability of the Baltic electricity system is expected to increase significantly after 9 February 2025, when the synchronization with the grid of Continental Europe is completed.

This milestone will mark the end of the BRELL agreement with Russian and Belarusian operators as announced by the Baltic electricity transmission system operators Litgrid, AST and Elering (TSOs of the Baltic states), paving the way for disconnection from their grids.

Moreover, the success of the Harmony Link project is vital for regional energy independence. On 22 August 2024, the Board of Litgrid (Lithuania's TSO) made a Financial Investment Decision regarding the overland link project in Lithuania, Harmony Link interconnector, in accordance with the Harmony Link Cooperation Agreement signed with the Polish operator PSE S.A. This project will reinforce the integration of the Baltic states' electricity grids in the European grid, enhancing energy security, grid stability and the efficiency of electricity import and export. Furthermore, the project will result in a reduction in energy prices in the region, whilst also fostering market competition and thereby strengthening Baltic states' role in the European energy network. In addition to these benefits, the project will also support environmental goals through the integration of renewable energy sources.

European Regulatory environment

REMIT II

On 11 April 2024, the European Parliament and the European Council adopted the updated Regulation on Wholesale Energy Market Integrity and Transparency, known as the REMIT II regulation (Regulation (EU) No 1227/2011), along with the Regulation on the Establishment of ACER (Regulation (EU) 2019/942), effective from 7 May 2024. This regulation aims to enhance market transparency and integrity, thereby increasing public trust in the functioning of wholesale energy markets, also introduces new rules on algorithmic trading and imposes new obligations on third-country market participants. Key aspects of the updated regulation include:

- expanded scope of data reporting, encompassing new electricity balancing markets, coupled markets, and algorithmic trading. Market participants must design their algorithms to avoid causing disruptions in the market. REMIT II also stipulates monitoring and documentation obligations;
- clearer and stricter requirements for market participants in the EU who are residents of third countries;
- empowering the European Union Agency for the Cooperation of Energy Regulators (ACER) to investigate cases with a cross-border dimension, involving at least two Member States;
- introducing new tools for ACER to conduct investigations, including the ability to perform on-site inspections, issue requests for information, and take statements;
- granting ACER the power to impose periodic penalty payments to ensure compliance with on-site inspection decisions and requests for information. The authority to impose fines for infringements or breaches of the prohibitions or substantive obligations included in the regulation will remain with the Member States.

EU electricity market design

In response to severe energy price spikes caused by Russia's 2022 invasion of Ukraine, on 13 June 2024, the EU restructured its electricity market through the so-called Electricity Market Design (EMD) package (Directive EU/2024/1711, Regulation EU/2024/1747). The reform establishes several key rules to protect consumers, enhance stability and competitiveness for companies, increase green electricity, and improve preparedness against future crises. For better consumer protection, the reform introduces a variety of contract options, including fixed price, fixed term, and dynamic pricing with multiple contracts. It mandates clearer pre-signing information and facilitates easier access to locally traded renewable energy. Vulnerable consumers will benefit from enhanced protections, such as ensuring a sufficient number of suppliers of last resort to guarantee uninterrupted electricity access, and improved government oversight of retail prices for households and SMEs.

To provide more stability and competitiveness for companies, the reform establishes the use of long-term contracts like power purchase agreements (PPAs), where power producers sell directly to consumers at agreed prices. It ensures an option of the stable revenue for power producers through two-way contracts for difference (CfDs), supporting investments in new facilities for wind, solar, geothermal, hydro (without reservoir), and nuclear energy. These contracts guarantee minimum returns on investments and mitigate excessive costs during crises. The rules also aim to increase the share of green electricity by streamlining the integration of renewables into the energy system. Enhanced transparency obligations for system operators and improved market monitoring will facilitate a more predictable renewable energy generation. Lastly, to better prepare against future crises, the Council has been authorised to declare a crisis in response to high wholesale electricity prices or sharp retail price increases. Member States are required to implement the existing EU measures, such as reducing electricity prices for vulnerable customers and ensuring fair competition among suppliers to prevent market distortions during a crisis.

Pan-Baltic Regulatory environment

Harmony Link Land Connection Project

On 26 April 2024, the Minister of Energy of the Republic of Lithuania confirmed the Programme of the engineering infrastructure development plan for the Harmony Link land connection project, which serves as a suitable technical alternative to the previously planned maritime connection for the synchronisation of the electricity system. The programme regulates the planning objectives and goals of the state-level special spatial planning document, the stages of the planning process, and the requirements for the preparation of the plan. The planned area includes Vilkaviškis district municipality, Kalvarija municipality, and Marijampolė municipality. At the end of December 2024, the Polish electricity transmission system operator, PSE, has approved the financial investment decision for the onshore construction of the Harmony Link connection.

According to the cooperation agreement signed by the operators, the financial investment decision made by the Lithuanian electricity transmission system operator Litgrid in September also comes into effect. This confirms the operators' commitments to finance and implement the interconnection project. Litgrid has already announced a public procurement for the design services of the onshore Harmony Link connection in the territory of Lithuania.

Non-extension of the BRELL Agreement

On 16 July 2024, the transmission system operators (TSOs) of Estonia, Latvia, and Lithuania sent a notice of non-extension for the agreement on parallel energy system operation, known as the BRELL agreement. This agreement has defined the terms of operation for the Baltic countries within the Russia-controlled electricity system IPS/UPS. The agreement expired on 7 February 2025. On 8 February 2025, the Baltic TSOs disconnected the Estonian, Latvian, and Lithuanian electricity systems from IPS/UPS and commenced a joint isolated operation test. On 9 February 2025, the Baltic electricity systems were synchronised with the Continental Europe Synchronous Area. Synchronisation will enable better EU transmission system interconnectivity and market integration, allowing Baltic electricity systems to operate under common and transparent European rules to the benefit of all consumers. It will also foster the development of renewable energy in the Baltic states and Poland as newly installed power lines, substations, and synchronous condensers will enhance the transmission grids' capacity to support a higher share of renewable energy sources in overall electricity generation.

Baltic Balancing Capacity Market

On 30 January 2025, National Energy Regulatory Council (NERC) approved the start date of 5 February 2025 for the Baltic balancing capacity market being established by the Baltic electricity transmission operators Litgrid, AST, and Elering. This market is crucial for synchronization with the Continental European networks, after which the Baltic States will operate as a unified frequency control block.

Balancing capacities are necessary to ensure the balance between electricity production and consumption. Synchronization requires technical solutions to increase or decrease electricity production or consumption. Effective balancing services can be provided by battery systems, renewable energy plants with control systems adapted for balancing, and demand aggregators. Balancing capacity services will be procured daily through auctions. Starting in 2025, the market will procure automatic and manual frequency restoration reserves (aFRR and mFRR), and after synchronization with the Continental European networks, also the frequency containment reserve (FCR). According to transmission system operators' calculations, up to 1512 MW of balancing capacity will be needed in 2025, with 80% of this being procured from the market. After synchronization, an additional 25 MW of FCR will be required. The expansion of renewable energy will lead to a further increase in this demand by 2031.

Lithuania regulatory environment

Renewable Electricity Production Contribution

On 3 April 2024, the Government of the Republic of Lithuania passed a resolution establishing the Rules of Payment Procedures for the Renewable Electricity Production Contribution and Support Funds for Local Communities. These rules govern the calculation, collection, administration, and payment procedures for the renewable electricity production contribution. For onshore development projects, the contribution is paid for the previous calendar year and calculated by multiplying the electricity produced and supplied to the electricity grid in the last calendar year by EUR 0.0010/kWh.

For offshore development projects, the winner of the tender must grant financial support to the coastal communities. The contribution is paid starting from the day the permit to produce electricity is issued to the tender winner, throughout the project's duration. The contribution is set at EUR 1.00/MWh.

Procedures for Access to the Electricity Network

On 11 June 2024, NERC adopted both the updated Rules of Procedure for Access to the Electricity Transmission Network by Litgrid and the revised Rules of Procedure for Access to the Electricity Distribution Network by ESO (Networks). These updates implement the provisions of the revised Law on Electricity and the Law on Energy from Renewable Sources, introducing several significant changes aimed at enhancing the efficiency and transparency of the electricity network procedures, and support the integration of renewable energy sources.

The substantial amendments to the Rules of Procedure for Access to the Electricity Transmission Network include updates to reflect the amendments to relevant legislation, improvements to the process of identifying, reserving, and selecting connection point locations, and the development of electricity transmission network capacity. Additionally, the procedure for reserving electricity transmission network capacity has been updated, including potential generation limits and specific cases where these limits may apply.

Detailed principles for the reception and transmission of electricity through transmission networks have been provided, including the potential generation limits and the specific cases where these limits may apply.

In the revised Rules of Procedure for Access to the Electricity Distribution Network, the system of grid capacity reservation has been significantly revised. The maximum capacity (Pmax) limit for power plants that cannot be controlled by the operator and thus cannot be connected to the grid if curtailment is required has been reduced from 250 kW to 100 kW. The exception allowing non-commercial prosumers with power plants generating up to 10 kW to connect to the grid has been extended to include other network users with power plants and storage facilities with the same generating capacity. The list of priority groups for grid capacity allocation has been streamlined from nine groups to three, providing greater opportunities to reserve grid capacity. Grid capacities for wind farms are now allocated to priority groups based on nationwide grid capacity, rather than by sections of the 110 kV grid. New rules have been established for grid access for entities seeking to participate in balancing services. A system for the application of connection and operation restrictions (curtailment) has also been established.

Changes in Electricity Laws

On 25 June 2024, amendments to the Law on Energy, the Law on Electricity, and the Law on Natural Gas were adopted with the aim to regulate energy data exchange among market participants in the electricity sector through a centralised energy exchange platform (Data Hub). ESO (Networks) has been designated as the operator and developer of the centralised Data Hub.

The procedure for public consultation of stakeholders on the procedure for access to the electricity grid has been improved. Additionally, the amendments regulate the payment of costs for the relocation or reconstruction of electricity distribution grids.

Taking into account changes in the market (purchase prices of products), energy supply companies are now permitted to set prices and tariffs for regulated energy supply products (gas and electricity public supply) for private customers once every three months during the calendar year, instead of every six months. If energy companies do not propose recalculations, NERC is allowed to unilaterally recalculate those prices and tariffs for private customers.

Furthermore, the amendments establish that renewable projects with a generation capacity of 150 MW and higher are considered to be projects of state interest.

National Energy Independence Strategy

On 27 June 2024, the Parliament of the Republic of Lithuania adopted amendments to the National Energy Independence Strategy. The revised strategy aims to uphold Lithuania’s longstanding tradition of sustainable energy policy and to prepare for the global transition from fossil fuels to clean energy sources, with a primary focus on electricity. The document sets forth an aim to make Lithuania a fully energy independent country by 2050 that produces energy for its own needs and exports it. Developed after careful consideration of studies and research on energy sector trends, the strategy sets forth several key objectives – to achieve 100% domestic renewable energy-based electricity generation in Lithuania and the region, to transition to an electricity economy and develop a high value-added energy industry, as well as to ensure the accessibility of energy resources for consumers.

To achieve this, it includes an aim to develop renewable energy production capacities on land and sea and to promote the transition to climate-neutral energy sources across various sectors. Lithuania’s objective is to achieve a positive energy balance by 2030 and complete climate neutrality in the energy sector by 2050. Electricity consumption is estimated to increase more than 6-fold by 2050, from the current demand of 12 TWh to a projected 74 TWh. The largest share of the growth will come from synthetic gas production (35.5TWh), industrial consumption (12.6 TWh), transport consumption (6.3 TWh), and the heat sector (3.4 TWh).

The strategy also sets forth aims to guarantee a secure and dependable energy infrastructure while facilitating local energy production to support industrial decarbonisation and expansion. If focuses specifically on the development of electricity infrastructure and security from physical and cyber threats. Additionally, it focuses on attracting new investments in energy product manufacturing and technologies. The strategy prioritises the production of green hydrogen, sustainable biogas, and biomethane, as well as other high-tech industries that can contribute to the national economic prosperity.

Lastly, the strategy sets forth aims to ensure that the benefits of green transition are felt by all residents and businesses, thus reducing social disparities in the energy sector. It emphasises the importance of reducing energy price fluctuations and providing support systems for lower-income residents.

These amendments position Lithuania to effectively navigate the upcoming shifts in the energy landscape, fostering a sustainable and resilient green energy future.

Legislation Implementing the Law on Construction

At the end of 2023, the Parliament of the Republic of Lithuania adopted a total of 13 amendments to laws, including a revised Law on Construction, which made significant changes to the construction of buildings. The aim of the amendments was to speed up the construction procedures, reduce the administrative burden, increase the transparency of construction processes and improve the quality of decisions. The main change is that construction permits are now issued on the basis of design proposals (concept designs) rather than a technical design. Therefore, the construction permit is issued at an earlier stage, following the verification of concept design solutions. However, obtaining a construction permit does not give the right to start construction as construction cannot start until the technical design (detailed design) has been prepared and approved. Also, detailed solutions must be checked by a private expert.

In 2024, the Ministry of Environment has adopted amendments to the Technical Construction Regulations (STR) to implement the amendments to the Law on Construction. The new procedures apply to the construction of new onshore and offshore projects from 1 November 2024.

Lithuanian Offshore Wind Legal Framework

The Lithuanian competent authorities have been very active in developing the legal framework for offshore wind and have adopted several laws and secondary legislation to improve the conditions for offshore tenders and continue the development of the first offshore wind farm.

The second tender for the development and operation of offshore wind farms with incentive measures (subsidies) was launched on 15 January 2024. Prior to the launch, the Government of the Republic of Lithuania included collective investment undertakings as entities eligible to participate in the tender and the NERC made changes to the tender procedure that were expected to improve the tender process. However, according to the Law on Energy from Renewable Sources effective at the time of launching the second tender, at least two tenderers were required for a tender to take place. As only one tenderer participated in the tender, the tender was declared not to have taken place.

Following the cancelled tender, members of the Parliament of the Republic of Lithuania proposed amendments to the Law on Energy from Renewable Sources aimed at improving the attractiveness of the tender. On 16 July 2024, the Parliament of the Republic of Lithuania adopted amendments to the Law on Energy from Renewable Sources, extending the tender registration period from 90 to 120 calendar days and stipulating that one participant, instead of two, is sufficient for the tender to be held. In addition, the winning transaction price (CfD) or development fee offered in the tender will also be subject to partial indexation. Finally, the first development fee, if offered by the tenderer, must be at least EUR 5 million. In the case of overlapping development fees offered by tenderers, the next development fee offered by the tenderer must be at least EUR 5 million higher than the previously offered development fee. The development fee will also be subject to indexation.

In accordance with the amendments to the Law on Energy from Renewable Sources, NERC adopted the amendments to the Description of the Offshore Tender Procedure on 13 September 2024, which bring the tender procedure in line with the Law on Energy from Renewable Sources and include the extension of the registration deadlines, the development fee requirements and the conditions for organising tenders.

On the 8th of August 2024 the Government of the Republic of Lithuania published a draft resolution aimed at establishing the rights, obligations and conditions for the use of the maritime and onshore areas for the winners of the offshore wind energy tenders, including navigation and fishing rules, scientific and other research and environmental monitoring in the areas, preparation of a risk management plan and its submission and any amendments thereto to the Ministry of Energy and the Lithuanian Energy Agency, etc. However, this Government resolution is not adopted yet.

Energy System Security

On 12 November 2024, the Parliament of the Republic of Lithuania passed an amendment to the Law on Electricity, introducing new requirements related to the security of energy storage facilities and power plants. The key requirements include ensuring the protection of information management systems and industrial control systems for energy storage facilities and power plants with an installed capacity of more than 100 kW. This is to prevent entities from states identified in the National Security Strategy, namely the People’s Republic of China, the Russian Federation, and the Republic of Belarus, from accessing these systems. This includes preventing remote control of electricity production or storage device power parameters and the ability to turn these devices on or off.

System operators are required to establish conditions for implementing the security requirements and verify whether energy storage facilities and power plants are compliant. In case of noncompliance, system operators must inform NERC, which will decide on the suspension of the permit for the development of electricity production capacities or energy storage capacities. If it is revealed after grid connection that the security requirements are not met, NERC will issue a binding order to the network user to suspend its activities or rectify the violation.

These requirements will apply to new connection services from 1 May 2025. All network users with energy storage facilities and power plants with generation permits issued before this date, as well as those with energy storage facilities and power plants with an installed capacity of more than 100 kW installed before this date (even if a permit is not required), must comply with these requirements by 1 May 2026, and provide a declaration to prove their compliance to the system operator by 31 May 2026.

National Energy and Climate Action Plan

The Ministry of Energy of the Republic of Lithuania, in collaboration with the Ministry of Environment, has initiated and on 11 December 2024 the Government has approved the National Energy and Climate Action Plan of the Republic of Lithuania 2021–2030. The plan was prepared in accordance with Article 14 of Regulation (EU) No 2018/1999 of the European Parliament and of the Council on the Governance of the Energy Union and Climate Action. The updated plan outlines specific measures to achieve the European Union's energy and climate change policy objectives and targets by 2030.

Latvia regulatory environment

Wind Power Station Payment Procedure for Local Community Development

The Cabinet of Ministers on 27 August 2024 approved the regulations implementing Article 22.1 of the Energy Market Law. The approved regulations outline the procedures on how the electricity producers who have installed wind farms with a capacity of one or more megawatts in Latvia, including its inland sea waters, territorial sea, or exclusive economic zone, should contribute to local community development. The regulations specify the payment amounts, their intended uses, and the monitoring arrangements.

Municipalities and residents living near the wind farm will receive EUR 2,500 per year, excluding value-added tax, for each megawatt (or part thereof) of the wind farm's nominal capacity. This payment will be divided equally, with 50% allocated to residents (building owners within 2 kilometres of the wind farm's outer boundary) and 50% to the municipality, in accordance with defined priorities. These regulations apply to all wind turbine generators connected to the electricity transmission or distribution system after the regulations come into effect.

Estonia regulatory environment

Amendment to the Energy Economy Organisation Act

On 12 June 2024, an amendment was made to the Energy Economy Organisation Act. This amendment stipulates measures to achieve the national energy efficiency goal; principles of renewable energy promotion; requirements for improving energy efficiency and for obliged parties in both public and private sectors. This amendment implements the principles and obligations arising from the European Union's legal regulation on the promotion of renewable energy, which will help achieve the European Union's energy policy objective of increasing the use of sustainable and renewable energy.

The key changes include: stipulating the conditions based on which renewable energy subsidies for produced energy, including bioenergy, which is considered renewable energy, are paid; specifying the rights of producers of renewable electricity who consume it for their own use; specifying the conditions applicable to the planning of renewable energy subsidies; establishing a requirement for the grid company to publish the expected budget for renewable energy subsidies; setting obligations for the Competition Authority in connection with renewable electricity sales contracts.

Building Code

Under the new regime established in Building Code on 21 June 2024, 3 authorisation procedures (superficies licence, building permit and water permit) are combined into one, creating a single permit under the superficies licence. This means that a superficies licence for an offshore wind farm will give the right to construct a building and the right to special use of water. Superficies licence grants the developer the right to establish both offshore wind farm and its necessary service facilities. This will make it possible to dispense with repetitive procedures, such as the submission of applications and documents to different administrative bodies or the initiation of an additional environmental impact assessment.

Poland regulatory environment

Balancing Market Reform

On 26 January 2024, the President of the Energy Regulatory Office adopted new Balancing Conditions, introducing obligations from Regulation (EU) 2019/943 on the internal market for electricity and Commission Regulation 2017/2195 on electricity balancing into the Polish market. These new conditions regulate the functioning of the balancing market. Following these changes, the Network Instructions for the Transmission System Operator and the Five Largest Distribution System Operators were also amended to align them with the new Balancing Conditions.

The key changes include:

- shortening the balancing and energy imbalance settlement periods to 15 minutes (previously one hour). The energy price will now also include the valuation of the operating reserve and costs associated with maintaining the sources that stabilize the system;
- participants will now be designated as Balancing Service Providers and Entities Responsible for Balancing. Entities with a minimum generation capacity of 0.2 MW will be allowed to participate in the balancing market compared to the previous threshold of 1 MW. The possibility of merging smaller market participants into larger groups has also been introduced, increasing competitiveness in the balancing market;
- new balancing services now enable not only the acquisition of electricity, but also balancing capacity, including frequency maintenance reserve, frequency restoration reserve, and replacement reserve;
- introducing the rules for the participation of Polish producers in the European platform for exchanging balancing energy generated by replacement reserves and the European platform for compensating imbalances. This will enable Poland to participate in the instruments for balancing the EU energy market.

These updates aim to enhance the efficiency and integration of the Polish electricity market with the broader European energy market.

2.3 Strategy

Our purpose is to create a 100% green and secure energy ecosystem for current and future generations. We are strengthening our contribution to Europe's decarbonisation and energy security in the region, while accelerating the energy transition and electrification in the Baltics and Poland.

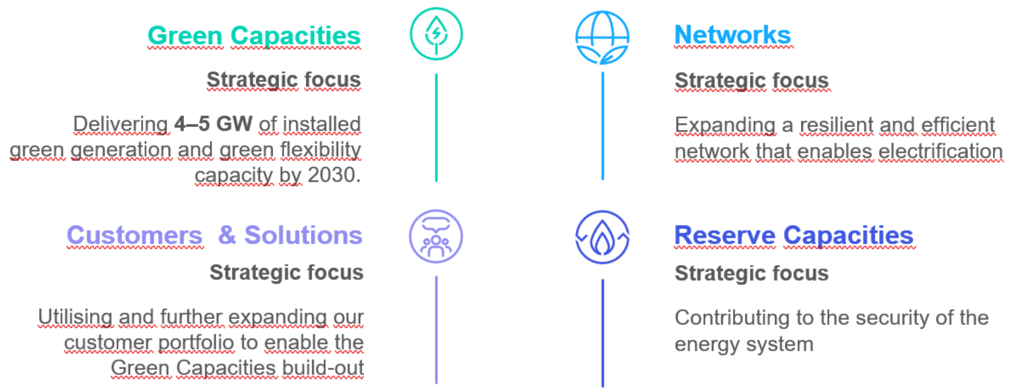
1. **Green** (Growing green generation and green flexibility capacity)
2. **Flexible** (Creating a flexible system that can operate on 100% green energy in the short, medium and long term)
3. **Integrated** (Utilising the integrated business model to enable Installed Green Capacities build-out)
4. **Sustainable** (Maximizing sustainable value)

We invest to deliver 4–5 GW of installed Green Capacities by 2030 and reach net zero emissions by 2040–2050, with a focus on green generation and green flexibility technologies: onshore and offshore wind, batteries, pumped-storage hydro, and power-to-X.

Our purpose and integrated strategy

Ignitis Renewables is an important part of Ignitis Group integrated business model and strategy. Ignitis Group is a renewables-focused integrated utility and the largest energy group in the Baltics.

Integrated business model



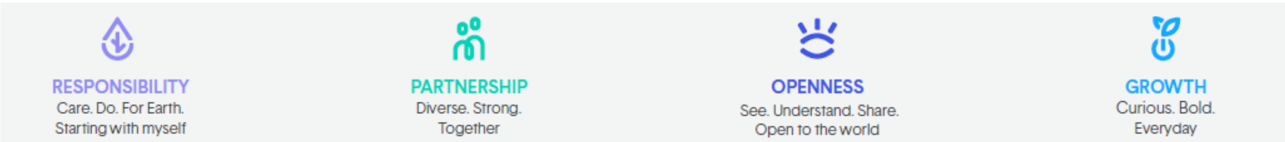
Ignitis Renewables is the part of Ignitis group and belongs to the Green Capacities segment. Ignitis Renewables manages assets of renewable energy in the Baltics and Poland, also is responsible for the efficient operation of solar and wind farms, as well as supervision of farms under construction and the development of new green generation.

ESG priorities and targets

We deliver our strategy by focusing reducing carbon intensity of scope 1 & 2 GHG emissions, promoting safety at work with a focus on TRIR and zero fatal accidents, taking care of employee experience driven by well-being, learning and growth, equal pay, diversity and inclusion initiatives, promoting diversity in top management and creating a sustainable value through our sustainable investments and returns.

Our values

We are a diverse team of energy smart people united by a common purpose.



Strategic priorities, targets and KPIs

Delivering 4–5 GW of installed green generation and green flexibility capacity by 2030 with a focus on:

- Onshore and offshore wind farms;
- Batteries, pumped-storage hydro and power-to-X.

STI performance objectives and their achievement for 2024 as well as STI performance objectives for 2025 related to variable remuneration are provided in the Annual Report part "4.3 People and remuneration".

Key projects and investments

Under construction								
Project name	**Polish solar portfolio**	**Silesia WF II**	**Moray West offshore wind project[3]**	**Stelpe SF**	**Vārme SF**	**Kelmė WF I**	**Kelmė WF II**	**Tume SF**
Country	Poland	Poland	The United Kingdom	Latvia	Latvia	Lithuania	Lithuania	Latvia
Technology	Solar	Onshore wind	Offshore wind	Solar	Solar	Onshore wind	Onshore wind	Solar
Capacity	24 MW	137 MW	882 MW	145 MW	94 MW	105.4 MW	194.6 MW	173.6 MW
Turbine / module / other type of unit manufacturer	17 MW Jinko Solar; 7 MW JA Solar	38 x 3.6 MW Nordex	60 x 14.7 MW Siemens Gamesa	145 MW Trina Solar	94 MW Trina Solar	16 x 6.6 MW Nordex	28 x 7.0 MW Nordex	173.6 MW TBD
Investment	~EUR 19 million	~EUR 240 million[2]	Not disclosed	~EUR 112 million[2]	~EUR 66 million[2]	~EUR 190 million[2]	~EUR 360 million[2]	~EUR 105.8 million
Investments made by 31 December 2024	~EUR 16 million	~EUR 235 million	Not disclosed	~EUR 65 million	~EUR 43 million	~EUR 165 million	~EUR 289 million	~EUR 8 million
Proportion of secured revenue[1]	100%	100%	85%	50%	50%	65%	65%	51%
Type of secured revenue	CfD	CfD / PPA	CfD / PPA	PPA	PPA	PPA	PPA	PPA
Ownership	100%	100%	5%[3]	100%	100%	100%	100%	100%
Partnership	n/a	n/a	Ocean Winds	n/a	n/a	n/a	n/a	n/a
Progress								
FID made	+	+	+	+	+	+	+	+
WTGs erected (units) / Solar modules & inverters installed (MW) / Other type of turbines or units installed (units)	14 / 24	38 / 38	60 / 60	22 / 145	61 / 94	16 / 16	28 / 28	0 / 173.6
First power / heat to the grid supplied	+	+	+	-	-	+	+	-
Expected COD	H1 2025	H2 2025	2025	2025	2025	2025	2025	2026
Status	On track	Time delay	On track	On track	On track	On track	On track	On track

1 Secured revenue timeframe differs on a project-by-project basis.

2 Including project acquisition and construction works.

3 As the Group owns a minority stake of 5%, the project's capacity is not consolidated and is not reflected in the data of the Green Capacities Portfolio.

More information of Ignitis Group key projects and investments is available on the Integrated Annual Report 2024 section (Link).

3. Results

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3.1 Annual results

Revenue

In 2024, Renewables Group's revenue increased by 74.2% to EUR 85.2 million compared to 2023. The main driver of the positive change was higher volumes generated, which was driven by new assets, including Mažeikiai WF (in 2023 it was going through testing phase thus not operating at full capacity), Silesia WF I and testing phase revenue in Kelmė WF I and Silesia WF II. Additionally in Poland in 2024 Pomerania WF produced more electricity compared to previous year because it was not affected by cable issues as in 2023.

Revenue by country, EURm

	2024	2023	Δ	Δ,%
Poland	35.7	16.6	19.2	115.7%
Lithuania	44.7	27.2	17.5	64.6%
Estonia	4.8	5.2	(0.4)	(7.4%)
Revenue	**85.2**	**48.9**	**36.3**	**74.2%**

Mažeikiai WF was operating at full capacity at its normal capabilities' whole year, Kelmė WF I started testing phase revenue in September 2024, also Tauragė solar park became operational in June 2024, therefore the Renewables Group's revenue in Lithuania was EUR 17.5 million higher compared to 2023 and reached 52.4% in 2024 (in 2023 this amounted to 55.5%). 41.9% of revenue was earned in Poland (in 2023 this was 33.9%) due to reasons noted above, and 5.6% in Estonia (in 2023 this was 10.6%).

Expenses

Purchase of electricity and other services

The Renewables Group's purchase of electricity and other services amounted to EUR 2.2 million in 2024 and increased by EUR 2.0 million compared to 2023. The increase was mainly caused by commissioning of new assets, including Mažeikiai WF and Silesia WF I operating at full capacity, as well as testing phase in Kelme I WF and Silesia WF II. Other services of EUR (3.5) million (in 2023 this was EUR (3.2) million) is positive electricity hedging result (electricity realised) in Tamba-Mäli WF as according to the accounting policy of the Ignitis Group, the positive and negative hedging result of realized effective derivative transaction for the period is presented within other purchases cost line.

OPEX

In 2024, OPEX of the Renewables Group amounted to EUR 43.0 million and increased by 67.9% (EUR +17.4 million). This change was driven by an expansion of its renewables business, which led to an increased number of employees and therefore higher remuneration expenses (EUR +4.1 million or +50.0%). Repair and maintenance costs increased by 64.2% (EUR +2.6 million) mainly due to more operating sites, i.e. higher costs for Mažeikiai WF as it was operating at full capacity whole year (COD in Aug-2023), addition of Silesia WF I & Silesia WF II, Tauragė PV, Sunrise PV. Other expenses also increased (EUR +10.7 million or 79.9%) mostly due to higher legal and finance consulting services (EUR +4.3 million) in relation to projects' asset rotation and offshore activities, higher real estate taxes (EUR +0.9 million) and projects' insurance costs (EUR +0.7 million) due to more operating sites, more community support (EUR +0.9 million), higher business support services costs (EUR +0.6 million), telecommunications and IT services (EUR +0.6 million), communication related costs (EUR +0.5 million) and asset management and administration costs (EUR +1.0 million).

Other

Depreciation and amortisation expenses increased by 38.3% (EUR +4.7 million) mostly due to Silesia WF I (EUR +2.2 million), Mažeikiai WF (EUR +1.8 million), Pomerania WF (EUR +0.3 million), Silesia WF II (EUR +0.2 million), and amortization of Silesia WF I intangible assets identified during the business merger (EUR +0.2 million).

In 2024, financial derivatives of EUR 1.0 million is fair value change of over the counter (OTC) ineffectiveness in relation to Silesia WF II electricity hedging agreement.

Impairment test of goodwill recognised on acquisitions of the subsidiaries was performed and determined that no impairment is needed as at 31 December 2024 except for goodwill identified through business combination of subsidiaries Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o., which were acquired in 2024, therefore impairment loss in the amount of EUR 2.0 million was recognised in 2024.

Write-offs of intangible assets and result on lease modification decreased by 98.9% (EUR -0.6 million) as there were no write-offs of intangible assets in 2024.

Expenses, EURm

	2024	2023	Δ	Δ,%
Purchases of electricity and other services	**2.2**	**0.3**	**2.0**	**766.7%**
Purchase of electricity and related services	5.7	3.4	2.3	66.9%
Other purchases costs	(3.5)	(3.2)	(0.3)	10.0%
OPEX APM	**43.0**	**25.6**	**17.4**	**67.9%**
Salaries and related expenses	12.3	8.2	4.1	50.0%
Repair and maintenance expenses	6.6	4.0	2.6	64.2%
Other	24.1	13.4	10.7	79.9%
Other	**19.9**	**12.9**	**7.0**	**54.5%**
Depreciation and amortisation	16.9	12.2	4.7	38.3%
Derivatives	1.0	0.0	1.0	n/a
Impairment of investments in subsidiaries	2.0	0.0	2.0	n/a
Write-offs of intangible assets and result on lease modification	0.0	0.6	(0.6)	(98.9%)
Total	**65.1**	**38.8**	**26.4**	**68.1%**

EBITDA

In 2024 Renewables Group’s adjusted EBITDA was 26.9%, or EUR 6.2 million, higher than in 2023 mainly due to the increased revenue caused by higher volumes generated, which was driven by new assets, including Mažeikiai WF (in 2023 it was going through testing phase thus not operating at full capacity), Silesia WF I and testing phase revenue in Kelmė WF I and Silesia WF II.

EBITDA adjustments

In 2024 EBITDA adjustment of EUR 9.8 million relates to Pomerania WF CfD provision discounting, whereas in 2023 there were no EBITDA adjustments.

EBITDA adjustments, EURm

	2024	2023	Δ	Δ,%
EBITDA APM	**39.0**	**23.1**	**15.9**	**68.8%**
Adjustments				
CfD Provision discounting	9.8	-	9.8	n/a
Total EBITDA adjustments	**9.8**	**-**	**9.8**	**n/a**
Adjusted EBITDA APM	**29.3**	**23.1**	**6.2**	**26.9%**
Adjusted EBITDA margin APM	38.8%	47.2%	n/a	(8.4 pp)

Net profit

In 2024, the reported net profit was EUR 3.4 million (42.8%) lower compared to 2023, mainly due to the increased depreciation of assets, higher finance costs due to more assets reaching operational phase and therefore less capitalised borrowing costs, and higher current income tax expenses.

In 2024 adjustments to net profit of EUR 7.5 million relates to Pomerania WF CfD provision discounting, whereas in 2023 there were no net profit adjustments.

Investments

Investments in 2024 decreased by EUR 68.2 million, totalling EUR 398.4 million. The main reason for the decrease was successful completion of several major projects. In 2024, Silesia WF I has reached COD, while Silesia WF II construction work has been completed. The decrease in investments was partly offset by continued Investments in Kelmė WF I and II in Lithuania, Stelpe SF and Vārme SF in Latvia and offshore projects.

Assets

As of 31 December 2024, total assets amounted to EUR 1,659.5 million (37.4% or EUR 451.5 million increase compared to 31 December 2023). This increase was mainly driven by an increase in non-current assets (31.4% or EUR 339.4 million) which was mainly caused by an increase in:

- PPE (EUR 459.2 million) related to construction-in-progress additions: Kelmė WF II EUR 207.5 million, Venta PV EUR 86.6 million, Kelmė WF I EUR 72.7 million, Silezia I WF EUR 51.7 million, Silezia II WF EUR 11.8 million, Tauragė PV EUR 2.7 million, Curonian Nord offshore WF EUR 2.2 million, Sunrise PV EUR 2.1 million, Tume PV EUR 1.2 million, Kurzeme II CVE EUR 0.6 million, Kurzeme I BRVE EUR 0.5 million and identified assets during business combination EUR 15.4 million in relation to Sunrise PV acquisition; and
- right-of-use assets (EUR 24.9 million) mostly related to land additions (EUR 21.4 million).

Prepayments for PPE amounted to EUR 201.5 million and was 26.7% or EUR 73.4 million lower compared to 31 December 2023 mostly due to decrease in: Silezia I WF (EUR -44.6 million), Kelmė WF II (EUR -30.5 million) and Kelmė WF I (EUR -30.0 million).

Non-current receivables decreased by 84.8% or EUR 53.4 million compared to 31 December 2023 because in 2024 a loan granted to Moray West WF was reclassified from ‘Non-current receivables’ to ‘Other current receivables’ in the Statement of financial position as the loan’s repayment is set to 1 July 2025.

In addition to the aforementioned factors, total assets’ growth was also impacted by current assets’ growth mostly due to higher cash balance (EUR +64.9 million) and increase in current loans (EUR +63.8 million) related to loan granted to Moray West WF reclassification noted above.

Equity

As of 31 December 2024, the shareholder’s equity amounted to EUR 256.1 million and was higher by 10.3% or EUR 23.8 million compared to 31 December 2023. This was due to an increase in share capital (EUR +18.6 million) as AB “Ignitis grupė” increased UAB "Ignitis renewables" authorised capital by issuing new shares, also due to retained earnings (EUR +3.0 million) and reserves (EUR +2.2 million).

Liabilities

As of 31 December 2024, the total liabilities increased by 43.8%, or EUR 427.6 million. This was mainly driven by an increase in the loans to finance investments.

Balance sheet, EURm

	31.12.2024	31.12.2023	Δ	Δ,%
Non-current assets	1419.7	1,080.3	339.4	31.4%
Current assets	239.8	127.7	112.1	87.8%
TOTAL ASSETS	1659.5	1,208.0	451.5	37.4%
Equity	256.1	232.3	23.8	10.3%
Total liabilities	1403.4	975.8	427.6	43.8%
Non-current liabilities	1294.9	884.7	410.2	46.4%
Current liabilities	108.5	91.0	17.5	19.2%
TOTAL EQUITY AND LIABILITIES	1659.5	1,208.0	451.5	37.4%
Asset turnover APM	0.06	0.06	0.00	5.7%
ROA APM	0.3%	0.9%	n/a	(0.6 pp)
Current ratio APM	2.21	1.40	0.81	57.6%

Net debt

As of 31 December 2024, net debt amounted to EUR 1,147.9 million, an increase of 52.5%, or EUR 395.4 million, compared to 31 December 2023. This increase was mainly driven by the increased loans to fund investments into wind farm, solar and offshore projects.

FFO LTM / Net debt decreased from 1.2% to 0.2% due to a proportional lower FFO which was lower because of more interest paid and also higher net debt.

Net debt, EURm

	31.12.2024	31.12.2023	Δ	Δ,%
Total non-current financial liabilities	**1244.8**	**807.6**	**437.3**	**54.1%**
Non-current loans	1206.1	791.9	414.2	52.3%
Lease liabilities (IFRS 16)	38.7	15.7	23.1	147.1%
Total current financial liabilities	**40.3**	**17.3**	**23.0**	**133.1%**
Current portion of non-current loans	16.8	5.8	10.9	186.9%
Current loans	-	-	-	-
Interests payable (including accrued)	22.1	10.6	11.4	107.6%
Lease liabilities (IFRS 16)	1.5	0.8	0.7	80.8%
Gross debt APM	**1285.2**	**824.9**	**460.3**	**55.8%**
Cash and cash equivalents	**137.3**	**72.4**	**64.9**	**89.7%**
Net debt APM	**1147.9**	**752.5**	**395.4**	**52.5%**
Net debt/Adjusted EBITDA LTM APM	39.2	32.6	6.6	20.3%
Net debt / EBITDA APM	29.4	32.6	(3.2)	(9.9%)
FFO LTM / Net debt APM	0.2%	1.2%	n/a	(1.0 pp)
Gross debt/Equity APM	5.0	3.6	1.5	41.3%
Equity ratio APM	0.15	0.19	(0.04)	(19.7%)

Dividends

On 30 January 2024 the Management Board of the Ignitis Group approved the updated dividend policy of companies owned by Ignitis Group (link), according to which:

1. The management bodies of subsidiary propose to allocate the share of profit to dividends for the financial year or for a period shorter than the financial year – at least 80 percent of the subsidiary's net profit received during the reporting period for which dividends are proposed to allocate;

2. The management bodies of the subsidiary may propose to allocate a share of profit to dividends for the financial year, if the subsidiary has incurred a loss during the reporting period but has accumulated retained profit from previous reporting periods and the amount of distributable profit (loss) for the reporting period is positive. This provision shall apply only when there is a necessary need for the company to receive dividends in the implementation of the company's dividend policy;

3. Management bodies of subsidiaries may propose to set a lower part of the profit for the companies to pay out than the one indicated in subparagraph 1, or propose not to allocate dividends for the reporting period if at least one of the following conditions is met:

   3.1 The Subsidiary implements green generation investment projects in accordance with the Group's strategy;

   3.2 The Subsidiary's ability to pay dividends is limited by the covenants set out in the financing agreements;

   3.3 The Subsidiary implements or participates in the implementation of an economic project of state importance recognised by the decision of the Government of the Republic of Lithuania;

   3.4 The Subsidiary's equity, after payment of dividends, would become less than the amount of the Subsidiary's authorized capital, mandatory reserve, revaluation reserve and reserve for acquisition of own shares;

   3.5 The Subsidiary is insolvent, or would become insolvent upon payment of dividends, or the Subsidiary’s level of debt is too high;

   3.6 The subsidiary has received the written consent of the Head of the Treasury and the Group CFO to apply paragraph 3 in cases not provided for in Sub-Clauses 3.1 – 3.5.

No dividends for the year 2024 and 2023 was approved at the Ordinary General Meeting of shareholders and therefore the Group did not pay any dividends in cash during the period.

Dividends declared by the company during the year, EURm

	2024	2023	Δ	Δ,%
Dividends declared during the period	-	-	-	-

Key operating indicators

		2024	2023	Δ	Δ,%
Secured capacity	MW	1,879	1,711	168	10%
Projects under construction	MW	874	778	96	12%
Electricity generated (net)	TWh	0.87	0.58	0.29	50%
Availability factor	%	95.6%	95.8%	(0.2 pp)	n/a
Load factor	%	31.2%	31.5%	(0.3 pp)	n/a

In 2024, electricity generated (net) amounted to 0.87 TWh and increased by 0.29 TWh compared to 2023. This was the result of electricity generated by Mažeikiai WF operating at full capacity (in 2023 it was going through testing phase), Silesia WF I reaching COD, also Kelmė WF I and Silesia WF II, which supplied their first power to the grid and started commissioning activities. Availability factor slightly decreased by 0.2 percentage point due to maintenance works of the operational WFs (mainly in Tuuleenergia WF because of generator issues). Load factor was slightly lower, however generally it remained at high and expected level.

3.2 Three-year annual summary

Key financial indicators

		2024	2023	2022
Revenue	EURm	85.2	48.9	57.9
EBITDA APM	EURm	39.0	23.1	40.4
Adjusted EBITDA APM	EURm	29.3	23.1	40.4
Adjusted EBITDA margin APM	%	38.8%	47.2%	69.8%
EBIT APM	EURm	20.1	10.2	25.9
Adjusted EBIT APM	EURm	10.4	10.2	25.9
Net profit	EURm	4.6	8.1	13.4
Adjusted net profit APM	EURm	(2.9)	8.1	13.4
Investments APM	EURm	398.4	466.6	160.1
ROE APM	%	1.9%	5.4%	22.3%
Adjusted ROE APM	%	(1.2%)	5.4%	22.3%
ROCE APM	%	1.7%	1.4%	7.2%
Adjusted ROCE APM	%	0.9%	1.4%	7.2%
ROA APM	%	0.3%	0.9%	3.1%
Adjusted ROA APM	%	(0.2%)	0.9%	3.1%
		31.12.2024	**31.12.2023**	**31.12.2022**
Total assets	EURm	1,659.5	1,208.0	530.9
Equity	EURm	256.1	232.3	68.2
Net debt APM	EURm	1,147.9	752.5	367.1
Net debt / EBITDA APM	times	29.4	32.6	9.0
Net debt/Adjusted EBITDA APM	times	39.2	32.6	9.0
FFO/Net debt APM	%	0.2%	1.2%	8.8%
Current ratio APM	times	2.2	1.4	4.0
Asset turnover APM	times	0.1	0.1	0.1

Key operating indicators

		2024	2023	2022
Secured capacity	MW	1,879	1,711	472
Projects under construction	MW	874	778	280
Electricity generated (net)	TWh	0.87	0.58	0.47
Availability factor	%	95.6%	95.8%	98.7%
Load factor	%	31.2%	31.5%	31.6%

4. Governance

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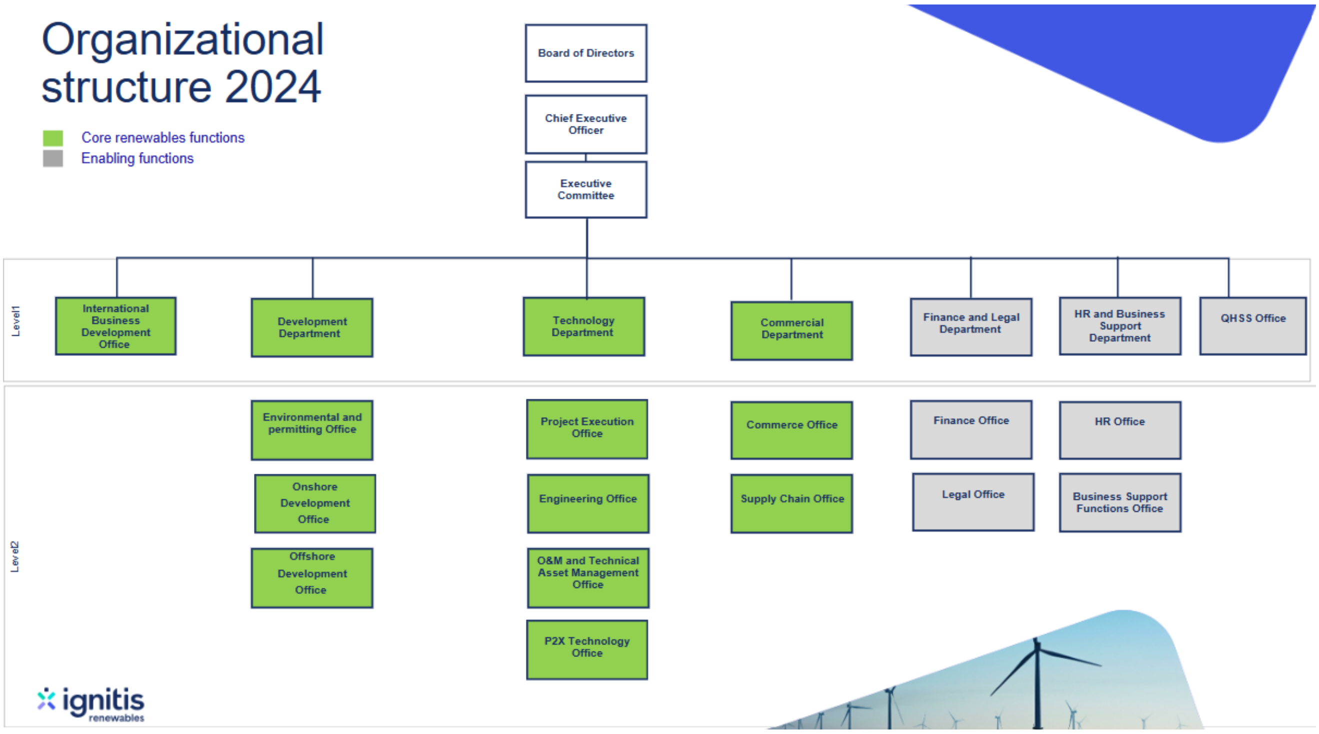
4.1 Governance framework

Governance model

The company's governance structure is comprised of the Chief Executive Officer (CEO) and a one-tier management system, which is the Management Board of the company. The CEO of the company represents the company on all issues and, together with the Management Board, is responsible for managing the company. The CEO of the company manages the day-to-day operations of the company and is entitled to solely represent the company.

May 31, 2023, by the decision of the company's CEO, an advisory body called the Executive Committee has been established. It assists the CEO in addressing the company's strategic issues and provides opinions on matters of organizational activity. The competence, the procedure for convening and making decisions of the Executive Committee are determined by the company's Articles of Association and other legislation regulating the activities of the Executive Committee.



Shareholders, their rights, and functions

The company is a part of the state-owned group of energy companies belonging to AB "Ignitis Grupė"; 100% of the company's shares are owned by the AB "Ignitis Grupė." The General Meeting of Shareholders is the highest governing body of the company. The competence of the General Meeting of Shareholders, the procedure for the convocation of the General Meeting and the decision-making process is prescribed by the laws, other legal acts and the Articles of Association of the company.

4.2 Management Board

Overview

The Management Board is a collegial management body, as set out in the Articles of Association of the company. The Management Board's area of competence is designed to ensure the proper management of the company. The Management Board members are elected for a four-year term and are recalled by the General Meeting of Shareholders. The Management Board is comprised of three members, who elect the Chair of the Management Board from among themselves. The competence of the Management Board, as well as the procedure for decision-making, election and recalling of the members of the Management Board, are established by the laws and other legal acts, as well as the Articles of Association of the company and the Rules of Procedure of the Management Board.

Information about Management Board member selection criteria

The Management Board members are elected for a four-year term and are recalled by the General Meeting of Shareholders of the company. If the Management Board is recalled, resigns or ceases to hold office before the end of term for other reasons, a new Management Board shall be elected for a new term of office. Individual members of the Management Board shall be elected only for a term until the end of the term of the current Management Board.

Each candidate to be a member of the Management Board must provide the General Meeting with their written consent to stand for the office of the Management Board and a Declaration of Interests, stating therein all the circumstances which may give rise to a conflict of interest between the candidate and the company. The candidates to the Management Board of the company must comply with the general and special criteria set out by the legal acts. Members of the Management Board cannot do other work or hold other positions that are incompatible with their activities in the Management Board, including holding executive positions in other legal entities (except for positions within the company and the Group of companies), nor work in a civil service or statutory service position. The members of the Management Board may hold other positions or do other work, except for positions within the company and other legal entities wherein the company is a participant, and may carry out pedagogical, creative or authorship activities only after receiving the consent of the General Meeting in advance.

Functions and responsibilities

The Management Board considers and approves the following:

- business strategy and plan of the company;
- budget of the company;
- Rules of Procedure of the Management Board;
- management (organisational) structure of the company, list of positions and the maximum headcount;
- regulations of the company's affiliates and representative offices;
- Annual Report and interim report of the company, prepared for adopting a decision on the allocation of dividends for a period which is shorter than the financial year;

- Consolidated Annual Report of the company, and the companies wherein the company is a shareholder, on the provision of financial support and its utilisation in the previous calendar year.

The Management Board analyses and evaluates the material submitted by the Chief Executive Officer of the company on the following:

- implementation of the business strategy of the company;
- organisation of the company's activities;
- financial situation of the company;
- results of the economic activities of the company, estimates of revenue and expenses, inventory data and other accounting data of changes in the assets;
- a set of annual financial statements of the company, as well as a set of interim financial statements of the company prepared for the purpose of adopting a decision on the allocation of dividends for a period shorter than the financial year, the distribution of the company's profit (loss) and the decision regarding the projects in relation to allocating dividends for a period shorter than the financial year.

The Management Board adopts decisions regarding the conclusion of the following transactions:

- the acquisition, investment, transfer or leases of non-current assets with a book value equal to or exceeding EUR 25,000,000 (twenty-five million euros) or less (in cases as specified in the procedure for concluding transactions established by the parent company (calculated separately for each type of transaction), pledge or mortgage thereof (calculated for the total amount of transactions);
- the surety or guarantee for the fulfilment of obligations of other entities if the amount exceeds EUR 25,000,000 (twenty-five million euros) or is less (in cases as specified in the procedure for concluding transactions established by the parent company);
- on the approval of the decisions of the Chief Executive Officer on granting financial support, when the amount of the transaction on financial support or gratuitous transfer of assets is more than EUR 5,000 (five thousand euros) or when the transaction on financial support is above the financial support budget of the Company for respective financial year (if such is approved);
- the decisions and conclusion of other transactions in accordance with the procedure for concluding transactions established by the parent company.

The Management Board adopts decisions regarding the following matters:

- the company becoming a founder or participant in other legal entities save for exceptions indicated in the Articles of Association; terminating their activities;
- the company establishing branches and representative offices and terminating their activities, as well as approving and amending the regulations thereof;
- the approval of candidacies for the management bodies of companies in which the Company is a shareholder, the Company's branches and representative offices, the approval of the appointment and removal of the heads thereof;

- any transfer of the shares (parts, stocks) held by the company or the rights granted thereby to other persons or restriction thereof;
- entering into shareholder’s agreements regarding the entities where the company is a shareholder and terminating them thereof;
- participation and voting at the General Meetings of Shareholders of the companies of which the Company is a shareholder, taking into account the rules and principles applicable to the Group of Companies as laid down by the parent company (policies, guidelines, recommendations, opinions), on the following matters:
  1) a subsidiary of the Company becoming a founder, participant of other legal entities, the establishment of the branches and representative offices of a subsidiary of the Company and termination of their activities as well as the approval and amendment of the regulations thereof;
  2) any transfer of the shares (parts, stocks) held by a subsidiary of the Company or the rights granted by them to other persons or restriction thereof;
  3) entering into, amendment and/or supplementation and termination of shareholder agreements in other legal entities where a subsidiary of the Company is a shareholder;
  4) the approval of the strategy and strategic plan of a subsidiary of the Company;
  5) the election, removal of the members of the management bodies of a subsidiary of the Company or approval of their candidacies, the approval of the appointment and removal of the heads thereof as well as the approval of the material terms and conditions of their service and/or employment;
  6) the procedure for granting the financial support of a subsidiary of the Company, which shall be determined pursuant to the policy of the parent company;
  7) the economic activities of a subsidiary of the Company, the suspension and liquidation of its activities;
  8) the approval of the conclusion of transactions of a subsidiary of the Company as set out in the procedure for concluding transactions established by the parent company;
- other issues which fall within the Management Board’s competence under legal acts, the Articles of Association or the General Meeting of Shareholders, as well as significant issues which are referred to the Board by the Chief Executive Officer.

The Management Board shall be responsible for convening and organising the General Meetings in a timely manner.

Priorities for the reporting period and their implementation

The Management Board meetings takes place on a weekly basis. Additionally, ad hoc meetings are held if necessary. The table below details the participation of the members in the meetings.

Overview of the meeting attendance of the Management Board members

Name, surname[1]	
Jonas Rimavičius	97/97
Vidmantas Salietis	97/97
Peter Overgaard*	97/97

[1] The numbers indicate how many meetings the members attended in 2023, out of the total meetings during the reporting period.

The Management Board oversaw the following key areas in 2024:

- Approval of the company’s Annual Report for the year 2024, and its submission to the General Meeting of Shareholders;
- evaluation of the company’s annual financial statements and draft allocation of profit (loss) and providing comments to the General Meeting of Shareholders;
- evaluation of the most significant transactions planned by the company, approval of their conclusion and approval of essential terms of those transactions;
- making decisions on participation and voting in general meetings of shareholders of the companies in which the company is a shareholder;
- evaluation of the organisation of the company’s activities and taking decisions related thereto;
- evaluation and approval of the company’s operational planning documents;
- making decisions on approval of company’s internal policies;
- approval of the appointment and removal of members of the management bodies and of the heads of companies in which the company is a shareholder;
- application to the General Meeting of Shareholders to increase the share capital and amend the Articles of Association of the company;
- making decisions on establishment of subsidiary companies, UAB “Ignitis renewables projektai 9”, UAB “Ignitis renewables projektai 10”, UAB “Ignitis renewables projektai 11”, Ignitis Renewables DevCo1 OÜ and Ignitis Renewables Estonia OÜ.
- acquisition of 100% of shares of Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o on behalf of UAB “Ignitis renewables”;
- acquisition of 50% of Kadrina 1 Energiapark OÜ, Pärnu 1 Energiapark OÜ and Tõrva 1 Energiapark OÜ on behalf of Ignitis Renewables DevCo1 OÜ;
- adoption of the Final Investment decision for SIA "IGN RES DEV 2", a subsidiary of UAB “Ignitis Renewables”, on execution of Project LVSP02;
- conclusion of the Power Purchase Agreement (PPA) for Varme solar farm between SP VENTA SIA and Ignitis Latvija SIA;
- conclusion Power Purchase Agreement (PPA) between IGN RES DEV 2 SIA and Ignitis Latvija SIA.

Members of the Management Board

	Description	Experience	Education	Other current place of employment, position
	**Jonas Rimavičius** Chair Term of office: from 7 February 2023 until 6 February 2027	Jonas Rimavičius joined Ignitis Group in 2016. Before that time, he worked as a Senior Analyst at Swedbank, a Finance Business Partner at the telecommunications company Telia as well as an Associate for Strategy and Transactions at Ernst & Young Baltic.	University of Warwick – BSc in Accounting and Finance. University of Cambridge – Master's degree in Business Administration (EMBA).	Member of AB Ignitis Group Management Board and CFO. Ignitis Renewables, Chair and Member of the Board; Ignitis renewables offshore development, Member of the Board; Ignitis renewables projektai 5, Member of the Board; Ignitis renewables projektai 6, Chair and Member of the Board; Vilniaus Kogeneracinė Jėgainė, Member of the Board.
	**Vidmantas Salietis** Member Term of office: from 7 February 2023 until 6 February 2027	Vidmantas Salietis joined Ignitis Group in 2011 and has 7 years of executive experience, which he acquired in the energy sector. He worked as CEO at UAB Energijos Tiekimas, and before that as Director of the Wholesale Trading Department at AB Ignitis Gamyba.	Stockholm School of Economics in Riga – Bachelor's degree in Economics and Business.	Member of the AB Ignitis Group Management Board and Group Chief Commercial Officer. Ignitis, Chair and Member of the Board; Ignitis Gamyba, Chair and Member of the Board; Ignitis Renewables, Member of the Board.
	**Peter Overgaard** Independent member Term of office: from 7 February 2023 until 6 February 2027	Peter Overgaard joined Ignitis Group in 2021. Mr Overgaard gained experience as an executive in various companies involved in developing green energy, such as DONG (now Orsted) and Siemens Gamesa. He also has invaluable experience in Poland – one of the strategic markets of the Group.	Aalborg University – Master's degree in Mechanical Engineering, Energy Sector. Vitus Bering University College – Diploma in Engineering Business Administration (EBA).	-

Chief Executive Officer

Overview

The Chief Executive Officer is the sole management body of the company. The Chief Executive Officer is appointed by a decision of the company's Management Board. The Chief Executive Officer organises the activities of the company, manages it, acts on behalf of the company and concludes transactions unilaterally, except for in the exceptions provided by the legal acts and the Articles of Association. The competence of the Chief Executive Officer, as well as the procedure of election and recalling are established by the laws, other legal acts and the Articles of Association of the company.

Profile

	Description	Experience	Education	Other current place of employment, position
	**Gary Bills** Chief Executive Officer Term of office: Appointed from 1st April 2025 for a minimum term of six months [1]	Gary Bills joined Ignitis Group in 2022. A renewable energy professional from the United Kingdom, he brings over 20 years of extensive experience and in-depth expertise in the development and construction of renewable energy projects. Over the last years, Gary Bills has worked as Project Director in Morocco, Ghana, Japan, Asia, the UK as well as Ireland, Sweden, the Balkans, the USA, Ukraine, Argentina and Mexico. He spent 6 years in renewable energy consulting and has worked for Nordex, one of the world's largest wind turbine manufacturers.	HNC in Mechanical Engineering - University of Staffordshire HND is Marketing - University of Staffordshire Extensive and comprehensive training through an apprenticeship program, acquiring advanced skills and knowledge in the renewable energy field.	Executive Committee member of UAB "Ignitis Renewables" Board member of: -Ignitis renewables Estonia OÜ -Ignitis renewables DevCo1 OÜ -Ignitis Renewables Latvia SIA -IGN RES DEV2 SIA -SP Venta, SIA -Silesia2 Wind Farm S.A.

[1] *Due to resignation of Mr. Thierry Aelens (link)*

4.3 People and remuneration

People and culture

Overview

Ignitis Group, with the Renewables Group as a part of it, is one of the largest employers in Lithuania. Maintaining good relations with employees and contributing to employee engagement and welfare is a great responsibility and challenge, but at the same time is and an opportunity.

Ignitis Group forms and strives to maintain an organisational culture that fosters long-term employer-employee partnerships based on the Group's values and its Code of Ethics, as well as mutual understanding and the opportunity to create an energy smart future together.

The overall objective of the Group Remuneration Policy is to attract and retain competent, fast-learning, technologically advanced, globally-minded and creative employees. It includes remuneration elements that support our strategy. The Group is rapidly moving towards sustainability, including the management of human resources. Hence, the ongoing transition requires new skills and competencies as well as continuous development of our culture. In 2024, we continued to develop our Remuneration Policy to maintain the principles of transparency and clarity.

In this report we provide a transparent and comprehensive overview of the remuneration of the CEO and members of the Management Board. The reported remuneration is in line with Group Remuneration Policy.

Employees, their diversity and representation

As of 31 December 2024, the Renewables Group had 254 employees compared to 164 employees on 31 December 2023.

The nature of the work in the Renewables Group, as in the entire Ignitis Group, does not depend on a person's gender. The Renewables Group ensures equal opportunities and diversity for its employees and has zero tolerance for direct or indirect discrimination in all areas of its activities. As of 31 December 2024, the share of men in the Renewables Group amounted to 55%, while women accounted for 45%. The gender distribution in management positions was: men – 70%, women – 30%.

Remuneration

Remuneration-related decision-making process

Remuneration structure of the Group is based on two key documents: the Remuneration Policy and the Remuneration Guidelines. The Remuneration Policy defines the key principles and essential provisions on remuneration management and structure whereas Remuneration Guidelines, which is an internal document, is a supporting document detailing the provisions of the Remuneration Policy (e.g., setting and evaluating objectives, determining and paying short-term incentives). Both documents are integrated and apply to all companies of the Group.

The Remuneration Policy's approval process is based on the Lithuanian Labour Code, the Law on Companies and the Corporate Governance Code for the Companies Listed on Nasdaq. The parent company is required to submit any proposed amendments to the Remuneration Policy for the approval of the General Meeting of Shareholders. We also inform and consult the representatives of employees of the parent company and the Group companies as well as other stakeholders about changes to the Remuneration Policy (if any). The latest version of the Remuneration Policy was approved by the General Meeting on 27 March 2024 with 95% of the votes in favour (resolutions and voting results) and is available on Ignitis Group website.

The Remuneration Guidelines are approved by the decision of the parent company's Management Board.

Remuneration Policy and its structure

The key objective of our Remuneration Policy is to support the Group's pathway towards achieving its goals through 5 key principles detailed below.

Key principles of the Group Remuneration Policy

Internal fairness	We ensure that similar- or same-value-creating work is compensated equally throughout the organisation.
External competitiveness	Employees are entitled to receive a competitive salary based on their functions, market conditions and geography.
Clarity	We aim that all employees are informed about how their performance, competencies and qualification impact their remuneration package as well as on what basis it is set.
Transparency	We believe in transparency and share our objective remuneration criteria with our employees.
Equal opportunities and non-discrimination	Decisions on remuneration must be made in accordance with the provisions set out in the Remuneration Policy and the Equal Opportunities and Diversity Policy in force in the Group.

The Remuneration Policy defines the remuneration structure, the fixed base salary (FBS) review and determination process, the composition of the maximum variable remuneration, related guidelines, principals, etc. To be competitive in the market and to ensure internal fairness, we participate in annual remuneration market surveys to obtain a fair view of market expectations and tendencies.

Overall, our Remuneration Policy is designed to attract, retain, and motivate employees to ensure the achievement of the Group's targets by creating a high performing organisational culture. Thus, we aim to pay the median of the market where the Group companies operate. Depending on the competitive environment in a certain country or the strategic objectives set for a Group company, a different remuneration ratio (higher or lower) than the median of the remuneration market may be set. To ensure the principle of external competitiveness, the FBS salary ranges may be determined and reviewed annually while considering the data of an independent national salary survey and the remuneration market trends. Salary ranges are determined for each job level based on the median of the salary market.

The remuneration structure is consistent across the Group. It includes fixed and variable remuneration parts, which are described in detail in the following table. Additionally, further information on short-term incentives (STI) is provided separately in the following pages.

The complete Remuneration Policy and People and culture policy along with further information on human resources management are available on Ignitis Group website.

Group remuneration structure

Type	Element	Applicability	Description and performance measures
Fixed remuneration	Fixed base salary (FBS)	All Group employees	FBS is established in the employment contract while considering the level of the position and the level of competency of the employee. FBS is paid on a monthly basis. FBS revision is performed during the annual performance review or when necessary (in case of changes in functions, career, etc.).

Type	Element	Applicability	Description and performance measures
	Payment for being a board member (PBM)[1]	Members of the parent company's or the Group companies' collegial bodies	PBM is fixed and paid on a monthly basis (for more information, see section 'Remuneration of collegial bodies of the parent company').
Variable remuneration	Short-term incentives (STI)	All Group employees	This is performance-based incentivization (cash-based), i.e., for meeting targets or indicators set for an individual position. STI proportion is determined as a percentage of FBS. STI of 20% (of the annual FBS) applies to the executives and positions with strategic responsibilities, for other employees – 10%. In order to achieve the flexibility of the remuneration system for specific job groups, a specialised remuneration system with different STI size or payment frequency may be introduced.
	Long-term incentives (LTI)	Key executives[2]	This is performance-based incentivization (cash-based) for meeting targets of a four-year strategic period (not overlapping with STI targets[3]). LTI proportion is determined as a percentage of average salary, e.g., LTI of 40% of the average annual FBS for a relevant strategic period (10% each year). Long-term incentives are determined by evaluating business performance over a rolling four-year performance period and are paid after the end of each strategic period of 4 years (vesting period is 4 years).
		Managers with strategic responsibilities[4]	This is performance-based incentivization (cash-based) paid for the development of strategic long-term projects (not overlapping with STI targets[3]). LTI proportion is determined as a percentage of average salary, e.g., LTI of up to 30% (of the average annual FBS for a relevant strategic period). Criteria for and objectives of the implementation of long-term targets may be determined and approved by the Management Board of the parent company.
Other rewards	Discretionary bonus	All Group employees, except CEOs, members of the Management Board of the parent company and the executive committees of the Group companies	This is performance-based incentivization to promote extraordinary results or for managing strategically important initiatives of the Group. Additional financial incentives may be provided at the initiative and discretion of the employer and are not a guaranteed part of the remuneration package.
	Expatriate's/attraction package	Employees who are hired from a foreign country	This is reimbursement of additional expenses related to the relocation of an employee from one country to another due to his/her job functions. It also is used to attract talents from foreign countries.
	Additional benefits	All Group employees	This includes non-cash remuneration, such as accidental injury insurance and a variety of health insurance schemes with pre-set funds (amount does not exceed EUR 1,000 per person and is the same for everyone), contributions to a private pension fund and other benefits offered according to the internal procedures and each employee's decisions. It is designed to promote employee motivation and loyalty. The additional benefits package for the members of the Management Board of the parent company and the executive committees of the Group companies additionally includes a company EV or mobility allowance.

[1] *In 2023 PBM was merged with FBS*
[2] *Key executives – employees holding the position of a member of the parent company's Management Board as well as CEOs of AB "Energijos skirstymo operatorius", UAB "Ignitis", AB "Ignitis gamyba" and UAB "Ignitis renewables".*
[3] *This rule was applied on 30 March 2023, following the approval of a new wording of the Remuneration Policy by the General Meeting of Shareholders of the parent company.*
[4] *Managers with strategic responsibilities – managers who have the Group's long-term (longer than one year) strategic and/or critical importance objectives.*

Employee remuneration

The company's salary fund in 2024 amounted to EUR 10,3 million, compared to EUR 6.2 million in 2023. The table below shows the average monthly remuneration (FBS and STI) and number of the company's employees, EUR (gross).

Average monthly remuneration and number of the company's employees, EUR (before taxes)

Position category	2024		2023	
	Number of employees	Average salary	Number of employees	Average salary
Managers	29	10,226	21	9,820
Experts / Specialists	143	4,649	81	4,601
Total	**172**	**5,598**	**102**	**5,889**

Remuneration of the Renewables Group's employees

The Renewables Group's salary fund in 2024 amounted to EUR 12,5 million compared to 8,1 EUR million in 2023. The table below shows the average monthly remuneration (FBS and STI) and number of the Renewables Group's employees, EUR (gross).

Average monthly remuneration and number of the Renewables Group's employees, EUR (gross)

Position category	2024		2023	
	Number of employees	Average salary	Number of employees	Average salary
Managers	61	9,162	43	8,768
Experts / Specialists	215	4,355	121	4,273
Total	**276**	**5,149**	**164**	**5,274**

Remuneration of the CEO and Management Board of the Company

In order to attract high-level professionals to leadership positions, we aim to maintain remuneration close to the market median of the country in which the Group's companies operate. More information about the Group's remuneration principles can be found in the Remuneration Policy and the Group's 2024 Integrated Annual Report. (link).

The remuneration of members of the company's collegial bodies is determined in accordance with the Order No. 794 of the Government of the Republic of Lithuania, dated August 3, 2022, approving the Procedure for the Payment of Remuneration to Members of Collegial Bodies of State-Owned and Municipally Owned Enterprises. This procedure establishes the payment terms for members of collegial bodies elected by the general shareholders' meeting of a state-owned company and its subsidiaries, which are important for ensuring national security.

Remuneration of the Management Board members of the Company, EUR (before taxes)

Name, surname (position)	2024	2023
Jonas Rimavičius, Chair of the Management Board[5]	-	-
Vidmantas Salietis, Member of the Management Board[5]	-	-
Peter Overgaard, Member of the Management Board	31,200	31,200

[5] *The payment for the activities in the Company's collegial bodies for AB "Ignitis Group" employees (Vidmantas Saliečius and Jonas Rimavičius) is included in their remuneration, and no additional payment is made.*

2024 STI Performance Objectives and their achievement

Performance criteria	Weight	Objective	Achieved performance, %
Strategic projects and key milestones	80%	Expanding Green generation onshore portfolio (35%)	0%
		Executing Offshore wind project in Lithuania according to plan (10%)	97%
		Developing Green Flexibility (35%)	Objective removed as BESS auctions were not announced in 2024[2]
Sustainability targets	10%	ESG targets with focus on: – Increasing safety at work[1] (5%);	100%
		- Attracting and retaining required competences (5%)	100%
Financial targets	10%	Consolidated Ignitis Renewables EBITDA	91%
Total achievement			**75%**

[1]Zero work related fatal accidents (own employees and contractors), TRIR the rate of total recordable work-related injuries (number of recordable incidents x1,000,000 / total number of hours worked over the year)

[2]BESS auctions in the region were not announced in 2024, therefore the target is not applicable and removed from performance objectives, and its weight is redistributed to other targets proportionally. The possibility of this redistribution was foreseen when STI performance objectives for 2024 were set.

STI Performance Objectives 2025

Performance criteria	Weight	Objective
Financial targets	20%	Consolidated EBITDA (10%)
		Consolidated OPEX (10%)
Strategic projects or their key milestones	70%	Green Generation installed capacity (10%)
		New projects (excl. Offshore) achieved Secured Capacity phase (10%)
		Projects under construction delivered according to final investment decision (15%)
		Development of Green Flexibility (5%)
		Offshore wind milestones achieved (30%)
Sustainability targets	10%	Attracting and retaining required competences (5%)
		Increasing safety at work[1] (5%)

[1]Zero work related fatal accidents (own employees and contractors), TRIR the rate of total recordable work-related injuries (number of recordable incidents x1,000,000 / total number of hours worked over the year)

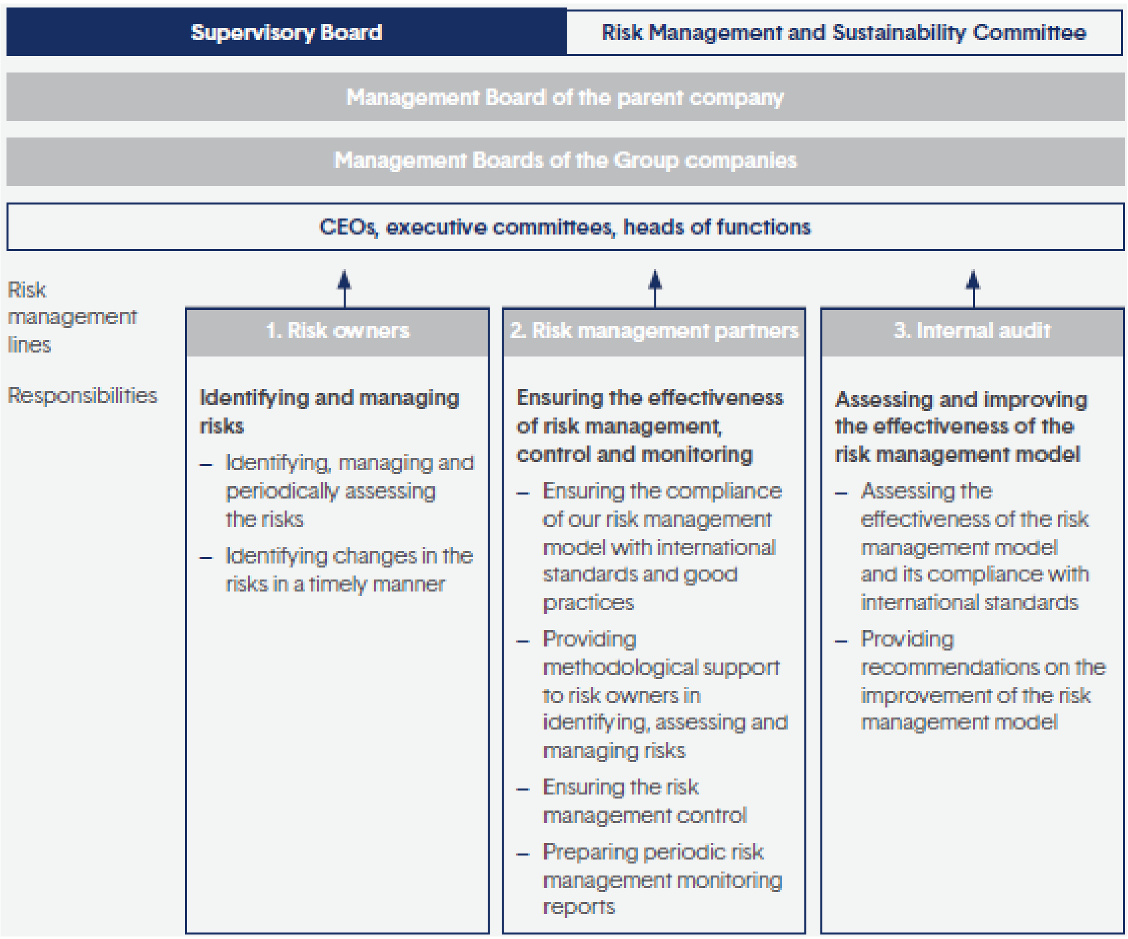
4.4 Risk and risk management

Risk management framework

Overview

The Renewables Group is exposed to a range of internal and external risks that could affect its performance. To address these risks, we adhere to standardized risk management principles based on the best practices, including COSO and ISO 31000:2018. Our 'Three-lines enterprise risk management framework' of Ignitis group ensures a clear segregation of responsibilities among management, supervisory bodies, structural units, and functions. We ensure that our risk management information and decision-making are consistent by utilising a uniform risk management process implemented across all Renewables group units. This process includes quarterly monitoring of risks, measures, and key risk indicators, as well as the preparation of internal reports for management. This section outlines the Ignitis group risk management governance model, the key components of the risk management process, a review of significant risks we faced in 2024, and the risk management plan for 2025.

Three-lines risk management framework



Risk management objectives:

- ensuring that all the decisions made to achieve the goals are in line with the values of the Ignitis Group;
- eliminating or reducing the impact of the risks on the Renewables Group's goals for different periods as much as possible;
- ensuring the stability (including financial) and sustainability of the Renewables Group's activities;
- ensuring that correct information is provided to relevant parties in a timely manner;
- protecting and ensuring the Renewables Group's reputation and reliability;
- protecting the interests of stakeholders.

Risk management process

The Group promotes proactive risk management to achieve its strategic goals and adapt to a dynamic environment. Quarterly reviews of risks ensure timely and effective decision-making in all Group companies. ESG risks (including the risks related to climate change) and opportunities are fully integrated into a Group-wide unified risk management process, which is briefly described below. More information on the risk management framework and the processes we apply in the Group are disclosed in the Group's website.

1. **Identifying risks.** The Group analyses potential impacts arising from climate change, regulatory changes, geopolitical and economic situations, market trends, and social issues. All employees are responsible for identifying risks in a timely manner. Risk are assessed based on the following periods (when the risk is the most relevant): short term (0–1 years), medium term (2–4 years), long term (≥5 years).
2. **Assessing risks.** The Group determines the level of the risks (from low to very high) based on their probability and impact assessment. The risks are assessed while considering their impact on the four categories: financial, reputational, OHS and compliance. The Group assigns ESG types to all risks.

The risks the Group faces in its operations are separated into four different categories described below.

Strategic risks	Financial[6] risks	Operational risks	Legal risks
Risks that affect the Group's long-term goals and objectives, including market competition, technological and regulatory changes.	Risks related to the Group's financial performance, including risks related to credit, working capital demand, market fluctuations, interest rates and liquidity issues.	Risks in day-to-day operations, including system failures, supply chain disruptions, and human errors.	Risks associated with legal obligations and compliance, including litigation, regulatory fines, and contractual disputes.

3. **Determining the response strategy.** The Group decides whether to accept, mitigate, avoid, or transfer the risks. All risks exceeding the Group's risk appetite must be mitigated. The Group is determined to achieve its goals in a sustainable manner, therefore, it pays special attention to and mitigates the risks related to occupational health and safety, corruption, climate change and environmental protection, cyber threats, non-compliance with legal requirements (such as the European Union's Third Energy Package, money laundering and terrorist financing prevention requirements, the General Data Protection Regulation, etc.), partnerships that would have any links to the countries that are hostile towards Lithuania, etc.

4. **Monitoring risks.** The Group assesses the impact, the probability of the risks and their relevant

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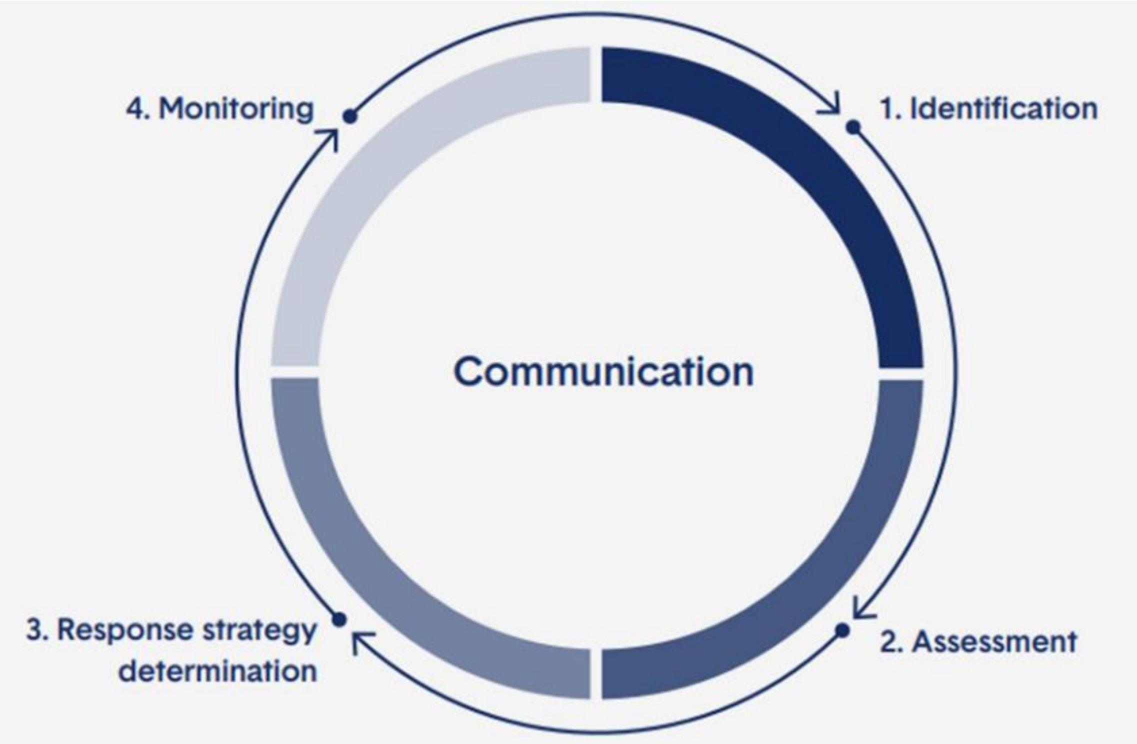
[6] *Financial risks of the Group (market, currency, interest rate, credit, liquidity) which do not exceed the Group's risk appetite and KRI tolerance thresholds, in accordance with the IFRS requirements, are disclosed in section 'Financial statements' of this report.*

sources, updates risk mitigation measures and key risk indicators while reporting other risk-related information to the management every quarter. During the monitoring stage, we identify new risks and eliminate the ones that are no longer relevant. The management bodies of the Group are periodically informed about sustainability matters, including all information related to double materiality assessment (DMA) – impacts, risks and opportunities.



Risk management in 2024

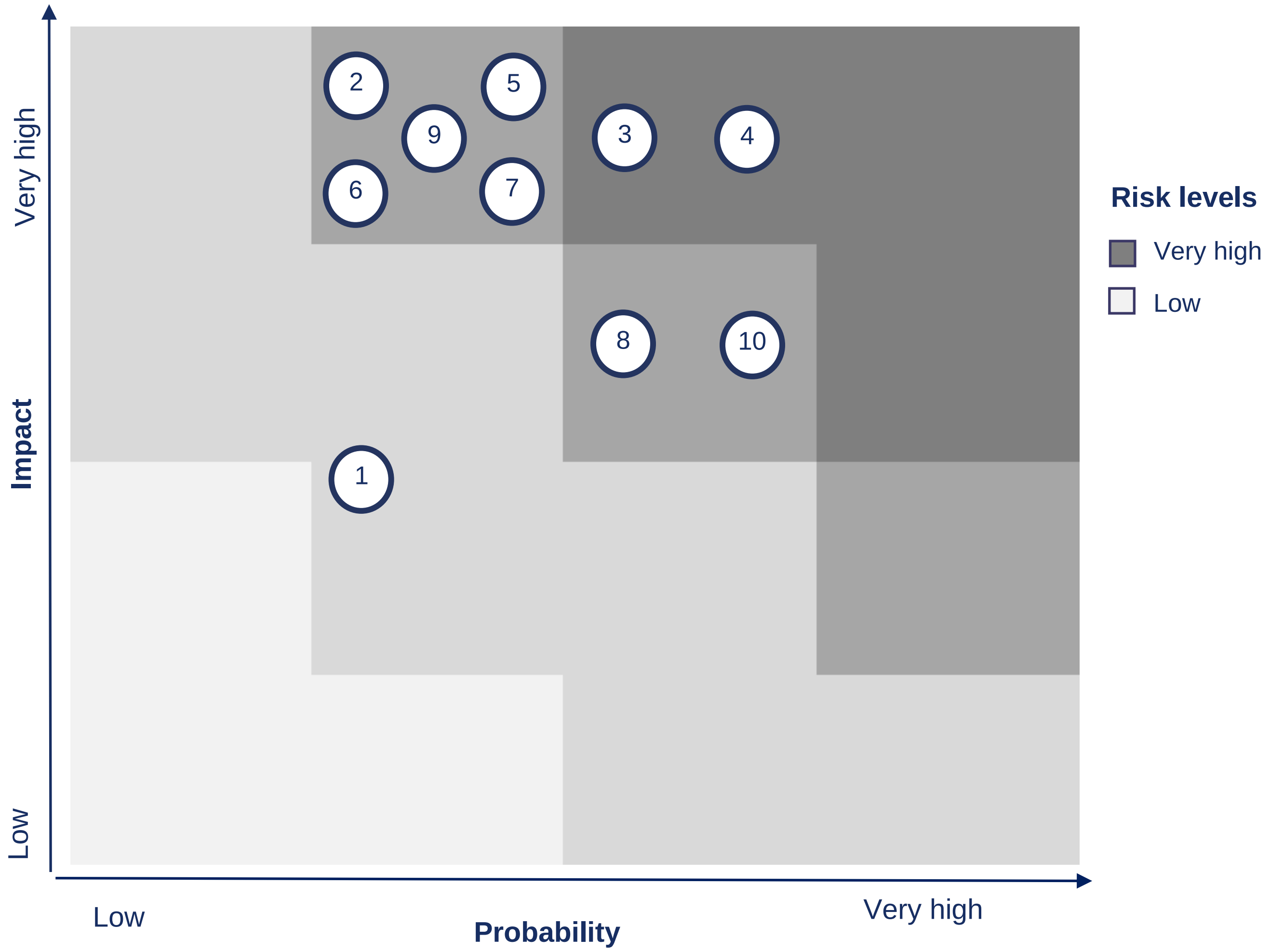
Overview

- The Renewables Group risk management context in 2024 was mostly influenced by rapid Green generation projects portfolio expansion (various development stages).
- In 2024 Ignitis Group Risk Management Policy and risk assessment methodology were updated. The objectives of the Group Risk Management Policy's revision were to enhance compliance with ISO31000:2018 standards and improve the precision in assessing the likelihood and impact of risks (adjusted scales and their values). As a result of this methodological update, the risk level of the 'Risk of health & safety accidents and incidents (employees and contractors)' was adjusted from 'High' to 'Medium'.
- Ensuring that the deployment of renewable energy projects aligns with the goals of global climate action while also addressing the concerns and priorities of local communities requires finding the right balance and engaging the communities in the early development stages. Failing to address local opposition or complains of communities in the early stages of projects may lead to longer project implementation periods, higher project development costs or even project closure. Therefore, a new risk 'Risk of community complaints' was added to the list of Renewables Group key risks.
- Attracting, retaining and developing a highly skilled workforce is essential for achieving the Renewables Group strategic objectives. As we rapidly expanding into onshore and offshore wind projects, a lack of expertise may significantly impede our progress. To ensure our continued success, we must attract, retain and develop competencies while fostering innovation and excellence. In order to apply risk management measures in a targeted manner, 3 risks were registered: 'Risk of not attracting competences', 'Risk of not retaining competences' were added to list of key risks and 'Risk of not developing strategic competences' is being monitored at the operational level, instead of 'Risk of not attracting, developing and retaining employees'.

– Changes in regulations or compliance requirements can impact project timelines and costs, especially in the regions with stringent environmental standards. Therefore, ‘Risk of non-compliance with environmental requirements’ was reassessed and added to the list of Renewables Group key risks.

Risk management in 2025

After the annual risk reassessment, we determined the key risks of the Renewables Group for the year 2025, which are listed in the heat map below (other risks are monitored at the operational level). The key risks of the Renewables Group include the risks that could have a significant impact on the Group’s strategy and/or finances.



1. Risk of health & safety accidents and incidents (employees and contractors) (ESG)
2. Risk of not achieving Lithuanian offshore WF project’s goals
3. Risk of insufficient transmission grid capacities
4. Risk of supply chains disruptions (ESG)
5. Risk of not attracting competences (ESG)
6. Risk of not retaining competences (ESG)
7. Risk of negative regulatory changes in operating markets
8. Risk to perform below energy production targets
9. Risk of non-compliance with environmental requirements (ESG)
10. Risk of community complaints (ESG)

Key risks management plan

In this section we are disclosing information on key risks of the Renewables Group management.

1 Risk of health & safety accidents and incidents (employees and contractors)

Risk category | Operational

ESG type | Social

Period | Medium-term

Impact on strategic direction
Sustainability

Primary potential impact
- On people's health & safety
- Compliance

Risk description

Key sources of risk:
- Breaches of internal procedures and rules
- Existing different health & safety requirements in different operating countries
- Commencement of offshore interactions (between Renewables and contractors)
- More employees (own and contractors') involvement in projects construction

Key risk mitigation directions:
- Monitoring of legal acts, their adjustments in operating countries (related to H&S)
- Internal policies and procedures on employees H&S
- Organizational structure of responsibility to ensure H&S of employees and contractors. Established H&S committee
- Strict control of contractors procedures and vetting process
- H&S trainings for employees, based on gap analysis
- Communication activities on H&S topic
- Performing working places audits

2 Risk of not achieving Lithuanian offshore WF project's goals

Risk category | Strategic

ESG type | Not related

Period | Medium-term

Impact on strategic direction
Green generation

Primary potential impact
- Financial
- Reputation
- Compliance

Risk description

Key sources of risk:
- Lack of competent and experienced employees
- Project complexity, engagement of many parties with dependency on each other
- Growing demand and competition for securing the supply of the main components for offshore wind farms
- Challenges related to securing good external financing conditions due to project parameters

Key risk mitigation directions:
- Hiring consultants in order to have the necessary competences at the current project development stage
- Recruitment plan for hiring offshore experts has been prepared and is being implemented
- Preparing a detailed project programme to assess the interfaces between different project packages
- Approaching all the main suppliers of the components necessary for offshore wind farms' construction

3 Risk of insufficient transmission grid capacities

Risk category | Strategic

ESG type | Not related

Period | Long-term

Impact on strategic direction
Green generation

Primary potential impact
- Financial
- Reputation

Risk description

Key sources of risk:
- Limited availability of electricity transmission network capacity reservations (both due to the technical capabilities of the network, the decisions of regulatory authorities and due to growing competition in the markets) limits the Renewables Group's opportunities to develop Green generation projects

Key risk mitigation directions:
- Cooperation with the state authorities in the home markets
- Project hybridisation
- Innovations related to P2X
- Development of Green generation projects in various countries

4 Risk of supply chains disruptions

Risk category | Operational

ESG type | Environmental – other

Period | Medium-term

Impact on strategic direction
Green generation

Primary potential impact

Risk description

Key sources of risk:
- Increasing demand for green energy projects implementation required materials, components in global market
- Unstable geo-political situation affects the price and lead time of required materials
- Ensuring compliance with regulations acceptable to the EU market

Key mitigation directions
- Engagement on new possible suppliers, supply market monitoring
- Applying H&S, quality, other requirements for suppliers
- Insurance, defects liability, audits and other control measures are being applied
- Supplier due diligence, KYC (Know Your Customer), suppliers are required to sign

– Financial

Ethics and Compliance Policy of Ignitis Group

5 Risk of not attracting competences

Risk category | Operational

ESG type | Social

Period | Long-term

Impact on strategic direction
People and culture

Primary potential impact
- Financial
- Compliance

Risk description

Key sources of risk:
- Limited renewable talent pool as the Green generation industry is new to our region
- Intense global competition for renewables talents
- Rapid renewables projects development increases demand for renewables competences

Key mitigation directions

- Implementing the Energy Smart Start programme
- Partnership with educational institutions on preparing relevant educational programs
- Participation in WindEurope to develop more renewable competences in Europe
- Cooperating with human resources agencies in Lithuania and abroad
- Cooperating with stakeholders to represent and promote Lithuania to attract more renewable talents
- Offering employees a competitive salary and additional benefits

6 Risk of not retaining competences

Risk category | Strategic

ESG type | Social

Period | Long-term

Impact on strategic direction
People and culture

Primary potential impact
- Reputation
- Compliance

Risk description

Key sources of risk:
- Difficulty to ensure the sufficient human resources, replacements and retain existing competencies in the company while taking into account the rapid development of Green generation projects

Key mitigation directions

- Identified critically important competences within the Group
- Prepared company responsibility matrix, governance structure
- Providing employees with opportunities to improve their competence
- Promoting internal career possibilities in the green energy field within the Group

7 Risk of negative regulatory changes in operating markets

Risk category | External
ESG type | Not related

Period | Medium-term

Impact on strategic direction
Finance

Primary potential impact
- Financial
- Reputation
- Compliance

Risk description

Key sources of risk:
- Lack of regulation related to offshore wind farms (from projects development, construction phases to operation)
- Changing regulation on transmission grid capacities availability, curtailments, projects hybridization
- Changing environmental/building permitting requirements for renewables projects

Key mitigation directions

- Active participation in discussions with regulators, other stakeholders, responsible for legislation
- Participation in wind/solar/trade associations and submitting proposals for the legislation
- Monitoring and following draft legislation on environmental, permitting. Assessing impact of these drafts and making actions accordingly

8 Risk to perform below energy production targets

Risk category | Operational

ESG type | Not related

Period | Long-term

Impact on strategic direction
Green generation

Primary potential impact
- Financial

Risk description

Key sources of risk:
- Wind farm's technical failures (lower availability, load factors)
- Lower, than forecasted wind speed
- Delay of projects CODs

Key mitigation directions
- Wind farms, substations maintenance service agreements, machinery insurance
- Functioning security and fire alert systems
- Functioning projects' risk management system

9 Risk of non-compliance with environmental requirements

Risk category | Operational

ESG type | Environmental – other

Period | Short-term

Impact on strategic direction
Sustainability

Primary potential impact
- Financial
- Compliance

Risk description

Key sources of risk:
- Violations of laws, permit conditions, mandatory mitigation measures outlined in the Environmental Impact Assessment (EIA)
- Failure to follow rules or procedures
- Different environmental requirements in different countries
- Constantly changing environmental regulatory environment

Key mitigation directions
- The responsibility for compliance with environmental requirements (related to the construction stage of projects) is delegated to contractors.
- Internal policies and procedures related to environmental protection
- Involving communities in the EIA process

10 Risk of community complaints

Risk category | Operational

ESG type | Social

Period | Long-term

Impact on strategic direction
Green generation

Primary potential impact
- Financial
- Reputation

Risk description

Key sources of risk:
- Insufficient involvement of relevant stakeholders in the project communication process
- Lack of information about project development and its benefits for communities
- Lack of support for developing renewable energy projects from municipal institutions, businesses and their associations, local municipalities, and other institutions

Key mitigation directions
- Completed team - responsible for communities
- There is a general benefits package and it will be improved
- Meetings with stakeholders and informal meetings with communities are held

4.5 Information about the subsidiaries

Overview of the subsidiaries

At the reporting date, the company directly or indirectly controlled the 47 subsidiaries listed below.

UAB "Ignitis renewables projektai" 100%
UAB "Ignitis renewables projektai 2" 100%
UAB "Ignitis renewables offshore development" 100%
UAB "Ignitis renewables projektai 5" 100%
UAB "Ignitis renewables projektai 6" 100%
UAB "Ignitis renewables projektai 7" 100%
UAB "Ignitis renewables projektai 8" 100%
UAB "Ignitis renewables projektai 9" 100%
UAB "Ignitis renewables projektai 10" 100%
UAB "Ignitis renewables projektai 11" 100%
UAB "EURAKRAS" 100%
UAB "VĖJO GŪSIS" 100%
UAB "VĖJO VATAS" 100%
UAB "VVP Investment" 100%
UAB "Plungės vėjo energija" 100%
UAB "Vėjas LT" 100%
WINDLT, UAB 100%
UAB "Offshore wind farm 1" 51%
UAB ARROW CLUSTER 100%
UAB ARROW HOLDCO 100%

Moray West Holdings Limited 5%

IGN RES DEV1 SIA 100%
IGN RES DEV2 SIA 100%
IGN RES DEV3 SIA 100%
IGN RES DEV4 SIA 100%
IGN RES DEV5 SIA 100%
IGN RES DEV6 SIA 100%
IGN RES DEV7 SIA 100%
Ignitis renewables Latvia SIA 100%
"SP Venta" SIA 100%
SIA CVE 100%
SIA BRVE 100%

"Tuuleenergia osaühing" 100%
Estonia offshore Wind DevCo OU 50%
Ignitis Renewables DevCo1 OÜ 100%
Ignitis Renewables Estonia OÜ 100%
Kadrina 1 Energiapark OÜ 50%
Pärnu 1 Energiapark OÜ 50%
Tõrva 1 Energiapark OÜ 50%

Pomerania Wind Farm sp. z o. o. 100%
Silezia1 Wind Farm Sp. z o.o. 100%
Silezia2 Wind Farm S.A. 100%
Ignitis Renewables Polska sp. z o. o. 100%
Ignitis Res Dev sp. z o. o. 100%
Sunrise 1 sp. z o.o. 100%
Sunrise 2 sp. z o.o. 100%
Sunrise 4 sp. z o.o. 100%

Changes in the Renewable Group's structure during the reporting period:

- In April 2024, UAB UAB "Ignitis renewables" established two new subsidiaries: UAB "Ignitis renewables projektai 9", UAB "Ignitis renewables projektai 10"(both registered in Lithuania);
- In May 2024, UAB UAB "Ignitis renewables" established one new subsidiary: UAB "Ignitis renewables projektai 11";
- In July 2024, UAB UAB "Ignitis renewables" established two new subsidiaries: Ignitis renewables Estonia OÜ, Ignitis renewables DevCo1 OÜ (both registered in Estonia);
- In August 2024, UAB „"Ignitis renewables projektai 3" name was changed to UAB „ARROW HOLDCO" and UAB „Vėjo galia bendruomenei" name was changed to UAB „ARROW CLUSTER";

- In October 2024, UAB UAB “Ignitis renewables” established three new subsidiaries: Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o., Sunrise 4 sp. z o.o.(all three registered in Poland);
- In December 2024, Ignitis renewables DevCo1 OÜ established three new subsidiaries: Kadrina 1 Energiapark OÜ, Pärnu 1 Energiapark OÜ, Tõrva 1 Energiapark OÜ (all three registered in Estonia);

Subsidiaries and their performance during the reporting period (2024)

Pomerania Wind Farm sp. z o. o. Operation of renewable energy projects	**Company code:** 0000450928 **Registered address:** Puławska St. 2B, 02-566 Warsaw, Poland **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** PLN 44,500 **Website**: link	**Performance, EURm** Revenue 24.9 Expenses (5.2) Adjusted EBITDA 19.7 Net profit 11.4 Investments - Assets 165.7 Equity 62.2 Liabilities 103.5 **Number of employees 0**[1]
Tuuleenergia Osaühing Operation of renewable energy projects	**Company code:** 10470014 **Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Liivalaia tn 45, 10145 **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 499,488 **Website:** link	**Performance, EURm** Revenue 4.8 Expenses 1.8 Adjusted EBITDA 6.6 Net profit 4.3 Investments - Assets 27.7 Equity 8.9 Liabilities 18.8 **Number of employees 1**
UAB “Eurakras” Operation of renewable energy projects	**Company code:** 300576942 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 4,620,539.04 **Website:** link	**Performance, EURm** Revenue 8.5 Expenses (2.5) Adjusted EBITDA 6.0 Net profit 4.1 Investments 0.0 Assets 35.7 Equity 14.2 Liabilities 21.5 **Number of employees 1**
UAB “Vėjo gūsis” Operation of renewable energy projects	**Company code:** 300149876 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 7,442,720 **Website:** link	**Performance, EURm** Revenue 5.1 Expenses (1.6) Adjusted EBITDA 3.5 Net profit 2.9 Investments 2.7 Assets 29.8 Equity 13.8 Liabilities 16.1 **Number of employees 1**
UAB “Vėjo vatas” Operation of renewable energy projects	**Company code:** 110860444 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 2,896,000 **Website:** link	**Performance, EURm** Revenue 4.0 Expenses (1.3) Adjusted EBITDA 2.7 Net profit 1.6 Investments 0.1 Assets 13.3 Equity 6.2 Liabilities 7.1 **Number of employees 1**

UAB “VVP Investment” Operation of renewable energy projects	**Company code:** 302661590 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 253,110.40 **Website:** link	**Performance, EURm** Revenue 15.3 Expenses (4.1) Adjusted EBITDA 11.1 Net profit 3.3 Investments - Assets 91.5 Equity 20.2 Liabilities 71.3 **Number of employees 1**
UAB ARROW CLUSTER Development of renewable energy projects	**Company code:** 306163651 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 2,500 **Website**: link	**Performance, EURm** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.1) Investments - Assets 0.0 Equity (0.1) Liabilities 0.1 **Number of employees 1**
Silezia1 Wind Farm Sp. Z o.o. Operation of renewable energy projects	**Company code: 0000531275** **Registered address:** Puławska St. 2A, 02-566 Warsaw, Poland **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** PLN 78,414,050.00 **Website:** link	**Performance, EURm** Revenue 7.0 Expenses (1.3) Adjusted EBITDA 5.6 Net profit 2.7 Investments 7.6 Assets 84.6 Equity 50.6 Liabilities 34.0 **Number of employees: 0[1]**
UAB Ignitis renewables projektai Development of renewable energy projects	**Company code:** 305916135 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 3,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.1) Investments 0.4 Assets 0.7 Equity 0.4 Liabilities 0.3 **Number of employees 1**
Ignitis Renewables Polska Sp. z o. o. Development of renewable energy projects	**Company code:** 0000871214 **Registered address:** Puławska St. 2B, 02-566 Warsaw, Poland **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** PLN 37,500 **Website:** link	**Performance, EURm** Revenue 0.5 Expenses (3.7) Adjusted EBITDA (3.2) Net profit (2.8) Investments - Assets 32.4 Equity 30.9 Liabilities 1.5 **Number of employees 29**
Ignitis Res Dev Sp. z o. o. Development of renewable energy projects	**Company code:** 0000873356 **Registered address:** Puławska St. 2B, 02-566 Warsaw, Poland **Effective ownership interest:** Ignitis Renewables Polska sp. z o. o. - 100% **Share capital:** PLN 5,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.2) Adjusted EBITDA (0.2) Net profit (0.3) Investments 1.4 Assets 2.0 Equity (0.4) Liabilities 2.4 **Number of employees: 0[1]**

IGN RES DEV1 SIA Development of renewable energy projects	**Company code:** 40203389977 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 500,000.00 **Website:** link	**Performance (EURm):** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.5 Equity 0.5 Liabilities 0.0 **Number of employees: 0[1]**
IGN RES DEV2 SIA Development of renewable energy projects	**Company code:** 40203390251 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 500,000.00 **Website:** link	**Performance, EURm** Revenue - Expenses (0.4) Adjusted EBITDA (0.4) Net profit (0.5) Investments 8.1 Assets 21.7 Equity 10.0 Liabilities 11.7 **Number of employees 0[1]**
Ignitis renewables Latvia SIA Development of renewable energy projects	**Company code:** 40203380662 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** 100% **Share capital:** EUR 2,000,000.00 **Website:** link	**Performance, EURm** Revenue 2.5 Expenses (3.8) Adjusted EBITDA (1.2) Net profit (1.4) Investments 0.4 Assets 3.0 Equity 0.5 Liabilities 2.5 **Number of employees 47**
Silesia2 Wind Farm S.A. Development of renewable energy projects	**Company code:** 0000508979 **Registered address:** Puławska St. 2A, 02-566 Warsaw, Poland **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** PLN 102,567,311.00 **Website:** link	**Performance (EURm):** Revenue 3.7 Expenses (3.5) Adjusted EBITDA 0.2 Net profit 3.3 Investments 24.5 Assets 251.4 Equity 100.3 Liabilities 151.1 **Number of employees: 0[1]**
UAB „Plungės vėjo energija" Development of renewable energy projects	**Company code:** 304939316 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 2,500 **Website:** link	**Performance, EURm** Revenue - Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.1) Investments 0.0 Assets 0.2 Equity (0.1) Liabilities 0.4 **Number of employees 1**
UAB „Ignitis renewables projektai 2" Development of renewable energy projects	**Company code:** 306147729 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 2,500 **Website:** link	**Performance, EURm** Revenue – Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.1) Investments 0.0 Assets 0.2 Equity (0.2) Liabilities 0.3 **Number of employees 1**

IGN RES DEV5 SIA Development of renewable energy projects	**Company code:** 40203447438 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 2,800 **Website:** link	**Performance, EURm** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments 0.1 Assets 0.3 Equity 0.1 Liabilities 0.2 **Number of employees: 0**[1]
IGN RES DEV3 SIA Development of renewable energy projects	**Company code:** 40203421195 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 77,784.00 **Website:** link	**Performance (EURm):** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.1 Equity 0.1 Liabilities - **Number of employees: 0**[1]
IGN RES DEV4 SIA Development of renewable energy projects	**Company code:** 40203420931 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 77,784.00 **Website:** link	**Performance (EURm):** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.1 Equity 0.1 Liabilities - **Number of employees: 0**[1]
IGN RES DEV6 SIA Development of renewable energy projects	**Company code:** 40203447423 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 2,800 **Website:** link	**Performance (EURm):** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments 0.1 Assets 0.2 Equity 0.1 Liabilities 0.1 **Number of employees: 0**[1]
UAB “ARROW HOLDCO” Development of renewable energy projects	**Company code:** 306147711 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 2,500 **Website:** link	**Performance, EURm** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.2 Equity (0.1) Liabilities 0.3 **Number of employees 1**
UAB “Ignitis renewables offshore development” Development of renewable energy projects	**Company code:** 306281817 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB “Ignitis renewables” - 100% **Share capital:** EUR 2,500 **Website:** link	**Performance, EURm** Revenue - Expenses (1.5) Adjusted EBITDA (1.5) Net profit (1.4) Investments 2.2 Assets 3.4 Equity (1.4) Liabilities 4.8 **Number of employees 2**

UAB "Ignitis renewables projektai 5" Development of renewable energy projects	**Company code:** 306281226 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 2,500 **Website:** link	**Performance (EUR million):** Revenue: - Expenses: (0.0) Adjusted EBITDA: (0.0) Net profit: (0.0) Investments: - Assets: 0.0 Equity: - Liabilities: 0.0 **Number of employees: 1**
UAB "Ignitis renewables projektai 6" Development of renewable energy projects	**Company code:** 306280455 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 2,500 **Website:** link	**Performance, EURm** Revenue - Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.4) Investments 2.9 Assets 3.3 Equity (0.4) Liabilities 3.7 **Number of employees 1**
UAB "Ignitis renewables projektai 7" Development of renewable energy projects	**Company code:** 306324841 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 1,000 **Website:** link	**Performance (EUR million):** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets - Equity (0.0) Liabilities 0.0 **Number of employees: 1**
UAB "Ignitis renewables projektai 8" Development of renewable energy projects	**Company code:** 306324987 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 1,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.2) Adjusted EBITDA (0.2) Net profit (0.2) Investments 0.1 Assets 0.2 Equity (0.2) Liabilities 0.4 **Number of employees 1**
UAB "Ignitis renewables projektai 9" Development of renewable energy projects	**Company code:** 306734961 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 1,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.1) Investments 0.1 Assets 0.2 Equity (0.1) Liabilities 0.4 **Number of employees 1**
UAB "Ignitis renewables projektai 10" Development of renewable energy projects	**Company code:** 306735351 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest**: UAB "Ignitis renewables" - 100% **Share capital:** EUR 1,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.0 Equity (0.0) Liabilities 0.0 **Number of employees 1**

UAB "Ignitis renewables projektai 11" Development of renewable energy projects	**Company code**: 306741831 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest**: UAB "Ignitis renewables" - 100% **Share capital:** EUR 1,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments 0.0 Assets 0.0 Equity (0.0) Liabilities 0.0 **Number of employees 1**
Sunrise 1 sp. z o.o. Operation and development of renewable energy projects	**Company code:** 0000915519 **Registered address:** Kongresowa 7, 25-672 Kielce, Poland **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** PLN 5,000 **Website:** link	**Performance, EURm** Revenue 0.1 Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.2) Investments 0.2 Assets 6.5 Equity (0.1) Liabilities 6.5 **Number of employees 0[1]**
Sunrise 2 sp. z o.o. Operation and development of renewable energy projects	**Company code:** 0000915740 **Registered address:** Kongresowa 7, 25-672 Kielce, Poland **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** PLN 5,000 **Website:** link	**Performance, EURm** Revenue 0.1 Expenses (0.1) Adjusted EBITDA (0.0) Net profit (0.1) Investments 0.2 Assets 5.8 Equity 0.0 Liabilities 5.8 **Number of employees 0[1]**
Sunrise 4 sp. z o.o. Operation and development of renewable energy projects	**Company code:** 0000915737 **Registered address:** Kongresowa 7, 25-672 Kielce, Poland **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** PLN 5,000 **Website:** link	**Performance, EURm** Revenue 0.0 Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments 1.6 Assets 9.9 Equity (0.0) Liabilities 10.0 **Number of employees 0[1]**
UAB "Offshore wind farm 1" Development of renewable energy projects	**Company code:** 306640736 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 51%, OW OFFSHORE, S.L. – 49 % **Share capital:** EUR 1,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.0 Equity (0.0) Liabilities 0.0 **Number of employees 1**
WINDLIT, UAB Development of renewable energy projects	**Company code:** 303002760 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 6,002,929.24 **Website:** link	**Performance, EURm** Revenue 0.2 Expenses (0.5) Adjusted EBITDA (0.3) Net profit (0.4) Investments 177.0 Assets 266.0 Equity 41.5 Liabilities 224.5 **Number of employees 1**

UAB "Vėjas LT" Development of renewable energy projects	**Company code:** 305156725 **Registered address:** Laisvės Ave. 10, Vilnius **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 4,002,900.16 **Website:** link	**Performance, EURm** Revenue 2.3 Expenses (0.5) Adjusted EBITDA 1.8 Net profit 1.5 Investments 45.9 Assets 178.5 Equity 25.0 Liabilities 153.4 **Number of employees 1**
IGN RES DEV7 SIA Development of renewable energy projects	**Company code:** 40203486933 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 2,800 **Website:** link	**Performance (EUR million):** Revenue - Expenses - Adjusted EBITDA - Net profit - Investments - Assets 0.1 Equity 0.0 Liabilities - **Number of employees: 0[1]**
"SP Venta" SIA Development of renewable energy projects	**Company code:** 42403048591 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 6,793,800 **Website:** link	**Performance, EURm** Revenue - Expenses (0.6) Adjusted EBITDA (0.6) Net profit (0.6) Investments 91.2 Assets 143.2 Equity 121.1 Liabilities 22.1 **Number of employees 0[1]**
SIA CVE Development of renewable energy projects	**Company code:** 42103097282 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 3,945 **Website:** link	**Performance, EURm** Revenue - Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.1) Investments 0.6 Assets 4.5 Equity 3.1 Liabilities 1.4 **Number of employees: 0[1]**
SIA BRVE Development of renewable energy projects	**Company code:** 45403057233 **Registered address:** Gustava Zemgala St. 74A, Rīga, Latvia **Effective ownership interest:** UAB "Ignitis renewables" - 100% **Share capital:** EUR 3,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.1) Adjusted EBITDA (0.1) Net profit (0.1) Investments 0.6 Assets 3.8 Equity 2.9 Liabilities 1.0 **Number of employees: 0[1]**
Estonia Offshore Wind DevCo OÜ Development of renewable energy projects	**Company code:** 16827546 **Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Hobujaama tn 4, 10151 **Effective ownership interest:** UAB "Ignitis renewables projektai 6" – 50%, CI NMF Estonia Sea I HoldCo Co öperatief U.A. – 50% **Share capital:** EUR 10,000 **Website:** link	**Performance (EUR million):** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.0 Equity (0.0) Liabilities 0.0 **Number of employees: 0[1]**

Ignitis Res Dev sp. z o. o. Development of renewable energy projects	**Company code:** 0000873356 **Registered address:** Puławska St. 2B, 02-566 Warsaw, Poland **Effective ownership interest:** Ignitis Renewables Polska sp. z o. o. - 100% **Share capital:** PLN 5,000 **Website:** link	**Performance, EURm** Revenue - Expenses (0.2) Adjusted EBITDA (0.2) Net profit (0.3) Investments 1.4 Assets 2.0 Equity (0.4) Liabilities 2.4 **Number of employees: 0[1]**
Ignitis renewables Estonia OU Development of renewable energy projects	**Company code:** 17035681 **Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Hobujaama tn 4, 10151 **Effective ownership interest:** UAB "Ignitis renewables" – 100% **Share capital:** EUR 2,500 **Website:** link	**Performance, EURm** Revenue - Expenses (0.2) Adjusted EBITDA (0.2) Net profit (0.2) Investments - Assets 0.1 Equity (0.2) Liabilities 0.3 **Number of employees 66**
Ignitis renewables DevCo1 OU Development of renewable energy projects	**Company code:** 17031447 **Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Hobujaama tn 4, 10151 **Effective ownership interest**: UAB "Ignitis renewables" – 100% **Share capital: E**UR 2,500 **Website:** link	**Performance, EURm** Revenue - Expenses (0.0) Adjusted EBITDA (0.0) Net profit (0.0) Investments - Assets 0.0 Equity (0.0) Liabilities 0.0 **Number of employees 0[1]**
Kadrina 1 Energiapark OU Development of renewable energy projects	**Company code:** 17122397 **Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112 **Effective ownership interest:** Ignitis renewables DevCo1 OU – 50%, RNW Projects OU – 50% **Share capital:** EUR 100 **Website:** link	**Performance, EURm** Revenue - Expenses - Adjusted EBITDA - Net profit - Investments - Assets 0.0 Equity 0.0 Liabilities – **Number of employees 0[1]**
Parnu 1 Energiapark OU Development of renewable energy projects	**Company code:** 17122397 **Registered address:** Harju maakond, Tallinn, Kesklinna linnaosa, Tartu mnt 82, 10112 **Effective ownership interest:** Ignitis renewables DevCo1 OU – 50%, RNW Projects OU – 50% **Share capital:** EUR 100 **Website:** link	**Performance, EURm** **Revenue -** Expenses - Adjusted EBITDA - Net profit - Investments - Assets 0.0 Equity 0.0 Liabilities – **Number of employees 0[1]**

[1] There was no employment contract. A company is represented by elected board member.

5. Sustainability

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5.1 Sustainability overview

Sustainability information of UAB “Ignitis renewables” is included in the Integrated Annual Report 2024 of Ignitis Group (registered office address Laisvės Ave.10, 04215 Vilnius).

The Integrated Annual Report 2024 of AB „Ignitis grupė“ with limited assurance is available on the Group’s website.

Sustainability information of UAB “Ignitis renewables” (Ignitis Renewables) and its subsidiaries is presented in the Integrated Annual Report 2024 of its parent company, Ignitis Group. Therefore, in accordance with Article 23(1)(1) of the Law on Financial Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania, it is not required to disclose the sustainability information specified in the Law on Financial Reporting by Undertakings and Groups of Undertakings.

Sustainability Statement 2024, which is integrated in the Integrated Annual Report 2024 of Ignitis Group, provides information on the sustainability of Ignitis Group and its subsidiaries (the Group), including Ignitis Renewables. It includes an overview of the Group’s commitments and actions in environmental, social responsibility and corporate governance areas. The Sustainability Statement can be found on the Group's website www.ignitisgrupe.lt/en under ‘Investors’ and ‘Sustainability’.

The Group’s Sustainability Statement complies with the Corporate Sustainability Reporting Directive (CSRD), which was transposed into the law of the Republic of Lithuania on 1July 2024 and is fully aligned with the European Sustainability Reporting Standards (ESRS). The dis closures in the Sustainability Statement are made on the double materiality assessment (DMA) basis. During the assessment, material sustainability-related impacts, risks and opportunities (IRO) were identified at the Group level.

This Sustainability Statement has been prepared on a consolidation basis, aligning with the scope of the financial statements for 2024.

The following is a summary of the sustainability information relevant to Ignitis Renewables and where it can be found in the Group's Sustainability Statement.

5.2 Sustainability in the Ignitis Group and at Ignitis Renewables

Sustainability is a part of Ignitis Group's strategy, with the purpose to create a 100% green and secure energy ecosystem for current and future generations. The Group's strategy sets clear, goal-oriented priorities to achieve its environmental, social responsibility and governance (ESG) goals. It is important for us to follow the best sustainability practices, maintain and constantly improve our ESG ratings. The Group's strategic plan 2024–2027 has identified five strategic sustainability priorities, focusing on decarbonisation, safety, employee experience, diversity and sustainable value creation. All five areas address the Group's sustainability-related IROs.

The Group Sustainability Policy sets out the Group's overall sustainability principles and the means to implement these principles across all Ignitis Group companies, including Ignitis Renewables. It aims to create a culture and practices of a responsible and sustainable business. The Sustainability Policy reflects the Group's commitment to the principles of the United Nations Global Compact, its alignment of strategic objectives and activities with the Sustainable Development Goals, also contribution to the Paris Agreement to combat climate change, and the Group's compliance with good corporate governance practices.

The Group's sustainability management plan and the list of policies are disclosed publicly and presented in the Group's Sustainability Statement 2024. Along with comprehensive ESG information, ESG indicators and highlights are published in interim and half-year reports. This ensures that all our stakeholders receive information about the Group's sustainability objectives.

Sustainability is coordinated centrally at the Group level, via a separate Sustainability function that reports directly to the Group's CEO. The Group's Management Board makes decisions on forming, approving and revising the organisation's sustainability strategic directions, policies and activities. Detailed description of the sustainability governance can be found in Ignitis Group's Sustainability Statement, which is integrated into the Group's Integrated Annual Report 2024 as well as on the Group's website in the 'Sustainability' section.

The Group's memberships and external initiatives

Sustainable activities are carried out together with the Group partners. The Group shares experiences and learns from others while participating in various organisations. The Group contributes to the following global initiatives:

- The Group is committed to follow the principles of the UN Global Compact;
- The Group aims to contribute to the implementation of the Sustainable Development Goals (SDGs) through its activities;
- The Group is aiming to reach net zero by 2040–2050, in accordance with the GHG emission reduction targets approved by SBTi;
- The Group signed the Women's Empowerment Principles (WEPs), thus promoting gender equality and women's empowerment.

More information about Ignitis Group's memberships can be found on the Group's website.

Sustainability targets and indicators

ESG aspects are very important to Ignitis Renewables. The main indicators that measure ESG progress have been set, and their values are constantly monitored.

The main ESG indicators monitored by Ignitis Renewables

Indicator	Units	2023	2024
GHG emissions [1]	k t CO_2-eq	12.63	22.07
Scope 1	k t CO_2-eq	0.07	0.13
Scope 2	k t CO_2-eq	0.57	1.54
Scope 3	k t CO_2-eq	11.99	20.40
Fatalities (own employees)	units	0	0
Fatalities (contractors)	units	0	0
TRIR (own employees)	-	-	0
TRIR (contractors)	-	-	0
Employee net promoter score eNPS (employee satisfaction index)	%	75.5	53.4
Share of women in top management	%	18.18	17.65

[1]The GHG calculation methodology was updated in 2024, which resulted in significant changes to Ignitis Renewables emissions. The GHG data presented in this report cannot be compared to previous reports.

5.3 Stakeholder relations and assessment of the ESG priorities

Active engagement of stakeholders is a fundamental aspect of the sustainability agenda. The Group's stakeholder engagement guidelines in double materiality assessment feature its commitment to actively listen to and engage with stakeholders. Through ongoing dialogue, the Group strives to understand their views, concerns, and expectations. This continuous dialogue guides the sustainability efforts, projects, and processes, allowing us to align with the interests and views expressed by our stakeholders.

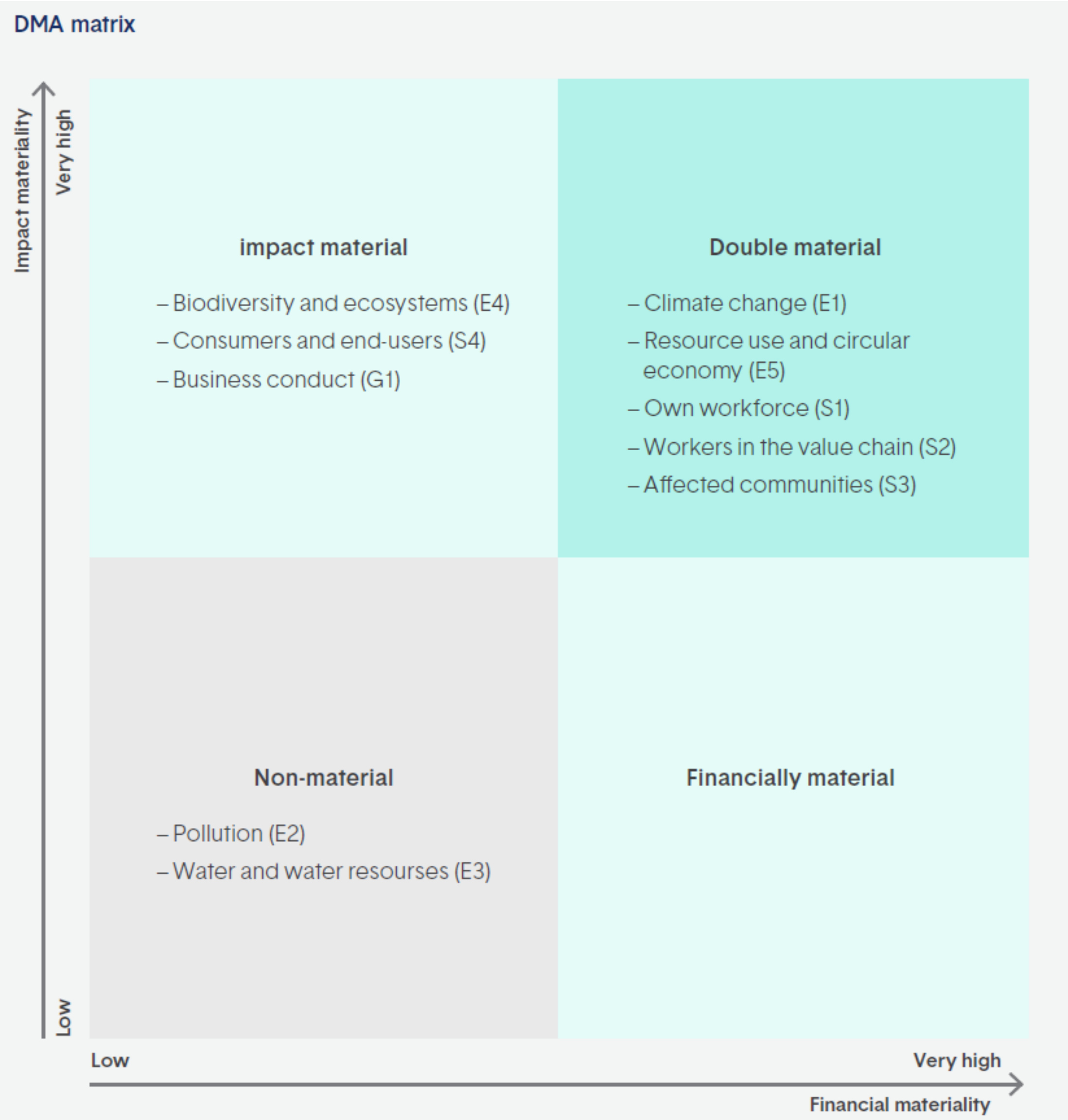
The Group developed Stakeholders engagement guidelines while carrying out the DMA in 2024, taking into account the principles set out in Annex I to Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023, and the European Financial Reporting Advisory Group (EFRAG) Implementation Guidelines on Double Materiality, as provided for in the European Sustainability Reporting Standard (ETAS). The Group has identified and assessed the impacts of its activities on people and the environment as well as potential business risks and opportunities. In addition, the Group assessed the impacts, risks and opportunities of its value chain across a number of topics, with particular emphasis on what emerged from the value chain mapping of different business segments, including Ignitis Renewables.

The main stakeholders for Ignitis Renewables

Employees	Government and municipal institutions	Partners
Local communities	Suppliers and contractors	
Investors, shareholders	Media	

During this process, the stakeholder expectations were compared to the current goals and objectives of Ignitis Renewables, based on which priority topics that meet both the expectations of the stakeholders and the business goals of Ignitis Renewables were identified. The results of the DMA then became a basis for further sustainable business development in the company, allowing us to consider the general impact of Ignitis Renewables on its stakeholders and to simultaneously coordinate the expectations expressed by the stakeholders with the company's strategic goals.

The Group’s double materiality assessment matrix



The key phases of the Group’s DMA process are presented below:

- Engaging stakeholders: experts from various fields and functions of the Group are involved to develop a common understanding of the legislation and the objectives of the assessment;
- Mapping value chain: experts mapped the value chains of key business segments, including Ignitis Renewables, identifying impacts, risks and opportunities;
- Listing and grouping impacts: actual and potential impacts were listed and grouped as per ESRS;
- Impact assessment: all impacts were scored, scoring assumptions were documented and transferred to the DMA tool;
- Validating material impacts: impacts have been discussed with stakeholders and their significance was assessed. During internal strategy sessions, the Ignitis Renewables Board clarified the links between expressed stakeholder expectations and the operational strategy;

- Financial materiality assessment focused on potential sustainability-related risks and potential sustainability-related opportunities. It involved risk management, finance and sustainability experts. A list of risks and opportunities was compiled, and their financial significance was assessed;
- Determining final material impacts: based on the results of meetings with Ignitis Renewables and other Group companies and Group management, the final list of significant impacts, risks and opportunities was revised and approved.

The Group identified the sustainability issues of Climate Change (E1), Biodiversity and Ecosystems (E4), Resource Use and Circular Economy (E5), Own Workforce (S1), Value Chain Workers (S2), Affected Communities (S3), Consumers and End Users (S4) and Business Ethics (G1) as material, while Pollution (E2) and Water and Marine Resources (E3) were not significant. It has been determined that the Group's materiality assessment is consistent with material topics of Ignitis Renewables.

A detailed description of the Group-wide materiality assessment is provided in the Group's Sustainability Statement 2024.

ESG risks and their management

The main ESG risks and their management decisions are disclosed in more detail in section ‘4.6 Risks and their management’ of this report.

5.4 Overview of the main sustainability impacts and implemented initiatives/measures

The following tables list the sustainability-related IROs that are material to Ignitis Renewables. The full list of the Group's material topics, measures and initiatives being implemented are presented in the Group's Integrated Annual Report 2024. Information about actions, initiatives and goals of Ignitis Renewables is provided in the descriptions of the Green Capacities business segment. Each material ESRS topic is presented in the following tables, with specified sub-topics that the identified material impacts, risks or opportunities relate to, e.g., climate change mitigation and climate change adaptation.
In addition, it is indicated in the tables whether the impacts and risks are in the Group's own operations (OO) or in its value chain (VC). The Group also discloses whether its impacts are positive or negative. Impacts are actual impacts unless stated that they are potential impacts.

Environment

Material IROs	Description	Detailed information of the IROs is provided in this section of the Group's Sustainability Statement
GHG emissions Negative impact (OO & VC)	The GHG emissions through energy production (e.g., emissions from incineration process), energy use (e.g., purchased electricity for own operations), energy supply (e.g., retail of electricity) and other business activities negatively contribute to climate change. The Group responds to this impact through its strategic targets and decarbonization actions	6.2 Environment - E1 Climate change - Sub-topic: Climate change mitigation
Growing green energy portfolio Positive impact (OO)	The expansion of green generation capacities with a focus on onshore and offshore wind, also development of green flexibility technologies such as battery storage, hydro pumped-storage and power-to-x technologies to ensure green energy transition and decarbonization.	6.2 Environment - E1 Climate change - Sub-topic: Climate change mitigation
Lack of support for energy transition Risk (OO)	The continued expansion of green generation and green flexibility technologies may be hindered by both policy uncertainties and lack of political support, triggering slower green capacities expansion and climate change mitigation efforts.	6.2 Environment - E1 Climate change - Sub-topic: Climate change mitigation
Global and regional renewable energy landscape Opportunity (OO)	The Paris Agreement and the EU Green Deal are driving a rapid shift towards renewable energy. This presents an opportunity to invest in sustainable solutions and reduce GHG emissions.	6.2 Environment - E1 Climate change - Sub-topic: Climate change mitigation
Physical acute and chronic climate-related events Risk (OO)	Chronic climate events may lead to uncertainty in production estimates due to renewable energy generation's dependency on natural resources, such as wind patterns. Acute climate events may result in disruption of construction or work in different assets, and an increase in repair needs, especially for overhead power lines.	6.2 Environment - E1 Climate change - Sub-topic: Climate change adaptation

State and conditions of ecosystems Negative impact (OO)	The construction and operation of wind, solar and hydropower facilities can impact the state and condition of ecosystems, causing changes to landscapes and aquatic environments that may lead to ecosystem degradation or loss of valuable services. The necessity to cut down trees to ensure the safety and resilience of power lines can also impact deforestation and landscape changes.	6.2 Environment - E4 Biodiversity and ecosystems - Sub-topic: Impacts on the extent and condition of ecosystems and the state of species
Materials and components shortage Risk (VC)	Increasing demand for energy transition, coupled with inflexible supply chains, stricter ESG standards and geopolitical instability, pose potential challenges. These challenges can affect the availability, delivery times and pricing of key materials and components needed for the Group's business segments.	6.2 Environment - E5 Resources and circular economy - Sub-topic: Resource inflows, including resource use
Waste in operations and decommissioning Negative impact (OO)	Due to limited end-of-life solutions for certain technologies and materials used in the Group's operations, recycling and reuse opportunities are often restricted. This can lead to increased waste generation and contribute to environmental challenges.	6.2 Environment - E5 Resources and circular economy - Sub-topic: Resource outflows related to products and services

Social

Material IROs	Description	Detailed information of the IROs is provided in this section of the Group's Sustainability Statement
Health & Safety Negative impact (OO)	The energy sector inherently involves working in high-risk environment that presents inherent risks to workers' safety and health, leading to health-related impacts for the Group's own workforce.	6.3. Social - S1 Own workforce - Sub-topic: Working conditions
Ensuring fair working environment and remuneration Positive impact (OO)	By creating a workplace where everyone feels valued and respected, the Group is fostering a positive work environment that attracts and retains talents. Offering competitive compensation and maintaining a fair and transparent work environment leads to improved employee engagement, positive team dynamics, and overall business success.	6.3. Social - S1 Own workforce - Sub-topic: Working conditions
Occupational Health & Safety Risk (OO)	The energy sector involves working in high-risk environments, such as construction sites, remote locations, and dangerous conditions (heights, voltage, etc.). This can increase the risk of physical harm, including accidents, injuries, and fatalities.	6.3. Social - S1 Own workforce - Sub-topic: Working conditions
Promoting non-discrimination and non-harassment culture Positive impact (OO)	Promoting a culture of non-discrimination and non-harassment is essential for creating a safe, inclusive, and high-performance work environment. By fostering respect and equality, the Group empowers its employees and enhances collaboration.	6.3. Social - S1 Own workforce - Sub-topic: Equal treatment and opportunities for all

Promoting gender balance Positive impact (OO)	Promoting gender balance in the workplace not only fosters a diverse and inclusive environment but also ensures equal opportunities for all employees. This helps to close the gap for under-represented groups.	6.3. Social - S1 Own workforce - Sub-topic: Equal treatment and opportunities for all
Human capital Risk (OO)	A highly skilled workforce is crucial for achieving the Group's strategic goals, especially as the Group navigates the energy transition. New competencies are essential for being successful in this evolving landscape, and a lack of expertise may significantly impede the Group’s progress. To maintain the competitive edge, the Group must invest in talent development and cultivate a culture that fosters innovation and excellence.	6.3. Social - S1 Own workforce - Sub-topic: Equal treatment and opportunities for all
Health & Safety Negative impact (VC)	The energy sector, across its entire value chain – from resource extraction to generation and distribution – presents inherent risks to health and safety, leading to health-related impacts on the Group’s suppliers, contractors, and other parties involved.	6.3. Social - S2 Workers in the value chain - Sub-topic: Working conditions
Occupational Health & Safety Risk (VC and OO)	The energy sector involves working in high-risk environments, such as construction sites, remote locations, and dangerous conditions (heights, voltage, etc.). This can increase the risk of physical harm, including accidents, injuries, and fatalities.	6.3. Social - S2 Workers in the value chain - Sub-topic: Working conditions
Enhancing communities' economic development Positive impact (OO)	By promoting local business and infrastructure enhancements alongside clean energy development, the Group is driving economic growth and improving the quality of life for local communities. This includes creating jobs, boosting local businesses, and enhancing access to essential services.	6.3. Social - S3 Affected communities - Sub-topic: Communities' economic, social, and cultural rights
Balancing renewable energy expansion with community interests and concerns Risk (OO)	Failing to address local opposition early in projects can lead to delays and increased costs. Balancing global climate goals with local priorities is crucial for the successful implementation of renewable energy projects. Early engagement with communities and NGOs helps us to ensure that both objectives are met.	6.3. Social - S3 Affected communities - Sub-topic: Communities' economic, social, and cultural rights
High impact cyber attacks Risk (OO)	Cyberattacks pose a significant threat to the organization due to its importance for the Lithuania’s energy services. These attacks can range from simple phishing attempts to sophisticated data breaches and ransomware attacks, causing disruptions in the energy generation systems that are significant at the Group level, personal data leaks, theft of confidential information.	6.3. Social – S4 Consumers and end-users - Sub-topic: Information-related impacts on consumers and/or end-users

Governance

Material IROs	Description	Detailed information of the IROs is provided in this section of the Group's Sustainability Statement
Strong corporate culture Positive impact (OO)	Aligned with the Group's commitment to create a 100% green and secure energy ecosystem, a strong corporate culture built on ethics, transparency, and whistleblower protection is being fostered. This creates a trustworthy and accountable environment, leading by example and inspiring confidence among the Group's stakeholders.	6.4. Governance - G1 Business conduct - Sub-topic: Corporate culture
Sustainable procurement practices Positive impact (VC)	Recognizing that the Group's environmental and social impacts extend beyond its own operations, sustainability is integrated into its supply chain management practices, promoting environmental and social responsibility, transparency, and traceability.	6.4. Governance - G1 Business conduct - Sub-topic: Management of relationships with suppliers, including payment practices
Energy security Positive impact (VC)	By leading the regional transition into a climate-neutral, secure and independent energy ecosystem, contributing to Europe's decarbonization and facilitating renewable energy flows, the Group is playing a pivotal role in Lithuania's energy security strategy.	6.4. Governance - G1 Business conduct - Sub-topic: Contribution to national energy security

Other financial and non-financial performance results related to climate actions (E1), personnel (S1), anti-corruption and anti-bribery (G1) are disclosed in the Group's annual report.

We encourage you to report possible unethical behaviour of Ignitis Group employees or representatives, cases of discrimination or corruption as well as other breaches of sustainability principles, or if you concerns related thereto, to our Trust Line by email at pasitikejimolinija@ignitis.lt, by phone at +370 640 88889, or by filling in the online form. These contacts are available to both staff and all stakeholders.
If you have any questions concerning the content of the Sustainability Statement or the Group's sustainability activities, please contact us at: sustainability@ignitis.lt

6. Financial statements

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6.1 Consolidated financial statements

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

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The Group’s consolidated financial statements were prepared and signed by UAB „Ignitis renewables” management on 16 April 2025:

Gary Bills

Chief Executive Officer

Augustas Dragūnas

Chief Financial Officer

Giedruolė Guobienė

UAB „Ignitis grupės paslaugų centras”
Head of Group accounting

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Consolidated statement of profit or loss

For the year ended 31 December 2024

EURk	Notes	2024	2023
Revenue from contracts with customers	5	85,003	47,892
Other income	5	204	1,012
Total revenue		**85,207**	**48,904**
Purchases of electricity and other services		(2,236)	(258)
Salaries and related expenses	6	(12,259)	(8,170)
Repair and maintenance expenses		(6,596)	(4,016)
Other expenses	6	(25,070)	(13,399)
Total expenses		**(46,161)**	**(25,843)**
EBITDA		**39,046**	**23,061**
Depreciation and amortisation	10, 11, 12	(16,919)	(12,231)
Write-offs, impairment losses of intangible assets and result on lease modification	10, 12.2	(1,980)	(640)
Operating profit (loss) (EBIT)		**20,147**	**10,190**
Finance income	7	14,317	6,284
Finance expenses	7	(26,175)	(13,146)
Finance activity, net		**(11,858)**	**(6,862)**
Profit (loss) before tax		**8,289**	**3,328**
Income tax (expenses)/benefit	8	(3,681)	4,723
Net profit for the year		**4,608**	**8,051**
Attributable to:			
Shareholder AB “Ignitis grupė”		4,608	8,051
Non-controlling interest		-	-

Consolidated statement of comprehensive income

For the year ended 31 December 2024

EURk	Notes	2024	2023
Net profit for the year		**4,608**	**8,051**
Change in actuarial assumptions	9	3	3
Items that will not be reclassified to profit or loss in subsequent periods (net of tax), total		**3**	**3**
Cash flow hedges – effective portion of change in fair value (Net of tax)	9	(1,112)	6,014
Cash flow hedges – reclassified to profit or loss (Net of tax)	9	(3,487)	(3,246)
Foreign operations – foreign currency translation differences	9	5,229	24,221
Items that may be reclassified to profit or loss in subsequent periods (net of tax), total		**630**	**26,989**
Total other comprehensive income (loss) for the year		**633**	**26,992**
Total comprehensive income (loss) for the year		**5,241**	**35,043**
Attributable to:			
Shareholders of AB “Ignitis grupė”		5,241	35,043
Non-controlling interests		-	-

Consolidated statement of financial position

As at 31 December 2024

EURk	Notes	31 December 2024	31 December 2023
Assets			
Intangible assets	10	221,585	237,352
Property, plant and equipment	11	935,287	476,067
Right-of-use assets	12	43,600	18,746
Prepayments for non-current assets		201,487	274,893
Non-current receivables	13	9,600	63,036
Other financial assets	14	5,163	5,005
Other non-current assets		2,967	5,232
Non-current assets		**1,419,689**	**1,080,331**
Prepayments and deferred expenses		3,742	3,230
Trade receivables	15	21,495	9,776
Other receivables	13	75,735	38,485
Other current assets		1,166	3,501
Prepaid income tax		398	326
Cash and cash equivalents	16	137,270	72,376
Current assets		**239,806**	**127,694**
Total assets		**1,659,495**	**1,208,025**

EURk	Notes	31 December 2024	31 December 2023
Equity and liabilities			
Issued capital	17	37,622	19,022
Share premium		164,133	164,133
Reserves	18	31,471	29,262
Retained earnings		22,869	19,837
Equity attributable to equity holders of the parent		**256,095**	**232,254**
Non-controlling interests		-	-
Equity		**256,095**	**232,254**
Non-current loans	19, 20	1,206,103	791,881
Non-current lease liabilities	19, 20	38,735	15,679
Deferred tax liabilities	8.5	25,590	24,000
Provisions	21	7,494	4,784
Other non-current liabilities	22	16,957	48,384
Non-current liabilities		**1,294,879**	**884,728**
Loans	19, 20	38,822	16,469
Lease liabilities	19, 20	1,517	839
Trade payables		3,373	1,504
Income tax payable		538	182
Other current liabilities	22	64,271	72,049
Current liabilities		**108,521**	**91,043**
Total liabilities		**1,403,400**	**975,771**
Total equity and liabilities		**1,659,495**	**1,208,025**

Consolidated statement of changes in equity

For the year ended 31 December 2024

EURk	Notes	Issued capital	Share premium	Legal reserve	Hedging reserve	Other reserves	Retained earnings	Total
Balance as at 1 January 2023		**22**	**54,133**	**1,503**	**5,326**	**(4,664)**	**11,891**	**68,211**
Net profit for the year		-	-	-	-	-	8,051	**8,051**
Other comprehensive income (loss) for the year	9	-	-	-	2,768	24,221	3	**26,992**
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**2,768**	**24,221**	**8,054**	**35,043**
Transfers to legal reserve		-	-	108	-	-	(108)	**-**
Issue of share capital and share premium	17.4	19,000	110,000	-	-	-	-	**129,000**
Balance as at 31 December 2023		**19,022**	**164,133**	**1,611**	**8,094**	**19,557**	**19,837**	**232,254**
Balance as at 1 January 2024		**19,022**	**164,133**	**1,611**	**8,094**	**19,557**	**19,837**	**232,254**
Net profit for the year		-	-	-	-	-	4,608	**4,608**
Other comprehensive income (loss) for the year	9	-	-	-	(4,599)	5,229	3	**633**
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**(4,599)**	**5,229**	**4,611**	**5,241**
Transfers to legal reserve		-	-	1,579	-	-	(1,579)	**-**
Issue of share premium	17.4	18,600	-	-	-	-	-	**18,600**
Balance as at 31 December 2024		**37,622**	**164,133**	**3,190**	**3,495**	**24,786**	**22,869**	**256,095**

Consolidated statement of cash flows

For the year ended 31 December 2024

EURk	Notes	2024	2023
Net profit for the year		4,608	8,051
Adjustments for:			
Depreciation and amortisation expenses	10,11,12	16,919	12,231
Impairment of goodwill		1,987	
Fair value changes of derivatives	23	254	716
Income tax expenses/(benefit)	8	3,681	(4,723)
Increase/(decrease) in provisions	21	371	480
Inventory write-off to net realizable value/(reversal)		-	75
Loss/(gain) on disposal/write-off of assets held for sale and property, plant and equipment		(24)	-
Interest income		(7,640)	(4,755)
Interest expenses	7	23,226	12,162
Other expenses/(income) of financing activities	7	(3,012)	(545)
Other non-monetary adjustments		(2,290)	-
Changes in working capital:			
(Increase)/decrease in trade receivables and other receivables		22,347	(17,835)
(Increase)/decrease in inventories, prepayments and deferred expenses, other current and non-current assets and other financial assets		(729)	(2,395)
Increase/(decrease) in trade payables, deferred income, advances received, other non-current and current liabilities		911	25,970
Income tax (paid)/received		(2,287)	(2,291)
Net cash flows from operating activities		**58,322**	**27,141**
Acquisition of property, plant and equipment and intangible assets		(370,039)	(351,064)
Proceeds from sale of property, plant and equipment, assets held for sale and intangible assets		24	-
Acquisition of subsidiaries, net of cash acquired		(30,770)	(142,757)
Loans granted		(1,085)	(27,609)
Interests received		227	430
Other increases/(decreases) in cash flows from investing activities		(8)	(5)
Net cash flows from investing activities		**(401,651)**	**(521,005)**

EURk	Notes	2024	2023
Loans received	20	514,925	458,245
Increase of share capital and share premium	17.4	18,600	129,000
Repayments of loans	20	(89,183)	(65,356)
Lease payments	20	(1,823)	(855)
Interest paid	20	(34,296)	(12,117)
Net cash flows from financing activities		**408,223**	**508,917**
Increase/(decrease) in cash and cash equivalents		**64,894**	**15,053**
Cash and cash equivalents at the beginning of the period		72,376	57,323
Cash and cash equivalents at 31 December	16	**137,270**	**72,376**

Explanatory Notes

For the year ended 31 December 2024

1 General information

UAB „Ignitis renewables" (hereinafter referred to as 'parent company') is a private limited liability company registered in the Republic of Lithuania. The parent company's registered office address is Laisvės pr. 10, LT-04215, Vilnius, Lithuania. The parent company was registered on 14 January 2019 with the Register of Legal Entities managed by the public institution the Centre of Registers. Parent company code 304988904. The parent company has been founded for an indefinite period.

The parent company and its subsidiaries are hereinafter collectively referred to as 'the Group'. The Group's core business is focused on production of electricity, developing Green Capacities Portfolio in Baltic States and Poland. Information on the Group's structure is provided in Note 24.

The Group's shareholder:

Shareholder of the Group	31 December 2024		31 December 2023	
	Share capital, in EURk	%	Share capital, in EURk	%
AB "Ignitis grupė"	37,622	100	19,022	100
Total	**37,622**		**19,022**	

AB „Ignitis grupė" (company code 301844044, registered address Laisvės pr. 10, LT-04215 Vilnius, Lithuania) is an ultimate parent company, which as at 31 December 2024 holds 100% (as at 31 December 2023 – 100 %) of shares of the parent company. As of 31 December 2024, the shareholders structure of AB "Ignitis grupė" consisted of the Ministry of Finance of the Republic of Lithuania (74.99 per cent owned), retail and institutional investors (25.01 per cent owned).

AB „Ignitis grupė" and its subsidiaries are hereinafter collectively referred to as 'the Ignitis Group'.

These consolidated financial statements were prepared and signed for issue by Group's management on 15 April 2025.

The Group's shareholders have a statutory right to either approve or disapprove these financial statements and require the preparation of new financial statements. These are consolidated financial statements of the Group. The parent company also prepares separate financial statements in accordance with IFRS Accounting Standards (hereinafter referred to as 'IFRS') as adopted by the EU as required by local legislation.

2 Basis of preparation

2.1 Basis of accounting

These consolidated financial statements (hereinafter referred to as 'financial statements') have been prepared in accordance with IFRS issued by International Accounting Standards Board (hereinafter referred to as 'IASB') and endorsed for application in European Union.

Financial statements as at and for the year ended 31 December 2024 have been prepared on a going concern basis applying measurements based on historical cost, except for certain financial instruments measured at fair value.

The financial statements provide comparative information in respect of the previous period.

Details of the Group's Material accounting policies, including changes thereto, are included in the section 'Accompanying information' of these financial statements.

2.2 Functional and presentation currency

Theses financial statements are presented in euros, which is the Group's functional currency and all values are rounded to the nearest thousand (EUR '000), except when otherwise indicated.

3 Changes in material accounting policies

3.1 Changes in accounting policy and disclosures

The accounting policies applied in the preparation of these financial statements are consistent with the accounting policies applied in the preparation of the Group's annual financial statements for the year ended 31 December 2023, with the exception for the adoption of new standards effective as of 1 January 2024. The Group has not applied any standard, interpretation, or amendment for which the early application is permitted but is not yet effective.

More information about new standards is available in the section 'Accompanying information' of these financial statements.

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

While preparing these financial statements, the management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, costs and contingencies. Changes in the underlying assumptions of such estimates and judgements may have a material effect on financial statements in the future.

Estimates and judgements with underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments, where appropriate. Revisions to the estimates and judgements are recognised prospectively.

Significant accounting estimates and judgements used in the preparation of the financial statements are described in this note. For other estimates and judgements used herein, refer to other notes of these financial statements.

Significant accounting estimates and judgments	Note	Estimate/judgment
Deferred tax assets from temporary differences	8.5	Estimate/judgment
Impairment of goodwill	10.6	Estimate
Expected credit losses of trade receivables and other receivables: individual assessment of ECL	15.1	Estimate/judgment
Determining the lease term of contracts with renewal and termination options	20.1.1	Judgment
Determining whether statutory and contractual servitudes are a lease	20.1.2	Judgment
Estimating the incremental borrowing rate	20.1.3	Estimate
Measurement of provision for decommission	21.2	Estimate
Significant accounting estimate: Measurement of payable related to contracts for difference (CfD)	22.1.2	Estimate

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5 Revenue

5.1 Revenue by type

EURk	2024	2023
Revenue from sale of produced electricity	85,003	47,892
Total revenue from contract with customers	**85,003**	**47,892**
Other	204	1,012
Other income	**204**	**1,012**
Total revenue	**85,207**	**48,904**

5.2 Revenue by geographic segment

EURk	2024	2023
Poland	44,344	17,328
Lithuania	35,918	26,242
Estonia	4,791	5,176
Latvia	123	-
Other countries	31	158
Total	**85,207**	**48,904**

5.3 Revenue from contracts with customer by timing

EURk	2024	2023
Performance obligation settled over time	85,003	47,734
Performance obligation settled at a specific point in time	-	158
Total	**85,003**	**47,892**

5.4 Contract balances

As at 31 December 2024 and 2023 the Group's contract balances include only trade receivables, the Group has no contract assets and liabilities under the contracts with customers. There has been no change in the estimation techniques or significant assumptions made during the current reporting period while assessing the loss allowance for the amounts due from customers under the contracts.

6 Expenses

6.1 Salaries and related expenses

EURk	2024	2023
Fixed wages and salaries	12,727	6,651
Variable wages and salaries	1,912	1,324
Other wages and salaries expenses	412	195
Attributable cost to property, plant and equipment and intangible assets	(2,792)	-
Total	**12,259**	**8,170**

In 2024, salaries and related expenses were EUR 4,089 (50.0%) higher compared to 2023, which increased mainly due to the growth in Group's average salary and number of employees.

6.2 Other expenses

EURk	2024	2023
Finance and accounting	5,805	3,347
Legal	3,984	1,508
Asset management and administration	3,458	2,105
Taxes (other than income taxes)	2,381	1,482
Communication	1,276	579
Telecommunications and IT services	1,189	571
Charity	1,143	239
People and culture	1,099	1,023
Ineffective energy hedging result (Note 23)	970	-
Other	2,219	1,674
Total	**25,070**	**13,399**

[1]In year 2024 the Group aggregated the line items "Innovation" and "Sustainability" to the line item "Other expenses" therefore comparative figures for the year 2023 was changed respectively by reclassifying EUR 422 thousand from the line items "Innovation" and "Sustainability" to the line item "Other".

7 Finance activity

EURk	2024	2023
Interest income at the effective interest rate	7,640	4,755
Gain from foreign currency exchange differences	5,797	1,420
Fair value change of derivatives	716	-
Other income from financing activities	164	109
Total finance income	**14,317**	**6,284**
Interest expenses	22,821	11,776
Discount expenses of contingent consideration for acquisition of subsidiaries	1,893	-
Interest and discount expense on lease liabilities	405	386
Fair value change of derivatives	-	716
Other expenses of financing activities	2,949	268
Total finance expenses	**26,175**	**13,146**
Finance activity, net	**(11,858)**	**(6,862)**

7.1 The Group's interest income

In 2024, the Group received in cash the amount of EUR 227 thousand (2023: EUR 430 thousand) in interest income, which is presented in the Statement of cash flows under 'Interest received'.

8 Income taxes

8.1 Amounts recognised in profit or loss

EURk	2024	2023
Income tax expenses (benefit) for the year	3,099	2,808
Deferred tax expenses (benefit)	512	(7,531)
Result from sale of tax losses (Note 8.5)	70	-
Total	**3,681**	**(4,723)**

8.2 Amounts recognised in other comprehensive income

Income taxes during 2024 recognised in other comprehensive income comprise EUR 202 thousand of deferred tax expenses (in 2023: EUR 880 thousand in deferred tax expenses) related to the Foreign operations – foreign currency translation differences.

8.3 Reconciliation of effective tax rate

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

EURk	2024	2024	2023	2023
Profit (loss) before tax		8,289		3,328
Income tax expenses (benefit) at tax rate of 15%	15.00%	1,243	15.00%	499
Effect of tax rates in foreign jurisdictions	12.79%	1,060	6.61%	220
Non-taxable income and non-deductible expenses	0.80%	66	(18.03%)	(600)
Income tax relief for the investment project	10.80%	895	(152.19%)	(5,065)
Adjustments in respect of prior years	0.57%	47	-	-
Income tax rate change	(3.57%)	(296)	-	-
Other	8.03%	666	6.70%	223
Income tax expenses (benefit)	**44.42%**	**3,681**	**(141.92%)**	**(4,723)**

Standard income tax rate of 15% was applicable to the companies in Lithuania (starting from 2025 – 16%), in Poland – 19%. Standard income tax rate in Latvia and Estonia is 20% on the gross amount of the distribution (starting from 2025, income tax rate in Estonia will be increased up to 22%). 'Income tax relief for the investment project' included the income tax relief for the investment projects in 2024 and the income tax relief from previous periods, for which the deferred tax assets were not recognized.

8.4 Deferred tax

EURk	As at 31 December 2022	Recognised in profit or loss	Recognised in other comprehensive income	Deferred taxes acquired and/or assumed through business combinations	Difference on exchange rate	As at 31 December 2023	Recognised in profit or loss	Recognised in other comprehensive income	Tax losses given/ taken	Difference on exchange rate	As at 31 December 2024
Deferred tax assets											
Income tax relief for the investment project	-	4,848	-	-	-	**4,848**	(1,241)	-	-	-	**3,607**
Lease liability (IFRS 16)	**2,777**	(354)	-	-	188	**2,611**	1,606	-	-	52	**4,269**
Decommissioning provision	**524**	319	-	-	-	**843**	386	-	-	12	**1,241**
PSO payable	**1,050**	2,023	-	-	177	**3,250**	(1,326)	-	-	59	**1,983**
Accrued expenses	**70**	149	-	-	5	**224**	285	-	-	3	**512**
Tax losses carry forward	**1,404**	1,058	-	54	-	**2,516**	5,104	-	(814)	10	**6,816**
Derivatives	**-**	107	-	-	-	**107**	75	-	-	2	**184**
Other	**363**	944	-	-	52	**1,359**	1,659	-	-	29	**3,047**
Deferred tax asset	**6,188**	**9,094**	**-**	**54**	**422**	**15,758**	**6,548**	**-**	**(814)**	**167**	**21,659**
Deferred tax liabilities								-	-		
Differences of financial and tax value (PPE)	**2,769**	1,573	-	-	255	**4,597**	1,836	-	-	73	**6,506**
Difference of financial and tax value of assets identified on business combination	**12,981**	-	-	16,746	-	**29,727**	-	-	-	-	**29,727**
Right of use asset (IFRS 16)	**2,411**	(898)	-	-	126	**1,639**	2,929	-	-	50	**4,618**
Decommissioning provision	**524**	224	-	-	-	**748**	52	-	-	11	**811**
Other	**1,489**	664	880	-	14	**3,047**	2,313	202	-	25	**5,587**
Deferred tax liability	**20,174**	1,563	**880**	**16,746**	**395**	**39,758**	7,130	**202**	**-**	**159**	**47,249**
Deferred tax, net	**(13,986)**	**7,531**	**(880)**	**(16,692)**	**27**	**(24,000)**	**(582)**	**(202)**	**(814)**	**8**	**(25,590)**

As at 31 December 2024, the Group did not recognise the deferred tax assets from temporary differences of EUR 67,642 thousand (including investment tax relief of EUR 64,068 thousand and taxable losses of EUR 3,574 thousand), as it is not clear whether future taxable profits will be available against which they can be used (in 31 December 2023, the Group did not recognise deferred tax assets on investment tax relief in the amount of EUR 44,156 thousand). The group will be able to benefit from investment project incentives, for which they did not recognize deferred income tax, over the next four years, until 2028 inclusive, with a total amount of EUR 64,068 thousand. The Group's tax losses, amounting to EUR 3,574 thousand, can be used over the next five years, until 2029 inclusive, in Poland.

In Lithuania, tax losses can be carried forward for an indefinite period, except for losses incurred as a result of disposal of securities and/or derivatives. Such carrying forward is disrupted if the Group changes the activities due to which these losses are incurred, except for cases when the Group does not continue its activities due to the reasons which do not depend on the Group itself. The losses from the disposal of securities and/or derivatives can be carried forward for 5 consecutive years and can only be used to reduce the taxable income earned from the transactions of the same nature. In terms of utilising the tax losses carried forward, the amount may not exceed 70% of the taxpayer's taxable profits in a given year.

In Poland, losses that could not have been set off may be carried forward for the maximum period of 5 years. Up 50% of loss may be utilised in a given year. It is also possible to reduce the losses by the amount not exceeding PLN 5.0 million at a time, with the amount not deducted being settled in the remaining years over the five-year period, provided that the amount of the reduction in any of those years may not exceed 50% of the amount of the losses.

During the year 2024 the Group transferred tax losses for amount EUR 5,891 thousand (deferred tax asset amounts to EUR 884 thousand) to other Group companies and received a contribution for amount EUR 814 thousand.

9 Other comprehensive income

EURk	Hedging reserve	Other reserves	Retained earnings	Total
Items that will not be reclassified to profit or loss in subsequent periods				
Result of change in actuarial assumptions	-	-	3	**3**
Items that may be reclassified to profit or loss in subsequent periods				
Cash flow hedges – effective portion of change in fair value	6,014	-	-	**6,014**
Cash flow hedges – reclassified to profit or loss	(3,246)	-	-	**(3,246)**
Foreign operations – foreign currency translation differences	-	25,101	-	**25,101**
Tax (Note 8.2)	-	(880)		**(880)**
Total as at 31 December 2023	**2,768**	**24,221**	**3**	**26,992**
Items that will not be reclassified to profit or loss in subsequent periods				
Result of change in actuarial assumptions	-	-	3	**3**
Items that may be reclassified to profit or loss in subsequent periods				
Cash flow hedges – effective portion of change in fair value	(1,112)	-	-	**(1,112)**
Cash flow hedges – reclassified to profit or loss	(3,487)	-	-	**(3,487)**
Foreign operations – foreign currency translation differences	-	5,431	-	**5,431**
Tax (Note 8.2)	-	(202)	-	**(202)**
Total as at 31 December 2024	**(4,599)**	**5,229**	**3**	**633**

10 Intangible assets

EURk	Goodwill	Licenses and rights to produce electricity	Other intangible assets	Total
Acquisition cost at 1 January 2024	**16,118**	**215,681**	**14,679**	**246,478**
Additions	-	-	60	**60**
Acquisition through business combination (Note 24)	1,987	-	-	**1,987**
Reclassifications (to)/from other items of Statement of financial position	(39)	-	(14,315)	**(14,354)**
Foreign currency exchange difference	38	1,180	-	**1,218**
Acquisition cost at 31 December 2024	**18,104**	**216,861**	**424**	**235,389**
Accumulated amortisation at 1 January 2024	**-**	**(9,114)**	**(12)**	**(9,126)**
Amortisation	-	(2,602)	(13)	**(2,615)**
Impairment	(1,987)	-	-	**(1,987)**
Foreign currency exchange difference	-	(76)	-	**(76)**
Accumulated amortisation and impairment losses at 31 December 2024	**(1,987)**	**(11,792)**	**(25)**	**(13,804)**
Carrying amount at 31 December 2024	**16,117**	**205,069**	**399**	**221,585**
Acquisition cost at 1 January 2023	**5,405**	**71,602**	**10,833**	**87,840**
Additions	-	-	4,602	**4,602**
Acquisition through business combination	10,555	139,121	(526)	**149,150**
Reclassifications (to)/from other items of Statement of financial position	-	-	(230)	**(230)**
Foreign currency exchange difference	158	4,958	-	**5,116**
Acquisition cost at 31 December 2023	**16,118**	**215,681**	**14,679**	**246,478**
Accumulated amortisation at 1 January 2023	**-**	**(5,994)**	**-**	**(5,994)**
Amortisation	-	(2,919)	(12)	**(2,931)**
Foreign currency exchange difference	-	(201)	-	**(201)**
Accumulated amortisation at 31 December 2023	**-**	**(9,114)**	**(12)**	**(9,126)**
Carrying amount at 31 December 2023	**16,118**	**206,567**	**14,667**	**237,352**

10.1 Licenses and rights to produce electricity

Carrying amounts of licences and rights to produce electricity are the following:

EURk		31 December 2024	31 December 2023
Assets identified during business combination with the following subsidiaries and are related with their following rights or licences:			
WINDLIT, UAB	Licence to generate electricity	80,235	80,235
Silezia2 Wind Farm Sp. z o. o.	Licence to generate electricity	29,987	29,987
UAB Vėjas LT	Licence to generate electricity	22,388	22,388
Pomerania Wind Farm Sp. z o. o.	Right to an incentive tariff	19,407	21,036
SP Venta SIA	Licence to generate electricity	15,420	15,420
Silezia1 Wind Farm Sp. z o. o.	Right to an incentive tariff	9,338	9,550
CVE SIA	Licence to generate electricity	9,493	9,493
Plungės vėjo energija UAB	Licence to generate electricity	9,019	9,019
BRVE SIA	Licence to generate electricity	2,566	2,566
UAB “EURAKRAS”	Licence to generate electricity	1,842	2,473
Tuulenergia OU	Right to an incentive tariff	224	337
Foreign currency exchange difference arising from acquisition of a foreign operation		5,150	4,063
Carrying amount		**205,069**	**206,567**

10.2 Other intangible assets

EURk	31 December 2024	31 December 2023
Investments in businesses located in Poland and Latvia	72	14,387
Other assets	327	280
Carrying amount	**399**	**14,667**

As at 31 December 2023 the parent company had investments into businesses located in Poland and Latvia. The carrying amount of these investments decreased during the year 2024 due to the development of projects in Poland were finished and the parent company obtained the ownership of 100% of shares of the project companies (Note 24).

Until the payments to projects located in Latvia do not constitute the rights of control over the companies, the parent company recognise these payments as other financial assets. After these projects developed by the companies are established, the parent company will own 100% of shares of these companies. The Group determined that this transaction is not a business combination by applying the definition of business combination, which requires that the assets acquired and liabilities assumed constitute a business. Having identified this transaction not being an acquisition of business, the Group accounted for this transaction as an intangible asset acquisition.

10.3 Goodwill

Change in goodwill identified through business combination mainly relates to the acquisition of new subsidiaries during the year 2024 (Note 24) and the recognition of impairment losses (Note 10).

10.4 Fully amortised intangible assets

The Group has no any fully amortized intangible assets which are still in use.

10.5 Acquisition commitments

The Group has no acquisition commitments as at 31 December 2024 and 2023.

10.6 Significant accounting estimate: Impairment of goodwill

The Group performed an impairment test of goodwill recognised on acquisitions of the subsidiaries and determined that no impairment is needed as at 31 December 2024 except for goodwill identified through business combination of subsidiaries Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o., which were acquired in 2024 (Note 24). The Group recognised an impairment loss in the amount of EUR 1,987 thousand.

The impairment test was performed using the discounted cash flow method for each Cash-Generating Unit (CGU), which for impairment testing purposes is treated to be every individual Green Capacities project acquired, using the following key assumptions:

- The cash flow forecast covered the period from 2025 until 2046–2060, with reference to the typical operational period of 30 years.
- The cash flow forecast also included the envisaged capital expenditure amounts required to complete the projects under development or under construction for the period from 2025 until 2027-2030 based on actually signed contracts, as well as taking into account inflation and learning curve developments provided by reputable market forecasters.
- The production volume is stable each year according to a third-party study of a wind farm or actual production capacity (depending on the wind and solar farm).
- The price of electricity is set at the agreed tariff if the project is awarded in government auctions or tenders, or offtake is secured through PPA (Power Purchase Agreement) or similar instruments. Otherwise, a third-party electricity price forecast is applied.
- A discount rate of 5.79–7.39% after tax (weighted average costs of capital after tax) (6.91–8.79% pre-tax) was used to calculate the discounted cash flows.

The carrying amount of goodwill, other intangible asset, licenses and rights to produce electricity, property, plant and equipment and right-of-use assets allocated to CGUs amounted to EUR 905,943 thousand as at 31 December 2024.

The Group exercised goodwill impairment assessment analysis of unobservable inputs variation, relying on the following scenarios:

- sensitivity of variation in the (1) average captured electricity price for the period of 2025–2060 (real), as well as (2) the discount rate (WACC). The possible changes in enterprise value due to the variation of these inputs are disclosed in the tables below (EUR million):

UAB "Eurakras"

			Average discount rate (after tax)				
			4.79%	**5.29%**	**5.79%**	**6.29%**	**6.79%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**54.25**	(10)%	(2.2)	(3.8)	(5.4)	(6.8)	(8.2)
	57.26	(5)%	0.8	(1.0)	(2.7)	(4.3)	(5.7)
	60.27	0%	3.7	1.8	-	(1.7)	(3.3)
	63.29	5%	6.7	4.6	2.7	0.9	(0.8)
	66.30	10%	9.6	7.4	5.4	3.5	1.7

BRVE SIA

			Average discount rate (after tax)				
			5.91%	**6.41%**	**6.91%**	**7.41%**	**7.91%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**51.95**	(10)%	0.2	(6.6)	(12.8)	(18.4)	(23.4)
	54.84	(5)%	7.5	0.2	(6.4)	(12.4)	(17.8)
	57.73	0%	14.8	7.0	-	(6.4)	(12.1)
	60.61	5%	22.0	13.8	6.4	(0.4)	(6.5)
	63.50	10%	29.3	20.6	12.8	5.7	(0.8)

Pomerania Wind Farm Sp. z o. o.

			Average discount rate (after tax)				
			6.39%	**6.89%**	**7.39%**	**7.89%**	**8.39%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**62.61**	(10)%	11.2	1.6	(7.4)	(15.7)	(23.4)
	66.09	(5)%	15.7	5.6	(3.7)	(12.3)	(20.4)
	69.56	0%	20.2	9.7	-	(9.0)	(17.3)
	73.04	5%	24.7	13.8	3.7	(5.6)	(14.3)
	76.52	10%	29.2	17.8	7.4	(2.3)	(11.2)

CVE SIA

			Average discount rate (after tax)				
			5.91%	**6.41%**	**6.91%**	**7.41%**	**7.91%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**51.95**	(10)%	1.7	(12.3)	(25.0)	(36.4)	(46.8)
	54.84	(5)%	15.9	1.0	(12.5)	(24.7)	(35.8)
	57.73	0%	30.2	14.3	-	(13.0)	(24.7)
	60.61	5%	44.5	27.7	12.5	(1.2)	(13.7)
	63.50	10%	58.7	41.0	25.0	10.5	(2.6)

UAB "VVP Investment"

			Average discount rate (after tax)				
			4.79%	**5.29%**	**5.79%**	**6.29%**	**6.79%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**54.25**	(10)%	5.1	(4.3)	(12.8)	(20.7)	(27.9)
	57.26	(5)%	12.4	2.6	(6.4)	(14.7)	(22.3)
	60.27	0%	19.8	9.5	-	(8.7)	(16.7)
	63.29	5%	27.2	16.3	6.4	(2.7)	(11.1)
	66.30	10%	34.6	23.2	12.8	3.3	(5.5)

UAB "Vėjas LT"

			Average discount rate (after tax)				
			5.36%	**5.86%**	**6.36%**	**6.86%**	**7.36%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**54.25**	(10)%	10.4	(3.5)	(16.3)	(28.0)	(38.8)
	57.26	(5)%	19.9	5.2	(8.2)	(20.4)	(31.7)
	60.27	0%	29.3	14.0	-	(12.8)	(24.6)
	63.29	5%	38.8	22.8	8.2	(5.2)	(17.5)
	66.30	10%	48.2	31.6	16.3	2.4	(10.4)

UAB "Plungės vėjo energija"

			Average discount rate (after tax)				
			5.94%	**6.44%**	**6.94%**	**7.44%**	**7.94%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**54.25**	(10)%	1.1	(17.4)	(33.5)	(47.5)	(59.7)
	57.26	(5)%	20.9	0.8	(16.7)	(32.1)	(45.5)
	60.27	0%	40.8	19.0	-	(16.7)	(31.3)
	63.29	5%	60.6	37.3	16.7	(1.3)	(17.1)
	66.30	10%	80.5	55.5	33.5	14.1	(2.9)

UAB "WINDLIT"

			Average discount rate (after tax)				
			5.36%	**5.86%**	**6.36%**	**6.86%**	**7.36%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**54.25**	(10)%	21.9	(3.3)	(26.3)	(47.3)	(66.7)
	57.26	(5)%	37.4	11.0	(13.1)	(35.2)	(55.4)
	60.27	0%	52.8	25.2	-	(23.1)	(44.2)
	63.29	5%	68.3	39.5	13.1	(10.9)	(33.0)
	66.30	10%	83.8	53.7	26.3	1.2	(21.8)

SP Venta SIA

			Average discount rate (after tax)				
			5.36%	**5.86%**	**6.36%**	**6.86%**	**7.36%**
		Δ	(1.0)%	(0.5)%	(0.0)%	0.5%	1.0%
Average captured electricity price in 2025-2060 (real), EUR/MWh	**48.96**	(10)%	9.7	(20.0)	(46.8)	(70.9)	(92.7)
	51.68	(5)%	36.7	5.1	(23.4)	(49.1)	(72.3)
	54.40	0%	63.7	30.2	-	(27.2)	(51.8)
	57.12	5%	90.7	55.3	23.4	(5.4)	(31.4)
	59.84	10%	117.7	80.4	46.8	16.4	(11.0)

11 Property, plant, and equipment

11.1 The Group's property, plant and equipment

EURk	Land	Buildings	Wind and solar power plants and their installations	Other property, plant and equipment	Construction-in-progress	In total
Acquisition cost at 1 January 2024	**1,447**	**607**	**298,156**	**722**	**220,335**	**521,267**
Additions	298	12	1,722	608	451,026	**453,666**
Write-offs	-	-	-	(2)	-	**(2)**
Remeasurement of provision	-	-	(297)	-	-	**(297)**
Reclassifications from constructions in-progress	-	-	85,118	87	(85,205)	**-**
Acquisitions through business combination (Note 24)	-	-	8,670	-	6,706	**15,376**
Foreign currency exchange difference	-	-	2,451	-	1,204	**3,655**
Acquisition cost at 31 December 2024	**1,745**	**619**	**395,820**	**1,415**	**594,066**	**993,665**
Accumulated depreciation at 1 January 2024	**-**	**(210)**	**(44,844)**	**(147)**	**1**	**(45,200)**
Depreciation	-	(42)	(12,642)	(246)	-	**(12,930)**
Write-offs	-	-	-	2	-	**2**
Foreign currency exchange difference	-	-	(249)	-	(1)	**(250)**
Accumulated depreciation at 31 December 2024	**-**	**(252)**	**(57,735)**	**(391)**	**-**	**(58,378)**
Carrying amount 31 December 2024	**1,745**	**367**	**338,085**	**1,024**	**594,066**	**935,287**
Acquisition cost at 1 January 2023	**1,447**	**602**	**209,528**	**72**	**18,714**	**230,363**
Additions	-	5	-	436	271,593	**272,034**
Reclassifications from constructions in-progress	-	-	80,213	214	(80,427)	**-**
Acquisitions through business combination	-	-	-	-	9,707	**9,707**
Foreign currency exchange difference	-	-	8,415	-	748	**9,163**
Acquisition cost at 31 December 2023	**1,447**	**607**	**298,156**	**722**	**220,335**	**521,267**
Accumulated depreciation at 1 January 2023	**-**	**(210)**	**(35,877)**	**(66)**	**-**	**(36,153)**
Depreciation	-	-	(8,575)	(82)	-	**(8,657)**
Foreign currency exchange difference	-	-	(392)	1	1	**(390)**
Accumulated depreciation at 31 December 2023	**-**	**(210)**	**(44,844)**	**(147)**	**1**	**(45,200)**
Carrying amount 31 December 2023	**1,447**	**397**	**253,312**	**575**	**220,336**	**476,067**

11.2 Acquisitions and disposals of property, plant and equipment

Acquisitions of property, plant and equipment during 2024 mainly include the acquisitions for the construction of wind farms.

The Group has significant acquisition commitments of property, plant and equipment, which will have to be fulfilled during the later years. The Group's acquisition and construction commitments amounted to EUR 184.7 million as at 31 December 2024 (31 December 2023: EUR 327.4 million).

During 2024, the Group capitalised EUR 16,880 thousand of interest expenses on loans intended to finance the development of non-current assets and interest expenses on land lease liabilities (2023: EUR 4,477 thousand). The weighted average capitalised interest rate was 4.8% in 2024 (in 2023: 3.3%).

11.3 Fully depreciated property, plant and equipment

As at 31 December 2024 the Group has fully depreciated assets still in use with acquisition cost of EUR 109 thousand (31 December 2023: EUR 116 thousand).

11.4 Pledged property, plant and equipment

As at 31 December 2024 the Group had pledged property, plant and equipment with the carrying amount EUR 70,003 thousand as security for liabilities (as at 31 December 2023: none).

12 Right-of-use assets

12.1 The Group's right-of-use assets

EURk	Land	Buildings	Wind power plants and their installations	Other property, plant and equipment	In total
As at 1 January 2023					
Acquisition cost	20,623	112	-	95	**20,830**
Accumulated depreciation	(1,588)	(89)	-	(23)	**(1,700)**
Carrying amount	**19,035**	**23**	**-**	**72**	**19,130**
Carrying amount at 1 January 2023	**19,035**	**23**	**-**	**72**	**19,130**
Additions	2,318	-	-	1,888	**4,206**
Acquisition through business combination	2,432	-	-	-	**2,432**
Foreign currency exchange difference	718	-	-	3	**721**
Remeasurement of right-of-use assets	(7,100)	-	-	-	**(7,100)**
Depreciation	(498)	(22)	-	(123)	**(643)**
Carrying amount at 31 December 2023	**16,905**	**1**	**-**	**1,840**	**18,746**
As at 31 December 2023					
Acquisition cost	18,931	112	-	1,982	**21,025**
Accumulated depreciation	(2,026)	(111)	-	(142)	**(2,279)**
Carrying amount	**16,905**	**1**	**-**	**1,840**	**18,746**
Carrying amount at 1 January 2024	**16,905**	**1**	**-**	**1,840**	**18,746**
Additions	21,444	-	-	1,239	**22,683**
Recognition of decommissioning provision	-	-	-	917	**917**
Acquisition through business combination (Note 24)	1,348	-	-	-	**1,348**
Foreign currency exchange difference	276	-	-	(5)	**271**
Remeasurement of right-of-use assets	1,009	-	-	-	**1,009**
Depreciation	(1,002)	-	-	(372)	**(1,374)**
Carrying amount	**39,980**	**1**	**-**	**3,619**	**43,600**
31 December 2024					
Acquisition cost	43,006	112	-	4,133	**47,251**
Accumulated depreciation	(3,026)	(111)	-	(514)	**(3,651)**
Carrying amount	**39,980**	**1**	**-**	**3,619**	**43,600**

The Group's major lease contracts are for land. As at 31 December 2024, the carrying amount of land lease liability amounted to EUR 38,951 thousand (31 December 2023: EUR 16,208 thousand).

Land leases are for wind and solar power farms and typically run for a period of 30 – 60 years. Some of the land lease contracts provide additional rent payments that are based on the level of sales by the lessee. The difference between the fixed payment and the variable payment is recognised in the Statement of profit or loss (Note 12.2). Also, some of the land lease contracts provide payments to landowners indexed by the inflation rate each year, therefore, the Group performs remeasurement of the lease liability and right-of-use assets at the same time when the new inflation index is applied for factual payments.

During 2024 the Group capitalised lease interest expenses on property, plant and equipment for amount EUR 800 thousand (2023: EUR 52 thousand).

12.2 Expenses related to lease agreements recognised in the Statement of profit or loss

EURk	2024	2023
Depreciation	1,374	643
Expenses related to short-term leases (other expenses)	834	-
Interest expenses	405	386
Variable lease payment expenses	226	286
Expenses related to leases of low value assets (other expenses)	32	433
Lease remeasurement result (gain (-)/loss (+))	(7)	640
Other rent expenses	130	33
Total	**2,994**	**2,421**

12.3 Future expenses related to lease agreements

EURk	31 December 2024	31 December 2023
Future expenses related to short-term and low value leases	30	-
Future variable lease payments	19,322	7,167
Future cash outflow for leases not recognised due to termination option	208,879	218,771
Future cash outflow for leases not yet commenced to which the lessee is committed	43,838	-
Future lease expenses, total	**272,069**	**225,938**

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13 Other receivables

13.1 Non-current receivables

EURk	31 December 2024	31 December 2023
Cash reserved for guarantees	5,610	4,840
Deposits to Energy Regulatory Office in Poland	2,049	2,014
Loans granted (Note 13.2.1)	1,089	55,880
Other non-current amounts receivable	852	302
Total:	**9,600**	**63,036**
Less: loss allowance	-	-
Carrying amount	**9,600**	**63,036**

Financial assets comprise EUR 9,600 thousand from total non-current receivables (31 December 2023: EUR 63,036 thousand).

13.2 Other current receivables

EURk	31 December 2024	31 December 2023
Loans granted (Note 13.2.1)	63,804	9
Value added tax	10,654	26,383
Accrued revenue from electricity related sales	26	-
Amounts receivable for non-current assets	-	4,398
Other tax receivable	-	3,882
Deposits to Energy Regulatory Office in Poland	-	820
Other accrued revenue	-	15
Other receivables	1,251	2,978
In total	**75,735**	**38,485**
Less: loss allowance	-	-
Carrying amount	**75,735**	**38,485**

Financial assets comprise EUR 65,000 thousand from total other current receivables (31 December 2023: EUR 12,087 thousand).

13.3 Loans granted

In 2024, a loan granted to Moray West Holdings Limited was reclassified from ‘Non-current receivables’ to ‘Other current receivables’ in the Statement of financial position, the loan’s repayment is set to 1 July 2025 and as at 31 December 2024 amounted to EUR 63,794 thousand (31 December 2023: EUR 55,880 thousand). As at 31 December 2024 and 2023 no impairment loss was recognised for this loan.

14 Other financial assets

EURk	31 December 2024	31 December 2023
Equity securities - at FVOCI	5,000	5,000
Other financial assets	163	5
Carrying amount	**5,163**	**5,005**

14.1 Equity securities – at FVOCI

On 14 September 2020, the Group’s subsidiary UAB “Ignitis renewables” acquired 5% of Moray West Holdings Limited shares for an amount of GBP 50. After specific conditions were met, the Group paid an additional EUR 5.0 million contribution for the shares held.

15 Trade receivables

EURk	31 December 2024	31 December 2023
Amounts receivable under contracts with customers	**21,495**	**9,722**
Receivables from electricity related sales	21,467	9,717
Other trade receivables	28	5
Amounts receivable under other contracts	**-**	**54**
Total	**21,495**	**9,776**
Less: loss allowance	-	-
Carrying amount	**21,495**	**9,776**

As at 31 December 2024 and 2023, the Group had not pledged the claim rights to trade receivables.

No interest is charged on trade receivables and the regular settlement period is 30 days. The Group doesn't provide the settlement period longer than 1 year. The Group didn't identify any financing components. For terms and conditions on settlement between related parties see Note 26.1.

15.1 Significant accounting judgements and estimates: Expected credit losses of trade receivables and other receivables

The Group uses a provision matrix to calculate expected credit losses for trade receivables. The Group accounts for expected credit losses (hereinafter referred to as ECL) assessing amounts receivable on an individual basis. For short-term trade receivables without a significant financing component, the Group applies a simplified approach required by IFRS 9 and measures the loss allowance at expected lifetime credit losses from initial recognition of the receivables.

ECL for other receivables and contract assets are calculated using an individual assessment.

15.1.1 Individual assessment of ECL

Decision to asses amounts receivable on an individual basis depends on the possibility to obtain the information on the credit history of a particular client/borrower, its financial position as at the date of assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular client, thus enabling to make a judgement on the recognition of lifetime ECL in respect of that particular client/borrower. These accounting estimates require significant judgement. Judgement is based on the information about substantial financial difficulties experienced by the debtor, the probability that the debtor will enter bankruptcy or any other reorganisation, default of delinquency in payments.

In the absence of reliable sources of information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information, the Group assesses the debt on a collective basis.

16 Cash and cash equivalents

EURk	31 December 2024	31 December 2023
Cash balances in bank accounts	97,572	71,846
Restricted cash	22,432	530
Deposits less than 3 months	17,266	-
Carrying amount	**137,270**	**72,376**

According to the management's assessment, ECL on cash and cash equivalents are not significant because:

– The Group's cash and cash equivalents are kept in international group banks with good credit ratings. The banks are charged with the highest liquidity, capital adequacy, own funds, additional capital reserves and other risk-limiting requirements and regulations that banks must comply with and regularly report to supervisory authorities.
– The Group uses banks that are supervised by the European Central Bank.

17 Equity

17.1 Capital management

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

Pursuant to the Republic of Lithuania Law on Companies, the share capital of a public limited liability company must be not less than EUR 25 thousand, the share capital of a private limited liability company must not be less than EUR 1 thousand, and the shareholders' equity must be not lower than 50% of the company's share capital. Foreign subsidiaries are subject for compliance with capital requirements according to the regulation adopted in those foreign countries.

17.2 Issued capital

EURk	31 December 2024	31 December 2023
Authorised shares		
Ordinary shares	37,622	19,022
Ordinary shares issued and fully paid	**37,622**	**19,022**

As at 31 December 2024 the Group's issued capital was divided into 37,621,910 ordinary shares with EUR 1 nominal value for a share (31 December 2023: 19,021,910 ordinary registered shares with EUR 1 nominal value for a share).

Reconciliation of the number of shares at the beginning and at the end of the year:

	2024	2023
Number of authorised shares as at 1 January	**19,021,910**	**21,910**
Issuing of ordinary shares (Note 17.4)	18,600,000	19,000,000
Number of authorised shares as at 31 December	**37,621,910**	**19,021,910**

17.3 Dividends

No dividends were declared by the parent company during 2024 and 2023.

17.4 Increase in issued capital

On 17 December 2024, the Management Board of the ultimate parent company, as the sole shareholder of the parent company has adopted the following decision: the parent company issues 18,600,000 new ordinary registered shares, each with a nominal value of EUR 1.00. The issue price of all newly issued shares was EUR 18,600 thousand and consisted of EUR 18,600 thousand of the aggregate amount of the nominal values of shares. The issue price was paid for by the ultimate company by cash transfer to bank account.

18 Reserves

18.1 Legal reserve

Legal reserve is a compulsory reserve under the Lithuanian legislation. Companies in Lithuania are required to transfer 5% of net profit from distributable profit until the total reserve reaches 10% of the issued capital. The legal reserve shall not be used for payment of dividends and is formed to cover future losses only.

The Group's legal reserve as at 31 December 2024 and 2023 was not fully formed.

18.2 Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss.

18.3 Other reserves

Other reserves are formed based on the decision of shareholders and can be redistributed on the appropriation of the next year's profit.

As at 31 December 2024, the Group accounted for the result of the translation of the Group's net investments in Poland-based companies directly controlled by the Group (Ignitis Renewables Polska Sp. z o. o., Pomerania Wind Farm Sp. z o. o., Silezia1 Wind Farm Sp. z o.o., Silezia2 Wind Farm Sp. z o.o., Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o., Sunrise 4 sp. z o.o.) in the amount of EUR 24,786 thousand into the Group's presentation currency within the item of other reserves (31 December 2023: EUR 19,557 thousand).

19 Financing

19.1 Loans and lease liabilities

EURk	31 December 2024	31 December 2023
Bank loans	156,665	75,143
Loans from ultimate parent company	1,049,394	716,738
Other non-current loans	44	-
Lease liabilities	38,735	15,679
Total non-current	**1,244,838**	**807,560**
Current portion of non-current loans received	38,822	16,469
Lease liabilities	1,517	839
Total current	**40,339**	**17,308**
Total	**1,285,177**	**824,868**

Loans and lease liabilities by maturity:

EURk	31 December 2024	31 December 2023
Up to 1 year	40,339	17,308
From 1 to 2 years	17,437	7,122
From 2 to 5 years	118,400	158,527
After 5 years	1,109,001	641,911
In total	**1,285,177**	**824,868**

Loans of the Group are denominated in euros or polish zlotys.

19.2 Covenants

The loan agreements provide for financial and non-financial covenants that the individual Group entities and the Group as whole are obliged to comply with. All Group companies and the Group as whole complied with the covenants as at 31 December 2024 and 2023.

20 Net debt

Net Debt is a non-IFRS liquidity metric used to determine the value of debt against highly liquid assets owned by the parent company. Only debts to financial institutions, loans to Group companies and related interest payables and lease liabilities are included in the Net Debt calculation. The management defines the Net Debt measure for the purpose of these financial statements in the manner as presented on the right.

Net debt balances:

EURk	31 December 2024	31 December 2023
Cash and cash equivalents	(137,270)	(72,376)
Non-current portion	1,244,838	807,560
Current portion	40,339	17,308
Net debt	**1,147,907**	**752,492**

Reconciliation of the Group's net debt balances and cash flows from financing activities:

EURk	Assets	Lease liabilities		Loans		Total
	Cash and cash equivalents	Non-current	Current	Non-current	Current	
Net debt at 1 January 2023	**(57,323)**	**19,343**	**363**	**392,757**	**8,594**	**363,734**
Cash changes						
(Increase) decrease in cash and cash equivalents	(19,712)	-	-	-	-	**(19,712)**
Proceeds from loans	-	-	-	458,245	-	**458,245**
Repayments of loans	-	-	-	(59,621)	(5,735)	**(65,356)**
Lease payments	-	(18)	(837)	-	-	**(855)**
Interest paid[1]	-	-	(334)	-	(11,783)	**(12,117)**
Acquired through business combination	4,659	-	-	-	-	**4,659**
Non-cash changes						
Lease contracts concluded	-	2,495	168	-	-	**2,663**
Accrual of interest payable	-	-	438	-	16,205	**16,643**
Lease liabilities written-off	-	(1)	-	-	-	**(1)**
Remeasurement of lease liabilities	-	(7,589)	368	-	-	**(7,221)**
Reclassifications between items	-	(511)	511	(5,843)	5,843	**-**
Assumed through business combination	-	2,231	201	396	-	**2,828**
Change in foreign currency	-	(271)	(39)	5,947	467	**6,104**
VAT on interests payable	-	-	-	-	2,878	**2,878**
Net debt at 31 December 2023	**(72,376)**	**15,679**	**839**	**791,881**	**16,469**	**752,492**
Net debt at 1 January 2024	**(72,376)**	**15,679**	**839**	**791,881**	**16,469**	**752,492**
Cash changes						
(Increase) decrease in cash and cash equivalents	(64,891)	-	-	-	-	**(64,891)**
Proceeds from loans	-	-	-	506,925	8,000	**514,925**
Repayments of loans	-	-	-	(77,055)	(12,128)	**(89,183)**
Lease payments	-	-	(1,823)	-	-	**(1,823)**
Interest paid[1]	-	-	(148)	-	(34,148)	**(34,296)**
Acquired through business combination (Note 24)	(3)	-	-	-	-	**(3)**
Non-cash changes						
Lease contracts concluded	-	21,595	1,088	-	-	**22,683**
Accrual of interest payable	-	(149)	1,354	248	38,653	**40,106**
Remeasurement of lease liabilities	-	881	122	-	-	**1,003**
Reclassifications between items	-	(277)	277	(15,059)	15,059	**-**
Assumed through business combination (Note 24)	-	1,345	11	-	-	**1,356**
Other non-monetary changes	-	(13)	-	(2,170)	(295)	**(2,478)**
Change in foreign currency	-	(326)	(203)	1,333	45	**849**
VAT on interests payable	-	-	-	-	7,167	**7,167**
Net debt at 31 December 2024	**(137,270)**	**38,735**	**1,517**	**1,206,103**	**38,822**	**1,147,907**

[1] *Interest paid during the reporting period includes VAT from interests amount*

20.1 Significant accounting estimates and judgements

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

The Group 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 Group 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 the relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group 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 Group 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 the termination options are included as part of the lease term only when they are reasonably certain to be exercised.

20.1.2 Determining whether statutory and contractual servitudes are a lease

The management of the Group analysed whether perpetual statutory and contractual servitudes are in scope of IFRS 16 'Leases'. The management concluded that the statutory servitudes are not in scope since they are not limited in time and can be used by the Group 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. Having analysed the contractual servitudes, the management concluded that part of them share the same characteristics as the statutory ones, and thus do not convey a right to use an underlying asset for a specified period of time.

For contractual servitudes with a clear term, or when the term can be reliably determined, or when the term is renewable on a period-by-period basis, IFRS 16 Leases is applied when all other criteria are met listed in IFRS16.

20.1.3 Estimating the incremental borrowing rate

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

The major new lease contracts that were recognised in 2024 by the Group are for land. The Group also assumed liabilities of lease contracts through business combination (Note 24). To measure the lease liability of those contracts, the following incremental borrowing rate was used:

Type of lease asset	Weighted average incremental borrowing rate, %
Land lease (including contracts acquired through business combination)	7.38%

21 Provisions

Movement of the Group's provisions was as follows:

EURk	Provisions for employee benefits	Provision for decommission	Total
Carrying amount as at 1 January 2023	**5**	**2,759**	**2,764**
Increase during the year	7	1,543	**1,550**
Result of change in assumptions	(3)	-	**(3)**
Discount effect	-	246	**246**
Foreign currency exchange difference	-	227	**227**
Carrying amount as at 31 December 2023	**9**	**4,775**	**4,784**
Non-current	9	4,775	**4,784**
Current	-	-	**-**
Carrying amount as at 31 December 2023	**9**	**4,775**	**4,784**
Carrying amount as at 1 January 2024	**9**	**4,775**	**4,784**
Increase during the year	10	1,723	**1,733**
Result of change in assumptions	(3)	658	**655**
Discount effect	-	195	**195**
Foreign currency exchange difference	-	127	**127**
Carrying amount as at 31 December 2024	**16**	**7,478**	**7,494**
Non-current	16	7,478	**7,494**
Current	-	-	**-**
Carrying amount as at 31 December 2024	**16**	**7,478**	**7,494**

The total change in the provisions in 2024 amounts to EUR 2,710 thousand and was recognised as follows:

– EUR 917 thousand recognised as Right-of-use assets in the Statement of financial position;
– EUR 371 thousand recognised in the Statement of profit or loss;
– EUR (3) thousand recognised in the Statement of other comprehensive income;
– EUR 1,425 thousand recognised as Property, plant and equipment in the Statement of financial position.

The total change in the provisions in 2023 amounts to EUR 2,020 thousand and was recognised as follows:

– EUR 1,543 thousand recognised as Right-of-use assets in the Statement of financial position;
– EUR 480 thousand recognised in the Statement of profit or loss;
– EUR (3) thousand recognised in the Statement of comprehensive income.

21.1 Provision for decommission

Decommissioning provision is related to the Group's legal and contractual obligations to dismantle the wind power plants. The expected timing of resulting outflows of economic benefits is the date when operation ends (Note 21.2). The useful life of wind power plants is 30 years.

During 2024 the provision for amount EUR 1,723 thousand was recognised for costs which will be required in future for decommissioning of wind power plants (2023: EUR 1,543 thousand). The obligation arises from the conditions specified in signed lease contracts that state the Group is obliged to dismantle wind power plants after the end of its operation.

21.2 Significant accounting estimate: Measurement of provision for decommission of wind farm

The provision for decommission is calculated using the main assumptions:

- period of provision corresponds to the useful lives of wind power plants, i.e. 30 years,
- estimated decommission costs are discounted at discount rate,
- estimated decommission costs are adjusted by inflation rate.

22 Other liabilities

22.1 Other non-current liabilities

EURk	31 December 2024	31 December 2023
Payable related to contracts for difference (CfD) (Note 22.1.1)	10,200	19,784
Contingent consideration for acquisition of subsidiaries	4,728	28,600
Amounts payable for property, plant and equipment	1,488	-
Non-current amounts payable to suppliers	541	-
Carrying amount	**16,957**	**48,384**

Financial liabilities comprise EUR 16,957 thousand from total Other non-current liabilities (31 December 2023: EUR 48,384 thousand).

22.1.1 Payable related to contracts for difference (CfD)

The Group performs electricity sales in Poland according to contract for difference (hereinafter 'CfD'), which may be both positive and negative deviation comparing fixed reference price to the electricity market price in Power exchange (Note 1.4.1.1). Each month the Group accrues the difference according to received invoices from the buyer of electricity. The settlement of the difference between the Group and State budget will be executed from 2029 year and finalised in 2036 and 2040 year. The fair value of payable related to contracts for difference is measured by discontinuing the related future cashflows with reference to the interest rate observable in the market (22.1.2). The increase in discount effect of the payable is accounted for in Revenue from contracts with customers in the Statement of Profit or loss.

22.1.2 Significant accounting estimate: Measurement of payable related to contracts for difference (CfD)

As at 31 December 2024 the fair value of payable related to contracts for difference is calculated using the following main assumptions:

– the cash flows were discounted using a discount rate of 5.87%;
– future cash flows are discounted according to the schedule of periodical settlements between the Group and State budget.

22.2 Other current liabilities

EURk	31 December 2024	31 December 2023
Contingent consideration for acquisition of subsidiaries (Note 24.4)	33,407	37,432
Amounts payable for property, plant and equipment	20,555	28,474
Payroll related liabilities	3,400	1,897
Taxes (other than income tax)	3,127	1,386
Accrued expenses	2,812	709
Derivative financial instruments (Note 23)	970	716
Other amounts payable and liabilities	-	1,435
Carrying amount	**64,271**	**72,049**

Financial liabilities comprise EUR 54,932 thousand from total Other current liabilities (31 December 2023: EUR 68,057 thousand). Accrued expenses, taxes and payroll related liabilities are not financial liabilities.

23 Derivatives

The Group's derivatives mainly comprises of contracts related to electricity (hedge accounting).

23.1 Derivative financial instruments included in the Statement of financial position

EURk	31 December 2024	31 December 2023
Other non-current assets	2,508	4,607
Other current assets	987	3,487
Other current liabilities (Note 22.2)	(970)	(716)
Carrying amount	**2,525**	**7,378**

EURk	2024	2023
Carrying amount as at 1 January	**7,378**	**5,326**
Fair value change of derivatives in 'Finance income'	716	-
Fair value change of derivatives in 'Finance expenses'	-	(716)
Fair value change of OTC ineffectiveness	(970)	
Unrealised gain (loss) of OTC and other financial instruments ineffectiveness	**(254)**	**(716)**
Fair value change of OTC effectiveness	(4,599)	2,768
Unrealised gain (loss) in 'Other comprehensive income'	**(4,599)**	**2,768**
Carrying amount as at 31 December	**2,525**	**7,378**

23.2 Derivatives included in the statement of profit or loss

EURk	2024	2023
Realised gain (loss) from OTC	-	109
Unrealised gain (loss)	(254)	(716)
Total in profit or loss – ineffective derivatives result	**(254)**	**(607)**
Effective derivatives reclassified to profit or loss from OCI	3,487	3,246
Total in profit or loss – effective energy hedging result	**3,487**	**3,246**
Total recognised in 'Statement of profit or loss'	**3,233**	**2,639**

24 Structure of the group

24.1 List of subsidiaries as at 31 December 2024

Company name	Business segment	Country of registered office	Activities profile	Effective ownership interest, %	Non-controlling interest's effective ownership interest, %
UAB "Ignitis renewables"	Green Capacities		Parent company – coordination of operation, supervision and development of renewable energy projects	-	-
Subsidiaries of the Group:					
UAB "EURAKRAS"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "VĖJO VATAS"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "VVP Investment"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "VĖJO GŪSIS"	Green Capacities	Lithuania	Operation of renewable energy projects	100.00	-
UAB "Plungės vėjo energija"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "WINDLIT"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Vėjas LT"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB ARROW CLUSTER	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 2"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB ARROW HOLDCO	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 5"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 6"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 7"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 8"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 9"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 10"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables projektai 11"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Ignitis renewables offshore development"	Green Capacities	Lithuania	Development of renewable energy projects	100.00	-
UAB "Offshore wind farm 1"	Green Capacities	Lithuania	Development of renewable energy projects	51.00	49.00
Ignitis Renewables Polska Sp. z o. o.	Green Capacities	Poland	Development of renewable energy projects	100.00	-
Ignitis RES DEV Sp. z o. o.	Green Capacities	Poland	Development of renewable energy projects	100.00	-
Silesia2 Wind Farm S.A.	Green Capacities	Poland	Development of renewable energy projects	100.00	-
Pomerania Wind Farm Sp. z o. o.	Green Capacities	Poland	Operation of renewable energy projects	100.00	-
Silezia1 Wind Farm Sp. z o.o.	Green Capacities	Poland	Operation of renewable energy projects	100.00	-
Sunrise 1 sp. z o.o.	Green Capacities	Poland	Operation and development of renewable energy projects	100.00	-
Sunrise 2 sp. z o.o.	Green Capacities	Poland	Operation and development of renewable energy projects	100.00	-
Sunrise 4 sp. z o.o.	Green Capacities	Poland	Operation and development of renewable energy projects	100.00	-
Tuuleenergia OÜ	Green Capacities	Estonia	Operation of renewable energy projects	100.00	-
Ignitis renewables Estonia OÜ	Green Capacities	Estonia	Development of renewable energy projects	100.00	-
Ignitis renewables DevCo1 OÜ	Green Capacities	Estonia	Development of renewable energy projects	100.00	-
TÕRVA 1 ENERGIAPARK OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
PÄRNU 1 ENERGIAPARK OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
KADRINA 1 ENERGIAPARK OÜ	Green Capacities	Estonia	Development of renewable energy projects	50.00	50.00
IGN RES DEV1 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV2 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV3 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV4 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV5 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV6 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
IGN RES DEV7 SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
SP Venta SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
BRVE SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
CVE SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-
Ignitis renewables Latvia SIA	Green Capacities	Latvia	Development of renewable energy projects	100.00	-

24.2 Changes in composition

Acquisition of shares during business combinations and establishment of new subsidiaries in 2024:

	Date
Acquisition of shares in business combinations (Note 24.4):	
Sunrise 1 sp. z o.o.	October 2024
Sunrise 2 sp. z o.o.	October 2024
Sunrise 4 sp. z o.o.	October 2024
TÕRVA 1 ENERGIAPARK OÜ	December 2024
PÄRNU 1 ENERGIAPARK OÜ	December 2024
KADRINA 1 ENERGIAPARK OÜ	December 2024
Establishment of new subsidiaries:	
UAB "Ignitis renewables projektai 9"	April 2024
UAB "Ignitis renewables projektai 10"	April 2024
UAB "Ignitis renewables projektai 11"	May 2024
Ignitis renewables Estonia OÜ	July 2024
Ignitis renewables DevCo1 OÜ	July 2024

Acquisition of shares during business combinations and establishment of new subsidiaries in 2023:

	Date
Acquisition of shares in business combinations:	
SP Venta SIA	March 2023
BRVE SIA	March 2023
CVE SIA	March 2023
UAB Vėjas LT	July 2023
UAB WINDLIT	October 2023
Establishment of new subsidiaries:	
Ignitis renewables projektai 4 UAB	March 2023
Ignitis renewables projektai 5 UAB	March 2023
Ignitis renewables projektai 6 UAB	March 2023
Ignitis renewables projektai 7 UAB	May 2023
Ignitis renewables projektai 8 UAB	May 2023
IGNRES DEV7 SIA	July 2023
Offshore wind farm 1 UAB	December 2023

24.3 Changes in titles of subsidiaries

In 2024 the title was changed for the following Group companies:

Date	Title before change	Title after change
1 August 2024	UAB “Vėjo galia bendruomenei“	UAB ARROW CLUSTER
2 August 2024	UAB “Ignitis renewables projektai 3“	UAB ARROW HOLDCO

24.4 Business combinations

The Group applied the acquisition accounting method to account for business combination according to the provisions of IFRS 3. Under the latter method, the acquisition cost is measured as the sum of the fair values, at the date of exchange, of assets given, liabilities incurred and equity instruments issued in exchange for control of the business being acquired.

During business combinations, the Group’s management carried out the assessment and established that the difference between the acquisition cost of the business and the fair value of the net assets acquired represents goodwill.

24.4.1 Acquisition of subsidiaries in 2024

At the time of business combinations of newly acquired subsidiaries in 2024 the fair values of assets acquired and liabilities assumed were as follows:

EURm	Note	Sunrise 1 sp. z o.o. Sunrise 2 sp. z o.o. Sunrise 4 sp. z o.o.
Assets acquired		
Property, plant and equipment	11	15,376
Right-of-use assets	12	1,348
Other receivables		2,705
Cash and cash equivalents		3
Liabilities assumed		
Lease liabilities	20	(1,356)
Other liabilities		(3,672)
Total identifiable net assets acquired		**14,404**
Consideration paid		(16,018)
Contingent consideration		(373)
Total consideration transferred		**(16,391)**
Goodwill arising from the acquisition of subsidiaries	12	1,987
Net cash flows from acquisition of subsidiary		
Cash paid to seller of shares (current period)		(649)
Cash and cash equivalents acquired		3
Net cash flows		**(646)**

Acquisition of Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o.

On 1 October 2024, the Group acquired 100% shareholding in Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o. from a legal entity. As at 31 December 2024, the ownership rights of shares were held by the Group. Total consideration transferred for all entities amounts to EUR 16,391 thousand, EUR 16,018 thousand of which were paid through a bank account, EUR 373 thousand were identified as contingent consideration, which relates to the fulfilment of specific seller’s obligations set out in the share purchase agreement. As at 31 December 2024, contingent consideration has not been paid and will be paid only if the specific sellers obligations are fulfilled. The Group’s management estimated that the range of outcomes (undiscounted) is 100% of the total contingent consideration booked as at 31 December 2024.

Since the acquisition date, the contributed revenue and profit or loss from the acquiree are not significant for the reporting period.

If the acquisition of subsidiaries Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o. had occurred on 1 January 2024, the management estimates that the Group's total revenue and net profit would not have changed significantly. In determining these amounts, the management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024. The Group did not incur material acquisition-related costs.

As at 31 December 2024, the contingent consideration for acquisition of these subsidiaries amounts to EUR 373 thousand and is presented as 'Other current liabilities' in the Statement of financial position.

Acquisition of TÕRVA 1 ENERGIAPARK OÜ, PÄRNU 1 ENERGIAPARK OÜ and KADRINA 1 ENERGIAPARK OÜ

On 20 December 2024, the Group acquired a 50% shareholding in TÕRVA 1 ENERGIAPARK OÜ, PÄRNU 1 ENERGIAPARK OÜ and KADRINA 1 ENERGIAPARK OÜ from a legal entity. As at 31 December 2024, the 50% of ownership rights of shares were held by the Group. According to the Shareholders' Agreement, the Group has an option to buy (call option) any time all remaining shares (50%). As a result, the Group's management determined the Group exercises the control over TÕRVA 1 ENERGIAPARK OÜ, PÄRNU 1 ENERGIAPARK OÜ and KADRINA 1 ENERGIAPARK OÜ. All three companies were registered on 27 November 2024. The total consideration transferred by the Group for all entities amounts to EUR 150 and was paid through a bank account. No contingent consideration has been identified. The fair values of assets acquired and liabilities assumed are immaterial, therefore, the disclosure is not presented.

24.4.2 Contingent consideration for acquisition of subsidiaries

The contingent consideration for acquisition of subsidiaries is presented in the Statement of financial position as follows:

EURm	31 December 2024		31 December 2023	
	Other non-current liabilities	Other current liabilities	Other non-current liabilities	Other current liabilities
Contingent consideration for acquisition of subsidiaries	4,728	33,407	28,600	37,432

As at 31 December 2024 and 2023 the fair value of contingent consideration was approximately equal to its carrying amount.

25 Contingent liabilities and commitments

25.1 Litigations

The Group has no significant litigations as at 31 December 2024.

25.2 Significant acquisition commitments

The Group has significant acquisition commitments of property, plant and equipment which will have to be fulfilled during the later years (Notes 11.2).

26 Related-party transactions

Related parties are defined as follows:

- the parent company's controlling shareholder or those who have significant influence;
- AB „Ignitis grupė" group companies;
- state controlled companies and their subsidiaries (only significant transactions are being disclosed with such companies);
- Ministry of Finance of the Republic of Lithuania along with agencies and enterprises that are attributable to the governance of the decisions (only significant transactions are being disclosed with such companies);
- key management personnel and close members of that personnel's family and their controlled enterprises and companies.

The Group's transactions with related parties during 2024 and account balances as at 31 December 2024:

Related parties	Accounts receivable	Loans payable	Accounts payable	Sales	Purchases	Finance income	Finance cost
Ultimate parent company	19	1,071,185	324	-	798	-	34,519
Ignitis grupė AB group companies	16,064	-	370	68,434	8,600	-	-
LITGRID AB	-	-	1	-	19	-	-
Other entities controlled by the State	4	-	-	-	7	-	-
Total	**16,087**	**1,071,185**	**695**	**68,434**	**9,424**	**-**	**34,519**

The Group's transactions with related parties during 2023 and account balances as at 31 December 2023:

Related parties	Accounts receivable	Loans payable	Accounts payable	Sales	Purchases	Finance income	Finance cost
Ultimate parent company	-	716,649	10,667	-	551	-	14,475
Ignitis grupė AB group companies	17,618	-	467	53,225	(524)	-	1
Total	**17,618**	**716,649**	**11,134**	**53,225**	**27**	**-**	**14,476**

Main transactions with ultimate parent company consists of receiving loans and management fee. Main transactions with Ignitis Group companies consist of selling electricity produced, support services provided to Group companies and derivative transactions related to electricity.

Loans received from ultimate parent company are disclosed in Note 19. Derivative transactions concluded with Ignitis grupė AB group companies are disclosed in Note 23.

26.1 Terms of transactions with related parties

The payment terms set range from 15 to 30 days. Closing debt balances are not secured by pledges, they do not yield interest, and settlements occur in cash. There were no guarantees given or received in respect of the related party payables and receivable.

26.2 Compensation to key management personnel

EURk	2024	2023
Wages and salaries and other short-term benefits to key management personnel	443	343
Whereof:		
Short-term benefits	*364*	*213*
Other long-term benefits	*79*	*130*
Number of key management personnel	4	4

In 2024 and 2023 members of Management Board (incl. CEO) and the Supervisory Board were considered to be the Group's key management personnel. For more information on the key management personnel, see the 'Governance report' of this report.

27 Risk management

Risks are a natural and integral part of business activities, and risk profile changes continuously. The Group aims to mitigate its risks and reduce them to an acceptable level through risk management. This part describes only the management of the main financial risks. Other risks management are presented in the Governance section of the annual report.

The Group is exposed to a variety of financial risks in their operations:
- market risk (including foreign currency exchange risk, interest rate risk in relation to cash flows),
- credit risk,
- liquidity risk,
- climate change risk

While managing these risks, the Group companies seek to mitigate the impact of the factors which could adversely affect the Group's financial performance.

27.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:
- foreign currency exchange risk,
- interest rate risk,
- energy and commodity risk.

27.1.1 Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

In 2024 and 2023 the sale/purchase contracts for day-to-day operations of the Group is mainly denominated in national currencies (in Poland – zlotys, in Lithuania, Latvia and Estonia – euros) therefore the management has not identified significant exposure to foreign currency exchange risk in these operations. The significant part of purchase contracts for asset constructions in Poland is denominated in EUR currency, therefore the Group is exposed to a foreign currency exchange risk related to construction contracts.

In 2023 the Group entered into several short term (maturity of up to 1 year) PLN/EUR exchange rate (hereinafter – 'FX') forward and swaps contracts, aiming to manage the foreign exchange risk. Total notional value of FX forward and swap contracts signed in 2023 amounted to EUR 73,131 thousand, out of which EUR 13,923 thousand were still valid as at 31 December 2023. Fair value change of these derivatives is accounted for as unrealized gain (loss) of the ineffective derivatives and is recognised in the Statement of profit or loss as finance activity expenses or income (Note 27). All these contracts expired and were fully realised throughout 2024.

As well the Group is exposed to a foreign currency exchange risk related to issued loan in pound sterling to Moray West Holding Limited. Maturity of loan issued in pound sterling is until 1 July 2025. The Group is not planning to enter into the GBP/EUR exchange rate swaps.

The Group's management has identified significant exposure to foreign currency exchange risk related to loans granted and payments to wind power plant contractors. As at 31 December 2024 net exposure to PLN exchange rate fluctuation is associated with a liability for amount EUR 60,954 thousand, net exposure to GBP exchange rate fluctuation is associated with an asset for amount EUR 63,794 thousand.

Sensitivity analysis for foreign currency exchange risk:

31 December 2024	Profit (loss)	
	Strengthening of euro against foreign currency	Weakening of euro against foreign currency
PLN (3.55% movement)	2,092	(2,246)
GBP (5.43% movement)	(3,282)	3,659

31 December 2023	Profit (loss)	
	Strengthening of euro against foreign currency	Weakening of euro against foreign currency
PLN (11.10% movement)	4,955	(3,964)
GBP (4.97% movement)	2,692	(2,438)

27.1.2 Interest rate risk

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

When assuming debt obligations, it is aimed that non-current liabilities would bear a fixed interest rate. If the fixing of the interest rate is not possible due to objective reasons and the liability assumed comprises a significant amount (in the context of the Group), the interest rate derivatives would be used for the purpose of interest management. The aim is that non-current loans with fixed interest rates comprised not less than 50% of the Group's consolidated non-current loans portfolio. The usage of any of the interest rate derivatives requires the expiry date of the derivative to correspond to the maturity date of the debt obligation.

The risk of adverse changes in the interest rate of the investment is not actively insured. The risk management measures are applied only when the market has obvious indications that the interest rate might significantly decrease, resulting in negative investment returns.

Most of the Group's loans had fixed interest rates as at 31 December 2024. As at 31 December 2024 variable-rate financial instruments include the loans received in the amount of EUR 40,038 thousand (31 December 2023: none) and the loans granted in the amount of EUR 53,954 thousand (31 December 2023: EUR 51,507 thousand).

Interest rate risk is assessed in relation to sensitivity of the Group's profit to potential shift in interest rates. This assessment is provided in the table below.

Group	Increase/decrease, pp	(Decrease)/increase in profit
2024	1.0/(1.0)	139/(139)
2023	1.0/(1.0)	515/(515)

27.1.3 Energy and commodity risk

Commodity risk is the risk that changes in market prices (i.e. commodity prices) will affect the Group's results or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group uses derivatives to manage the commodity risk. All such transactions are carried out according to Group's risk management policy. Generally, the Group seeks to apply hedge accounting to manage volatility in statement of profit or loss.

In the ordinary course of its operations, the Group is exposed to commodity risks on electricity products. The source of exposure lies with cash flows from sales of electricity in the power exchange at market prices. Majority of this type of exposure is based on changes of respective commodity price on hourly basis in the market that the Group operates.

In addition to signed Power Purchase Agreements in order to manage commodity price risk the Group enters into financial derivatives contracts (cash flow hedges). This is performed in order to secure a fixed sales price regardless of the changes in the mark at power exchange, so that optimum profit margins could be obtained from contracted or expected fixed price sales. A financial derivative contracts related to Nord pool and TGE power exchange prices in the Estonia and Poland.

When assessing the effectiveness and fair value of a hedging transaction as a hedged position the average prices of Nord pool and TGE power markets are taken into account. The derivative is effective for hedging accounting purposes, since the production and sales of electricity are carried out in the same price zone.

Overview of Group's derivatives positions:

Over the counter (OTC) derivatives – Electricity, EURk	31 December 2024		31 December 2023	
	Contractual nominal value	Market Value	Contractual nominal value	Market Value
Estonian price zone	11,684	3,495	13,880	5,786
Polish price zone	12,822	(967)	-	-
Total	**24,506**	**2,528**	**13,880**	**5,786**

Nominal amounts (quantities in MWh) hedged:

MWh	31 December 2024		
	2025	2026	2027
Estonian price zone	40,000	38,035	38,035
Polish price zone	136,261	-	-
Total	**176,261**	**38,035**	**38,035**

Nominal values hedged:

EURk	31 December 2024		
	2025	2026	2027
Estonian price zone	987	1,234	1,274
Polish price zone	(967)	-	-
Total	**20**	**1,234**	**1,274**

Market value sensitivity analysis, due to changes in market prices:

EURk	31 December 2024		
	Market value		
	Increase by 10%	Current prices	Decrease by 10%
Estonian price zone	2,676	3,495	4,314
Polish price zone	(2,346)	(967)	412
Total	**330**	**2,528**	**4,726**

27.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group's exposure to credit risk arises from operating activities of the companies (trade and other amounts receivable) and from financing activities (granted loans). The Group's risk related to cash is limited, as the Group keeps cash balances only in reliable financial institutions.

The Group's exposure to credit risk arising from amounts receivable is limited because the major buyers are reliable customers. As at 31 December 2024 amounts of trade receivables in Lithuania and Poland are billed to Ignitis grupė AB group companies, in Estonia – billed to a single third party which comprises insignificant part of total trade receivables. As at 31 December 2024 and 2023, the Group had no loss allowance for trade receivables, trade receivables were of high credit quality. The Group is exposed to significant credit risk concentration, because debt is concentrated to the two main customers the debt of which comprises approximately 96% of total trade receivables (2023: 97% of total).

The Group is exposed to credit risk concentration related to loans granted (Note 13.2.1). The Group evaluates cash flows and financial results of Moray West Holdings Limited, no impairment loss is recognised for the investment into Moray West Holdings Limited to which the loan is granted. Therefore, the Group does not consider the risk associated with the concentration of loans granted to be significant.

The priority objective of the Group's treasury management is to ensure security of funds and maximize return on investments in pursuance of this objective. Risk of counterparties defaulting is managed by entering into transactions with reliable financial institutions (or subsidiaries of such institutions) with a long-term credit rating (in foreign currency) not lower than 'A-' according to the rating agency Fitch Ratings (or an equivalent rating of other rating agencies).

The maximum exposure to credit risk is equal to the carrying amount of financial assets.

EURk	Note	31 December 2024	31 December 2023
Financial assets measured at amortised cost			
Non-current receivables	13	8,511	7,156
Trade receivables	15	21,495	9,776
Other receivables	13	1,251	12,078
Other financial assets	14	163	-
Loans granted	13	64,893	55,889
Cash and cash equivalents	16	137,270	72,376
Financial assets measured at FVPL or FVOCI			
Equity securities - at FVOCI	14	5,000	5,000
Derivatives	23	3,495	8,094
Total		**242,078**	**170,369**

27.3 Liquidity risk

The liquidity risk is managed by planning future cash flows of each Group company and ensuring sufficient cash and availability of funding through committed credit facilities and overdrafts to support Group's ordinary activities. The refinancing risk is managed by ensuring that loans over a certain period were repaid from available cash, from cash flows expected from operating activities of the Group companies over that period, and from unwithdrawn committed credit facilities which have to be repaid in later periods.

As at 31 December 2024, the Group's current ratio (total current assets/total current liabilities) and quick ratio ((total current assets – inventories) / total current liabilities) were 2.21 and 2.21 respectively (31 December 2023: 1.40 and 1.40 respectively). As at 31 December 2024, the Group's balance of credit and overdraft facilities not withdrawn amounted to EUR 215,008 thousand (31 December 2023: EUR 539,170 thousand).

The table below summarises the Group's financial liabilities by category:

EURk	Note	31 December 2024	31 December 2023
Financial liabilities measured at amortised cost			
Loans	19	1,244,925	808,350
Lease liabilities	19	40,252	16,518
Trade payables and non-current amounts payable to suppliers		3,914	1,504
Other current and non-current liabilities	22	70,378	115,725
Financial liabilities measured at FVPL or FVOCI			
Derivatives	23	970	716
Total		**1,360,439**	**942,813**

The table below summarises the maturity profile of the Group's financial liabilities under the contracts (based on contractual undiscounted payments of interest-bearing financial liabilities and the carrying amounts of other financial liabilities):

EURk	2024				In total
	Less than 3 months	3 months to 1 year	1 and 5 years	After 5 years	
Loans	15,464	47,857	1,353,479	142,564	**1,559,364**
Lease liabilities	804	1,775	10,821	63,495	**76,895**
Trade payables and non-current amounts payable to suppliers	3,368	5	541	-	**3,914**
Other current and non-current liabilities	12,148	41,814	6,849	9,567	**70,378**
Derivatives	971	-	-	-	**971**
As at 31 December 2024	**32,755**	**91,451**	**1,371,690**	**215,626**	**1,711,522**

EURk	2023				In total
	Less than 3 months	3 months to 1 year	1 and 5 years	After 5 years	
Loans	4,964	32,753	695,651	112,112	**845,480**
Lease liabilities	563	599	5,532	19,534	**26,228**
Trade payables and non-current amounts payable to suppliers	1,504	-	-	-	**1,504**
Other current and non-current liabilities	33,075	34,266	48,384	-	**115,725**
Derivatives	716	-	-	-	**716**
As at 31 December 2023	**40,822**	**67,618**	**749,567**	**131,646**	**989,653**

27.3.1 Impact of climate change

The Group pays special attention in order to reveal a potential impact of climate change and its related economic, transitional changes on the activities of the parent company. This impact may arise from physical (extreme) weather phenomena and from the aspiration of states to switch to the Green Deal, which could cause additional requirements for energy sector: to comply with new regulations, implement new technological solutions, manage reputational risks, respond to fast growing market demand for green solutions, etc. Read more on the impact of climate change and the parent company's approach on managing it in section "5.1 Sustainability overview" of the annual report.

Climate change and the transition to net zero have been considered in the preparation of these financial statements. In preparing these financial statements, the following has been considered:

Valuation of property, plant and equipment

The Group assesses the useful economic life of its Property, Plant and Equipment assets annually. The useful economic life of assets has not been shortened. There are no indicators suggesting that assets have reduced in value, significant impacts of climate change on the Group's assumptions used in estimating their recoverable value and there is no need to perform sensitivity analyses of the effects of climate risk within the assumptions made. The Group management does not reasonably expect climate change to have a significant impact of valuation of property, plant and equipment.

Estimation of decommissioning provisions

The Group holds decommissioning provisions for part of Wind power plants. It is expected that fundamental changes to weather patterns, or the impact of new wind generation capacity will not bring forward the decommissioning of the Group's current wind farm portfolio.

Impact of climate change on provision for risk and on ECL

The Group management does not believe that there are any provisions for risks or potential liabilities requiring consideration in the financial statements in connection with possible disputes, specific regulatory requirements aimed at mitigating environmental damages, sanctions connected with failure to comply with environmental requirements, contracts that may become onerous, possible restructuring works aimed at achieving the climate objectives required. No significant climate and environmental risks are had significant impact when calculating the ECL.

The impact of future climate change regulation is not material on the currently reported amounts of the Group's assets and liabilities.

28 Fair values of financial instruments

28.1 Financial instruments, measured at fair value

The Group's derivatives (Level 2 of the fair value hierarchy), equity securities measured at FVOCI (Level 3 of the fair value hierarchy), as well as the contingent consideration for acquisition of subsidiaries (Level 3 of the fair value hierarchy) are measured at a fair value.

As at 31 December 2024 and 2023, the Group has accounted for assets and liabilities arising from financial derivatives. The Group accounts for financial derivative assets and liabilities at fair value and their accounting policies are set out in Note 1.10.3 of Material accounting policies. Market values that are based on quoted prices (Level 1) comprise quoted commodities derivatives that are traded in active markets. The market value of derivatives traded in an active market are often settled on a daily basis, thereby minimising the market value presented on the balance sheet. Market values based on observable inputs (Level 2) comprise derivatives where valuation models with observable inputs are used to measure fair value. All assets and liabilities measured at market value are measured on a recurring basis. The Group attributes to Level 2 of the fair value hierarchy derivatives linked with the Estonian electricity price areas. Derivatives acquired directly from other market participants (OTC contracts) are estimated based on the prices of the NASDAQ Commodities exchange.

As 31 December 2024 and 2023 the Group has accounted for equity securities measured at FVOCI (Note 14.1). The fair value measurement of this financial asset is based on the valuation performed by external valuator. The valuation was performed based on discounted cash flows. Their fair value corresponds to Level 3 in the fair value hierarchy.

As at 31 December 2024 and 2023, the Group accounted for contingent consideration for acquisition of subsidiaries which relates to the fulfilment of specific sellers obligations set out in the share purchase agreements (Note 24.4). The measurement of its fair value is prepared using discounted cash flow principle, i.e. reasonably probable future cash flows from contingent consideration are discounted to its present value using a project related cost of debt. The measurement of the fair value of contingent consideration is attributed to Level 3 of the fair value hierarchy.

28.2 Financial instruments for which fair value is disclosed

The carrying amount of the Group's financial assets and financial liabilities is measured at an amortised cost approximated to their fair value, excluding loans received from ultimate parent company, state-owned banks. The measurement of the financial instruments related to loans received is attributed to Level 2 of the fair value hierarchy.

The Group's fair value of loans granted is approximately equal to carrying amount. The measurement of fair value of financial assets related to the loans granted is attributed to Level 3 of the fair value hierarchy.

As at 31 December 2024 the fair value of the Group's loans received were calculated by discounting the future cash flows with a market interest rate applied for a similar-period bond. The cash flows were discounted using a weighted average discount rate of 3.546% (as at 31 December 2023: using interest rate observable in the market – 6.42% for loans above EUR 1 million and 5.58% for loans smaller than EUR 1 million). The measurement of fair value of financial liabilities related to these debts is attributed to Level 2 of the fair value hierarchy.

28.3 Financial instruments' fair value hierarchy levels

The table below presents allocation between the fair value hierarchy levels of the Group's financial instruments as at 31 December 2024:

EURk	Note	Carrying amount	Level 1 Quoted prices in active markets	Level 2 Other directly or indirectly observable inputs	Level 3 Unobservable inputs	In total
Financial instruments measured at FVPL or FVOCI:						
Assets						
Derivatives	23	**3,495**	-	3,495	-	**3,495**
Equity securities - at FVOCI	14	**5,000**	-	-	5,000	**5,000**
Liabilities						
Derivatives	23	**970**	-	970	-	**970**
Contingent consideration for acquisition of subsidiaries	24.4.2	**38,135**	-	-	38,135	**38,135**
Financial instruments for which fair value is disclosed:						
Assets						
Loans granted	13	**64,893**	-	-	64,893	**64,893**
Liabilities						
Loans received		**1,244,900**	-	1,270,258	-	**1,270,258**

The table below presents allocation between the fair value hierarchy levels of the Group's financial instruments as at 31 December 2023:

EURk	Note	Carrying amount	Level 1 Quoted prices in active markets	Level 2 Other directly or indirectly observable inputs	Level 3 Unobservable inputs	In total
Financial instruments measured at FVPL or FVOCI:						
Assets						
Derivatives	23	**8,094**	-	8,094	-	**8,094**
Equity securities - at FVOCI	14	**5,000**	-	-	5,000	**5,000**
Liabilities						
Derivatives	23	**716**	-	716	-	**716**
Contingent consideration for acquisition of subsidiaries	24.4.2	**66,032**	-	-	66,032	**66,032**
Financial instruments for which fair value is disclosed:						
Assets						
Loans granted	13	**55,880**	-	-	55,880	**55,880**
Liabilities						
Loans received		**808,327**	-	680,012	-	**680,012**

29 Events after the reporting period

On 12 March Ignitis Renewables UAB entered into an agreement to acquire 100% of the shares in Nord Wind Park, a renewable energy project under development in Pasvalys district, Lithuania. The hybrid power plant consists of a 200-megawatt (MW) wind farm, a 50 MW solar farm and a 20 MW (80 MWh) battery energy storage system. On 25 March 2025 the Project secured the grid connection capacity.

On 11 February 2025 the Group acquired the ownership of 50% of shares in companies in Estonia: Väike-Maarja 1 Energiapark OÜ and Pärnu 2 Energiapark OÜ, as well as on 28 March 2025 signed an agreement regarding acquisition of 50% of shares in Haljala 1 Energiapark OÜ.

There were no other significant events after the reporting period till the issue of these financial statements.

Accompanying 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 the new standards and/or amendments to the standards that have been approved by IASB and endorsed in the European Union during the year ended as at 31 December 2024.

Standards or amendments that came into force during the year of 2024
Classification of Liabilities as Current or Non-current Liabilities with Covenants
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 adoption of these standards, their revisions and interpretations had no material impact on the financial statements except the following:

1.1.2 Standards issued but not yet effective and not adopted early

While preparing these financial statements, the Group did not adopt the new IFRS, IAS, their amendments and interpretations issued by IASB, the effective date of which is later than 31 December 2024 and whose 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 new and amended standards are not expected to have a significant impact on the financial statements.

Other new standards or amendments	IASB 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 Referencing Nature-dependent Electricity – 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 the 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 Consolidation principles

1.2.1 Consolidation

The financial statements comprise the financial statements of the parent company and its directly and indirectly controlled subsidiaries. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Control is generally obtained by holding more than one half of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of subsidiaries have been prepared using uniform accounting policies and for the same reporting period as that covered by the financial statements of the Group. On consolidation, all inter-company transactions, balances and unrealized gains and/or losses on transactions among the Group companies are eliminated.

Non-controlling interest represents a part of net profit and net assets which is not controlled by the Group. Non-controlling interest is reported separately in the statement of profit or loss. The share of equity attributable to the non-controlling interest and to the owners of the parent is shown separately in the consolidated statement of financial position.

1.2.2 Business combinations

1.2.2.1 Business combination applying IFRS 3 (subsidiaries that are not under common control)

Acquisition of subsidiaries that are not under common control is accounted for using the acquisition method. When the acquisition method is applied the consideration transferred in a business combination is measured as fair value of net assets transferred to the former owners of the acquiree. Acquisition-related costs are recognised in statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with International Accounting Standard (hereinafter refere to as ‘IAS’) 12 and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

1.2.2.2 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable net assets assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in statement of profit or loss as a bargain purchase gain.

1.2.2.3 Contingent consideration

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination.

Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in statement of profit or loss.

1.2.2.4 Business combination is achieved in stages

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in statement of profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to statement of profit or loss, where such treatment would be appropriate if that interest were disposed of.

1.2.2.5 Business combination of entities under common control

For a business combination of entities under common control the following methods are applied:
(a) the acquisition method set out in IFRS 3 or;
(b) the pooling of interests' method.

In selecting which method to apply to the accounting for business combinations of entities under common control, the Group assesses whether there is a "commercial substance" for which the following criteria are considered:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as non-controlling interests or other third parties;
- whether or not the transaction is conducted at fair value;
- the existing activities of the entities involved in the transaction; and
- whether or not it is bringing entities together into a 'reporting entity' that did not exist before.

If the transaction has a commercial substance to the merging parties the Group applies the acquisition method as set above in paragraph "Acquisition of subsidiaries that are not under common control", accordingly if not – the Group applies the pooling of interests' method. By applying the pooling of interests' method, the business combination of entities under common control is accounted according to the following procedures:

- the assets and liabilities of the entities in business combinations are measured at their carrying amounts equal to those reported in the financial statements of the ultimate parent company;
- no newly arising goodwill is recognised on a business combination, however acquiree can recognise intangible assets that meet the recognition criteria in IAS 38;
- any difference between consideration paid and the carrying amount of net assets acquired as at the date of acquisition is recognised directly in equity within retained earnings.

1.2.3 Changes in ownership interest in a subsidiary that do not result in changes in control

Transactions with non-controlling interests that do not result in a loss of control are presented within equity, i.e. as transactions with equity owners. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, recorded as equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

1.3 Foreign currency translation

1.3.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (hereinafter 'the functional currency').

1.3.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in statement of profit or loss.

1.3.3 Group companies

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their statement of profit or loss are translated at average exchange rates observed during reporting period. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to statement of profit or loss.

1.4 Revenue from contracts with customers

The Group 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 pattern of transfer to the customer. Promised goods or services represent separate performance obligations if the goods or services are distinct. A promised good or service is considered distinct if both of the following criteria are met:

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

The Group's major legal performance obligations identified in the contracts with customers are sales of produced electricity and provision of public service obligations (hereinafter - PSO services).

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 Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

When recognising revenue, the Group 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.

1.4.1 Revenue from sale of produced electricity

Revenue from sales of produced electricity is received from business customers according to (i) support scheme by providing PSO services and (ii) bilateral contracts and is shown in line item "Revenue from sale of produced electricity" in Note 5.

1.4.1.1 Revenue received according to support scheme by providing PSO services

The Group is engaged in electricity generation in wind power plants, which are subject to measures promoting the use of renewable energy sources, including support tariff (or may be called "incentive tariff").

There are different support mechanisms:
- Feed-in premium (FiP) - provides renewables electricity projects with a fixed premium in addition to the market price.
- Contract for Difference (CfD) - provides renewables electricity projects with a fixed inflation indexed "strike" price. If the electricity market price is lower the state compensates the difference to the fixed bid price. If the electricity market price exceeds the bid price, the wind farm operator must transfer the additional revenue to the state.

The term of incentive depends on each auction, during which the Group receives a support tariff applied for each generated megawatt-hour (MWh). Currently the Group has incentives for a period of 15 years in Poland and 12 years in Estonia, which begin from the date of issue of the generation license, which itself remains valid indefinitely.

The following Group companies are entitled to the following incentive tariffs:

Group company	Capacity, MW	Tariff, EUR/MWh	Subsidy scheme	Expiry of the incentive measure
Tuulenergia OU	18.3	54	FiP for 12 MW	1 December 2026
Pomerania Wind Farm sp. z o.o.	93.9	50	Indexed CfD	31 December 2035
Silesia1 wind farm sp. z o.o.	50	55	Indexed CfD	31 August 2039
Silesia2 wind farm sp. z o.o.	137	59	Indexed CfD	15 years from generation license received and tied to 35% of the wind farm's future output

The obligation of the buyer to purchase electricity from the Group companies is established for the period during which the electricity generation facilities of the Group companies are connected to the electricity grid, and the Group companies are entitled to apply an incentive tariff for the electricity generated from renewable sources.

The computation of price of electricity supplied during the month:
- the weighted average price of electricity (i.e. the market price) calculated and declared to the Group by the electricity buyer based on the sales of electricity purchased on the Power Exchange market during the previous month;
- the amount of premium, which is calculated as the difference between the incentive tariff and the weighted average price of electricity. If the weighted average price of electricity is higher than the incentive tariff, no premium is allocated to the Group. Both the resulting negative and positive difference is recorded respectively as the reduction/increase of revenue from sales of produced electricity (line "Revenue from sale of produced electricity" in Note 5).

1.4.1.2 Revenue received according to bilateral contracts

The Group companies have bilateral contracts with partners which include prearranged price scheme for electricity sale for a specified contract period. Contracts include:
- electricity sales under agreed price for 1 MWh;
- purchase of balancing service provided by the electricity buyer. The balancing service fee is considered as a payment for distinct services and is showed under the caption "Purchases of electricity and other services" in the statement of profit or loss;
- purchase from the buyer or sale to the buyer of balancing electricity under the market price traded in Power Exchange. As the contract includes the agreed quantity which should be produced during the month, the Group companies buy or sale balancing electricity in respect of whether there is a shortage or surplus of electricity quantity produced during the month. In case of sale the Group accounts revenue under the caption of "Revenue under the contracts with customer" in the statement of profit or loss and shows under the line "Revenue from sale of produced electricity" in Note 5. In case of purchase the Group accounts purchase under the caption of "Purchases of electricity and other services" in the statement of profit or loss.

1.4.1.3 Revenue recognition

Revenue is recognised when control of electricity is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for this electricity supplied to the grid.

Upon confirmation of a transaction executed by the electricity buyer on the Power Exchange, the system of the Power Exchange forwards the confirmation of the concluded electricity sale transaction to the Group. Under this transaction, the Group fulfils its operational obligations by supplying the amount of electricity specified in the transaction confirmation to the electricity grid. Performance obligation is carried out throughout a certain period during which the supply of the agreed volume of electricity is maintained to the grid. Upon receipt of the confirmation on the conclusion of the transaction on the sale of electricity, the prices of that transaction remain unchanged.

Revenue from sales of produced electricity is recognized at the end of the month by issuing monthly invoices. Invoices show the amount of electricity supplied to the electricity grid in the current month and the price of electricity per 1 MWh. The amount of electricity supplied is determined by the readings of metering devices. The timing of satisfaction of its performance obligations is one month after which the invoice is issued for payment the term of which is set 30 days. No advances are required. Due to this there is no effect on contracts assets and contract liabilities balances.

1.5 Expense recognition

Expenses are recognised in statement of profit or loss as incurred applying accrual basis of accounting.

1.6 Current and deferred tax

1.6.1 Income tax

Income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount of income tax are those that are enacted or substantively enacted at the statement of financial position date.

Current income tax is calculated on profit before tax. Calculation of income tax is based on requirements of the countries where the Group operates and the Group company generates taxable income on applicable legislation.

Standard corporate income tax rate of 15% (starting from 2025 – 16%), was applicable to the companies in Lithuania, in Poland – 19%. Standard corporate income tax rate in Latvia and Estonia is 20% (14% in certain cases) on the gross amount of the distribution (starting from 2025, income tax rate in Estonia will be increased up to 22%).

The prepaid income tax and recognised income tax liabilities are offset in the statement of financial position of the Group when they relate to the same taxation authority.

1.6.2 Deferred tax

Deferred tax is accounted for using the liability method. Deferred tax assets and deferred tax liability are recognised for future tax purposes to reflect differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised on all temporary differences that will increase the taxable profit in future, whereas deferred tax assets are recognised to the extent that is probable to reduce the taxable profit in future. These assets and liabilities are not recognised when temporary differences arise from goodwill or from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss.

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets could be utilised in full or in part. Deferred tax assets are reduced to an amount which is likely to reduce the taxable profit in future.

Deferred tax is determined using tax rates that are expected to apply when the related deferred income asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

1.7 Intangible assets

1.7.1 Licences and rights to produce electricity

Intangible assets acquired through business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired through business combination are measured on the same basis as intangible assets that are acquired separately.

Amortisation is calculated over the estimated useful life corresponding to specific validity term of a license or right to produce electricity. For the licenses acquired through business combination (licenses to produce electricity with incentive tariff), useful life is determined to be 5 – 22 years. Useful life is reviewed on year-by-year basis.

1.7.2 Other intangible assets

Intangible assets expected to provide economic benefits in future periods are measured at acquisition cost less subsequent accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on the straight-line basis over the estimated economic useful life of 3 to 4 years except for investments in businesses – see Note 10.2.

The Group's intangible asset amortization expenses are accounted for within the item "Depreciation and amortization" in the Statement of profit or loss.

1.8 Property, plant and equipment

Property, plant and equipment is measured by applying acquisition cost model.

Cost includes replacement costs of components of property, plant and equipment when incurred and when these costs meet the recognition criteria of property, plant and equipment. The carrying amount of the replaced part is derecognised. Subsequent repair costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with these costs will flow to the Group and the costs can be measured reliably. All other repairs and maintenance costs charged to statement of profit or loss during the financial period in which they are incurred.

Property, plant and equipment include spare parts, spare equipment, maintenance equipment when they meet the definition of property, plant and equipment. The wind power plants and their installations includes additionally decommissioning costs (Note 21). The assets' residual values and useful lives are reviewed at least once per year, and adjusted if appropriate.

When asset is retired or otherwise disposed of, the cost and related accumulated depreciation are derecognised and any related gains or losses are included in statement of profit or loss. Gains or losses on disposal of property, plant and equipment are determined as proceeds received on disposal less the carrying amount of assets disposed.

Construction in progress is transferred to appropriate categories of property, plant and equipment when asset is completed and ready for its intended use.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate the acquisition cost/revalued amounts less their residual values over their estimated useful lives (number of years), as follows:

Category of property, plant and equipment	Useful lives (number of years)
Buildings	20
Wind and solar power plants and their installations	20-30
Other property, plant and equipment	3

1.9 Right-of-use assets

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

1.9.1 Initial measurement of right-of-use assets

At the commencement date, the Group 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 Group, and an estimate of costs to be incurred by the Group 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 Group 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 Group recognises these costs as part of the cost of right-of-use asset when the Group incurs an obligation for these costs.

1.9.2 Subsequent measurement of right-of-use assets

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

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group 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. Right-of-use assets are depreciated on a straight-line basis.

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

1.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.10.1 Financial assets

The Group classifies its financial assets into the following three categories:
- financial assets subsequently measured at amortised cost;
- financial assets subsequently measured at fair value through other comprehensive income (hereinafter "FVOCI"), and
- financial assets subsequently measured at fair value through profit or loss (hereinafter "FVPL").

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Transaction costs comprise all charges and commissions that the Group would not have paid if it had not entered into an agreement on the financial instrument.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (hereinafter "SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model. Interest income calculated on these financial assets is recognised as finance income and amortised using the effective interest rate method. Any gain or loss arising from the write-off of assets is recognised in statement of profit or loss. Impairment losses are accounted for as other expenses (Note 6.2) in the Statement of profit or loss.

Subsequent to initial recognition, financial assets are classified into the afore-mentioned categories based on the business model the Group applies when managing its financial assets and characteristics of cash flows from these assets. The business model applied to the group of financial assets is determined at a level that reflects how all groups of financial assets are managed together to achieve a particular business objective of the Group. The intentions of the Group's management regarding separate instruments has no effect on the applied business model. The Group may apply more than one business model to manage its financial assets. In view of the business model applied for managing the group of financial assets, the accounting for financial assets, is as follows:

1.10.1.1 Financial assets subsequently measured at FVOCI

The Group only has derivatives subsequently measured at FVOCI.

1.10.1.2 Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate (hereinafter "EIR") method and are subject to impairment. Amortised cost is the amount at which the financial instrument was recognised at initial recognition minus principal repayments, plus accrued interest, and, for financial assets, minus any write-down for expected credit losses. The Group's financial assets at amortised cost includes loans granted by the Group, trade and other amounts receivable, and cash and cash equivalents are accounted for under the business model the purpose of which is to hold financial assets in order to collect contractual cash flows that can contain cash flows related to the payment of the principal amount and interest inflows.

1.10.1.3 Financial assets at FVPL

Debt instruments that do not meet the criteria of financial assets to be measured at amortised cost or financial assets to be measured at FVOCI are classified as financial assets to be measured at FVPL.

The Group classifies financial assets as assets measured at FVPL, if this eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising gains or losses thereof on different bases. A gain or loss on fair value measurement of debt investment is recognised in statement of profit or loss in the period in which it arises. The Group classifies in this category investments to equity instruments that do not meet the SPPI conditions.

1.10.1.4 Effective interest method

The EIR method is used in the calculation of the amortised cost of a financial asset and in the allocation of the interest revenue in statement of profit or loss over the relevant period.

The EIR is the rate that exactly discounts estimated future cash inflows through the expected life of the financial asset to the gross carrying amount of the financial asset that shows the amortised cost of the financial asset, before adjusting for any loss allowance. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the Group uses the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

1.10.1.5 Impairment of financial assets – expected credit losses

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost regardless of whether there are any impairment indicators.

Credit losses incurred by the Group are calculated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original EIR. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument, including cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; the time value of money; and reasonable and supportable information about past events and current conditions, and reasonable and supportable forecasts of future events and economic conditions at the reporting date.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the period from the date of initial recognition of a financial asset to the subsequent date of settlement of the financial asset or ultimate write-off of the financial asset.

The Group seeks for lifetime expected credit losses to be recognised before a financial instrument becomes past due. Typically, credit risk increases significantly before a financial instrument becomes past due or other lagging borrower-specific factors (for example, a modification or restructuring) are observed. Consequently, when reasonable and supportable information that is more forward-looking than past due information is available without undue cost or effort, it is used to assess changes in credit risk. Expected credit losses are recognised by taking into consideration individually assessed credit risk of loans granted and trade receivables. Credit risk is assessed based on all reasonable information, including forward-looking information.

For short-term trade receivables without a significant financing component the Group applies a simplified approach required by IFRS 9 and measures the loss allowance at expected lifetime credit losses from initial recognition of the receivables (Note 15.1).

The lifetime expected credit losses of all amounts receivable (including loans granted) are assessed based on the individual assessment basis. The Group's management performs the assessment on an individual basis reflecting the possibility of obtaining information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling making judgement on the recognition of lifetime expected credit losses in respect of that particular borrower.

Recognition stages of expected credit losses:

1. upon granting of a loan, the Group recognises the expected credit losses for the twelve-month period. Interest income from the loan is calculated on the carrying amount of financial assets without adjusting it by the amount of expected credit losses;
2. upon establishing that the credit risk related to the borrower has significantly increased, the Group accounts for the lifetime expected credit losses of the loan agreement. All lifetime expected credit losses of a financial instruments are calculated only when there is a significant increase in credit risk relating to the borrower. Interest income from the loan is calculated on the carrying amount of financial assets without adjusting it by the amount of expected credit losses;
3. where the Group establishes that the recovery of the loan is doubtful, the Group classifies this loan as credit-impaired financial assets (doubtful loans and receivables). Interest income from the loan is calculated on the carrying amount of financial assets which is reduced by the amount of expected credit losses.

In stage 2, an assessment of the significant deterioration in the borrower's financial situation is performed by comparing the financial situation as at the time of the assessment and the financial situation as at the time of issuing the loan.

The latest point at which the Group recognises all lifetime expected credit losses of the loan granted is identified when the borrower is late to pay a periodic amount or the total debt for more than 90 days. In case of other evidence available, the Group accounts for all lifetime expected credit losses of the loan granted regardless of the more than 90 days past due presumption.

1.10.1.6 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

(a) significant financial difficulty of the borrower;
(b) a breach of contract, such as a default or past due event for more than 90 days;
(c) the lender, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or another financial reorganisation;
(e) the disappearance of an active market for that financial asset because of financial difficulties;
(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

1.10.1.7 Derecognition of financial assets

A financial asset (or, where applicable a part of financial asset or group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the right to receive cash flows from the asset is retained, but an obligation is assumed to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the rights to receive cash flows from the asset are transferred and either (a) substantially all the risks and rewards of the asset have been transferred, or (b) substantially all the risks and rewards of the asset have neither been transferred nor retained, but control of the asset has been transferred:
  - if control is not retained, the financial asset is derecognised and any rights and obligations created or retained in the transfer are recognised separately as assets or liabilities;
  - if control is retained, it shall continue to recognise the financial asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Whether the control of the transferred asset is retained depends on the transferee's ability to sell the asset. If the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer, control is not retained. In all other cases, control is retained.

1.10.2 Financial liabilities and equity instruments issued

Debt or equity instruments are classified as financial liabilities or equity based on the substance of the arrangement.

1.10.2.1 Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities measured at FVPL, loans, trade and other payables or derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans, trade and other payables, net of directly attributable transaction costs.

1.10.2.2 Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- financial liabilities at FVPL;
- financial liabilities at amortised cost.

1.10.2.3 Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivatives entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in statement of profit or loss.

Financial liabilities designated upon initial recognition at FVPL are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

1.10.2.4 Financial liabilities at amortised cost

After initial recognition, trade payables, interest-bearing loans are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in statement of profit or loss.

1.10.2.5 Classification and borrowing costs

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

If a financing agreement concluded before the statement of financial position date proves that the liability was non-current by its nature as of the date of the statement of financial position, that financial liability is classified as non-current.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial time (more than one year) to get ready for intended use or sale (qualifying assets) are capitalised as part of the costs of those assets until those assets are completely ready for use or sale. All other borrowing costs are expensed as incurred. Interest income that relate to temporal investment of borrowed funds until their use for the acquisition of the assets are deducted from the acquisition cost of the assets.

1.10.2.6 Effective interest rate method

The EIR method is used in the calculation of the amortised cost of a financial liabilities and in the allocation of the interest expenses in statement of profit or loss over the relevant period.

The EIR is the rate that exactly discounts estimated future cash outflows through the expected life of the financial liability to the gross carrying amount of the financial liability that shows the amortised cost of the financial liability.

1.10.2.7 Derecognition of financial liabilities

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 statement of profit or loss.

1.10.3 Derivatives and hedge accounting

The Group enters into derivatives' transactions related to sale prices of electricity.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:
- there is 'an economic relationship' between the hedged item and the hedging instrument;
- the effect of credit risk does not 'dominate the value changes' that result from that economic relationship;
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item and the quantity of the hedging instrument.

1.10.3.1 Presentation

Fair value of derivatives is presented In the statement of financial position as 'Other non-current assets', 'Other current assets' and 'Other current liabilities' (Note 23).

Changes in fair value and result of settled derivatives for hedges that do not meet the qualifying criteria for hedge accounting are recognised in statement of profit or loss either as 'Other income', if result for a period of such derivatives is profit, or 'Other expenses' if result of such derivatives for a period is loss.

Changes in fair value and result of settled derivatives for hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

1.10.3.2 Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in the Statement of financial position in the hedge reserve. Ineffective portion is recognised immediately in the statement of profit or loss in 'Other income' or 'Other expenses'. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

When cash flow hedges are realised, gain or losses are transferred from equity and recognised in statement of profit or loss as "Purchases of electricity and other services".

1.11 Lease liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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 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.

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

The Group 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 Group 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.

1.12 Employee benefits

1.12.1 State plans

The Group participates only in State plans. State plans are established by legislation to cover all entities and are operated by national or local government or by another body (for example, in the case of the Group, the State Social Security Fund). State plans are defined benefit plan under which the Group pay fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. This contributions are recognised as an expense on an accrual basis and are included within remuneration expenses.

1.12.2 Termination benefits

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 Group recognise 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.

1.12.3 Non-current employee benefits

Each employee of retirement age who terminates his/her employment with the Group upon retirement is entitled to receive a payment equal to 2 monthly salaries according to Lithuanian laws.

If an employee belongs to trade union, he/she is also entitled to additional retirement benefit according in accordance with the collective agreement. A liability for such pension 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 aforementioned non-current liability for pension benefits to employees at the reporting date is estimated with reference to actuarial valuations using the projected relative unit method. The present value of the defined non-current liability for pension benefits to employees 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.

1.13 Fair value

The Group measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each statement of financial position date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: fair value of assets is based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value of assets is based on other observable market data, directly or indirectly;
- Level 3: fair value of assets is based on non-observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, 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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6.2 Parent company's financial statements

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

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The parent company's financial statements were prepared and signed by UAB „Ignitis renewables" management on 16 April 2025:

Gary Bills	**Augustas Dragūnas**	**Giedruolė Guobienė**
Chief Executive Officer	Chief Financial Officer	UAB „Ignitis grupės paslaugų centras" Head of Group accounting

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Statement of profit or loss

For the year ended 31 December 2024

EURk	Notes	2024	2023
Revenue from contracts with customers	5	7,558	2,194
Other income		151	971
Dividend income	13.4.1	4,716	32,292
Total revenue and other income		**12,425**	**35,457**
Salaries and related expenses		(10,340)	(6,213)
Repair and maintenance expenses		(24)	-
Depreciation and amortisation		(176)	(90)
(Impairment) / reversal of impairment of investments in subsidiaries		(2,202)	-
Other expenses	6	(15,618)	(7,589)
Total expenses		**(28,360)**	**(13,892)**
Operating profit (loss)		**(15,935)**	**21,565**
Finance income	7	35,459	13,573
Finance expenses	7	(35,689)	(14,413)
Finance activity, net		**(230)**	**(840)**
Profit (loss) before tax		**(16,165)**	**20,725**
Income tax (expenses)/benefit	8	2,690	1,957
Net profit for the year		**(13,475)**	**22,682**

Statement of comprehensive income

For the year ended 31 December 2024

EURk	Notes	2024	2023
Net profit for the year		**(13,475)**	**22,682**
Total other comprehensive income (loss) for the year		3	3
Total comprehensive income (loss) for the year		**(13,472)**	**22,685**

Statement of financial position

As at 31 December 2024

EURk	Notes	31 December 2024	31 December 2023
Assets			
Intangible assets		23	24
Property, plant and equipment		23,223	4,020
Right-of-use assets		1	6
Prepayments for non-current assets		20,000	20,000
Investments in subsidiaries	9	652,337	439,621
Non-current receivables	10	566,150	487,477
Other financial assets	11	5,222	19,773
Other non-current assets		459	191
Deferred tax assets	8	3,154	2,273
Non-current assets		**1,270,569**	**973,385**
Prepayments and deferred expenses		364	159
Trade receivables		1,282	392
Other receivables	10.4	66,154	4,956
Cash and cash equivalents	12	3,161	4,014
Current assets		**70,961**	**9,521**
Total assets		**1,341,530**	**982,906**
Equity and liabilities			
Issued capital	13	37,622	19,022
Share premium		164,133	164,133
Reserves		1,228	93
Retained earnings		10,326	24,933
Equity		**213,309**	**208,181**
Non-current loans	15	1,045,665	689,475
Non-current lease liabilities		-	1
Provisions		16	9
Other non-current liabilities	17	4,728	28,600
Non-current liabilities		**1,050,409**	**718,085**
Loans	15	22,440	13,871
Lease liabilities		1	5
Provisions		9	-
Trade payables		956	805
Other current liabilities	17	54,406	41,959
Current liabilities		**77,812**	**56,640**
Total liabilities		**1,128,221**	**774,725**
Total equity and liabilities		**1,341,530**	**982,906**

Statement of changes in equity

For the year ended 31 December 2024

EURk	Notes	Issued capital	Share premium	Legal reserve	Retained earnings	Total
Balance as at 1 January 2023		**22**	**54,133**	**93**	**2,248**	**56,496**
Net profit for the year		-	-	-	22,682	**22,682**
Other comprehensive income		-	-	-	3	**3**
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**22,685**	**22,685**
Share capital and share premium increase	13.3	19,000	110,000	-	-	**129,000**
Balance as at 31 December 2023		**19,022**	**164,133**	**93**	**24,933**	**208,181**
Balance as at 1 January 2024		**19,022**	**164,133**	**93**	**24,933**	**208,181**
Net profit for the year		-	-	-	(13,475)	**(13,475)**
Other comprehensive income		-	-	-	3	**3**
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**(13,472)**	**(13,472)**
Share capital increase	13.3	18,600	-	-	-	**18,600**
Transfer to reserves and movement in reserves		-	-	1,135	(1,135)	**-**
Balance as at 31 December 2024		**37,622**	**164,133**	**1,228**	**10,326**	**213,309**

Statement of cash flows

For the year ended 31 December 2024

EURk	Notes	2024	2023
Net profit for the year		(13,475)	22,682
Adjustments for:			
Depreciation and amortisation expenses		176	90
Impairment/(reversal of impairment) of investments in subsidiaries		2,202	-
Income tax expenses/(benefit)		(2,690)	(1,957)
Increase/(decrease) in provisions		19	7
Interest income	7	(31,282)	(12,047)
Interest expenses	7	33,796	13,697
Dividend income		(4,716)	(32,292)
Fair value changes of derivatives		(716)	716
Other expenses/(income) of financing activities		(1,568)	(809)
Changes in working capital:			
(Increase)/decrease in trade receivables, non-current and other receivables, other financial assets		(1,298)	(75,647)
(Increase)/decrease in prepayments and deferred expenses, other non-current assets		(473)	(5)
Increase/(decrease) in trade payables, other non-current and current amounts liabilities		6 938	42,919
Income tax (paid)/received		1,809	998
Net cash flows from (to) operating activities		**(11,278)**	**(41,648)**
Acquisition of property, plant and equipment		(19,961)	(21,914)
Loans granted		(217,998)	(286,133)
Loan repayments received		116,128	5,112
Interest received[1]	7	3,886	4,992
Dividends received		4,716	32,292
Investments into subsidiaries	9.4	(218,828)	(221,398)
Net cash flows from investing activities		**(332,057)**	**(487,049)**
Loans received	16	420,839	458,200
Cash-pool net-change	16	(67,709)	(65,725)
Lease payments	16	(5)	(13)
Increase of share capital and share premium	13.3	18,600	129,000
Interest paid[1]	16	(29,243)	(9,124)
Net cash flows from financing activities		**342,482**	**512,338**
Increase/(decrease) in cash and cash equivalents		**(853)**	**(16,359)**
Cash and cash equivalents at the beginning of the year		4,014	20,373
Cash and cash equivalents at the end of the year	12	**3,161**	**4,014**

[1] *Interest paid and received during the reporting period includes VAT from interests amount.*

Explanatory notes

For the year ended 31 December 2024

1 General information

UAB "Ignitis renewables" (hereinafter - the Company or the parent company) is a private limited liability company registered in the Republic of Lithuania. The Company was registered on 14 January 2019 with the Register of Legal Entities managed by the public institution the Centre of Registers. The Company's registered office address is Laisvės pr. 10, LT-04215, Vilnius, Lithuania. Company code 304988904, VAT payer code LT100012186012. The Company has been founded for an indefinite period.

UAB „Ignitis renewables" is a parent company, which is responsible for the management and coordination of activities of the group companies (Note 9). The parent company and its subsidiaries are hereinafter collectively referred to as 'the Group'. The Group's core business is focused on generation of electricity and developing wind and solar power generation projects.

The parent company analyses the activities of group companies, represents the group, implements it's shareholder's rights and obligations, defines operation guidelines and rules, and coordinates the activities in the fields of finance, law, strategy and development, human resources, risk management, audit, technology, communication, etc.

The parent company seeks to ensure effective operation of group companies, implementation of the shareholder's strategic goals related to expansion of its green electricity generation portfolio .

The parent company's shareholder is AB "Ignitis grupė" (100.00%):

Shareholder of the parent company	31 December 2024		31 December 2023	
	Share capital, in EURk	%	Share capital, in EURk	%
AB "Ignitis grupė"	37,622	100.00	19,022	100.00
Total	**37,622**		**19,022**	

AB "Ignitis grupė" (hereinafter – the ultimate parent company) (company code 301844044, registered address Laisvės pr. 10, LT-04215 Vilnius, Lithuania) as at 31 December 2024 and 2023 holds 100% shares of the parent company. As at 31 December 2024, the shareholder structure of AB "Ignitis grupė" is as follows: the Ministry of Finance of the Republic of Lithuania (74.99%), and retail and institutional investors (25.01%). As at 31 December 2023: the Ministry of Finance of the Republic of Lithuania (74.99%), retail and institutional investors (25.01%)

These financial statements were prepared and signed for issue by the Group's management on 15 April 2025.

The parent company's shareholder have a statutory right to either approve or refuse to approve these financial statements and require the management to prepare a new set of financial statements.

The Group also prepares consolidated annual financial statements in accordance with IFRS Accounting Standards (hereinafter referred to as 'IFRS') issued by International Accounting Standards Board (hereinafter referred to as 'IASB') and endorsed for application in the European Union.

2 Basis of preparation

2.1 Basis of accounting

These financial statements have been prepared in accordance with IFRS Accounting Standards (hereinafter referred to as 'IFRS') issued by International Accounting Standards Board (hereinafter referred to as 'IASB') and endorsed for application in European Union. Reporting period of these financial statements is one year ended 31 December 2024.

The parent company's financial statements as at and for the year ended 31 December 2024 (hereinafter referred to as 'financial statements') have been prepared on a going concern basis applying measurement based on historical cost (hereinafter referred to as 'acquisition costs'), except for certain financial instruments measured at fair value (Note 20.3).

1.1 Functional and presentation currency

These financial statements are presented in euros, which is the parent company's functional currency and all values are rounded to the nearest thousand (EUR '000), except when otherwise indicated. These financial statements provide comparative information in respect of the previous period.

2.2 Foreign currency translation

2.2.1 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

3 Changes in material accounting policies

3.1 Changes in accounting policy and disclosures

The accounting policies applied in the preparation of these financial statements are consistent with the accounting policies applied in the preparation of the parent company's annual financial statements for the year ended 31 December 2023, with the exception for the adoption of new standards effective as of 1 January 2024. The parent company has not applied any standard, interpretation, or amendment for which the early application is permitted but is not yet effective.

Information about new standards is available in section 'Material accounting policies' of these financial statements.

4 Significant accounting estimates and judgments used in the preparation of the financial statements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of financial statements according to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and costs and contingencies. Change in the underlying assumptions, estimates and judgements may have a material effect on the parent company's financial statements in the future.

Only significant accounting estimates and judgements used in the preparation of the financial statements are described in this note. For other estimates and judgements used refer to other notes of these financial statements.

Significant accounting estimates and judgments	Note	Estimate/judgment
Impairment of investments into subsidiaries	9.5	Estimate

5 Revenue from contracts with customers

EURk	2024	2023
Management fee income	7,558	2,194
Total	**7,558**	**2,194**

The parent company's revenue from contracts with customers during 2024 and 2023 mainly comprised the revenue from advisory and management services provided to subsidiaries. The parent company did not present any segment information as there is only one segment. All performance obligations of the parent company are settled over time.

The parent company's balances under the contracts with customers:

EURk	31 December 2024	31 December 2023
Trade receivables	1,282	317

6 Other expenses

EURk	2024	2023
Finance and accounting	3,843	2,049
Legal	3,553	1,288
Asset management and administration	1,839	1,067
People and culture	1,483	915
Communication	1,300	556
Telecommunication and IT services	1,187	428
Other expenses[1]	2,413	1,286
In total	**15,618**	**7,589**

[1]In year 2024 the parent company aggregated the line item "Innovation" to the line item "Other expenses" therefore comparative figures for the year 2023 was changed respectively by reclassifying EUR 398 thousand from line item "Innovation" to the line item "Other expenses".

7 Finance activity

EURk	2024	2023
Interest income at the effective interest rate	31,282	12,047
Positive effect of changes in exchange rates	3,461	1,417
Fair value change of derivatives	716	-
Other income from financing activities	-	109
Total finance income	**35,459**	**13,573**
Interest expenses	33,796	13,697
Fair value change of derivatives	-	716
Other expenses of financing activities	1,893	-
Total finance expenses	**35,689**	**14,413**
Finance activity, net	**(230)**	**(840)**

The parent company earns interest income from long-term and short-term loans, the majority of which is granted to the Group companies. During the year 2024, the parent company received interests for amount EUR 3,325 thousand (in 2023: EUR 4,992 thousand) and paid interests for amount EUR 29,243 thousand (in 2023: EUR 9,124 thousand) in cash. Interest received and paid are presented in the Statement of cash flows accordingly under 'Interest received' and 'Interest paid'.

8 Income taxes

8.1 Amounts recognised in profit or loss

EURk	2024	2023
Deferred tax expenses/(benefit)	(2,843)	(2,177)
Result from sale of tax losses	153	220
Income tax expenses (benefit) recognised in profit or loss	**(2,690)**	**(1,957)**

8.2 Reconciliation of effective tax rate

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

EURk	2024	2024	2023	2023
Profit (loss) before tax		(16,165)		20,725
Income tax expenses (benefit) at tax rate of 15%	15.00%	(2,425)	15.00%	3,109
Non-taxable income and non-deductible expenses	1.32%	(213)	(25.37%)	(5,258)
Income tax rate change	1.27%	(206)	-	-
Other	(0.95%)	154	0.93%	192
Income tax expenses (benefit)	**16.64%**	**(2,690)**	**(9.44%)**	**(1,957)**

8.3 Deferred tax

EURk	As at 31 December 2023	Recognised in profit or loss	Tax loss given/taken	As at 31 December 2024
Deferred tax assets				
Accrued expenses	**165**	163	-	**328**
Derivatives	**107**	(107)	-	**-**
Tax losses carry forward	**2,001**	2,634	(1,809)	**2,826**
Deferred tax asset	**2,273**	**2,690**	**(1,809)**	**3,154**

EURk	As at 31 December 2022	Recognised in profit or loss	Tax loss given/taken	As at 31 December 2023
Deferred tax assets				
Accrued expenses	**76**	89	**-**	**165**
Derivatives	**-**	107	**-**	**107**
Tax losses carry forward	**1,238**	1,761	(998)	**2,001**
Deferred tax asset	**1,314**	**1,957**	**(998)**	**2,273**

During the year 2024 the parent company transferred tax losses for amount EUR 13,080 thousand (deferred tax asset amounts to EUR 1,962 thousand) (in 2023: EUR 8,121 thousand of tax losses, deferred tax asset amounted to EUR 1,218 thousand) to other Group companies and received a contribution for amount EUR 1,809 thousand (in 2023: EUR 998 thousand).

9 Investments in subsidiaries

The parent company's investments in subsidiaries as at 31 December 2024:

Company name	Acquisition cost	Impairment	Carrying amount	Company's ownership interest, %	Group's effective ownership interest, %
Subsidiaries:					
SIA SP Venta	137,623	-	137,623	100.00	100.00
WINDLIT, UAB	117,960	-	117,960	100.00	100.00
Silesia2 Wind Farm S.A.	109,161	-	109,161	100.00	100.00
Pomerania Wind Farm sp. z o.o.	56,627	-	56,627	100.00	100.00
Silesia1 Wind Farm Sp. z o.o.	51,292	-	51,292	100.00	100.00
UAB Vėjas LT	43,352	-	43,352	100.00	100.00
Ignitis renewables Polska sp.z.o.o.	34,641	-	34,641	100.00	100.00
UAB „EURAKRAS“	18,735	-	18,735	100.00	100.00
SIA CVE	13,680	-	13,680	100.00	100.00
UAB „VĖJO GŪSIS“	12,919	-	12,919	100.00	100.00
UAB „VVP Investment“	10,532	-	10,532	100.00	100.00
IGN RES DEV2 SIA	10,500	-	10,500	100.00	100.00
OÜ „Tuuleenergia“	9,455	-	9,455	100.00	100.00
UAB „Plungės vėjo energija"	7,906	-	7,906	100.00	100.00
SIA BRVE	6,384	-	6,384	100.00	100.00
UAB „VĖJO VATAS“	6,132	-	6,132	100.00	100.00
Ignitis Renewables Latvia SIA	3,500	-	3,500	100.00	100.00
UAB „Ignitis renewables projektai“	1,000	-	1,000	100.00	100.00
IGN RES DEV1 SIA	500	-	500	100.00	100.00
IGN RES DEV5 SIA	103	-	103	100.00	100.00
IGN RES DEV6 SIA	103	-	103	100.00	100.00
IGN RES DEV3 SIA	78	-	78	100.00	100.00
IGN RES DEV4 SIA	78	-	78	100.00	100.00
IGN RES DEV7 SIA	53	-	53	100.00	100.00
UAB „Ignitis renewables projektai 2"	3	-	3	100.00	100.00
UAB "Ignitis renewables offshore development"	3	-	3	100.00	100.00
Ignitis renewables Estonia OÜ	3	-	3	100.00	100.00
UAB ARROW HOLDCO	2	-	2	100.00	100.00
UAB ARROW CLUSTER	2	-	2	100.00	100.00
Ignitis renewables DevCo1 OÜ	2	-	2	100.00	100.00
UAB „Ignitis renewables projektai 5"	2	-	2	100.00	100.00
UAB „Ignitis renewables projektai 7"	1	-	1	100.00	100.00
UAB „Ignitis renewables projektai 8"	1	-	1	100.00	100.00
UAB "Ignitis renewables projektai 9"	1	-	1	100.00	100.00
UAB "Ignitis renewables projektai 10"	1	-	1	100.00	100.00
UAB "Ignitis renewables projektai 11"	1	-	1	100.00	100.00
UAB "Offshore wind farm 1"	1	-	1	51.00	51.00
Sunrise 1 sp. z o.o.	1,177	(1,177)	-	100.00	100.00
Sunrise 2 sp. z o.o.	741	(741)	-	100.00	100.00
Sunrise 4 sp. z o.o.	284	(284)	-	100.00	100.00
Total	**654,539**	**(2,202)**	**652,337**		

The parent company's investments in subsidiaries as at 31 December 2023:

EURk	Acquisition cost	Impairment	Carrying amount	Company's ownership interest, %	Group's effective ownership interest, %
Subsidiaries:					
Silesia2 Wind Farm Sp. z o. o.	109,161	-	109,161	100.00	100.00
WINDLIT, UAB	75,999	-	75,999	100.00	100.00
Pomerania Wind Farm Sp. z o. o.	56,627	-	56,627	100.00	100.00
Silesia1 Wind Farm Sp. z o. o.	51,292	-	51,292	100.00	100.00
Ignitis Renewables Polska Sp. z o. o.	34,641	-	34,641	100.00	100.00
UAB Vėjas LT	19,352	-	19,352	100.00	100.00
UAB „EURAKRAS"	18,735	-	18,735	100.00	100.00
SIA SP Venta	16,623	-	16,623	100.00	100.00
UAB „VĖJO GŪSIS"	12,919	-	12,919	100.00	100.00
SIA CVE	10,680	-	10,680	100.00	100.00
Tuuleenergia OU	9,455	-	9,455	100.00	100.00
UAB "Plungės vėjo energija"	7,906	-	7,906	100.00	100.00
UAB „VĖJO VATAS"	6,132	-	6,132	100.00	100.00
SIA BRVE	3,385	-	3,385	100.00	100.00
UAB „VVP Investment"	2,532	-	2,532	100.00	100.00
Ignitis renewables Latvia SIA	2,000	-	2,000	100.00	100.00
UAB „Ignitis renewables projektai"	1,000	-	1,000	100.00	100.00
IGN RES DEV1 SIA	500	-	500	100.00	100.00
IGN RES DEV2 SIA	500	-	500	100.00	100.00
IGN RES DEV3 SIA	78	-	78	100.00	100.00
IGN RES DEV4 SIA	78	-	78	100.00	100.00
IGN RES DEV7 SIA	3	-	3	100.00	100.00
UAB „Ignitis renewables projektai 2"	3	-	3	100.00	100.00
UAB „Ignitis renewables projektai 3"	3	-	3	100.00	100.00
UAB „Ignitis renewables projektai 4"	3	-	3	100.00	100.00
UAB „Vėjo galia bendruomenei"	3	-	3	100.00	100.00
IGN RES DEV5 SIA	2	-	2	100.00	100.00
IGN RES DEV6 SIA	2	-	2	100.00	100.00
UAB „Ignitis renewables projektai 5"	2	-	2	100.00	100.00
UAB „Ignitis renewables projektai 6"	2	-	2	100.00	100.00
UAB „Ignitis renewables projektai 7"	1	-	1	100.00	100.00
UAB „Ignitis renewables projektai 8"	1	-	1	100.00	100.00
Offshore wind farm 1 UAB	1	-	1	51.00	51.00
Total	**439,621**	**-**	**439,621**		

Movement of the parent company's investments in subsidiaries:

EURk	2024	2023
Carrying amount at 1 January	**439,621**	**189,017**
Acquisition and/or remeasurement of investments into subsidiaries (Note 9.1)	2,163	133,624
Share capital and share premium increase/(decrease) in subsidiaries (Note 9.3)	212,750	116,967
Established new subsidiaries (Note 9.2)	8	13
Disposal of investment	(3)	-
(Impairment) / reversal of impairment of investments in subsidiaries (Note 9.5)	(2,202)	-
Carrying amount at 31 December	**652,337**	**439,621**

9.1 Acquisition and remeasurement of investments into subsidiaries

Acquisition and/or remeasurement of investments into subsidiaries during the year 2024:

EURk	Date	Investment into subsidiary
Sunrise 1 sp. z o.o.	October 2024	1,177
Sunrise 2 sp. z o.o.	October 2024	741
Sunrise 4 sp. z o.o.	October 2024	284
UAB Vėjas LT	June 2024	(39)
Total		**2,163**

Acquisition of investments into subsidiaries during the year 2023:

EURk	Date	Investment into subsidiary
WINDLIT, UAB	October 2023	75,999
UAB Vėjas LT	July 2023	19,352
SIA SP Venta	March 2023	16,623
SIA CVE	March 2023	10,680
UAB „Plungės vėjo energija"	November 2023	7,585
SIA BRVE	March 2023	3,385
Total		**133,624**

9.2 Established new subsidiaries

Established new subsidiaries in year 2024:

EURk	Date	Share capital
Ignitis renewables Estonia OÜ	July 2024	2
Ignitis renewables DevCo1 OÜ	July 2024	3
UAB "Ignitis renewables projektai 9"	April 2024	1
UAB "Ignitis renewables projektai 10"	April 2024	1
UAB "Ignitis renewables projektai 11"	May 2024	1
Total		**8**

Established new subsidiaries in year 2023:

EURk	Date	Share capital
Ignitis renewables projektai 4 UAB	March 2023	3
Ignitis renewables projektai 5 UAB	March 2023	2
Ignitis renewables projektai 6 UAB	March 2023	2
Ignitis renewables projektai 7 UAB	May 2023	1
Ignitis renewables projektai 8 UAB	May 2023	1
IGN RES DEV7 SIA	July 2023	3
Offshore wind farm 1 UAB	December 2023	1
Total		**13**

9.3 Share capital and share premium increase

Increase of share capital and share premium in subsidiaries during the year 2024:

EURk	Emission date	Quantity of new share issued	Emission price for 1 share	Total emission price	Total nominal value of emission	Share premium
UAB „VVP Investment"	July 2024	100	80,000.00	8,000	3	7,997
Ignitis Renewables Latvia SIA	December 2024	2,250	666.67	1,500	225	1,275
IGN RES DEV2 SIA	December 2024	15,000	666.67	10,000	1,500	8,500
IGN RES DEV5 SIA	December 2024	3,572	28.00	100	100	-
IGN RES DEV6 SIA	December 2024	3,572	28.00	100	100	-
SIA SP Venta	May-July 2024	642,858	188.22	121,000	18,000	103,000
SIA BRVE	December 2024	450,000	6.67	3,000	450	2,550
SIA CVE	December 2024	450,000	6.67	3,000	450	2,550
IGN RES DEV7 SIA	December 2024	1,786	28.00	50	50	-
UAB Vėjas LT	July 2024	13,793,104	1.74	24,000	4,000	20,000
WINDLIT, UAB	August 2024	20,689,656	2.03	42,000	6,000	36,000
Total				**212,750**	**30,878**	**181,872**

Increase of share capital and share premium in subsidiaries during the year 2023:

EURk	Emission date	Quantity of new share issued	Emission price for 1 share	Total emission price	Total nominal value of emission	Share premium
Silesia2 Wind Farm S.A.	February 2023	55,018,811	0.21	74,801	11,508	63,293
Silesia1 wind farm Sp. z o. o.	February 2023	608,731	10.46	42,016	6,366	35,650
IGN RES DEV3 SIA	July 2023	2,678	28.00	75	75	-
IGN RES DEV4 SIA	July 2023	2,678	28.00	75	75	-
Total				**116,967**	**18,024**	**98,943**

As at 31 December 2024 there was remaining balance of unpaid share capital and share premium increase (Note 17) (31 December 2023: none).

9.4 Cash flows from investments in subsidiaries

Reconciliation of the factors that had impact on cash flows from the parent company's investments into subsidiaries to data reported in the statement of cash flows:

EURk	2024	2023
Acquisition of subsidiaries	(30,773)	(147,418)
Share capital and share premium increase in subsidiaries	(188,050)	(73,967)
Established new subsidiaries	(8)	(13)
Disposal of investment	3	-
Total	**(218,828)**	**(221,398)**

9.5 Significant accounting estimate: Impairment of investments

On 31 December 2024, the parent company carried out an analysis to determine existence of indications of impairment for investments into subsidiaries. The parent company considered information from external and internal sources of information.

For the purpose to determine impairment indications it is assessed whether at least one of the following conditions exists (except for early stage companies):

1. actual adjusted EBITDA (Earnings Before Interests Taxes Depreciation and Amortization) is less than budgeted adjusted EBITDA;
2. the actual adjusted net profit is less than the actual dividends paid;
3. carrying amount of investment is higher than carrying amount of net assets.

In cases at least one abovementioned conditions exists, before performing impairment tests, additional analysis was performed, helping to determine whether current conditions shows impairment indications. Additionally, the management assessed whether during the reporting period, there have been no significant adverse changes in the technological, market, economic and legal environment in which subsidiaries operate.

Having identified impairment indications on investments in subsidiaries Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o. the parent company performed impairment test. Impairment test showed that impairment should be recognised for the full acquisition cost EUR 2,202 thousand of investment into subsidiaries Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o. After impairment recognition the carrying amount of investments into subsidiaries Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o. and Sunrise 4 sp. z o.o. amounted to 0 EUR as at 31 December 2024.

The impairment test was performed using the discounted cash flow method for Cash-Generating Unit (CGU), which for impairment testing purposes is treated to be individual Green Capacities project acquired, using the following key assumptions:

- The cash flow forecast covered the period from 2025 until 2046–2060, with reference to the typical operational period of 30 years.
- The cash flow forecast also included the envisaged capital expenditure amounts required to complete the projects under development or under construction for the period from 2025 until 2027-2030 based on actually signed contracts, as well as taking into account inflation and learning curve developments provided by reputable market forecasters.
- The production volume is stable each year according to a third-party study of a wind farm or actual production capacity (depending on the wind and solar farm).
- The price of electricity is set at the agreed tariff if the project is awarded in government auctions or tenders, or offtake is secured through PPA (Power Purchase Agreement) or similar instruments. Otherwise, a third-party electricity price forecast is applied.
- A discount rate of 5.79–7.39% after tax (weighted average costs of capital after tax) (6.91–8.79% pre-tax) was used to calculate the discounted cash flows.

On 31 December 2023 no indications for possible impairment for investment in subsidiaries were identified therefore no impairment test was performed.

10 Other receivables

10.1 Other non-current receivables

EURk	31 December 2024	31 December 2023
Loans granted	565,570	486,897
Cash reserved for guarantees	580	580
Total	**566,150**	**487,477**
Less: loss allowance	-	-
Carrying amount	**566,150**	**487,477**

10.2 Expected credit losses of loans granted and other non-current receivables

As at 31 December 2024, the parent company assessed whether credit risk of recipients of non-current and current loans has increased significantly and did not establish any indications and has no information indicating that credit risk of loan recipients on an individual basis has increased significantly. Therefore, no lifetime expected credit loss was recognised neither for non-current nor for current loans granted.

10.3 Loans granted

EURk	31 December 2024	31 December 2023
Within one year	64,527	526
From 1 to 2 years	20,015	55,880
From 2 to 5 years	543,002	415,200
After 5 years	2,553	15,817
Carrying amount	**630,097**	**487,423**

10.4 Other current receivables

EURk	31 December 2024	31 December 2023
Loans granted	64,527	526
Value added tax	1,627	472
Other receivables	-	3,958
Total	**66,154**	**4,956**
Less: loss allowance	-	-
Carrying amount	**66,154**	**4,956**

11 Other financial assets

EURk	31 December 2024	31 December 2023
Investments in business located in Poland	-	14,551
Equity securities - at FVOCI	5,000	5,000
Investments in business located in Latvia	222	222
Carrying amount	**5,222**	**19,773**

Investments in business located in Poland and Latvia

As at 31 December 2023 the parent company had investments into businesses located in Poland and Latvia. The carrying amount of these investments decreased due to the development of projects in Poland were finished in 2024 and the parent company obtained the ownership of 100% of shares of the project companies Sunrise 1 sp. z o.o., Sunrise 2 sp. z o.o and Sunrise 4 sp. z o.o.

Until the payments to projects located in Latvia do not constitute the rights of control over the companies, the parent company recognise these payments as other financial assets. After these projects developed by the companies are established, the parent company will own 100% of shares of these companies.

Equity securities - at FVOCI

On 14 September 2020, the parent company acquired 5% of Moray West Holdings Limited shares for an amount of GBP 50. After specific conditions were met, the parent company paid an additional EUR 5.0 million contribution for the shares held.

12 Cash and cash equivalents

EURk	31 December 2024	31 December 2023
Cash balances in bank accounts	3,161	4,014
In total	**3,161**	**4,014**

As at 31 December 2024 and 2023, cash and cash equivalents comprised cash in bank.

Parent company has no pledged current and future cash inflows.

According to the management's assessment, ECL on cash and cash equivalents are not significant because:

– The parent company's cash and cash equivalents are kept in international group banks with good credit ratings. The banks are charged with the highest liquidity, capital adequacy, own funds, additional capital reserves and other risk-limiting requirements and regulations that banks must comply with and regularly report to supervisory authorities.

– The parent company uses banks that are supervised by the European Central Bank.

13 Equity

13.1 Capital management

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

Pursuant to the Lithuanian Republic Law on Companies, the issued capital of a private limited liability company must be not less than EUR 1 thousand and the shareholders' equity must be not lower than 50% of the company's issued capital. As at 31 December 2024 and 2023, the parent company met requirements of capital regulation.

13.2 Issued capital

EURk	31 December 2024	31 December 2023
Authorised shares		
Ordinary shares	37,622	19,022
Ordinary shares issued and fully paid	**37,622**	**19,022**

As at 31 December 2024 the Group's issued capital was divided into 37,621,910 ordinary shares with EUR 1 nominal value for a share (31 December 2023: 19,021,910 ordinary registered shares with EUR 1 nominal value for a share).

Reconciliation of the number of shares at the beginning and at the end of the year:

In thousand	2024	2023
Number of authorised shares as at 1 January	**19,021,910**	**21,910**
Issuing of ordinary shares (Note 13.3)	18,600,000	19,000,000
Number of authorised shares as at 31 December	**37,621,910**	**19,021,910**

13.3 Increase in issued capital

On 17 December 2024, the Management Board of the ultimate parent company, as the sole shareholder of the Company has adopted the following decision: the parent company issues 18,600,000 new ordinary registered shares, each with a nominal value of EUR 1.00. The issue price of all newly issued shares was EUR 18,600 thousand and consisted of EUR 18,600 thousand of the aggregate amount of the nominal values of shares. The issue price was paid for by the ultimate company by cash transfer to bank account.

13.4 Dividends

The parent company declared no dividends during 2024 and 2023 year.

13.4.1 Dividends received by the parent company

Dividends received by the parent company from Group companies during the year 2024 are the following:

Declared at	Dividends declared by	Period for which dividends are allocated	Dividends per share, in EUR	Amount of dividends declared	Dividend income attributable to the parent company
8 May 2024	Tuuleenergia OU	2023 year	4,716,483	4,716	4,716
Total				**4,716**	**4,716**

Dividends received by the parent company from Group companies during the year 2023 are the following:

Declared at	Dividends declared by	Period for which dividends are allocated	Dividends per share, in EUR	Amount of dividends declared	Dividend income attributable to the parent company
28 July 2023	Pomerania Wind Farm sp. z o. o.	2022 year	23,015.3110	20,484	20,484
2 May 2023	Tuuleenergia OU	2022 year	5,301,648.1700	5,302	5,302
2 May 2023	UAB „EURAKRAS“	2022 year	20.2000	3,223	3,223
2 May 2023	UAB „Vėjo gūsis“	2022 year	7.9900	2,054	2,054
2 May 2023	UAB „Vėjo vatas“	2022 year	12.3000	1,229	1,229
Total				**32,292**	**32,292**

14 Reserves

14.1 Legal reserve

The legal reserve is a compulsory reserve under the Lithuanian legislation. Companies in Lithuania are required to transfer at least 5% of net profit from distributable profit until the total reserve reaches 10% of the issued capital. The legal reserve shall not be used for payment of dividends and is formed to cover future losses only.

The parent company's legal reserve as at 31 December 2024 and 2023 was not fully formed.

15 Loans and lease liabilities

EURk	31 December 2024	31 December 2023
Non-current		
Loans from ultimate parent company	1,035,275	689,475
Loans from related party	10,390	-
Lease liabilities	-	1
Current		
Loans from ultimate parent company	21,791	10,143
Loans from related party	649	3,728
Lease liabilities	1	5
Total loans and lease liabilities	**1,068,106**	**703,352**

Loans and lease liabilities by maturity:

EURk	31 December 2024	31 December 2023
Up to 1 year	22,441	13,876
From 1 to 2 years	649	1
From 2 to 5 years	53,741	103,000
After 5 years	991,275	586,475
In total	**1,068,106**	**703,352**

Loans are denominated mainly in euros and insignificant part – in polish zlotys.

15.1 Covenants and unwithdrawn balances

During the year 2024 the parent company didn't have any breaches of financial and non-financial covenants due to which the classification of current and non-current could be changed. As at 31 December 2024, the parent company's unwithdrawn balance of loans amounted to EUR 215,000 thousand (31 December 2023: EUR 527,225 thousand).

16 Net debt

Net Debt is a non-IFRS liquidity metric used to determine the value of debt against highly liquid assets owned by the parent company. Only debts to financial institutions, issued bonds and related interest payables and lease liabilities are included in the Net Debt calculation. The management defines the Net Debt measure for the purpose of these financial statements in the manner as presented below.

Net debt balances:

EURk	31 December 2024	31 December 2023
Cash and cash equivalents	(3,161)	(4,014)
Non-current portion	1,045,665	689,476
Current portion	22,441	13,876
Net debt	**1,064,945**	**699,338**

Reconciliation of the parent company's net debt balances cash flows from financing activities:

EURk	Assets	Lease liabilities		Loans and bonds		Total
	Cash and cash equivalents	Non-current	Current	Non-current	Current	
Net debt at 1 January 2023	**(20,373)**	**8**	**13**	**288,000**	**31,004**	**298,652**
Cash changes						
(Increase) decrease in cash and cash equivalents	16,359	-	-	-	-	**16,359**
Loans received	-	-	-	458,200	-	**458,200**
Repayment of loans	-	-	-	(56,725)	(9,000)	**(65,725)**
Lease payments	-	-	(13)	-	-	**(13)**
Interest paid[1]	-	-	(1)	-	(9,123)	**(9,124)**
Non-cash changes						
Lease contracts concluded	-	2	2	-	-	**4**
Accrual of interest payable	-	-	1	-	13,696	**13,697**
Off-set loans	-	-	-	-	(16,526)	**(16,526)**
Reclassifications between items	-	(4)	4	-	-	**-**
VAT on interest payable	-	-	-	-	2,793	**2,793**
Other	-	(5)	(1)	-	-	**(6)**
Change in foreign currency	-	-	-	-	1,027	**1,027**
Net debt at 31 December 2023	**(4,014)**	**1**	**5**	**689,475**	**13,871**	**699,338**
Net debt at 1 January 2024	**(4,014)**	**1**	**5**	**689,475**	**13,871**	**699,338**
Cash changes						
(Increase) decrease in cash and cash equivalents	853	-	-	-	-	**853**
Loans received	-	-	-	420,190	649	**420,839**
Repayment of loans	-	-	-	(64,000)	(3,709)	**(67,709)**
Lease payments	-	-	(5)	-	-	**(5)**
Interest paid[1]	-	-	-	-	(29,243)	**(29,243)**
Non-cash changes						
Accrual of interest payable	-	-	-	-	33,796	**33,796**
Reclassifications between items	-	(1)	1	-	-	**-**
VAT on interest payable	-	-	-	-	7,095	**7,095**
Change in foreign currency	-	-	-	-	(19)	**(19)**
Net debt at 31 December 2024	**(3,161)**	**-**	**1**	**1,045,665**	**22,440**	**1,064,945**

[1] *Interest paid during the reporting period includes VAT from interests amount.*

17 Other non-current and current liabilities

EURk	31 December 2024	31 December 2023
Other non-current liabilities		
Contingent consideration for acquisition of subsidiaries (Note 18.1)	4,728	28,600
Carrying amount	**4,728**	**28,600**
Other current liabilities		
Contingent consideration for acquisition of subsidiaries (Note 18.1)	33,407	37,432
Amounts payable for property, plant and equipment	1,669	2,380
Payroll related liabilities	2,099	1,327
Accrued expenses	531	104
Derivative financial instruments (Note 21)	-	716
Amounts payable for increase of share capital and share premium in subsidiaries	16,700	-
Carrying amount	**54,406**	**41,959**

Financial liabilities comprise EUR 56,504 thousand from total Other current and non-current liabilities (31 December 2023: EUR 69,128 thousand). Accrued expenses and payroll related liabilities are not financial liabilities.

18 Contingent liabilities and commitments

18.1 Litigations

There are no significant litigations as at 31 December 2024.

19 Related-party transactions

Related parties are defined as follows:

- Group companies;
- parent company's controlling shareholder or those who have significant influence;
- other parent company's controlling shareholder's subsidiaries;
- associated companies;
- state controlled companies and their subsidiaries (only significant transactions are being disclosed with such companies);
- Ministry of Finance of the Republic of Lithuania along with agencies and enterprises that are attributable to the governance of the decisions (only significant transactions are being disclosed with such companies);
- key management personnel and close members of that personnel's family and their controlled enterprises and companies.

The parent company's transactions with related parties during the year 2024 and year-end balances arising on these transactions as at 31 December 2024 were as follows:

Related parties, EURk	Loans receivable	Accounts receivable	Loans payable	Accounts payable	Sales	Purchases	Finance income	Finance cost
Ultimate parent company	-	19	1,057,066	121	-	798	-	33,737
Subsidiaries	565,212	1,627	11,039	16,732	7,226	-	25,896	60
Ignitis grupė AB group companies	-	1	-	151	-	3,462	-	-
Total	**565,212**	**1,647**	**1,068,105**	**17,004**	**7,226**	**4,260**	**25,896**	**33,797**

The parent company transactions with related parties during the year 2023 and year-end balances arising on these transactions as at 31 December 2023 were as follows:

Related parties, EURk	Loans receivable	Accounts receivable	Loans payable	Accounts payable	Sales	Purchases	Finance income	Finance cost
Ultimate parent company	-	-	699,612	65	-	543	-	13,300
Subsidiaries	431,538	810	3,734	-	2,519	4	7,911	396
Ignitis grupė AB group companies	-	6	-	279	23	1,863	-	1
Total	**431,538**	**816**	**703,346**	**344**	**2,542**	**2,410**	**7,911**	**13 697**

The parent company's dividend income received from subsidiaries during the year 2024 and 2023 is disclosed in Note 13.4. Loans received from ultimate parent company are disclosed in Note 15. Loans provided to subsidiaries are disclosed in Note 10.

19.1 Compensation to key management personnel

EURk	2024	2023
Wages and salaries and other short-term benefits to key management personnel	443	343
Whereof:		
Short -term benefits	*364*	*213*
Other long-term benefits	*79*	*130*
Number of key management personnel	4	4

In 2024 and 2023 members of the Management Board (incl. CEO), and the Supervisory Board were considered to be the Group's key management personnel. For more information on the key management personnel see, 'Governance report' of Annual report.

20 Risk management

20.1 Overview

Risks are a natural and integral part of business activities, and risk profile changes continuously. The parent company aims to mitigate its risks and reduce them to an acceptable level through risk management. This part describes only the management of the main financial risks. Other risks management are presented in the Governance section of Annual report.

20.2 Financial risk factors

The parent company is exposed to a variety of financial risks in their operations:

- market risk (including foreign exchange risk, interest rate risk in relation to cash flows),
- credit risk and
- liquidity risk.

While managing these risks, the parent company seeks to mitigate the impact of factors which could adversely affect the parent company's financial performance results.

20.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk:

- interest rate risk and
- foreign currency exchange risk.

20.2.1.1 Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The parent company's sale/purchase transactions for day-to-day operations are denominated in euros, therefore does not bear the risk of foreign exchange rate fluctuations. However the parent company is exposed to a foreign currency exchange risk related to (i) loan received and granted in polish zlotys from/to the subsidiaries (ii) loan granted in sterling pounds to Moray West Holdings Limited.

In 2023 the Company entered into several short term (maturity of up to 1 year) PLN/EUR exchange rate (hereinafter – 'FX') forward and swaps contracts, aiming to manage the foreign exchange risk. Total notional value of FX forward and swap contracts signed in 2023 amounted to EUR 73,131 thousand, out of which EUR 13,923 thousand were still valid as at 31 December 2023. Fair value change of these derivatives is accounted for as unrealized gain (loss) of the ineffective derivatives and is recognised in the Statement of profit or loss as finance activity expenses or income (Note 21). All these contracts expired and were fully realised throughout 2024.

As well the Company is exposed to a foreign currency exchange risk related to issued loan in pound sterling to Moray West Holding Limited. Maturity of loan issued in pound sterling is until 1 July 2025. The Company is not planning to enter into the GBP/EUR exchange rate swaps.

Having identified significant exposure to a foreign currency exchange risk related to loans the management of the parent company discloses sensitivity analysis for this risk:

31 December 2024	Profit or loss	
	Strengthening of euro against foreign currency	Weakening of euro against foreign currency
PLN (3.55% movement)	1,292	(1,203)
GBP (5.43% movement)	738	(687)

31 December 2023	Profit or loss	
	Strengthening of euro against foreign currency	Weakening of euro against foreign currency
PLN (11.10% movement)	4,955	(3,964)
GBP (4.97% movement)	2,692	(2,438)

20.2.1.2 Interest rate risk

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

In assuming debt obligations, it is aimed that non-current liabilities would bear a fixed interest rate. If the fixing of the interest rate is not possible due to objective reasons and the liability assumed comprises a significant amount, interest rate derivatives would be used for the purpose of interest management (the parent company did not use such derivatives during 2024 and 2023). The usage of any of the interest rate derivatives requires the expiry date of the derivative to correspond to the maturity date of the debt obligation.

The risk of adverse changes in the interest rate of the investment is not actively insured. Risk management measures are applied only when the market has obvious indications that the interest rate might significantly decrease, resulting in negative investment returns.

Most of the Company's loans payable have fixed interest rates as at 31 December 2024 and 2023. Variable-rate financial instruments include the loans received in the amount of EUR 11,039 thousand and the loans granted to Moray West Holdings Limited for amount EUR 53,963 thousand as at 31 December 2024 (as at 31 December 2023, there were no loans received and the loans granted – EUR 51,507 thousand).

Interest rate risk is assessed in relation to sensitivity of the parent company's profit to potential shift in interest rates. This assessment is given in the table below.

	Increase/decrease, pp	(Decrease)/increase in profit
2024	1.0/(1.0)	429/(429)
2023	1.0/(1.0)	515/(515)

20.2.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The parent company's exposure to credit risk arises from operating activities (other amounts receivable) and from financing activities (granted loans).

The parent company's risk related to cash is limited, as the parent company keeps cash balances only in reliable financial institutions.

The parent company is exposed to credit risk concentration related to loans granted, although loans receivable principally consist of loans granted to subsidiaries. The parent company is evaluating cash flows and financial results of subsidiaries and Moray West Holdings Limited, no impairment is recognised for the investments into subsidiaries and Moray West Holdings Limited. Due to that the parent company does not consider that risk related to concentration of loans granted is significant.

As at 31 December 2024 and 2023 the parent company is not exposed to significant credit risk concentration related to other amounts receivable.

The priority objective of the parent company's treasury management is to ensure security of funds and maximize return on investments in pursuance of this objective. Risk of counterparties defaulting is managed by entering into transactions with reliable financial institutions (or subsidiaries of such institutions) with a long-term credit rating (in foreign currency) lower than 'A-' according to the rating agency Fitch Ratings (or an equivalent rating of other rating agencies).

The maximum exposure to credit risk is equal to the carrying amount of financial assets and the nominal value of guarantees issued.

EURk	Notes	31 December 2024	31 December 2023
Financial assets measured at amortised cost:			
Loans granted	10	630,097	487,423
Other non-current receivables	10	580	580
Other financial assets	11	222	14,773
Trade receivables		1.282	392
Other receivables	10	-	3,890
Cash and cash equivalents	12	3,161	4,014
Financial assets measured at FVOCI:			
Equity securities - at FVOCI	11	5,000	5,000
		640,342	**516,072**

20.2.3 Liquidity risk

The liquidity risk is managed by planning future cash flows of the parent company and ensuring sufficient cash and availability of funding through committed credit facilities to support the parent company's ordinary activities. The refinancing risk is managed by ensuring that loans over a certain period were repaid from available cash, from cash flows expected from operating activities of the Group companies over that period, and from unwithdrawn committed credit facilities which have to be repaid in later periods.

As at 31 December 2024, the parent company's current liquidity ratio (total current assets/total current liabilities) was 0.912 (31 December 2023 – 0.168) (Note 20.3). As at 31 December 2024, the parent company's balance of credit facilities not withdrawn amounted to EUR 215,000 thousand (31 December 2023 – EUR 527,225 thousand).

The table below summarises the parent company's financial liabilities by category:

EURk	Notes	31 December 2024	31 December 2023
Amounts payable measured at amortised cost:			
Loans	15	1,068,105	703,346
Lease liabilities	15	1	6
Trade payables		956	805
Other liabilities	17	56,504	68,412
Financial liabilities measured at FVPL:			
Derivatives		-	716
Total		**1,125,566**	**773,285**

The table below summarises the maturity profile of the parent company's financial liabilities under the contracts (based on contractual undiscounted payments of interest-bearing financial liabilities and the carrying amounts of other financial liabilities):

EURk	2024				In total
	Less than 3 months	3 months to 1 year	1 to 5 years	After 5 years	
Loans	10,596	32,377	1,235,293	59,007	**1,337,273**
Lease liabilities	1	-	-	-	**1**
Trade payables	956	-	-	-	**956**
Other amounts payable	9,241	42,535	4,728	-	**56,504**
Total	**20,794**	**74,912**	**1,240,021**	**59,007**	**1,394,734**

EURk	2023				In total
	Less than 3 months	3 months to 1 year	1 to 5 years	After 5 years	
Loans	6,613	26,429	627,840	67,649	**728,531**
Lease liabilities	1	4	1	-	**6**
Trade payables	805	-	-	-	**805**
Other amounts payable	5,554	34,258	28,600	-	**68,412**
Derivatives	716	-	-	-	**716**
Total	**13,689**	**60,691**	**656,441**	**67,649**	**798,470**

20.3 Going concern

The parent company's financial statements are prepared on the basis of the going concern assumption. As at 31 December 2024 the parent company's current liabilities exceeded current assets by EUR 6,851 thousand. The parent company's management is convinced that this circumstance will not have a significant impact on the parent company's going concern. The parent company plans to cover the difference between current assets and current liabilities from the available but not yet used borrowing reserve.

As at 2025 February 13 the ultimate parent company AB "Ignitis grupė" submitted a support letter, which states that it undertakes to continue providing financial and other support to the parent company for at least the next twelve months from the date of this letter, so that the parent company can fulfil its obligations.

21 Fair values of financial instruments

21.1 Financial instruments, measured at fair value

The parent company's derivatives (Level 2 of the fair value hierarchy), equity securities measured at FVOCI (Level 3 of the fair value hierarchy), as well as the contingent consideration for acquisition of subsidiaries (Level 3 of the fair value hierarchy) are measured at a fair value.

As at 31 December 2023, the parent company has accounted for assets and liabilities arising from financial derivatives. Market values based on observable inputs (Level 2) comprise derivatives where valuation models with observable inputs are used to measure fair value. All assets and liabilities measured at market value are measured on a recurring basis. The parent company attributes to Level 2 of the fair value hierarchy derivatives linked to cash flows hedges related to fluctuation of polish zloty currency exchange rate. As at 31 December 2024 the parent company did not accounted any assets and liabilities arising from financial derivatives.

As 31 December 2024 and 2023 the parent company has accounted for equity securities measured at FVOCI (Note 11). The fair value measurement of this financial asset is based on the valuation performed by external valuator. The valuation was performed based on discounted cash flows. Their fair value corresponds to Level 3 in the fair value hierarchy.

As at 31 December 2024 and 2023, the parent company accounted for contingent consideration for acquisition of subsidiaries which relates to the fulfilment of specific sellers obligations set out in the share purchase agreements. The measurement of its fair value is prepared using discounted cash flow principle, i.e. reasonably probable future cash flows from contingent consideration are discounted to its present value using a project related cost of debt. The measurement of the fair value of contingent consideration is attributed to Level 3 of the fair value hierarchy.

21.2 Financial instruments for which fair value is disclosed

The carrying amount of the parent company's financial assets and financial liabilities is measured at an amortised cost approximated to their fair value, excluding loans received from ultimate parent company and the Group company. The measurement of the financial instruments related to loans received is attributed to Level 2 of the fair value hierarchy. The measurement of fair value of financial assets related to loans granted is attributed to Level 3 of the fair value hierarchy.

As at 31 December 2024 the fair value of the parent company's loans received were calculated by discounting the future cash flows with a market interest rate applied for a similar-period bond. The cash flows were discounted using a weighted average discount rate of 3.546% (as at 31 December 2023: using interest rate observable in the market – 6.42% for loans above EUR 1 million and 5.58% for loans smaller than EUR 1 million). The measurement of fair value of financial liabilities related to these debts is attributed to Level 2 of the fair value hierarchy.

The table below presents allocation between the fair value hierarchy levels of the company's financial instruments as at 31 December 2024:

EURk	Carrying amount	Level 1 Quoted prices in active markets	Level 2 Other directly or indirectly observable inputs	Level 3 Unobser-vable inputs	In total
Financial instruments measured at FVPL or FVOCI:					
Assets					
Equity securities - at FVOCI	**5,000**	-	-	5,000	**5,000**
Liabilities					
Contingent consideration for acquisition of subsidiaries	**38,135**	-	-	38,135	**38,135**
Financial instruments for which fair value is disclosed:					
Assets					
Loans granted	**630,097**	-	-	660,579	**660,579**
Other financial assets	**222**	-	-	222	**222**
Liabilities					
Loans received	**1,068,080**	-	1,091,812	-	**1,091,812**

The table below presents allocation between the fair value hierarchy levels of the company's financial instruments as at 31 December 2023:

EURk	Carrying amount	Level 1 Quoted prices in active markets	Level 2 Other directly or indirectly observable inputs	Level 3 Unobser-vable inputs	In total
Financial instruments measured at FVPL or FVOCI:					
Assets					
Equity securities - at FVOCI	**5,000**	-	-	5,000	**5,000**
Liabilities					
Derivatives	**716**	-	716	-	**716**
Contingent consideration for acquisition of subsidiaries	**66,032**	-	-	66,032	**66,032**
Financial instruments for which fair value is disclosed:					
Assets					
Loans granted	**487,399**	-	-	462,840	**462,840**
Other financial assets	**14,773**	-	-	14,733	**14,733**
Liabilities					
Loans received	**703,323**	-	599,938	-	**599,938**

22 Events after the reporting period

There were no other significant events after the reporting period till the issue of these financial statements.

Accompanying information

1 Material accounting information

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 the new standards and/or amendments to the standards that have been approved by IASB and endorsed in the European Union during the year ended as at 31 December 2024:

Standards or amendments that came into force during 2024
Classification of Liabilities as Current or Non-current Liabilities with Covenants
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

1.1.2 Standards issued but not yet effective and not adopted early

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

Other standards

The following new and amended standards are not expected to have a significant impact on the financial statements.

Other new standards or amendments	IASB 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 Referencing Nature-dependent Electricity – 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 the 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 pattern 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 (i.e. distinct individually), and
(ii) the good or service is separately identifiable from other promises in the contract (distinct within the context of the contract).

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 parent company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration to which the parent 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 parent 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 Management services

The parent company provides management services to its subsidiaries. The control of management services is transferred over time and, therefore, the parent company satisfies a performance obligation and revenue is recognised over time. The parent company has concluded that it is the principal in its revenue arrangements.

For measuring a progress towards to complete satisfaction of a performance obligation the parent company applies a practical expedient allowed by IFRS 15. As the parent company has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the performance completed to date, the parent company recognises revenue in the amount to which it has a right to invoice. The parent company bills a fixed amount for each hour of service provided. Payment term is 30 days from the date of invoice issued for the services rendered in past month. The contract has no significant financing component as there is no significant length of time between the payment and the transfer of services.

After one calendar year of providing services the parent company recalculates the price of the provided services, taking into account its actual costs incurred in providing these services to the customer and adjusts the amount payable by the customer accordingly.

1.2.2 Contract balances

1.2.2.1 Contract assets and contract liabilities

The timing of satisfaction of the parent company's performance obligation and typical timing of payment is determined according to service report which is reviewed and approved by the customer. After approval the services are recognised as satisfactory rendered to the customer. During the reporting period the parent company had no contract liability or contract assets.

1.2.2.2 Receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 3.11.1.

Deferred tax is determined using tax rates that are expected to apply when the related deferred income asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

1.2.3 Current and deferred tax for the reporting period

Current and deferred tax are recognised as income or expenses and included in net profit or loss for the reporting period, except for the cases when tax arises from a transaction or event that is recognised directly in equity or other comprehensive income in the same or subsequent period or on business combination.

1.3 Property, plant and equipment

Property, plant and equipment is stated at acquisition cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated on a straight-line basis over the useful lives established for property, plant and equipment.

Cost includes expenditure incurred in relation to replacement of parts of property, plant and equipment if such expenditure meets the recognition criteria of the asset. The carrying amount of the replaced part is derecognised. Subsequent repair costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with these costs will flow to the Company and the costs can be measured reliably. All other repairs and maintenance costs charged to the statement of profit or loss during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed at least once per year, and adjusted if appropriate.

Construction in progress is transferred to appropriate categories of property, plant and equipment when asset is completed and ready for its intended use.

Depreciation periods (number of years):

Category of property, plant and equipment	Useful lives (number of years)
Other property, plant and equipment	3-6

1.3.1 Initial measurement of right-of-use assets

At the commencement date, the parent 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 parent company, and an estimate of costs to be incurred by the parent 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. The parent 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 parent company recognises these costs as part of the cost of right-of-use asset when the parent company incurs an obligation for these costs.

1.3.2 Subsequent measurement of right-of-use assets

Subsequent to initial recognition, the parent company measures the right-of-use asset using the cost model. Under the cost model, the parent 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.

If the lease transfers ownership of the underlying asset to the parent company by the end of the lease term or if the cost of the right-of-use asset reflects that the parent company will exercise a purchase option, the parent company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the parent 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. Right-of-use assets are depreciated on a straight-line basis.

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

1.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.4.1 Financial assets

The parent company classifies their financial assets into the following three categories:

(i) financial assets subsequently measured at amortised cost;
(ii) financial assets subsequently measured at fair value through other comprehensive income (hereinafter "FVOCI"); and
(iii) financial assets subsequently measured at fair value through profit or loss (hereinafter "FVPL").

Transaction costs comprise all charges and commissions that the parent company would not have paid if it had not entered into an agreement on the financial instrument.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (hereinafter "SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model. Interest income calculated on these financial assets is recognised as finance income and amortised using the effective interest rate method. Any gain or loss arising from the write-off of assets is recognised in statement of profit or loss and other comprehensive income. Impairment losses are accounted for as other expenses in statement of profit or loss and other comprehensive income.

Subsequent to initial recognition, financial assets are classified into the afore-mentioned categories based on the business model the parent company applies when managing its financial assets and characteristics of cash flows from these assets. The business model applied to the group of financial assets is determined at a level that reflects how all groups of financial assets are managed together to achieve a particular business objective of the parent company. The intentions of the parent company's management regarding separate instruments have no effect on the applied business model. The parent company may apply more than one business model to manage its financial assets. In view of the business model applied for managing the group of financial assets, the accounting for financial assets, except for financial assets subsequently measured at FVOCI as the parent company does not have this kind of assets, is as follows:

1.4.1.1 Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate (herein after "EIR") method and are subject to impairment. Amortised cost is the amount at which the financial instrument was recognised at initial recognition minus principal repayments, plus accrued interest, and, for financial assets, minus any write-down for expected credit losses.

Financial assets are recognised as current assets, except for maturities greater than 12 months after the date of the statement of financial position, in which case they are classified as non-current assets.

1.4.1.2 Financial assets at FVPL

Debt and equity instruments that do not meet the criteria of financial assets to be measured at amortised cost or financial assets to be measured at FVOCI are stated as financial assets to be measured at FVPL.

The parent company classifies financial assets as assets measured at FVPL, if this eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising gains or losses thereof on different bases. A gain or loss on fair value measurement of debt investment is recognised in profit or loss of statement of profit or loss and other comprehensive income in the period in which it arises. The parent company classifies in this category investments to equity instruments that do not meet the SPPI conditions.

1.4.1.3 Effective interest method

The effective interest method is used in the calculation of the amortised cost of a financial asset and in the allocation of the interest revenue in profit or loss of statement of profit or loss and other comprehensive income over the relevant period.

EIR is the rate that exactly discounts estimated future cash inflows through the expected life of the financial asset to the gross carrying amount of the financial asset that shows the amortised cost of the financial asset, before adjusting for any loss allowance. When calculating EIR, the parent company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of EIR, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the parent company uses the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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

The parent company assesses on a forward-looking basis the ECL associated with its debt instruments carried at amortised cost regardless of whether there are any impairment indicators.

Credit losses incurred by the parent company are calculated as the difference between all contractual cash flows that are due to the parent company in accordance with the contract and all the cash flows that the parent company expects to receive (i.e. all cash shortfalls), discounted at the original EIR. The parent company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument, including cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; the time value of money; and reasonable and supportable information about past events and current conditions, and reasonable and supportable forecasts of future events and economic conditions at the reporting date.

Lifetime expected credit losses are ECL that result from all possible default events over the period from the date of initial recognition of a financial asset to the subsequent date of settlement of the financial asset or ultimate write-off of the financial asset.

The parent company seeks for lifetime expected credit losses to be recognised before a financial instrument becomes past due. Typically, credit risk increases significantly before a financial instrument becomes past due or other lagging borrower-specific factors (for example, a modification or restructuring) are observed. Consequently, when reasonable and supportable information that is more forward-looking than past due information is available without undue cost or effort, it is used to assess changes in credit risk. ECL are recognised by taking into consideration individually or collectively assessed credit risk of loans granted, trade and other receivables. Credit risk is assessed based on all reasonable information, including future-oriented information.

The parent company assesses impairment of amounts receivable individually or collectively, as appropriate.

ECL for receivables (other than trade receivables) are calculated:

- ECL for receivables from Group companies are calculated using individual assessment;
- ECL for other receivables, prepayments and accrual of income are calculated using individual assessment.

The parent company's management performs the assessment on an individual basis reflecting the possibility of obtaining information on the credit history of a particular debtor its financial position as at the date of assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling making judgement on the recognition of lifetime ECL in respect of that particular borrower. In the absence of reliable sources of information on the credit history of a particular debtor its financial position as at the date of assessment, including forward-looking information, the parent company assesses the debt on a collective basis.

Recognition stages of ECL:

1. upon granting of a loan, the parent company recognises ECL for the twelve-month period. Interest income from the loan is calculated on the carrying amount of financial assets without adjusting it by the amount of ECL;
2. upon establishing that the credit risk related to the borrower has significantly increased, the parent company accounts for the lifetime expected credit losses of the loan agreement. All lifetime expected credit losses of a financial instruments are calculated only when there is a significant increase in credit risk relating to the borrower. Interest income from the loan is calculated on the carrying amount of financial assets without adjusting it by the amount of ECL;
3. where the parent company establishes that the recovery of the loan is doubtful, the parent company classifies this loan as credit-impaired financial assets (doubtful loans and receivables). Interest income from the loan is calculated on the carrying amount of financial assets which is reduced by the amount of ECL.

In stage 2, an assessment of the significant deterioration in the borrower's financial situation is performed by comparing the financial situation as at the time of the assessment and the financial situation as at the time of issuing the loan.

The latest point at which the parent company recognises all lifetime expected credit losses of the loan granted is identified when the borrower is late to pay a periodic amount or the total debt for more than 90 days. In case of other evidence available, the parent company accounts for all lifetime expected credit losses of the loan granted regardless of the more than 90 days past due presumption.

1.4.1.5 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

(a) significant financial difficulty of the borrower;
(b) a breach of contract, such as a default or past due event for more than 90 days;
(c) the lender, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or another financial reorganisation;
(e) the disappearance of an active market for that financial asset because of financial difficulties;
(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

1.4.1.6 Derecognition of financial assets

A financial asset (or, where applicable a part of financial asset or group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the right to receive cash flows from the asset is retained, but an obligation is assumed to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the rights to receive cash flows from the asset are transferred and either (a) substantially all the risks and rewards of the asset have been transferred, or (b) substantially all the risks and rewards of the asset have neither been transferred nor retained, but control of the asset has been transferred:
  - if control is not retained, the financial asset is derecognised and any rights and obligations created or retained in the transfer are recognised separately as assets or liabilities;
  - if control is retained, it shall continue to recognise the financial asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Whether the control of the transferred asset is retained depends on the transferee's ability to sell the asset. If the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer, control is not retained. In all other cases, control is retained.

1.4.2 Financial liabilities and equity instruments issued

1.4.2.1 Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and payables. All financial liabilities are recognised initially at fair value and, in the case of loans and payables, net of directly attributable transaction costs.

1.4.2.2 Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- financial liabilities at FVPL;
- financial liabilities at amortised cost (loans and other payables not measured at FVPL).

1.4.2.3 Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities designated upon initial recognition as at FVPL. Financial liabilities designated upon initial recognition at FVPL are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

1.4.2.4 Financial liabilities at amortised cost

All financial liabilities of the parent company are attributed to this category. After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interests. The effective interests amortisation is included as finance costs in the statement of profit or loss.
This category generally applies to trade payables and interest-bearing loans. The parent company's financial liabilities include the following:

1.4.2.5 Classification

Financial liabilities are classified as current liabilities unless the parent company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

If a financing agreement concluded before the statement of financial position date proves that the liability was non-current by its nature as of the date of the statement of financial position, that financial liability is classified as non-current.

1.4.2.6 Recognition of instruments as debt or equity instruments

Debt or equity instruments are classified as financial liabilities or equity based on the substance of the arrangement.

1.4.2.7 Equity instruments

Equity instrument is any contract that evidences an interest in the assets of the parent company after deducting all of its liabilities. Equity instruments are recorded at the value of the proceeds received net of direct issue costs. Share premium represent the difference between the nominal value of shares and the proceeds received.

1.4.2.8 Derecognition of financial liabilities

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 statement of profit or loss and other comprehensive income.

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

The parent 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.

1.5 Employee benefits

1.5.1 State plans

The parent company participates only in State plans. State plans are established by legislation to cover all entities and are operated by national or local government or by another body (for example, in the case of the Group, the State Social Security Fund). State plans are defined benefit plan under which the Group pay fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. This contributions are recognised as an expense on an accrual basis and are included within remuneration expenses.

1.6 Fair value

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

The parent company measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each statement of financial position date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The parent company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: fair value of assets is based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value of assets is based on other observable market data, directly or indirectly;
- Level 3: fair value of assets is based on non-observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, 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 Shareholders of UAB "Ignitis Renewables"

Opinion

We have audited the separate financial statements of UAB "Ignitis Renewables" ("the Company") and the consolidated financial statements of UAB "Ignitis Renewables" and its subsidiaries ("the Group"). The Company's separate and the Group's consolidated financial statements comprise:

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

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view of the non-consolidated financial position of the Company and the consolidated financial position of the Group as at 31 December 2024, and of their non-consolidated and consolidated financial performance and their non-consolidated and consolidated 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 Separate and Consolidated Financial Statements section of our report. We are independent of the Company and the Group 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 consolidated annual report, but does not include the separate and consolidated financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the separate and consolidated 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 separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated 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.

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

- The information given in the consolidated annual report for the financial year for which the financial statements are prepared is consistent with the separate and consolidated financial statements; and
- The consolidated annual 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 Separate and Consolidated Financial Statements

Management is responsible for the preparation of the separate and consolidated 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 separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group'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 and the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated 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 separate and consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the separate and consolidated 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 and the Group’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 and the Group’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 separate and consolidated 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 and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the Group audit. We remain solely responsible for our audit opinion.

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 pp
Certified Auditor

Vilnius, the Republic of Lithuania
16 April 2025

The electronic auditor‘s signature applies only to the Independent Auditor‘s Report on pages 139 to 142 of this document.

6.4 Information about the auditor

Selection of the independent auditor

“KPMG Baltics”, UAB on 30 March 2023 has been reappointed as the auditor to perform the audit of the financial statements of the Parent company and the consolidated financial statements of the Group for the year 2023–2027. Based on the previous agreement, KPMG also audited the Parent company’s financial statements, the Group’s consolidated financial statements and the Group companies financial statements for the years of 2021 and 2022.

Worth noting that all independent auditor related tenders are carried out according to the prevailing best practices. Additionally, as public procurement law requirements are applicable to the parent company, all audit tenders are carried out in accordance to them. The key criteria of implementing public tenders is to ensure competitiveness and accordingly the only specific audit selection criteria eligible to be included is an experience in auditing energy sector companies. 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 Ignitis Group and subsequently by the General Meeting of Shareholders of each Ignitis Group company.

Independent auditors

2021 - 2027
UAB KPMG Baltics Lvovo st. 101 LT-08104 Vilnius, Lithuania

Independent auditor’s services and fees

During the period of 2022–2024, the following services have been provided by the independent auditors and its international partners:

	2024	2023	2022
Audit of the financial statements under the agreements	226	161	163
Expenses of other services	-	-	-
Total	**226**	**161**	**163**

7. Additional information

7.1	Other statutory information	145
7.2	Information on compliance with the Guidelines on Transparency in State-Owned Enterprises	147

7.1 Other statutory information

This annual report includes a consolidated annual management report and financial statements, in which UAB " Ignitis renewables " (hereinafter - the Company), informs shareholders, creditors and other stakeholders about the operations of the Company and the companies it controls for the period of January–December 2024. The composition of this document corresponds to the composition of the set of annual accounts as per Article 6 of the Law on Financial Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania, while at the same time considering the description of the guidelines for ensuring the transparency of the activities of state-owned enterprises. The company’s securities are not listed and are not traded on a regulated market. The Articles of Association of the company do not provide for more requirements regarding the content of the company’s Annual Report than are provided for in the above-mentioned laws.

The company’s management is responsible for the information contained in the Annual Report. The Report and the documents, on the basis of which the Report was prepared, are available from the head office of the company (Laisvės Ave. 10, Vilnius) on working days from Mondays through Thursdays from 7.30 am to 4.30 pm, and on Fridays from 7.30 am to 3.15 pm (by prior arrangement through IR@ignitis.lt).

Information about the company

1.Company name: Ignitis renewables, UAB
2. Legal form of the company: private limited company
3. Share capital: 37,621,910 EUR
4. Registration date and place: 2019-01-14, Vilnius, Lithuania
5. Company code: 304988904
6. Company address: Laisvės Av. 10, LT-04215, Vilnius, Lithuania
7. Company register: Register of Legal Entities of the Republic of Lithuania
8. Phone number: +370 612 46715
9. Email address: renewables@ignitis.lt
10. Website page: https://ignitisrenewables.com/

Legal notices

1. There were no significant events after the end of the financial year.
2. The Company did not have any treasury shares at the beginning of the reporting period and did not acquire any treasury shares during the reporting period.
3. The Company has no branches and representative offices.
4. 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 conducted as needed.
5. The activities performed by the Company comply with the requirements established in the legal acts regulating environmental protection.

Alternative Performance Measures

Alternative Performance Measures (APM) are adjusted figures used in this report that refer to measures used for internal performance management. As such, they are not defined or specified under International Financial Reporting Standards (IFRS), nor do they comply with IFRS requirements. Definitions of alternative performance measures can be found on the AB “Ignitis group“ website (link).

Internal control and risk management systems involved in the preparation of the financial statements

The Company’s financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The employees of the company providing accounting services to the parent company ensure that the financial statements are prepared properly and that all data are collected in a timely and accurate manner. The preparation of the company’s financial statements, internal control and financial risk management systems are monitored and managed based on the legal acts governing the preparation of financial statements.

Information on agreements concluded between the company, the members of the management and supervisory bodies or employees, that provide for compensation in case of their resignation or dismissal without a reasonable cause or in case of termination of their employment as a result of the change in control of the company (official offer)

The Company and the members or employees of the management and supervisory bodies do not have agreements in place that provide for compensation in the event that they resign or are dismissed without just cause, or if their employment is terminated as a result of a change of control of the Company.

Information on restrictions on the transfer of securities of the company imposed by law, articles of association or shareholders' agreements

There are no restrictions on the transfer of the company's equity securities imposed by law, the articles of association or shareholders' agreements.

Information on key intangible resources

Information on the key intangible resources, as well as an explanation of how the Company fundamentally depends on these resources and how they contribute to value creation, can be found in sections ‘2.2 Strategy and targets‘, ‘6.3 Social‘, and ‘6.4 Governance‘ of Group's Integrated Annual Report 2024, as well as in Remuneration Policy and People and Culture Policy, which are available on our website.

Information on the company's subsidiaries and representative offices and research and development activities

The company has no branches or representative offices and does not carry out research and development activities.

Notice on the language

In the event of any discrepancy between the Lithuanian and the English versions of the document, the English version shall prevail.

7.2 Information on compliance with the Guidelines on Transparency in State-Owned Enterprises

Information on compliance with the Guidelines on Transparency in State-Owned Enterprises

Point of the Description of the Guidelines for Ensuring the Transparency of the activities of SOE's (according to the wording of 30 April 2021) (link in Lithuanian)	Disclosure	Explanation
Section 2. Disclosure of information of a SOE		
5. The following data and information must be published on the website of a SOE:		Information is published on www.ignitisrenewables.lt
5.1. name;	Ongoing	
5.2. code and register that collects and stores data on the enterprise;	Ongoing	
5.3. registered office (address);	Ongoing	
5.4. legal status if a SOE is being reformed, reorganized (the method of reorganization shall be specified), liquidated, is facing bankruptcy or is bankrupt;	Ongoing	
5.5. name of the authority representing the State and a link to its website;	Ongoing	
5.6. operational goals, vision and mission;	Ongoing	
5.7. structure;	Ongoing	
5.8. details of the CEO;	Ongoing	
5.9. details of the Chair and of the members of the Management Board, if, according to the Articles of Association, the Management Board is formed;	Ongoing	
5.10. details of the Chair and of the members of the Supervisory Board, if, according to the Articles of Association, the Supervisory Board is formed;	Not applicable	
5.11. names of the committees, details of their chairmen and of the member, if committees are formed;	Ongoing	
5.12. the sum of the nominal values of the state-owned shares (in euro to the nearest euro cent) and share (percentage) in the authorized capital of a SOE;	Ongoing	
5.13. special obligations being fulfilled, which are determined in accordance with the recommendations approved by the Minister of Economy and Innovation of the Republic of Lithuania: the purpose of the special obligations, the state budget appropriations allocated to their implementation in the current calendar year, and the legislation entrusting a State-owned company with the performance of a special obligation shall be indicated, the conditions for fulfilling a special obligation and/or regulated pricing shall be established;	Not applicable	
5.14. information on social responsibility initiatives and measures, important ongoing or planned Investment projects.	Ongoing	
6. For publicity purposes in connection with the management and supervisory bodies set up in state-owned companies, as well as in connection with the professionalism of the members of the committees, the following data of the persons specified in sub-clauses 5.8–5.11 of the Description are published: forename, surname, date of commencement of the current position, other management posts held in other legal entities, educational background, qualification, professional experience. If the person specified in Sub-clauses 5.9–5.11 of the description is elected or appointed as an independent member, this shall be additionally specified along with his/her details.	Ongoing	Information is published on www.ignitisrenewables.lt
7. The following documents must be published on the website of a state-owned company:	Ongoing	Information is published on www.ignitisrenewables.lt
7.1. articles of Association;	Ongoing	
7.2. an official letter from an authority representing the State on the setting state goals and expectations in a State-owned company;	Ongoing	
7.3. operations strategy or its summary in cases where the operations strategy contains confidential information or information that is considered a commercial (industrial) secret;	Ongoing	
7.4. document that establishes the remuneration policy covering determining the salary of the Head of a state-owned company and the remuneration of the members of collegial bodies and committees formed in a state-owned company;	Ongoing	
7.5. annual and interim reports of a state-owned company, annual and interim activity reports of a State Enterprise for a period of at least 5 years;	Ongoing	
7.6. sets of annual and interim financial statements for a period of at least 5 years	Ongoing	

and reports of an auditor of annual financial statements.		
8.If a state-owned company is the parent company, the structure of the Group of Companies, as well as the data referred to in Sub-clauses 5.1 to 5.3 of the Description of the subsidiaries and subsequent subsidiaries, website addresses, portion (percentage) of shares held by the parent company in their authorized capital, as well as annual consolidated financial statements and consolidated annual reports must be published on its website.	Ongoing	Information is published on www.ignitisrenewables.lt
9.If a state-owned company is a participant of legal entities other than those specified in Point 8 of the Description, the data referred to in Sub-clauses 5.1–5.3 of the description of those legal entities and the addresses of their websites must be published on its website;	Ongoing	Information is published on www.ignitisrenewables.lt
9.1 If a company is a subsidiary or a second tier subsidiary of a state-owned company, the data referred to in Sub-clauses 5.1–5.3 of the Description of the parent company and the link to the parent company's website must be published on its website.	Ongoing	The specified information is published on the Group companies or the parent company's websites.
10.Data, information and documents referred to in Points 5 and 6, Sub-clauses 7.1 to 7.4, and in Points 8, 9 and 91 of the Description, that have changed or in cases where incorrect data of this kind has been published, must be changed immediately on the website too.	Ongoing	Information and documents that have changed are updated immediately
11.A set of annual financial statements of a state-owned company, annual report of a state-owned company, annual activity report of a State Enterprise, as well as report of an auditor of the annual financial statements of a state-owned company must be published on the website of a state-owned company within 10 working days from the approval of the set of annual financial statements of a state-owned company.	Ongoing	Documents are published on the website within the set deadline
12.The sets of interim financial statements of a state-owned company, the interim reports of a state-owned company and the interim activity reports of a State Enterprise must be published on the website of a state-owned company no later than 2 months after the end of the reporting period.	Ongoing	Documents are published on the website within the set deadline
13.The documents referred to in Point 7 of the Description shall be published in PDF format and technical possibilities for their printing shall be ensured.	Ongoing	All documents are published in PDF format
Section 3. Preparation of sets of financial statements, reports and activity reports		
14. State-owned companies shall keep their accounts in such a way as to ensure the preparation of financial statements in accordance with international accounting standards.	Ongoing	The parent company keeps its accounts in accordance with IFRS
15. In addition to the set of annual financial statements, a state-owned company prepares a set of 6-month interim financial statements, while a State Company - sets of interim financial statements for 3, 6 and 9 months.	Not applicable	
16. A state-owned company, which according to the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania, is classified as a public interest entity, in addition to the annual report, additionally prepares a 6-month interim report. A State Enterprise, which according to the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania, is classified as a public interest enterprise, in addition to the annual activity report, additionally prepares a 6-month interim report.	Not applicable	
17. In addition to the Contents requirements established in the Law on Financial Reporting by Undertakings and Groups of Undertakings or in the Law on State and Municipal Enterprises of the Republic of Lithuania, in the annual report of a State-owned company or in the annual activity report of a State Enterprise additionally must be provided:	Ongoing	The parent company provides information in the integrated annual report
17.1. a brief description of the business model of a state-owned company;	Ongoing	
17.2. information on significant events that occurred during and after the financial	Ongoing	

year (prior to the preparation of the annual report or the annual activity report) and which were essential to the operation of a state-owned company;		
17.3. results of the implementation of the objectives provided for in the operational strategy of a state-owned company;	Ongoing	
17.4. profitability, liquidity, asset turnover, debt indicators;	Ongoing	
17.5. fulfilment of special obligations;	Not applicable	
17.6. implementation of Investment policy, ongoing and planned Investment projects and Investments during the reporting year;	Ongoing	
17.7. implementation of the risk management policy applied in a state-owned company;	Ongoing	
17.8. implementation of dividend policy in state-owned companies;	Ongoing	
17.9. implementation of remuneration policy;	Ongoing	
17.10. total annual payroll fund, average monthly salary by current position and/or units;	Ongoing	
17.11. information on compliance with the provisions of Sections 2 and 3 of the Description: shall be specified how they are implemented, which provisions are not complied with, and explanation as to why they are not complied with shall be provided.	Ongoing	
18.State-owned companies and State Enterprises, that are not mandatory required to prepare social responsibility reports, are recommended to provide in the annual report or in the annual activity report, as appropriate, information related to environmental, social and personnel, human rights, fight against corruption and bribery matters.	Ongoing	The parent company prepares a social responsibility report (integrated in the integrated annual report)
19.If information referred to in Point 17 of the Description is considered a commercial (industrial) secret or confidential information of a state-owned company, a state-owned company may not disclose such information. However, it must be specified in the annual report of a state-owned company or in the annual activity report of a State Enterprise, as appropriate, that this information is not being disclosed and the reason for the non-disclosure must be specified.	Ongoing	The parent company provides information in the integrated annual report
20.Other information not specified in this Description may also be specified in the annual report of a State-owned company or in the annual activity report of a State Enterprise.	Ongoing	The parent company provides information in the integrated annual report
21.A state-owned company, which is the parent company, shall present in the consolidated annual report and, if it is not required by law to draw up a consolidated annual report, then in its annual report the structure of the Group of Companies, as well as the data referred to in Sub-clauses 5.1 to 5.3 of the Description of each subsidiary and second tier subsidiary, portion (percentage) of shares held in the authorized capital of a subsidiary, financial and non-financial performance for the financial year. If a state-owned company, which is the parent company, draws up a consolidated annual report, the requirements of Point 17 of the Description shall apply to it *mutatis mutandis*;	Ongoing	The parent company provides information in the integrated annual report
22. The interim report of a state-owned company or the interim activity report of a State Enterprise presents a brief description of the business model of a state-owned company, analysis of financial performance for the reporting period, information on significant events that occurred during the reporting period, as well as profitability, liquidity, asset turnover, debt indicators and their changes compared to the corresponding period of the previous year.	Ongoing	The parent company provides information in the interim reports

8. Glossary

#	Number
%	Per cent
'000 / k	Thousand
AB	Joint Stock Company
APM	Alternative performance measure
Advanced development Pipeline	Projects which have access to the electricity grid secured through preliminary grid connection agreement (agreement signed and grid connection fee has been paid). For offshore wind it also includes projects where public seabed auction has been won, but the grid connection has not yet been secured
Awarded / Contracted	Projects with one of the following: (i) awarded in government auctions and tenders (incl. CfD, FiP, FiT, seabed with grid connection), or (ii) for which offtake is secured through PPA or similar instruments (total secured offtake through PPA and other instruments should cover at least 50% of the annual expected generation volume of the asset)
AML	Anti-money laundering
BESS	Battery energy storage system
COD (commercial operation date)	The date at which the asset passed a final performance test (commissioned) and the legal liability from the supplier has been transferred to the Renewables Group. The asset has been given with permission from competent authority to operate at full power and sell electricity in the market.
Company	UAB Ignitis Renewables
Ignitis Group	AB Ignitis Grupė and its controlled companies
Renewables Group	UAB Ignitis Renewables and its controlled companies
CfD	Contract for difference
CPI	Consumer Price Index
CSRD	Corporate Sustainability Reporting Directive
E	Electricity
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
Early development Pipeline	Projects of planned capacity higher than 50 MW with substantial share of land rights secured.
Electricity generated (net)	Electricity sold in wind farms and solar power plants
ESG	Environmental, social and corporate governance
ESRS	European Sustainability Reporting Standards
EURm	million euros
EU	European Union
Eurakras	UAB EURAKRAS
FBS	Fixed base salary
Final investment decision (FID)	Relevant governance body decision to make significant financial commitments related to the project
FiT	Feed-in tariff
FIP	Feed-in premium, a fixed premium to the electricity market price
FTE	Full-time equivalent
Full Completion	The action of obtaining a project completion certificate, implying the transfer of operational responsibilities of a power plant to the Group
GDPR	General Data Protection Regulation
General Meeting	General meeting of shareholders
Green Electricity Generated (net)	Electricity generated by wind farms, solar farms, biomass and WtE CHPs, hydroelectric power plants (including Kruonis Pumped Storage Hydroelectric Power Plant)
Green Capacities	Previously, Green Generation business segment
Green Capacities Pipeline	Green Capacities Portfolio, excluding Installed Capacity
Green Share of Generation	Green Share of Generation is calculated as follows: Green Electricity Generated (including Kruonis Pumped Storage Hydroelectric Power Plant) divided by the total electricity generated by the Group
Green Capacities Portfolio	All projects in the Green Capacities business segment, including: (i) Secured Capacity, (ii) Advanced Development Pipeline and (iii) Early Development Pipeline
Group or Ignitis Group	AB "Ignitis grupė" and the companies it controls

GW	Gigawatt
IFRS	International Financial Reporting Standards
Installed capacity	All assets that have been completed and have passed a final test
YoY	Year-on-year
m	Million
Mažeikiai	UAB VVP Investment
MW	Megawatt
MWh	Megawatt hours
n/a	Not applicable
OPEX	Operating expenses
Parent company	AB “Ignitis grupė”
Pomerania	Pomerania Wind Farm Sp. z o.o.
PPA	Power purchase agreement
pp	Percentage points
ROA	Return on assets
ROCE	Return on capital employed
ROE	Return on equity
ROI	Return on investment
Tuuleenergia WF	Tuuleenergia Osaühing
UAB	Private Limited Liability Company
Units	Units
Vėjo Gūsis	UAB VĖJO GŪSIS
Vėjo Vatas	UAB VĖJO VATAS
ARROW HOLDCO	UAB ARROW HOLDCO
ARROW CLUSTER	UAB ARROW CLUSTER
Vs.	Versus
WF	Wind farm
Kelmė WF I	UAB “Vėjas LT”
Kelmė WF II	WINDLIT, UAB
Tauragė WF & PV	UAB "VĖJO GŪSIS"
Tauragė WF & BESS development)	UAB "VĖJO VATAS"
LT Offshore projects	Curonian Nord
LV Offshore projects	UAB "Ignitis renewables projektai 5"
EE Offshore projects	UAB "Ignitis renewables projektai 6"
Tume SF	IGN RES DEV2 SIA
Venta SF	SP Venta, SIA
Sunrise I SF	Sunrise 1 sp. z o.o.
Sunrise II SF	Sunrise 2 sp. z o.o.
Sunrise IV SF	Sunrise 4 sp. z o.o.
STI	Short-term incentives
SOE	State-owned enterprise
SF	Solar farm
Silesia WF I	Silezia1 Wind Farm Sp. Z o.o.
Silesia WF II	Silesia2 Wind Farm S.A.
EIB	European Investment Bank
NIB	Nordic Investment Bank

9. Certification statement

16 April 2025

We, Gary Bills, Chief Executive Officer at UAB Ignitis renewables, Augustas Dragūnas, Chief Financial Officer at UAB Ignitis renewables, and Giedruolė Guobienė, Head of Group accounting, hereby confirm that, to the best of our knowledge, UAB Ignitis renewables consolidated and the stand-alone financial statements for the year ended 31 December 2024 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of UAB Ignitis renewables consolidated and stand-alone assets, liabilities, financial position, profit or loss and cash flows for the period, the Annual Report 2024 includes a fair review of the development and performance of the business as well as the condition of UAB Ignitis renewables and it's group companies together with the description of the principle risks and uncertainties it faces.

Gary Bills	**Augustas Dragūnas**	**Giedruolė Guobienė**
		UAB „Ignitis grupės paslaugų centras"
Chief Executive Officer	Chief Financial Officer	Head of Group accounting

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