Renewables-focused integrated utility and the largest energy group in the Baltics

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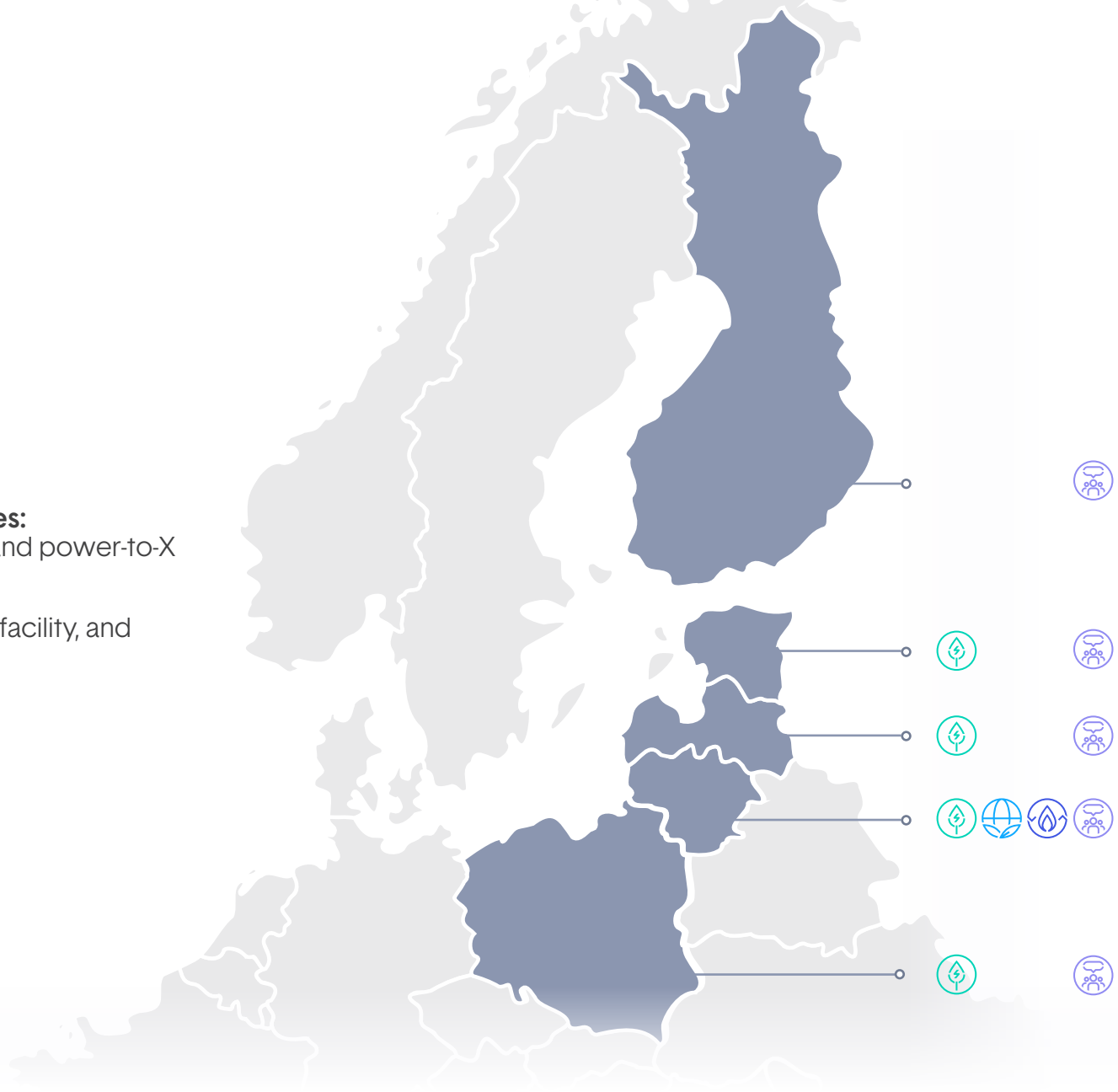
1. Business model and strategy

Renewables-focused integrated utility

Ignitis Group

Renewables-focused integrated utility

- **4–5 GW** of installed Green Capacities by 2030
- **Net zero** emissions by 2040–2050
- **Focus on green generation and green flexibility technologies:** onshore and offshore wind, batteries, pumped-storage hydro and power-to-X
- **Integrated business model:** benefiting from the largest customer portfolio, energy storage facility, and network in the Baltics
- Active in the **Baltic states, Poland and Finland**



Green Capacities Networks Reserve Capacities Customers & Solutions

Integrated business model

We are utilising integrated business model to maximise potential

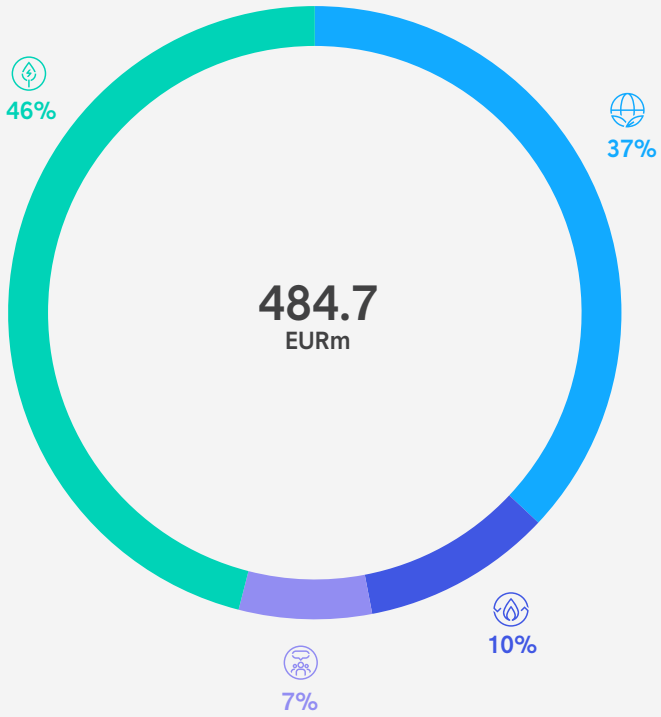
Green Capacities

#1 in Lithuania[1]
#2 in the Baltics[1]

Installed capacity: 1.4 GW
Pipeline: 6.0 GW
Total portfolio: 7.4 GW

Strategic focus
Delivering **4–5 GW** of installed green generation and green flexibility capacity by 2030

Adjusted EBITDA 2023



Networks

Fully regulated country-wide natural monopoly
Regulated asset base (RAB): **EUR 1.6bn**

Strategic focus
Expanding a resilient and efficient network that enables electrification

#1 in the Baltics[2]

Customers & Solutions

#1 in the Baltics[3]

The largest customer portfolio in the Baltics: **1.4 million customers**

Strategic focus
Utilising and further expanding our customer portfolio to enable the Green Capacities build-out

Reserve Capacities

Highly regulated gas-fired power plants mainly operating as system reserve

Strategic focus
Contributing to the security of the energy system

#1 in Lithuania[1]
#2 in the Baltics[1]

[1] *Based on installed capacity.*
[2] *Based on the network size and the number of customers.*
[3] *Based on the number of customers.*
Note: data, except Adjusted EBITDA, is as of 31 March, 2024.

Our equity story

An attractive blend of growth and yield

Renewables-focused integrated utility, leading energy transition in the Baltics:

– 1.4 GW operational.
– 4–5 GW target of installed Green Capacities by 2030 (x4 vs. 2022).
– >7 GW Green Capacities Portfolio (x5 vs. 2019).

Integrated business model that ensures resilient performance even in volatile market conditions:

– significant share of green flexibility capacity with one of the largest energy storage facilities in Europe.
– Networks RAB of 1.6 EURbn with double-digit growth, required to enable net zero.
– largest customer portfolio in the Baltics supporting Green Capacities growth.

Strong financial profile:

– BBB+ credit rating.

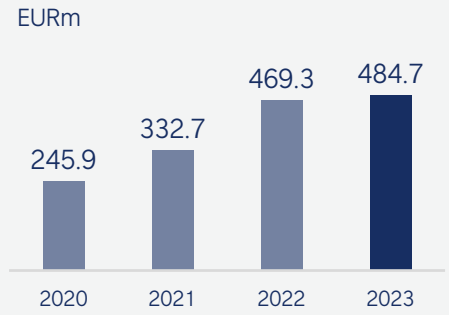
Committed to sustainability:

– target net zero emissions by 2040–2050.

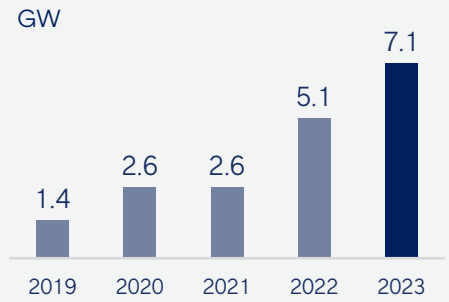
Attractive blend of growth and yield:

– Adjusted EBITDA growth of up to 8%[1].
– Dividend yield of ~7–8%[2].

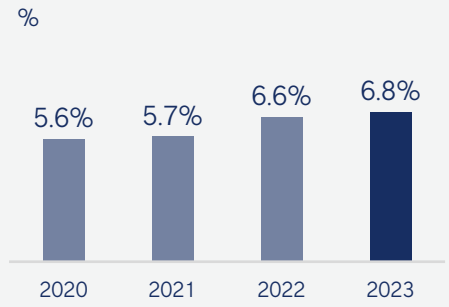
A proven track record



x2
Adjusted EBITDA



x5
Green Capacities Portfolio



~7–8%
dividend yield 2024-2027

1. *CAGR, 2023–2027.*
2. *Implied dividend yield (annual) over the 2024–2027 period.*

Note: unless otherwise stated, data is as of 31 March 2024.

Purpose

Our purpose is to create a 100% green and secure energy ecosystem for current and future generations

We fulfil our purpose by leading the regional transition into a climate-neutral, secure and independent energy ecosystem and contributing to Europe's decarbonisation by facilitating renewable energy flows from Northern to Central Europe (incl. Germany).

By leading the regional transition in Lithuania and the Baltics, we strive to become one of the first 100% green energy systems in Europe.

By energy ecosystem we mean the combination of the multiple interdependent parties involved in the generation, consumption, transformation and transportation of clean energy (including industry, transport and heating).

2. Context

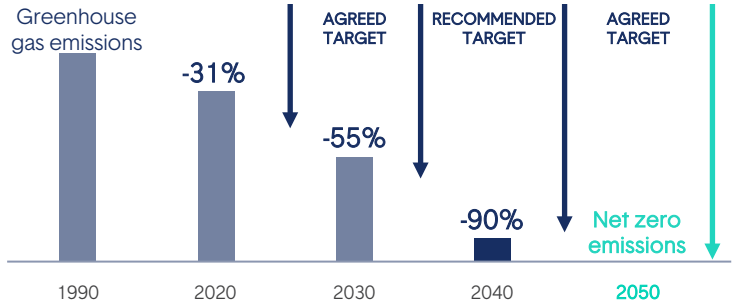
Energy transition in the region

Context

Alignment and commitment to Europe's decarbonisation and ensuring energy security in our region

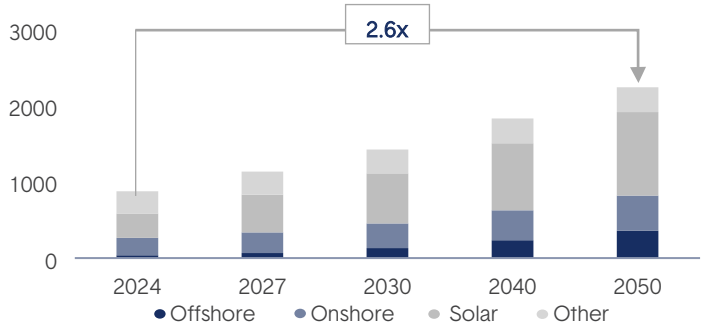
Decarbonisation: EU action and climate related targets

The European Union proposes ambitious net greenhouse emissions reduction targets[1]



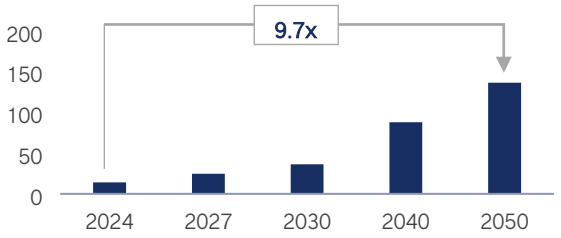
Energy security: scaling-up and speeding-up of renewable energy

European renewable capacity[2, 3], GW

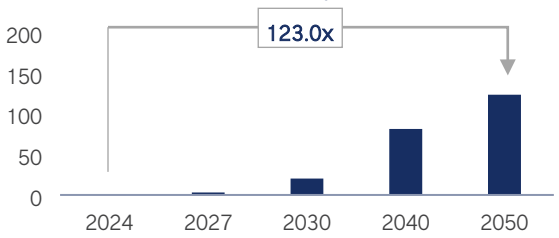


Green flexibility: growing battery and power-to-X capacities

European battery capacity[2], GW

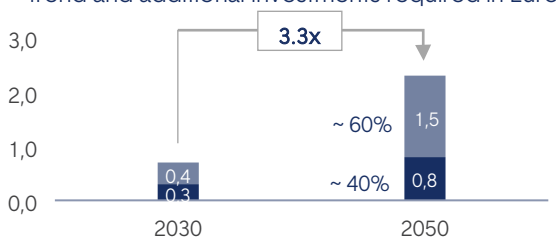


European Power-to-X capacity[2], GW



Grid: growing investment in power grids need

Cumulative investments in power grids based on the historical trend and additional investments required in Europe[4], trillion EUR



If investments in grids were to continue at their historical rate until 2050, there would be a 60% funding gap

Additional investments

Historical investment trends

[1] *Source: European Commission. Factsheet - Europe's 2040 climate pathway.*
[2] *Source: ICIS.*
[3] *Wind energy capacity targets for the EU defined in the European Wind Power Action Plan: 510 GW by 2030 (whereof offshore renewable energy targets for the EU: at least 111 GW by 2030 and 317 GW by 2050). Source: Company analysis based on EUR-Lex - 52023DC0669 - EN - EUR-Lex (europa.eu), EUR-Lex - 52023DC0668 - EN - EUR-Lex (europa.eu), and EUR-Lex - 52022DC0221 - EN - EUR-Lex (europa.eu).*
[4] *Source: European Round Table for Industry „Strengthening Europe's Energy Infrastructure" 2024 March.*

Significant opportunities for green energy expansion in the Baltics and Poland

Lithuania: Structural electricity deficit

Only **~40%** of electricity consumption is covered by national generation in 2021–2023 on average[1] . The country aims to become self-sufficient and electricity-exporting, therefore, a significant build-out of domestic generation assets is expected.

Estonia: Phase-out of oil shale

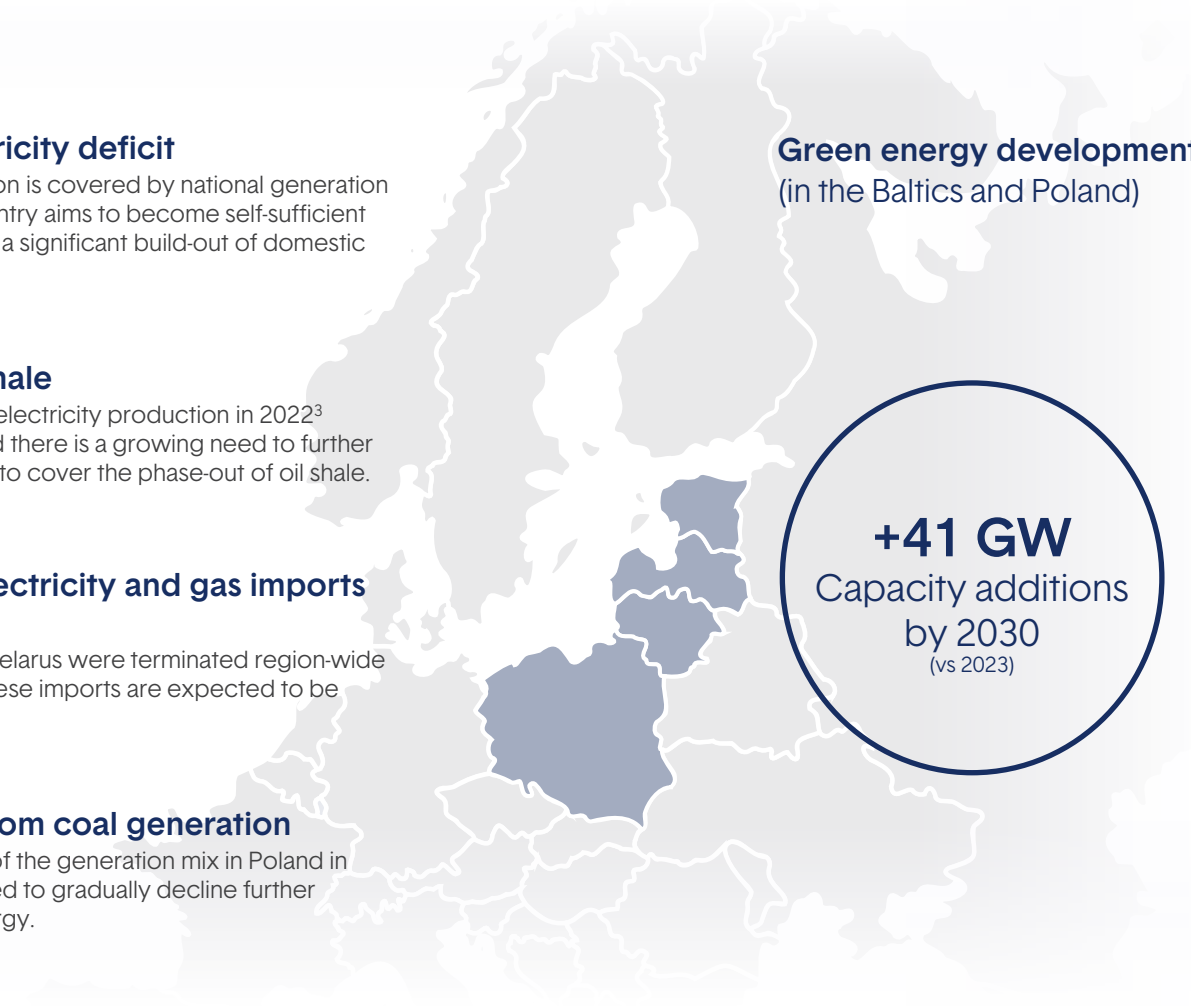
More than half or **~57%** of Estonia's electricity production in 2022[3] was from oil shale (49% in 2021), and there is a growing need to further develop new renewable capacities to cover the phase-out of oil shale.

The Baltics: terminated electricity and gas imports from Russia & Belarus

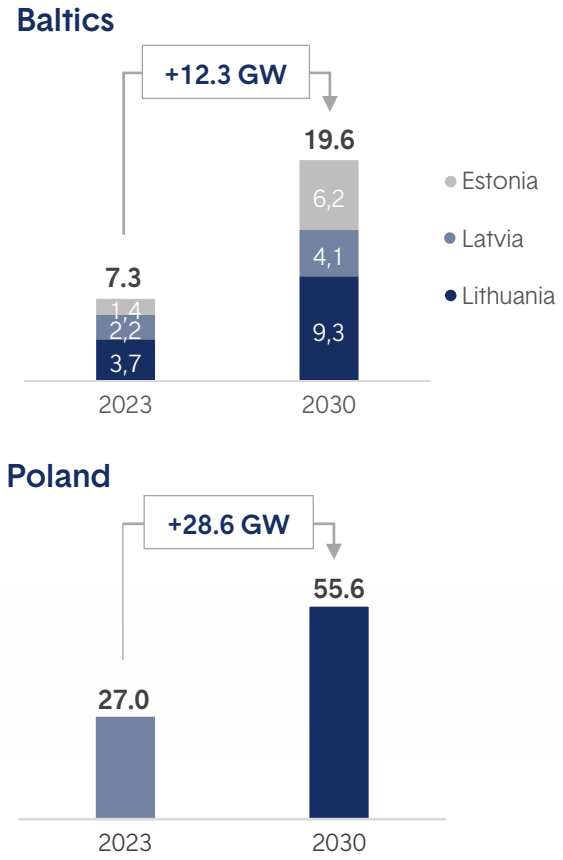
Electricity imports from Russia and Belarus were terminated region-wide following Russia's war in Ukraine. These imports are expected to be replaced by domestic renewables.

Poland: Transition away from coal generation

Coal generation represented **61%** of the generation mix in Poland in 2023[2] (70% in 2022). This is expected to gradually decline further and be replaced by renewable energy.



Green energy development forecast, installed capacity GW[4, 5]
(in the Baltics and Poland)



[1] *Source: Litgrid. National electricity demand and generation: Litgrid. National electricity demand and generation.*
[2] *Source: Ember. Poland electricity generation by source: Europe | Electricity Transition | Ember (ember-climate.org).*
[3] *Source: Statistics Estonia. Oil shale electricity production: Oil shale electricity production increased last year | Statistikaamet.*
[4] *Installed capacities include: wind, solar, bio, hydro and battery assets.*
[5] *Source: Company analysis based on ICIS, Litgrid, ENTSO-E.*

3. Business segments

Green Capacities | Networks | Customers & Solutions | Reserve Capacities

Green Capacities

Strategic priorities:

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

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

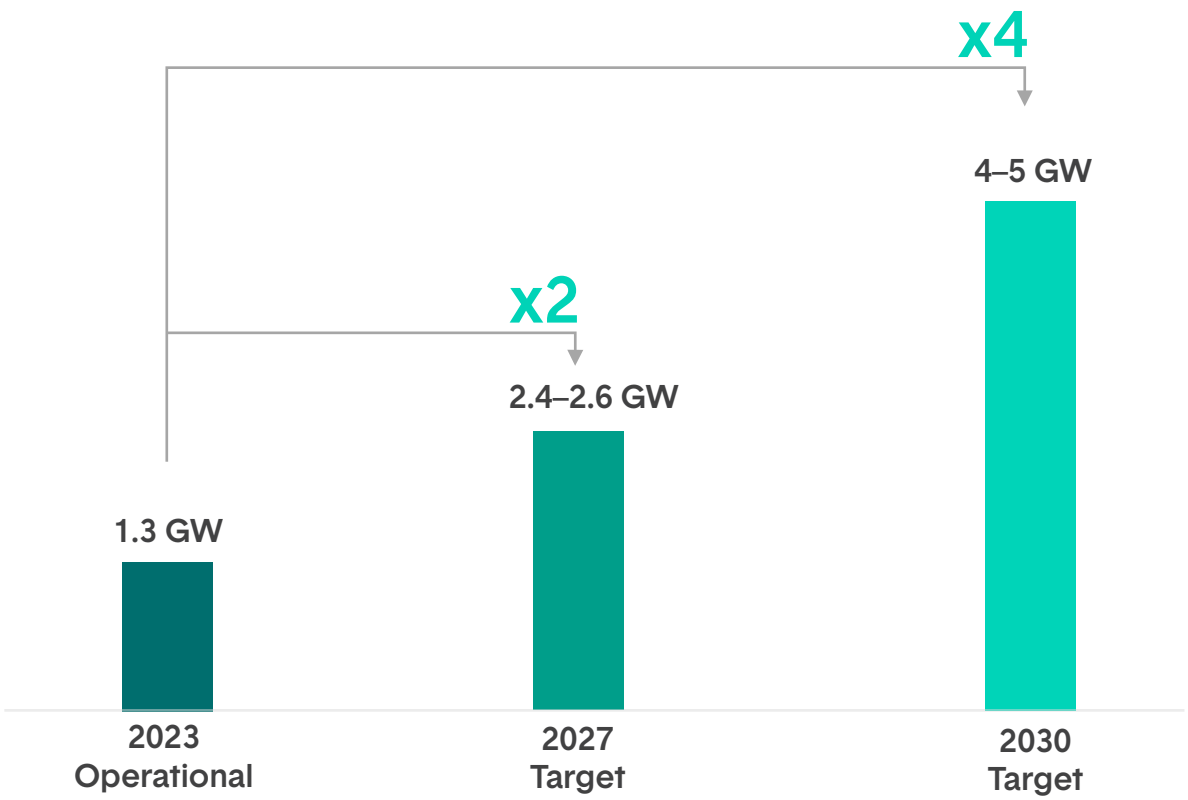
Focus markets:

The Baltic states and Poland

We are also exploring new opportunities in other EU markets undergoing energy transition

Green Capacities targets

2027: 2.4–2.6 GW[1]
2030: 4–5 GW[1]

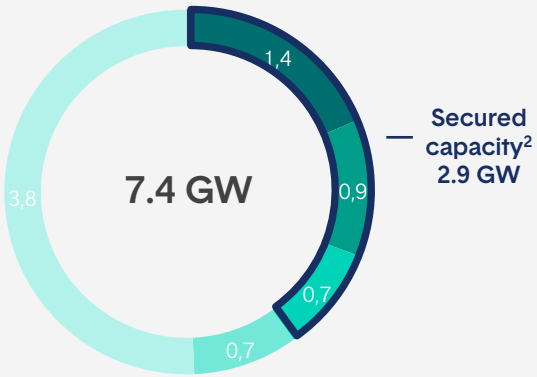


[1] *Gross installed capacity (includes 100% of capacity which Ignitis Group owns >50%).*

Green Capacities Portfolio

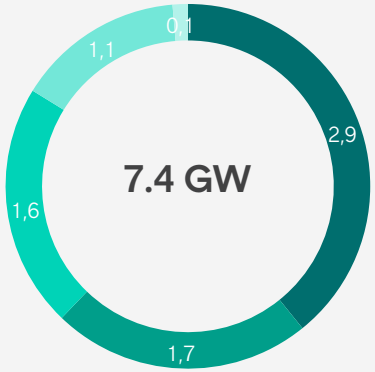
7.4 GW[1]

By stage, GW



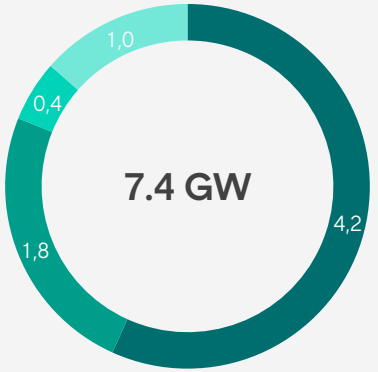
- Installed capacity
- Under construction
- Awarded/contracted
- Advanced development pipeline
- Early development pipeline

By technology, GW



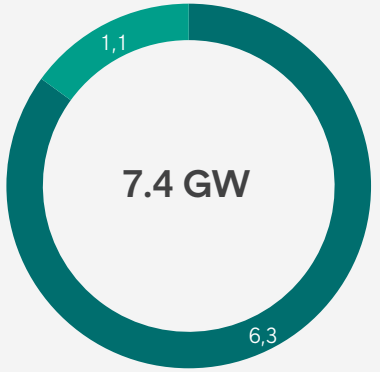
- Onshore wind
- Offshore wind
- Solar
- Hydro
- Biomass & WtE

By geography, GW



- Lithuania
- Latvia
- Poland
- Estonia

By type, GW



- Green generation
- Green flexibility

[1] *Portfolio (31 Mar 2024).*
[2] *Secured capacity: Installed, under construction and awarded/contracted.*

We focus on technologies that can deliver a 100% green and secure energy ecosystem

Green generation technologies

Focus technologies

Onshore wind

The conditions in the Baltics and Poland are favourable for onshore wind development as there are no natural barriers (such as mountains) that can block wind, and it has low population density.

Offshore wind

Offshore wind development is seen as the backbone of our Green Capacities expansion strategy.

Complementary technologies

Solar

Used in cases where it adds value (e.g. higher utilisation of existing grid connections, synergies from common infrastructure, securing grid connections).

Hydro, biomass and waste-to-energy

Baseload generation profile with additional flexibility

Green flexibility technologies

Focus technologies

Batteries

Enables integration of renewables by facilitating demand management, improves grid reliability while limiting output curtailment.

Pumped-storage hydro

Very large balancing capacities that enable future renewable energy growth in the region.

Power-to-X technologies

Potential solutions for attaining global climate goals and decarbonizing industry, transportation and power generation.

short-term storage

middle-term storage

long-term storage

additional flexibility

Offshore wind

Green generation

Our target

We aim to build at least

2 offshore wind projects

in the Baltics

– one project in Lithuania (COD ~2030)

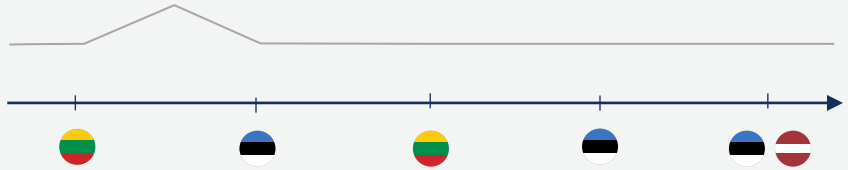
– at least one more project in the Baltics (COD post 2030)

The status[3] of our offshore wind development projects:

	Seabed secured	EIA	Grid secured	FiD
Lithuanian offshore WF **0.7 GW** COD ~2030	✓	In progress	✓	-
Estonian offshore WF **1–1.5 GW** (two sites) COD ~2035	✓	-	-	-

Offshore wind potential in the Baltics

	Publicly announced auctions for 2023–2027	Long term potential
	~5.5 GW	>10 GW[1]
	0.5 GW	14.5 GW[2]
	1.4 GW	4.5 GW[2]
	~8 GW	>30 GW



2023 **Auction**	2023–2024 **Two auctions**	2024 **Auction**	2024 **Multiple auctions**	2027 **Joint auction**
(completed) **0.7 GW** (Seabed and grid connection)	*(completed)* **~1–1.5 GW** (Seabed only)	**0.7 GW** (CfD, seabed and grid connection)	**~4 GW** (Seabed only)	**1 GW** (Seabed and grid connection)

[1] *Ministry of Economic Affairs and Communication of the Republic of Estonia.*
[2] *Study on Baltic offshore wind energy cooperation under BEMIP.*
[3] *As of 31 March, 2024.*

Onshore wind

Green generation

Our target

>700 MW
onshore wind capacity installed by 2027

The conditions in the Baltics and Poland are favourable for onshore wind development as there are no natural barriers (such as mountains) that can block wind, and it has low population density

Our progress:

Installed[2]

Total: 283 MW

Baltics: 139 MW

- 121 MW
- 18 MW

Poland: 144 MW

Under construction

Total: 437 MW

Baltics: 300 MW

- 300 MW
  - Kelmė WF I (105.4 MW), COD 2025
  - Kelmė WF II (194.6 MW), COD 2025

Poland: 137 MW

- Silesia WF II, COD H2 2024

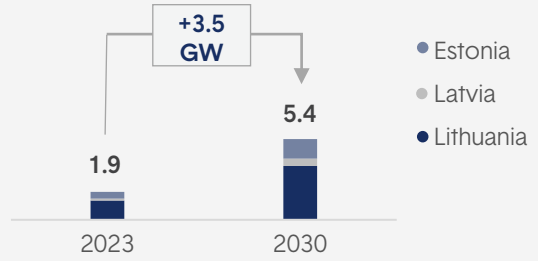
Total installed and under construction: 720 MW

Baltics	Poland
Total: 439 MW	Total: 281 MW

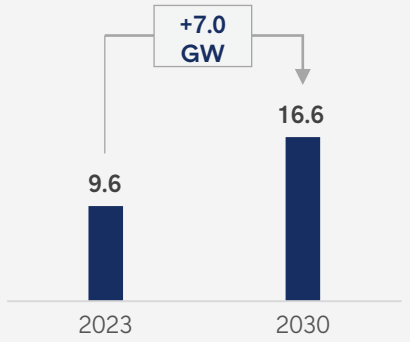
Onshore wind development forecast in the Baltics and Poland

Total onshore wind installed capacity ~22 GW in 2030[1]

Baltics



Poland



[1] *Source: ICIS, ENTSO-E.*
[2] *As of 31 March, 2024.*

Complementary technologies

Green generation and green flexibility technologies

Solar

Our target

>400 MW

solar capacity installed by 2027

Solar technology will be used in cases when it adds value by creating a more stable generation profile. Hybrid technology generation ensures higher utilisation of available grid capacities and a more stable generation profile.

Our progress:

Solar capacity under construction[2]

Total: 291.1 MW

Baltics: 261.1 MW

- Lithuanian solar Portfolio (22.1 MW), COD 2024
- Latvian solar Portfolio (239 MW), COD 2025

Poland: 30 MW

- Polish solar Portfolio (30 MW), COD 2024

Hydro, biomass and waste-to-energy

Green baseload (and flexible – contributing to balance of the energy system) technologies are a part of our portfolio. No further plans to expand our hydro run-of-river, biomass and waste-to-energy technologies portfolio.

Installed / under construction[3]

Total: 227 MW / 349 MWth

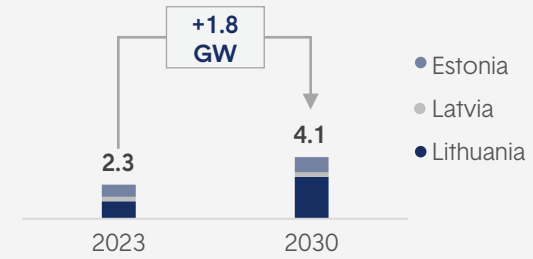
- Hydro (run-of-river): 101 MW
- Biomass: 73[3] MW (+209[3] MW heat capacity installed)
- Waste-to-energy: 44[4] MW (+140[4] MW heat capacity installed)

+ additional flexibility

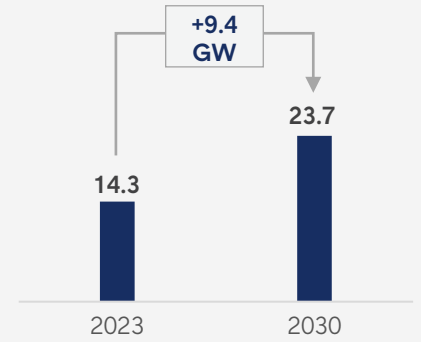
Solar development forecast in the Baltics and Poland

Total solar installed capacity ~27.8 GW in 2030[1]

Baltics



Poland



[1] *Source: ICIS, ENTSO-E.*
[2] *As of 31 March, 2024.*
[3] *Vilnius CHP biomass unit (73 MWe, 169 MWth) COD to be achieved, after the COD for the remaining capacity (23 MWe, 20 MWth) will be reached, therefore, it is included within the total of under construction. Elektrėnai Biomass Boiler: 40 MWTh.*
[4] *Kaunas CHP: 24 MWe / 70 MWth. Vilnius CHP waste-to-energy unit : 20 MWe / 70 MWth.*

Pumped-storage hydro

Green flexibility

Kruonis PSHP is one of the largest energy storage facilities in Europe:

Current capacity
900 MW

Four operating units (4x225 MW) can perform up to 300 cycles[1] per year.

The upper reservoir can hold around 48.7 million cubic meters of working water.

Expansion in 2026
+110 MW

New 5th unit (1x110MW) will provide extra flexibility.

It will also allow us to provide more balancing and ancillary services.

+110 MW
by 2026

Capabilities post-2026
1,010 MW

All 5 turbines will be able to run at full load for ~10 hours.

10 hours x 1 GW = 10 GWh of storage capacity.

Flexibility in generation mode: 0 – 1,010 MW
(pre-expansion: 160 – 900 MW)

Flexibility in pump mode: 59 – 1,010 MW
(pre-expansion: 220 – 900 MW)

5th unit cycle efficiency of 76%
(pre-expansion: ~71%)

5th unit max capacity reachable in 80 seconds
(pre-expansion: 180 seconds)

[1] *A complete cycle consists of complete filling and draining of the upper reservoir.*

Batteries

Green flexibility

Our target

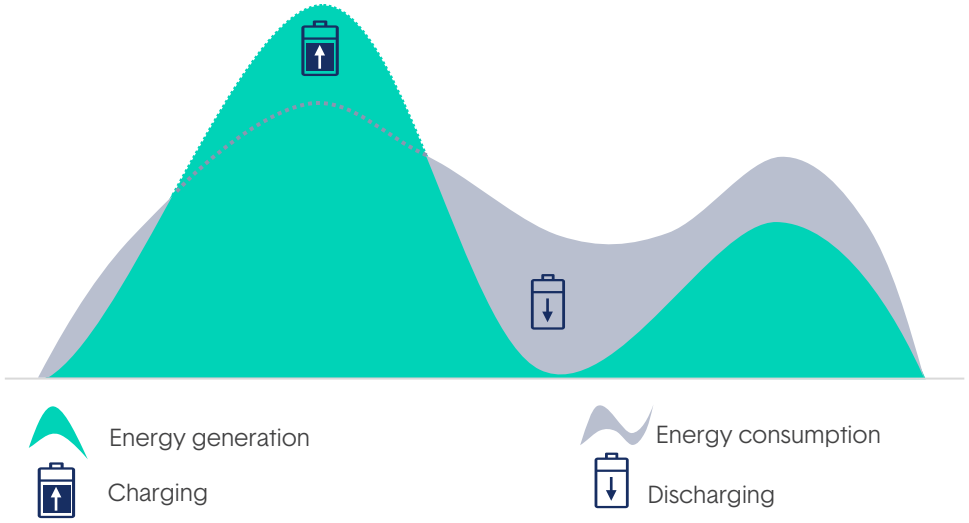
Commercial-scale batteries by 2027

Batteries

Batteries enable integration of renewables by facilitating demand management, helping improve grid reliability, limiting output curtailment.

Balancing and grid services

Batteries have roles in a variety of markets – balancing, ancillary, frequency containment reserves, day-ahead and intra-day arbitrage. Rapid development of renewables in the region is increasing demand for balancing and grid services.



Power-to-X

Green flexibility

Our target

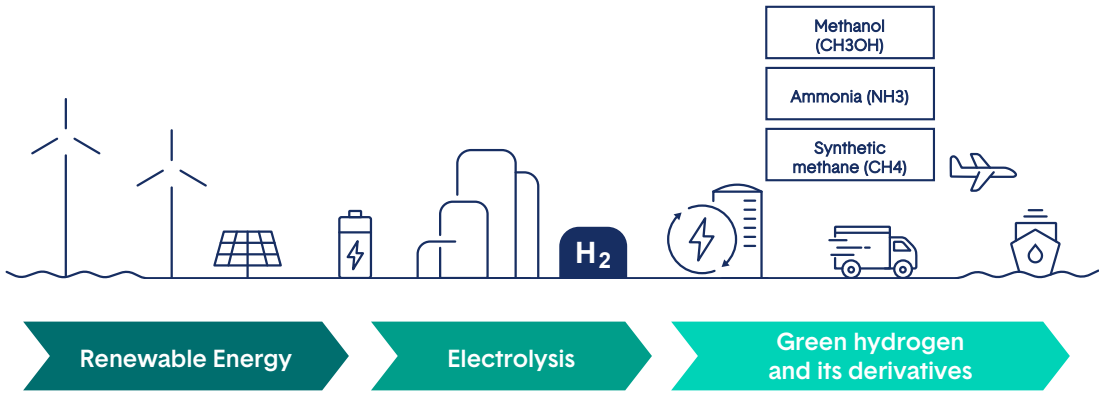
Green hydrogen production and e-fuel conversion pilot project

Green hydrogen & e-fuels

Ignitis group's strategy is to pursue the development of a pilot project, leading to the full commercialization of Power-to-X technologies in the longer term.

2nd and later stages – utility scale

Successful pilot project will pave the way to developing strategic partnerships and gaining resources for utility-scale green hydrogen and e-fuel production capabilities.

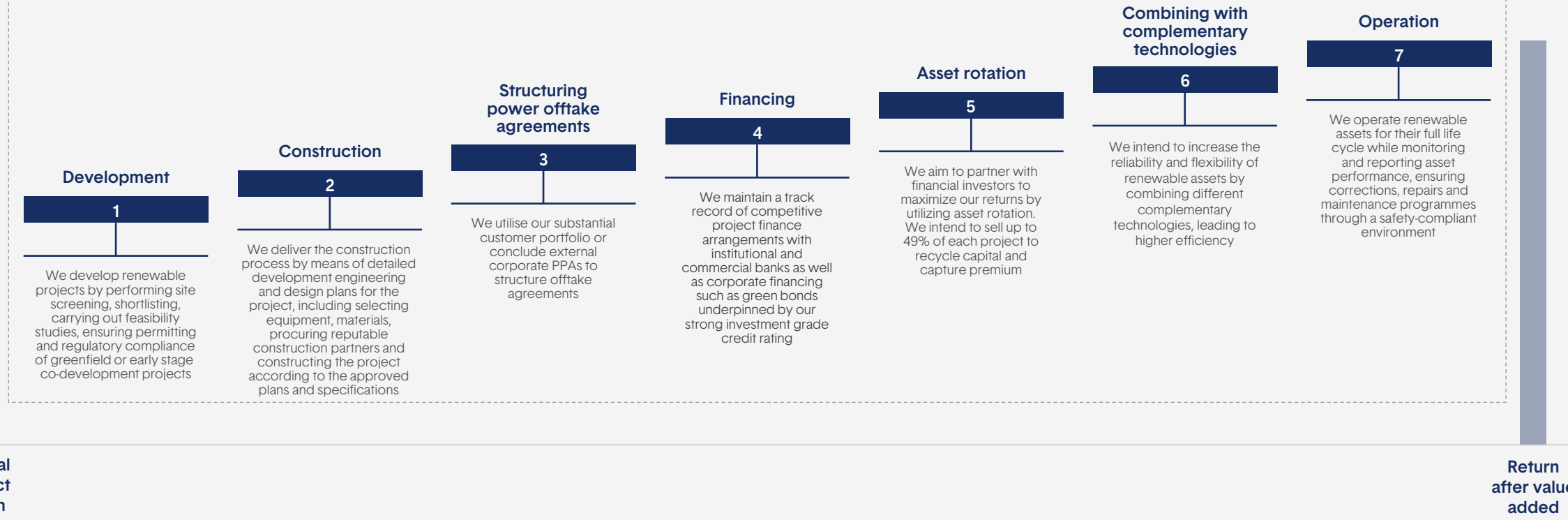


Operating model

We are delivering value across all execution stages

Value-creation concept

Adding value throughout the project execution stages

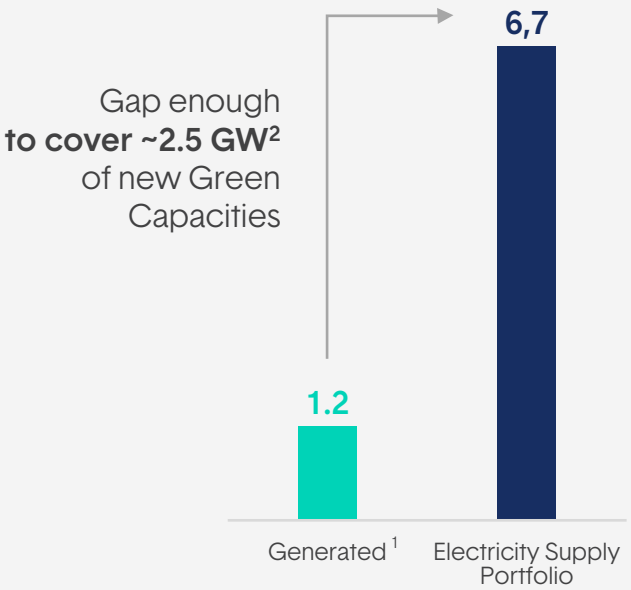


Note: Height of the columns is not supposed to represent a specific number and is presented only for illustrative purposes.

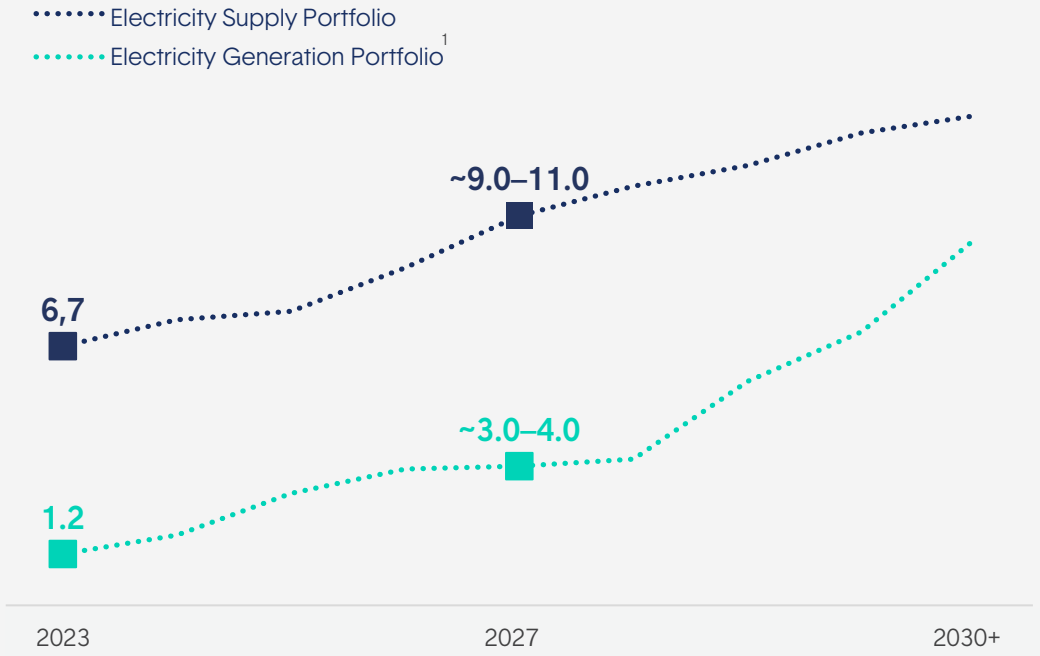
Power offtake capabilities

We utilise our supply portfolio to structure offtake agreements to enable Green Capacities build-out that creates a competitive advantage

Electricity generated[1] vs supplied by Ignitis Group in 2023, TWh



Electricity generated[1] vs supplied by Ignitis Group over 2023 – 2030+, TWh



[1] *Excluding opportunistic assets (Elektrėnai complex, which accounted for 14% of the total generated volume, and Kruonis PSHP, with 26% of total generation in 2023).*
[2] *Assuming the whole surplus of electricity supply (5.5 TWh) can be utilised for new wind and solar generation offtake with a load factor of ~25% (57/43 split between wind and solar with load factors of ~35% and ~12% respectively).*

Strategic partnerships

We partner with strategic investors to adopt new technologies or enter new markets

Partnership with Ocean Winds:
adopting offshore wind technologies

Rationale

In 2020 we partnered with Ocean Winds (OW) to participate in the first 700 MW offshore wind auction and develop the first offshore wind project in Lithuania. Ignitis Group also contribute to the development of an offshore wind farm in the UK, taking a 5% stake in the Moray West wind farm, in order to gain experience and valuable know-how in offshore wind project development in other countries, which will be used to develop offshore wind energy in Lithuania.

Lithuanian offshore
WF project:

Structure
Ignitis group (51%) and Ocean Winds (49%)

Capacity
700 MW (CoD ~ 2030)

Status
The auction was won in 2023

Moray West offshore
WF project:

Structure
Ignitis Group is a minority shareholder with a stake of 5%

Capacity
882 MW (CoD 2025)

Status
Under construction
(the projects has reached the financial close in April 2023)

Partnership with Copenhagen Infrastructure Partners:
participation in Estonian and Latvian offshore wind tenders

Rationale

In 2023 we partnered with Copenhagen Infrastructure Partners P/S (through its New Markets Fund I) to collaborate exclusively on offshore wind opportunities in Estonia and Latvia and intend to jointly bid in the upcoming offshore wind tenders in these countries. The partnership leverages Ignitis Group's leading market position in the Baltic region and CIP's global offshore wind expertise.

Structure
Ignitis Group (50%) and Copenhagen Infrastructure Partners (50%)

Capacity
1 – 1.5 GW (Estonian offshore WF – two seabed sites) expected to become operational around 2035

Status
The first auction was won in 2023 (Dec - Liivi 2 site) and the second - in 2024 (Jan - Liivi 1 seabed area)

Partnership with Fortum:
adopting WtE technologies

Rationale

In 2015 we partnered with Fortum (a leading WtE player) to build Kaunas CHP.

Structure
Ignitis Group (51%) and Fortum* (49%)

*in 2021, Fortum has signed an agreement to sell its district heating business in the Baltics to Partners Group, a leading global private markets firm, acting on behalf of its clients.

Capacity
24 MW electricity and 70 MW heat capacity.
Investments ~EUR 152m

Status
Kaunas CHP has been successfully completed and operational since 2020

Networks

Strategic priorities:

1. Resilient and efficient electricity distribution
2. Electricity network expansion and facilitation of the energy market
3. End-to-end customer experience

Focus market:

Lithuania

Networks regulatory framework

1 The largest network in the Baltics, a natural monopoly for distribution services

>99.5%[1] of the Lithuanian market

Allowed revenue

= 1 **Return on investment (RAB x WACC)** + 2 **Depreciation and amortisation** + 3 **Additional tariff component**

+ 4 **OPEX** + **Technological losses** - **Supply of last resort and reactive power income**

Treated as a pass-through

+ 5 **Temporary regulatory differences**

	Electricity	**Natural gas**
Regulated Asset Base, 2024	**1.3 EURbn**	**0.3 EURbn**
Approved WACC (pre-tax), 2024	**5.09%**	**5.03%**
Regulatory periods		
	2022–2026 Current	**2024–2028 Current**
	2027–2031 Next	**2029–2033 Next**

[1] *In 2020, based on electricity distribution volumes (Source: NERC).*

Strategic focus on electricity network and customers

Resilient and efficient electricity distribution

~39%* **Maintenance:** modernization (efficiency and resilience), automation and digitization
*share of total Networks investments over 2024–2027

Network resilience
≤1.05[1]
electricity SAIFI 2024–2027 avg. (per annum)

2023: 1.23 interruptions per customer

Network automation
~66%
Share of users connected to automated control lines in 2027

2023: 57%

Network efficiency
≤5.0%
Technological losses 2024–2027 yearly avg.

2023: 4.1%

Electricity network expansion and facilitation of the energy market

~56%* **Expansion** to enable green electrification
*share of total Networks investments over 2024–2027

New connections
~280k
new connection points and upgrades in 2024-2027

2023: 76k

Network capacity expansion
Increasing capabilities of future infrastructure enabled by growing electrification needs

Smart meter rollout
>1.2 million
smart meters in the network in 2026

2023: 0.7 million

Facilitating the energy market's development:
- Transport electrification/EV charging
- Energy efficiency
- Industrial electrification
- Heating electrification

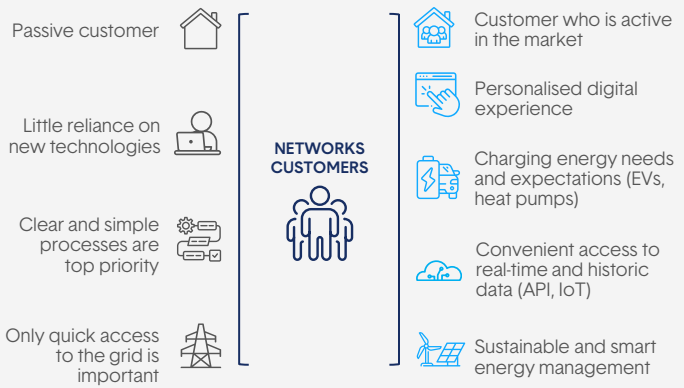
End-to-end customer experience

Standardised solutions and channels to reflect the customer needs

Improved customer service

Data governance, quality and data modeling

Expanded data hub capabilities



[1] *Indicators are calculated in accordance with the provisions of the description of indicators of reliability and service quality of electricity distribution approved by the State Energy Regulatory Council for the regulatory period (established on the basis of Resolution No. O3E 79 of the State Energy Regulatory Council of January 26). The targets are assessed according to the principles used during the determination of the level and the methodology in force according to which the following cases are excluded from SAIFI: (1) outages caused by natural phenomena corresponding to the values of indicators of natural, catastrophic meteorological and hydrological phenomena – wind speed >28 m/s and by eliminating interruptions all country wise (not regionally); (2) outages caused by faults in the transmission system operator's network.*

3. Financials

Investments, target returns, leverage and dividends

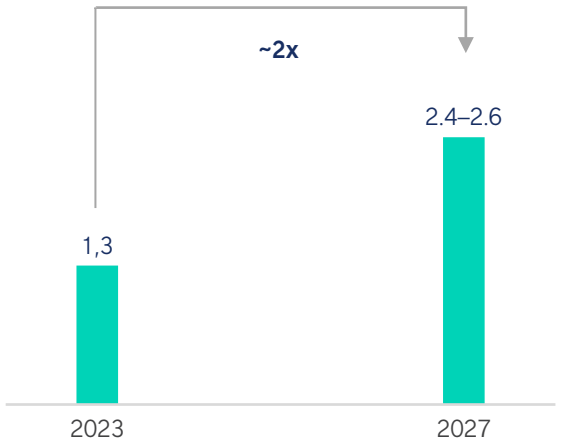
Investments over 2024–2027

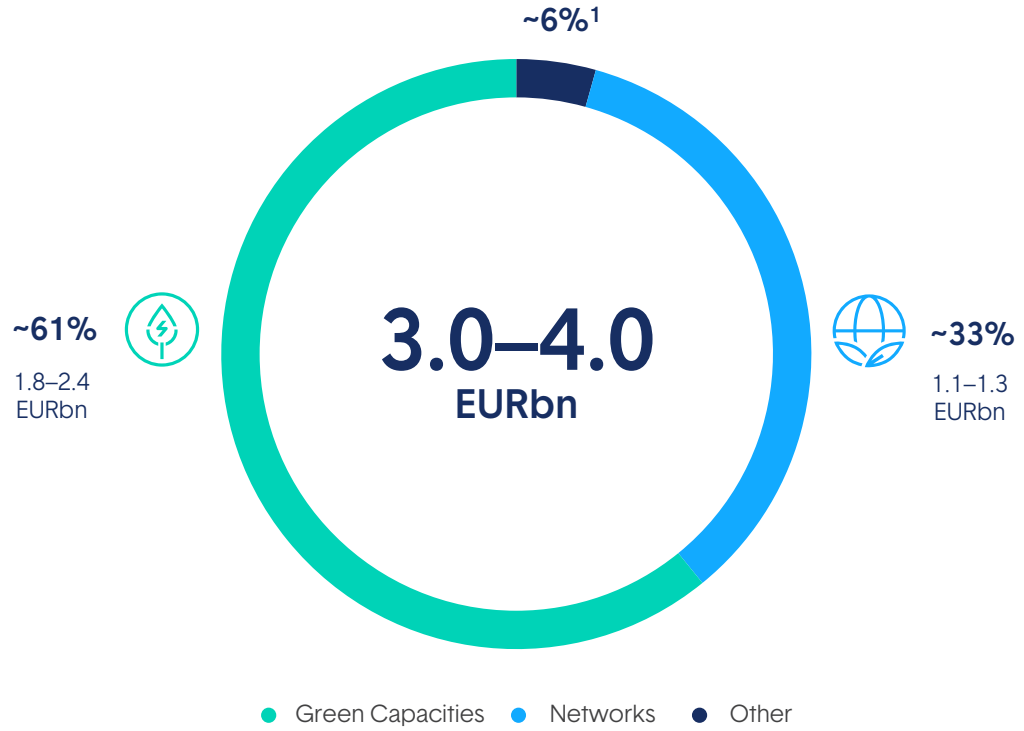
3.0–4.0 EURbn

Investments aligned with the EU Taxonomy
94.8% (2023)

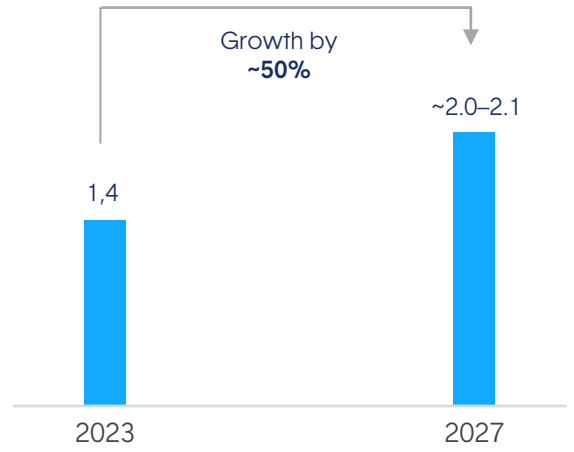
≥85–90%[2]
2024–2027 targeted level

Green Capacities installed, GW



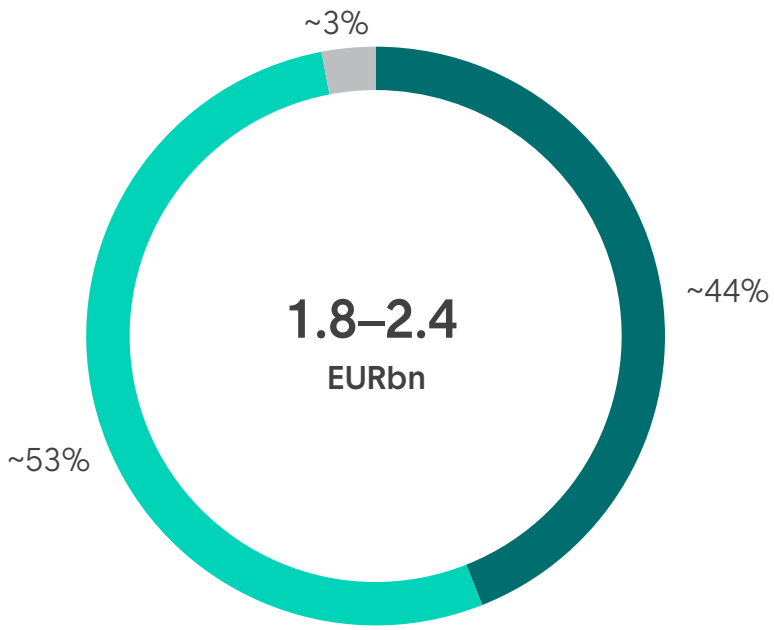


Regulated Asset Base, EURbn



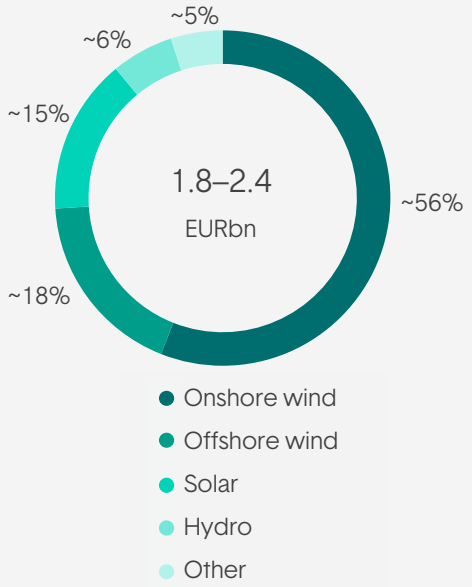
[1] *Includes Reserve Capacities segment, Customers & Solutions segment, IT and other investments.*
[2] *Share of Investments to be directed to the maintenance or expansion of the EU Taxonomy-aligned activities. There are differences in methodologies used to calculate Investments and actual Taxonomy CAPEX KPI.*

Investments over 2024–2027: Green Capacities

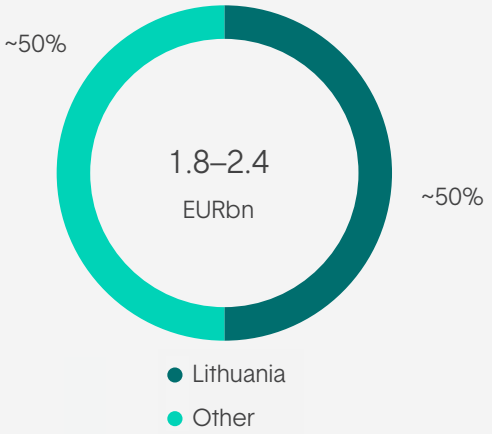


Investments over 2024–2027

By technology, %

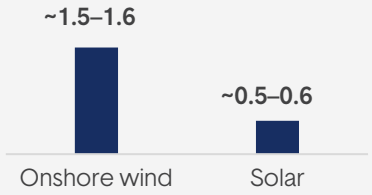


By geography, %



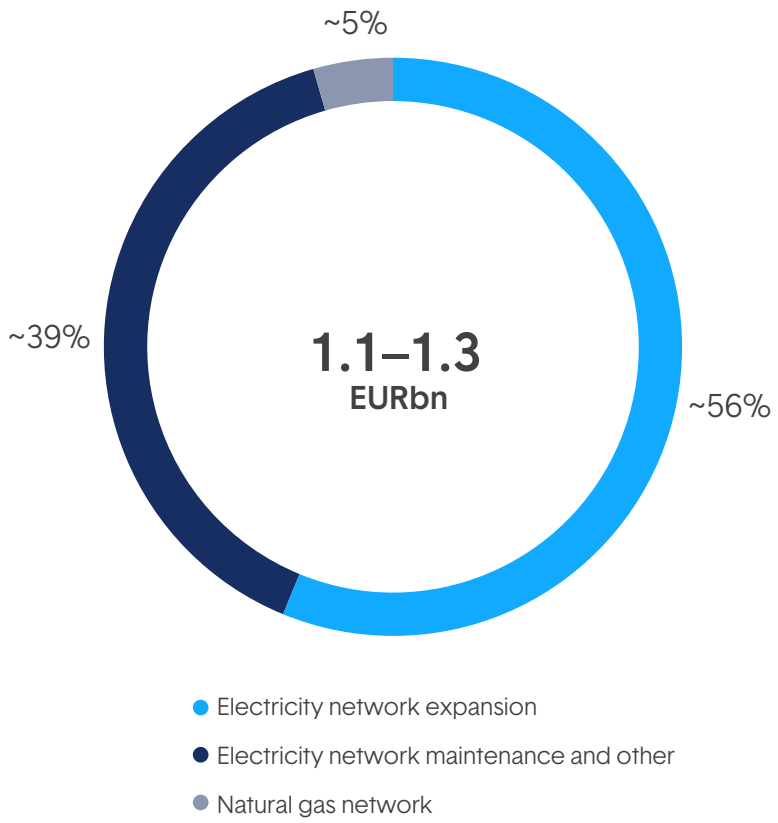
Investments per MW,

mEUR/MW



[1] *Excludes ~0.48 EURbn investments made before 2024, related to the projects with COD in 2024–2027.*

Investments over 2024–2027: Networks



Target returns

EBITDA expected to reach EUR ~550–650m in 2027, mainly driven by Green Capacities and Networks

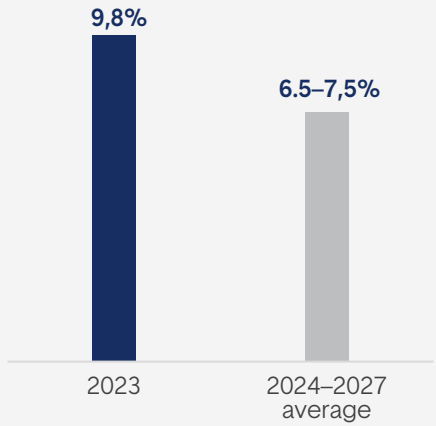
Targeted IRR–WACC spread

≥ 100 bps
in commercial/
non-regulated activities

≥ 0 bps
in regulated activities

Adjusted EBITDA, EURm

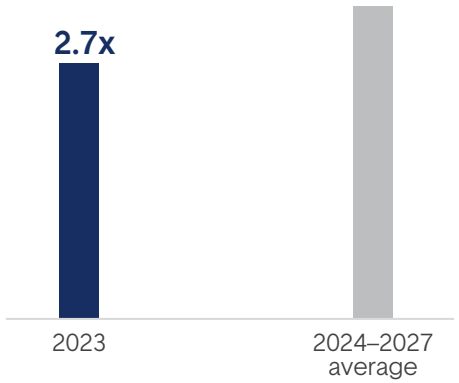
Adjusted ROCE, %



Commitment to a solid investment-grade credit rating

Net debt/Adjusted EBITDA

Targeted level <5.0x



We expect to maintain

BBB or above

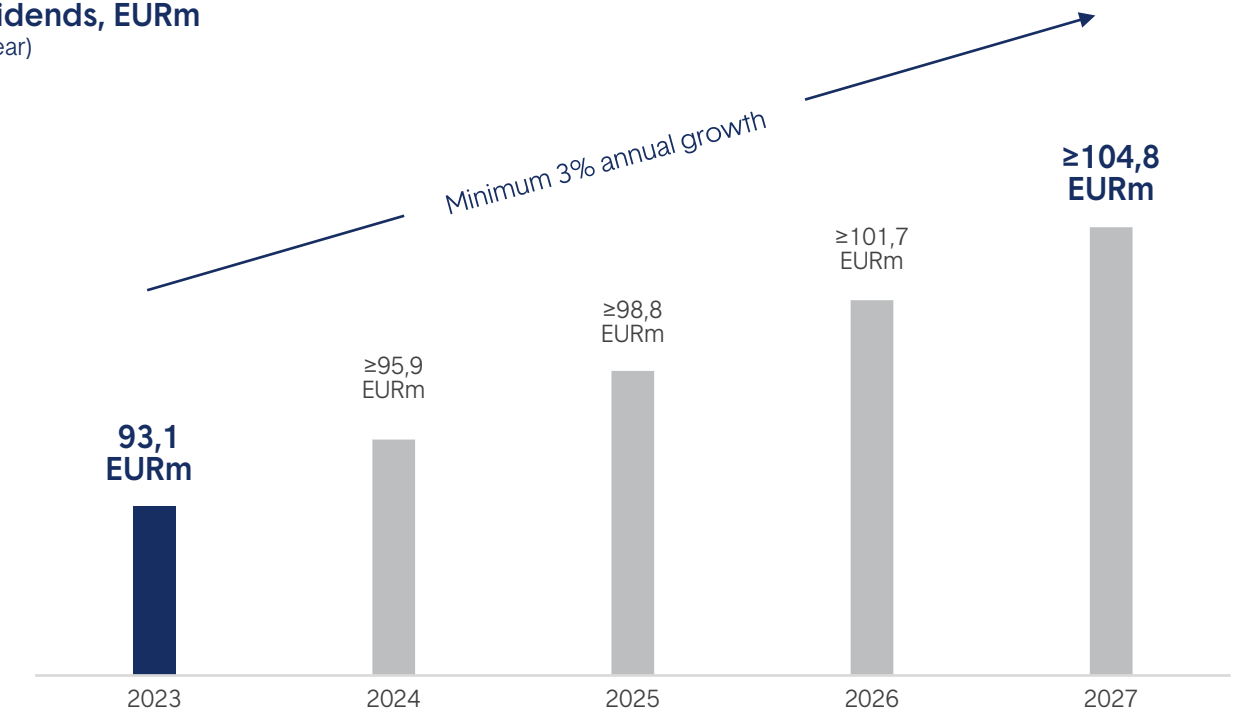
credit rating over the 2024–2027 period

Growing dividends

We are committed to increase dividends >3% annually

Minimum annual dividends, EURm

(declared for the financial year)



	2023	2024	2025	2026	2027
Minimum DPS[1], Eur	1.29	≥1.32	≥1.36	≥1.41	≥1.45
Dividend yield[2]	6.8%	~7.3%	~7.5%	~7.7%	~8.0%

7.3–8.0%

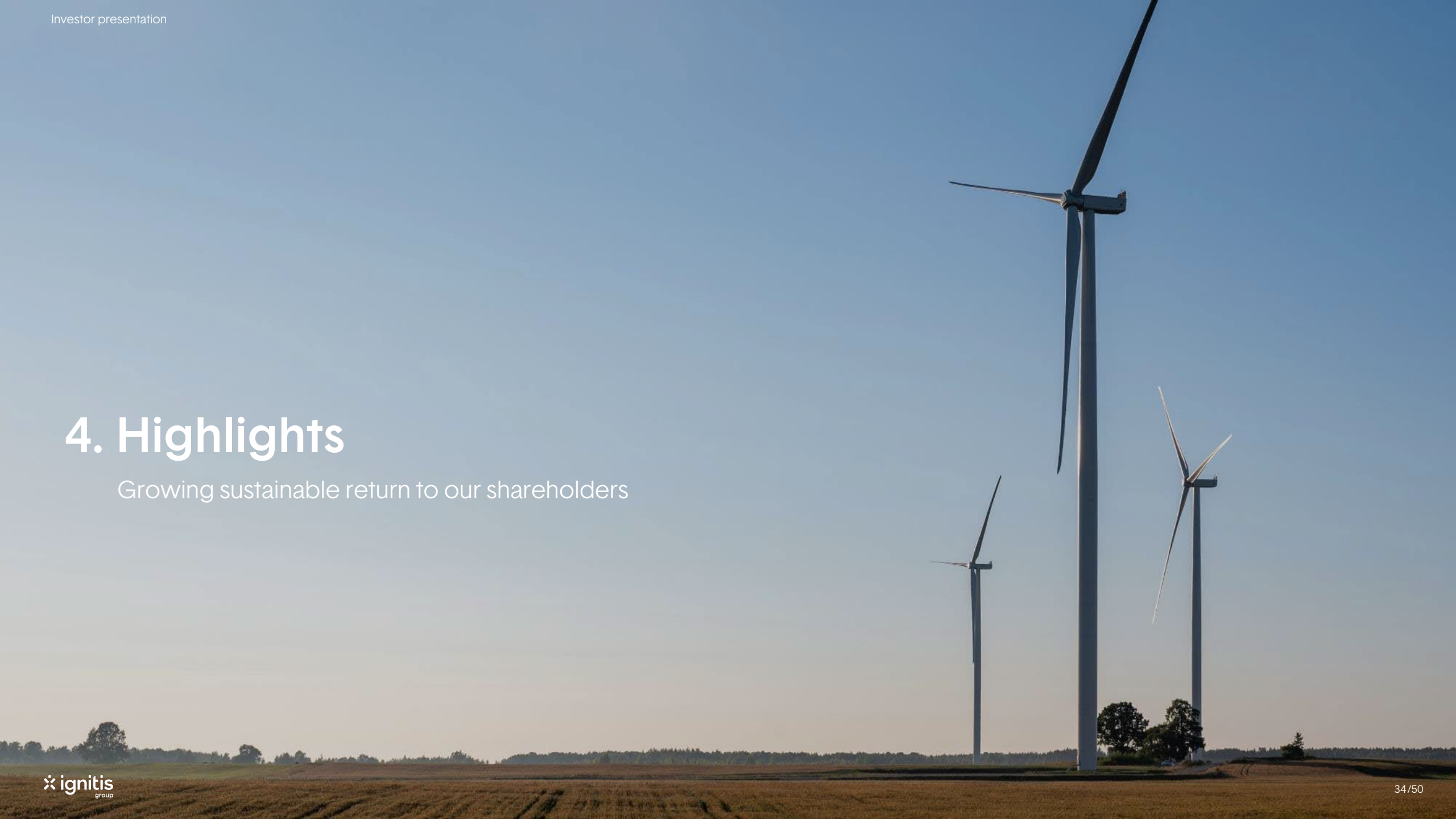
Implied dividend yield over the 2024–2027 period

Dividend policy

We are commited to increase dividends to shareholders at a minimum 3% annual rate.

We also have the flexibility to distribute excess cash, if available

[1] *Calculated based on the No. of shares (72,388,960 ordinary shares).*
[2] *Implied dividend yield (annual) over the 2024–2027 period is calculated based on Ignitis Group's share price: 18.14 €/sh (closing price as of 25th April 2024). Dividend yield for GDRs: 6.9% in 2023.*



4. Highlights

Growing sustainable return to our shareholders

Highlights

Our purpose is to create a **100% green and secure** energy ecosystem for current and future generations

Green — **Flexible** — **Integrated** — **Sustainable**

2027: 2.4–2.6 GW
2030: 4–5 GW
Green Capacities

2027: 215–289 g CO_2-eq/kWh
carbon intensity
of scope 1 & 2 GHG emissions
2040–2050: Net Zero emissions

3.0–4.0 EURbn
Investments
2024–2027

550–650 EURm
Adjusted EBITDA
2027

BBB or higher
Credit rating
2024–2027

7.3–8.0%
Implied dividend yield[1]
2024–2027

[1] *Minimum dividend per share is calculated based on the No. of shares (72,388,960 ordinary shares). Implied dividend yield (annual) over the 2024–2027 period is calculated based on Ignitis Group's share price: 18.14 €/sh (closing price as of 25th April 2024).*

Q&A

Supplementary information

Customers & Solutions: utilising and further expanding our customer portfolio to enable the Green Capacities build-out

1.4 million
Customers: B2B & B2C in 2023

The largest customer base in the Baltics

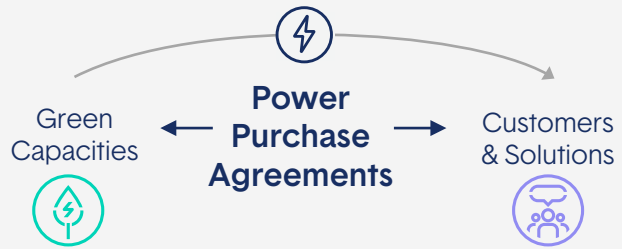
Utilising and further expanding the customer portfolio

Exploiting synergies with the Green Capacities segment

- Large customer base supports the Green Capacities build-out through internal PPA's

Expanding electricity supply portfolio to accelerate the green transformation of our customers

- Form Green Capacities offtake portfolio and growing the share of green electricity supplied
- Best in class trading and risk management competences
- Attractive and diverse product portfolio with a focus on power and long-term value
- Great customer experience with digitally advanced customer services



Building a leading EV charging network in the Baltics

EV network will become a significant offtaker of green electricity in the future

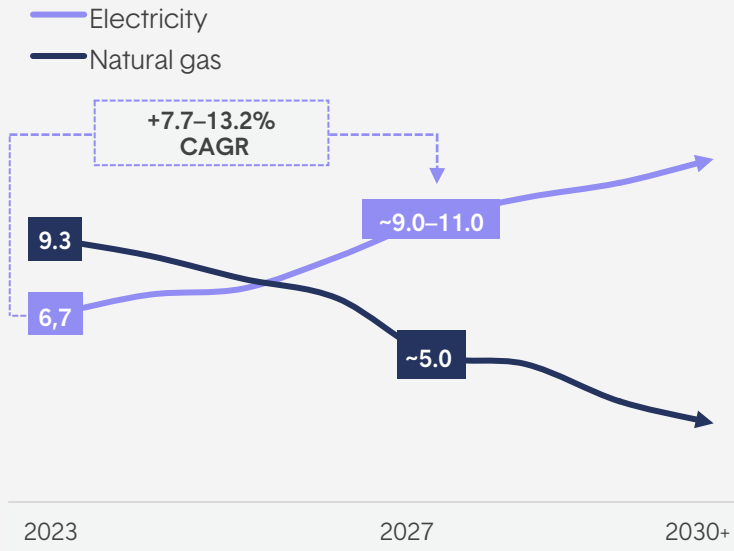
- Expanding in the Baltics across public, commercial and home charging segments
- Focused on developing a public EV fast-charging network and being a first-choice provider of charging solutions for the home and business customers
- Exploring the utilization of own EV network's balancing capabilities

Speeding up the transition from gas to power

Optimising our natural gas supply portfolio

- Proactively promoting customers to move from gas to power. Estimating ~5.0 TWh level in 2027
- Our key focus is on electricity supply

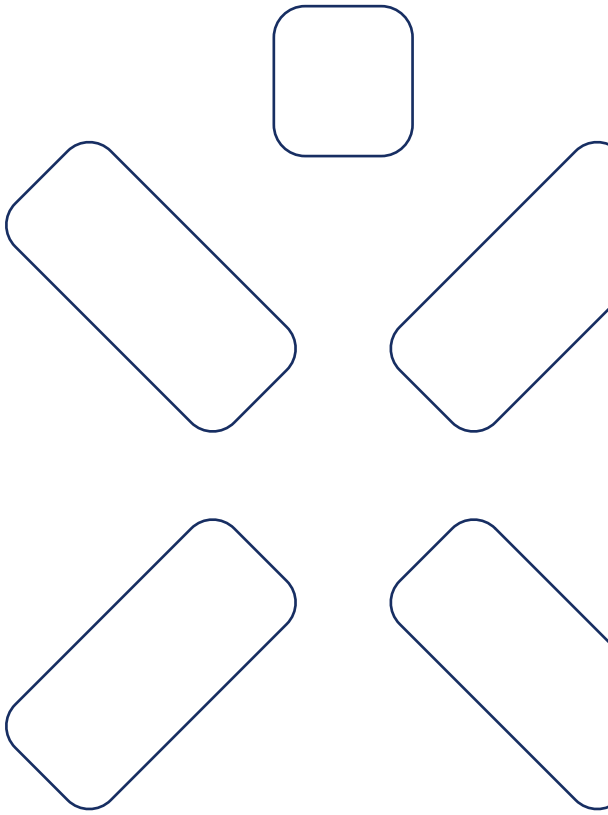
Energy supply portfolio, TWh



Reserve Capacities: we utilise reserve capacities to ensure reliability and security of the power system

Option to generate electricity in the market during low renewables generation /positive clean spark spread periods

	2023	2023–2030
	1.1 GW	
~0.9 GW contracted for **ancillary (capacity) services**[1]	**Providing mainly ancillary services** **Upside potential:** - option to operate in the market during low renewables generation/ positive clean spark spread periods - participation in market tenders/capacity auctions for provision of ancillary services to other countries[5]	
Availability[2]	>98%	**No significant changes**
Load factor[3]	~3.4%	
Share of regulated/contracted[4] EBITDA	~22%	



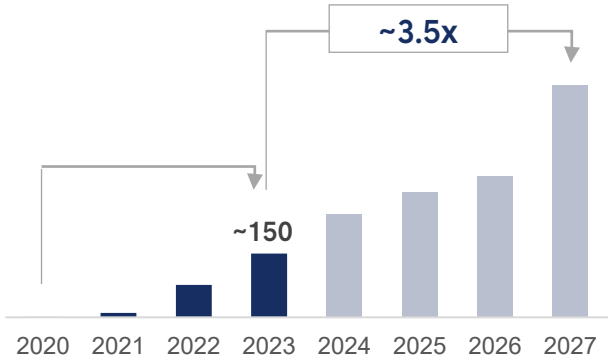
[1] *In 2023, gas-fired capacity of 891 MW has been dedicated to isolated regime services.*
[2] *Average availability of Elektrėnai Complex, excluding scheduled repairs in 2023 – 99.4%: CCGT – 99.7%, Unit 7– 98.4%; Unit 8 – 99.9%).*
[3] *Production volumes of electricity in Elektrėnai Complex in 2023 were low due to unfavourable market conditions (high gas prices).*
[4] *Share from EBITDA, which was earned in Elektrėnai Complex.*
[5] *Services for ensuring of availability of capacity in the amount of 250 MW will be provided to Polish TSO in 2027. Participation in Polish TSO's market tenders is planned for other periods as well.*

Our people

~4,400
Employees in 2023
(Ignitis Group)

We are organically building an entire organisation from the scratch in renewables

Ignitis Renewables organization growth,
No. of employees



We are a diverse team of energy smart people united by a common purpose to create a 100% green and secure energy ecosystem

Take YOUR part in **#EnergySmart!**

Our Values

RESPONSIBILITY
Care. Do. For Earth.
Starting with myself

PARTNERSHIP
Diverse. Strong.
Together

OPENNESS
See. Understand. Share.
Open to the world

GROWTH
Curious. Bold.
Everyday

ESG priorities and targets 2027

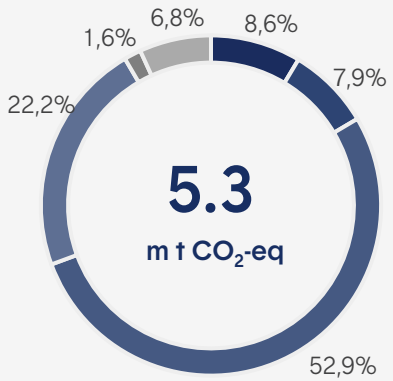
Priority	Decarbonisation	Safety		Employee experience	Diversity	Sustainable value creation	
	Reducing the carbon intensity of scope 1 & 2 GHG emissions	Zero fatal accidents	Total recordable injury rate	Employee experience and well-being[2]	Gender diversity in top management	Sustainable investments	Sustainable returns
2027 target	**215–289** Carbon intensity of scope 1 & 2 GHG emissions, g CO_2-eq/kWh	**0 fatalities** (of employees and contractors)	**≤2.1** TRIR, per million hours worked (2024–2027) ≤1.5 | ≤2.7 Employees | Contractors	**≥50** employees promoting the Group as an employer (eNPS)	**~30%** share of women in top management positions	**≥85–90%** share of Investments aligned with the EU Taxonomy[3] (2024–2027)	**≥70–75%** share[4] of sustainable Adjusted EBITDA[4]
2023	360 g CO_2-eq/kWh	0	0.79 | 0.93[1]	57.5	23.1%	94.8%	61.4%
SDG contribution	7 AFFORDABLE AND CLEAN ENERGY; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION		5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH			5 GENDER EQUALITY; 7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	
ESG contribution	**ENVIRONMENTAL**		**SOCIAL**			**GOVERNANCE**	

[1] Tracking of UAB "Ignitis" TRIR contractors started on 7th of July 2023. Tracking of AB "Energijos skirstymo operatorius" TRIR contractors include full scope of incidents, however, the hours included in TRIR calculations include only contracts above 0.5 EURm/year.
[2] Experiences of employees in areas such as well-being, learning and growth, equal pay, diversity and inclusion, etc.
[3] Share of Investments to be directed to the maintenance or expansion of the EU Taxonomy-aligned activities. There are differences in methodologies used to calculate Investments and actual Taxonomy CAPEX KPI.
[4] Sustainable Adjusted EBITDA is the share of Adjusted EBITDA related to Taxonomy-aligned activities in total Adjusted EBITDA. The ratio is calculated using the Group's own methodology as it's not based of the EU Commission Delegated Regulation 2021/2178.

Decarbonisation pathway aligned with our business ambitions

2023	2024–2027	2040–2050

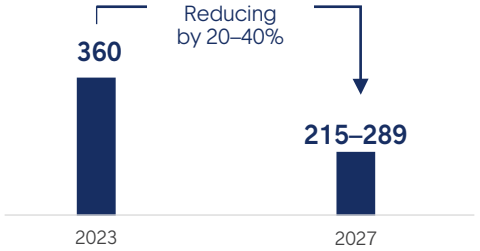
GHG emissions, total



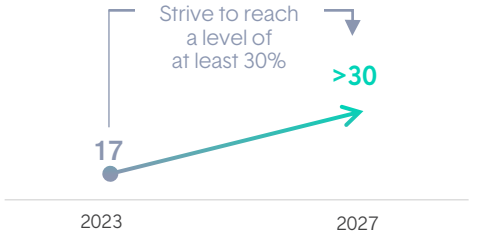
Covered by 2024–2027 strategic targets

- Scope 1
- Scope 2
- Scope 3 Natural gas
- Scope 3 Electricity
- Scope 3 Other
- Out of scope (Biogenic)

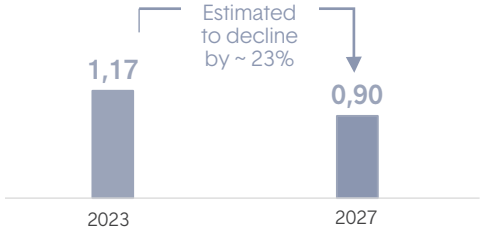
1. Reducing carbon intensity of scope 1 & 2 GHG emissions (market based), g CO2-eq/kWh



2. Growing share of green electricity supplied, %



3. Reducing absolute GHG emissions from natural gas supply, m t CO2-eq



priority #1

Scope 1 and 2

Growing green generation and green flexibility capacity installed[1] and increasing share of own green electricity used for own operations[2]

priority #2

Green share
of electricity supply

Actively promoting our customers to use green electricity and expanding electricity supply portfolio within our home markets

priority #3

Scope 3
Natural gas supply

Promoting customers transition from gas to electricity[3]

Net Zero

We target net zero emissions by 2040–2050

[1] *2.4–2.6 GW by 2027, 4–5 GW by 2030, incl. Kruonis PSHP expansion in 2026, commercial-scale batteries by 2027, further offshore wind build-out post 2030. Implementing green hydrogen production and e-fuel conversion pilot project, analyzing potential carbon capture technologies and considering the development of utility scale green hydrogen and e-fuel production capabilities, and the potential to export of surplus energy to contribute to Europe's decarbonization in the long-term.*
[2] *Kruonis PSHP operations, electricity grid losses, offices, replacement of operational vehicle fleet with EVs, etc.*
[3] *We aim to optimize our gas supply portfolio to an estimated ~5.0 TWh level in 2027 and reduce it further while securing the supply levels required for the security of the energy system during the energy transition period in Lithuania. Our key focus is on electricity supply.*

3M 2024 result highlights

Continued Green Capacities Portfolio growth

Strategy

– Green Capacities Portfolio growth to 7.4 GW, +0.3 GW QoQ

– Installed Capacity increase to 1.4 GW, +0.1 GW QoQ

– Strategic milestones achieved in the development of our Portfolio

Sustainability

– Decrease in Scope 2 emissions

– Improved OHS performance

– Maintained high employee satisfaction and Top Employer certificate

Finance

– EBITDA of 181.7 EURm, +21.2% YoY

– Investments of 209.5 EURm, +73.4% YoY

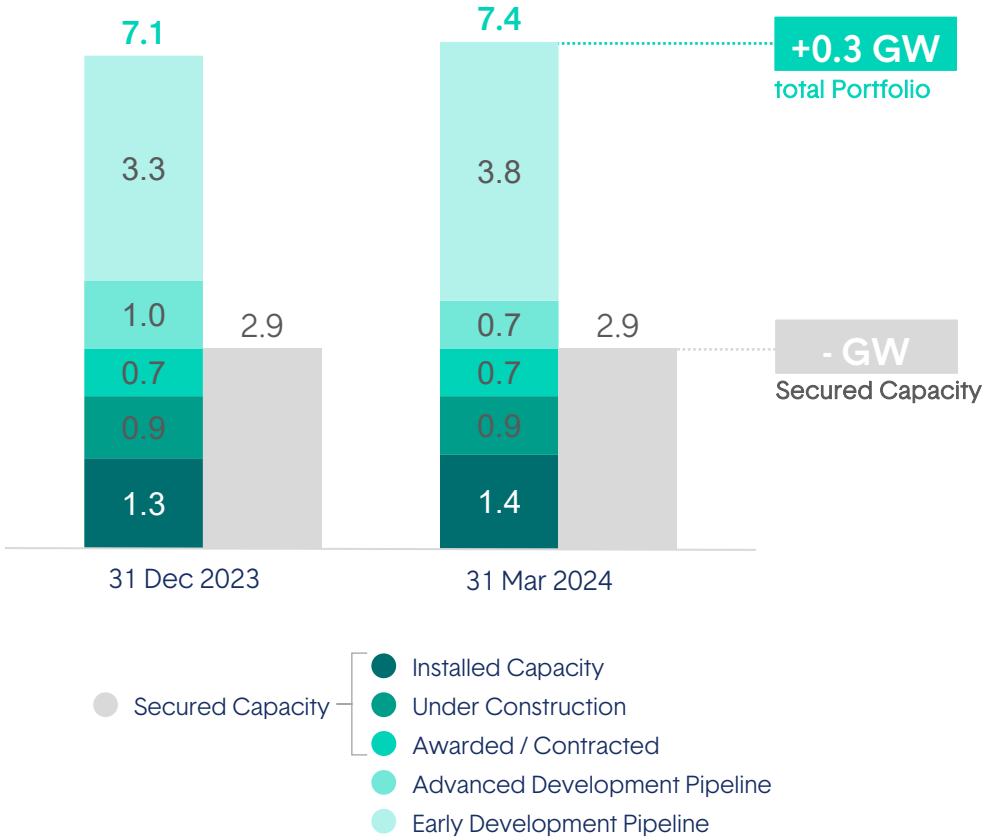
– 2024 EBITDA & Investments guidance reiterated

Continued Green Capacities growth

Portfolio reached 7.4 GW and Installed Capacity – 1.4 GW

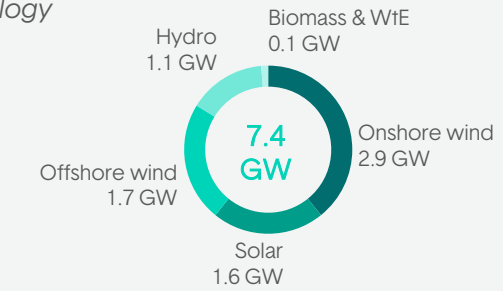
Green Capacities Portfolio

GW

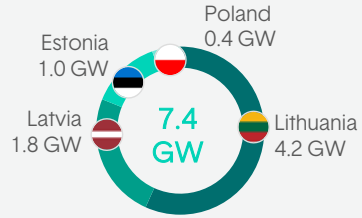


Green Capacities Portfolio split

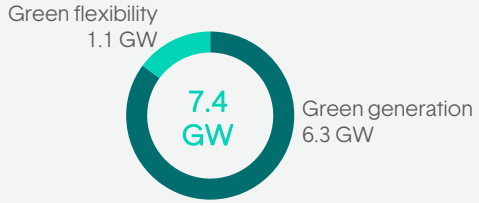
By technology



By geography



By type

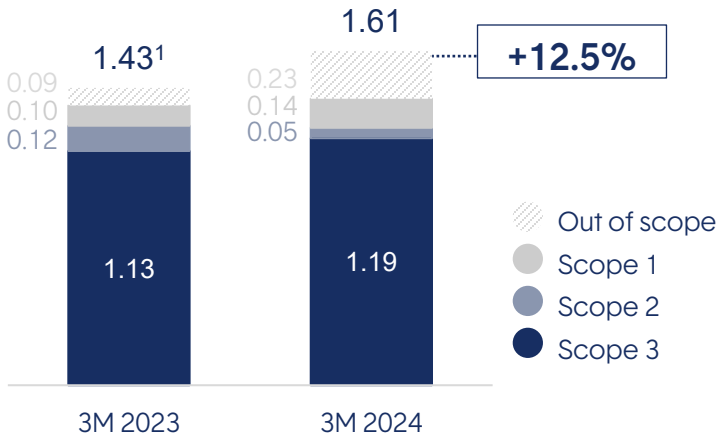


Ongoing sustainability initiatives

Decrease in Scope 2 GHG emissions, improved OHS performance, and high employee satisfaction

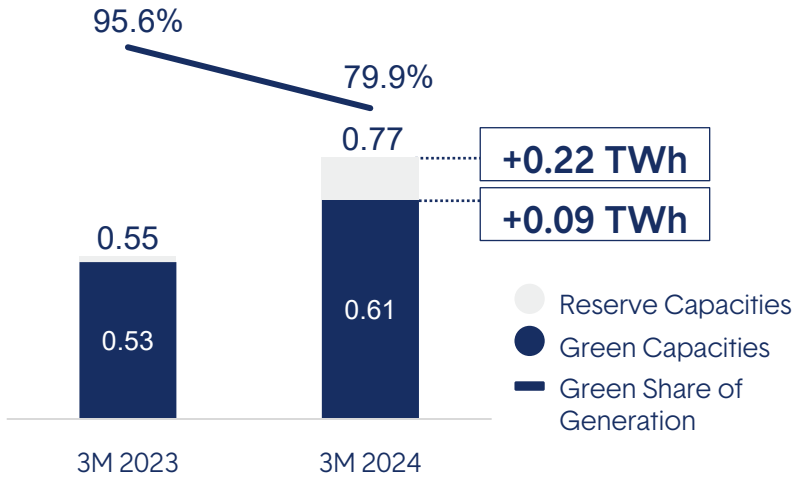
GHG emissions

million t CO_2 -eq



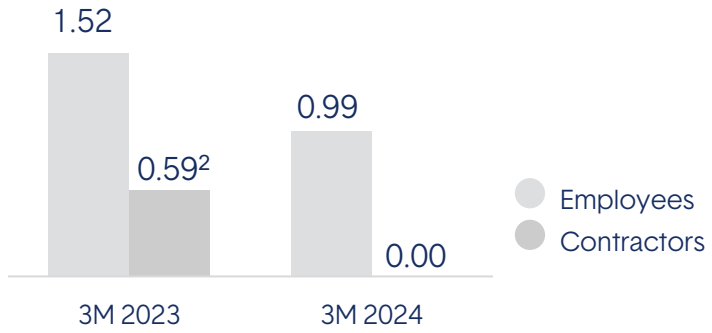
Electricity Generated (net), Green Share of Generation

TWh, %



Safety

TRIR



	ISS ESG	MSCI	SUSTAINALYTICS	CDP	ecovadis
ignitis group	B- Prime (Good)	AA (Leader)	24.8 (Medium risk)	B (Management)	78 Platinum (Advanced)
Rank compared to utility peers	2nd decile	Top 36%[3]	Top 29%	Among 37% in Management level[4]	Top 4%[5]

1. *3M 2023 emission has been revised because of the inclusion of additional emission categories in the quarterly assessment (previously only main categories were included quarterly). The change does not affect total 2023 emissions.*
2. *Contractor TRIR indicator only includes contracts above 0.5 EURm/year.*
3. *MSCI utilities rank and average based on utilities included in the MSCI ACWI index.*
4. *Among 37% of companies that reached Management level in Energy utility networks.*
5. *In electricity, gas, steam and air conditioning supply industry. Assessment of the Group's subsidiary UAB "Ignitis" (Customers & Solutions).*

Financial performance overview

- **Adjusted EBITDA** growth recorded across all business segments except Reserve Capacities. Green Capacities segment remains the largest contributor to Adjusted EBITDA (42.4% of the Group's total).
- **Adjusted Net Profit** increase driven by Adjusted EBITDA growth.
- **Investments** Two thirds of the Investments made in the Green Capacities segment (66.3% of total Investments).
- **Adjusted ROCE** decreased to 11.1%, due to the lag between the deployment of capital in investments and subsequent realisation of returns.
- **Strong leverage metrics** including the decrease in Net Debt.
- **Dividends in line with the policy.**

KPIs[1], EURm	3M 2024	3M 2023	*Δ*
Adjusted EBITDA	181.7	149.9	*21.2%*
Adjusted Net Profit	112.6	88.7	*26.9%*
Adjusted ROCE	11.1%	12.1%	*(1.0 pp)*
Investments	209.5	120.8	*73.4%*
FCF	5.0	208.0	*(203.0)*

	31 Mar 2024	31 Dec 2023	*Δ*
Net Working Capital	144.4	175.2	*(17.6%)*
Net Debt	1,287.8	1,317.5	*(2.3%)*
Net Debt/Adjusted EBITDA	2.49	2.72	*(8.5%)*
FFO/Net Debt	28.9%	29.4%	*(0.5 pp)*

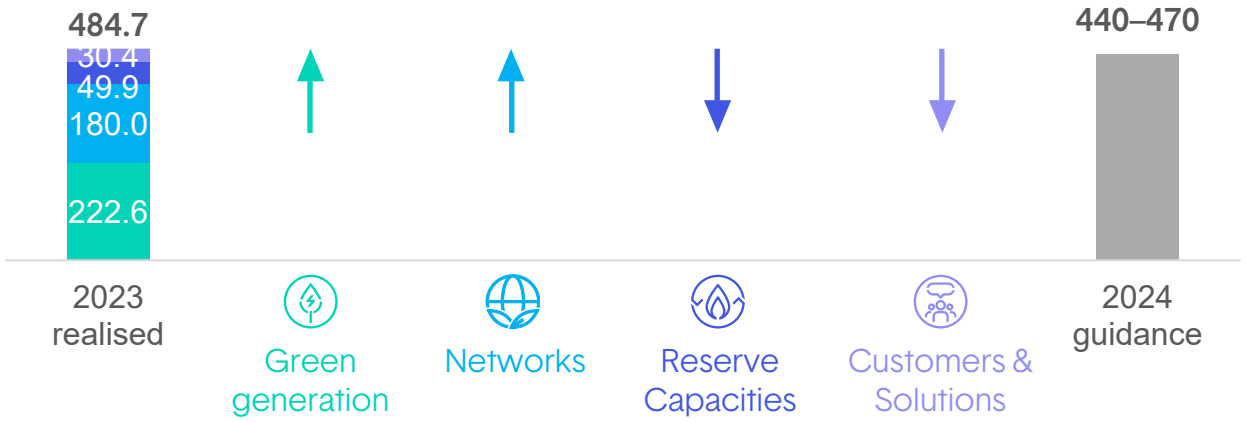
1. All KPIs are Alternative Performance Measures (APMs).
2. A dividend of EUR 0.643 per share, corresponding to EUR 46.5 million, was distributed for H2 2023.

Guidance 2024

Adjusted EBITDA of 440–470 EURm and Investments of 850–1,000 EURm guidance reiterated

Adjusted EBITDA APM

EURm

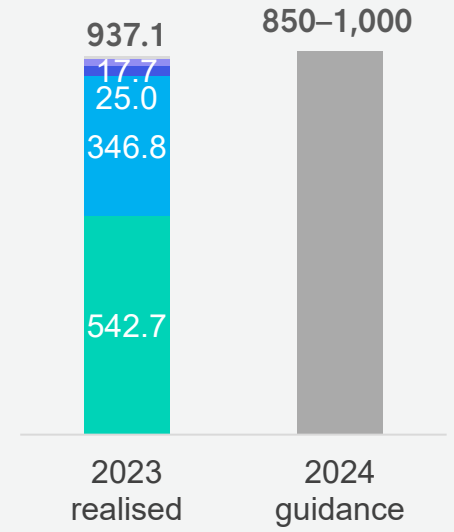


Main drivers:

- **Green Capacities:** new projects reaching COD in 2024, mainly Silesia WF I and II in Poland, partly offset by lower expected power prices;
- **Networks:** mainly due to approved higher WACC and higher RAB due to continued Investments into the distribution network;
- Expected decrease in **Reserve Capacities** and **Customers & Solutions** due to better than usual results in 2023.

Investments APM

EURm



Main drivers:

- **Green Capacities:** Kelmė WF I and II, Latvian solar portfolio I, Kruonis PSHP expansion project;
- **Networks:** expansion of electricity network.

Glossary

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).
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).
Commercial operation date	Projects with installed capacity achieved.
Early development Pipeline	Projects of planned capacity higher than 50 MW with substantial share of land rights secured.
Installed Capacity	The date at which all the equipment is: (1) installed, (2) connected, (3) authorized by a competent authority to generate energy, and (4) commissioned. Performance testing may still be ongoing.
Pipeline	Portfolio, excluding installed capacity projects.
SAIFI	Average number of unplanned long interruptions per customer
Secured capacity	Green Capacities projects under the following stages: (i) installed capacity, or (ii) under construction, or (iii) awarded / contracted.
Green Capacities Portfolio	All Green Capacities projects of the Group, which include: (i) secured capacity, (ii) advanced development pipeline and (iii) early development pipeline
Under Construction	Project with building permits secured or permitting in process including one of following: (i) notice to proceed has been given the first contractor or (ii) final investment decision has been made.

Abbreviations

%	Percent
°C	Degree Celsius
API	Application Programming Interface
avg.	Average
B2B	Business to business
B2C	Business to consumer
BEMIP	Baltic Energy Market Interconnection Plan
bn	Billion
bps	Basis point
CAGR	Compound annual growth rate
CCGT	Combined Cycle Gas Turbine Plant
CfD	Contract for difference
CHP	Combined heat and power
CO2	Carbon dioxide
CO2-eq	Carbon dioxide equivalent
COD	Commercial operation date
DPS	Dividend per share
EBITDA	Earnings before interest, taxes, depreciation, and amortization
ECB	European Central Bank
EHB	The European Hydrogen Backbone
EIA	Environmental impact assessment
eNPS	Employee Net Promoter Score
ENTSO-E	European Network of Transmission System Operators for Electricity
ESG	Environmental, social and corporate governance
EU	European Union
EURbn	billion EUR
EURm	million EUR
FCF	Free cash flow
FFO	Funds from operations
EUA	EU allowances
EV	Electric vehicle
g	Gram
GDP	Gross domestic product
GHG	Greenhouse Gas
Gt	Gigaton
GW	Gigawatt
GWh	Gigawatt hour
H2	Hydrogen
ICIS	Independent Commodity Intelligence Services
IoT	Internet of Things
IRR	Internal rate of return
IT	Information technology
k	Thousand
km	Kilometer
kWh	Kilowatt-hour
m	Million
MW	Megawatt
MWe	Megawatt electric
MWth	Megawatt thermal
n/a	Not applicable
NWC	Net Working Capital
OPEX	Operating expenses
p.p.	Percentage points
PPA	Power purchase agreement
PSHP	Pumped Storage Hydroelectric Power Plant
RAB	Regulated asset base
sh.	Share
TRIR	Total Recordable Incident Rate
TWh	Terawatt-hour
WACC	Weighted average cost of capital
WF	Wind farm
WtE	Waste-to-energy

More about Ignitis Group

Reports & presentations

Sustainability

Strategy

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