Enefit Green

Unaudited Interim Report
Q4 and 12 months 2024

Contents

Enefit Green

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Enefit Green AS

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Main activities
Production of electricity and heat energy in cogeneration plants, production of electricity in wind farms, solar farms and a hydropower plant

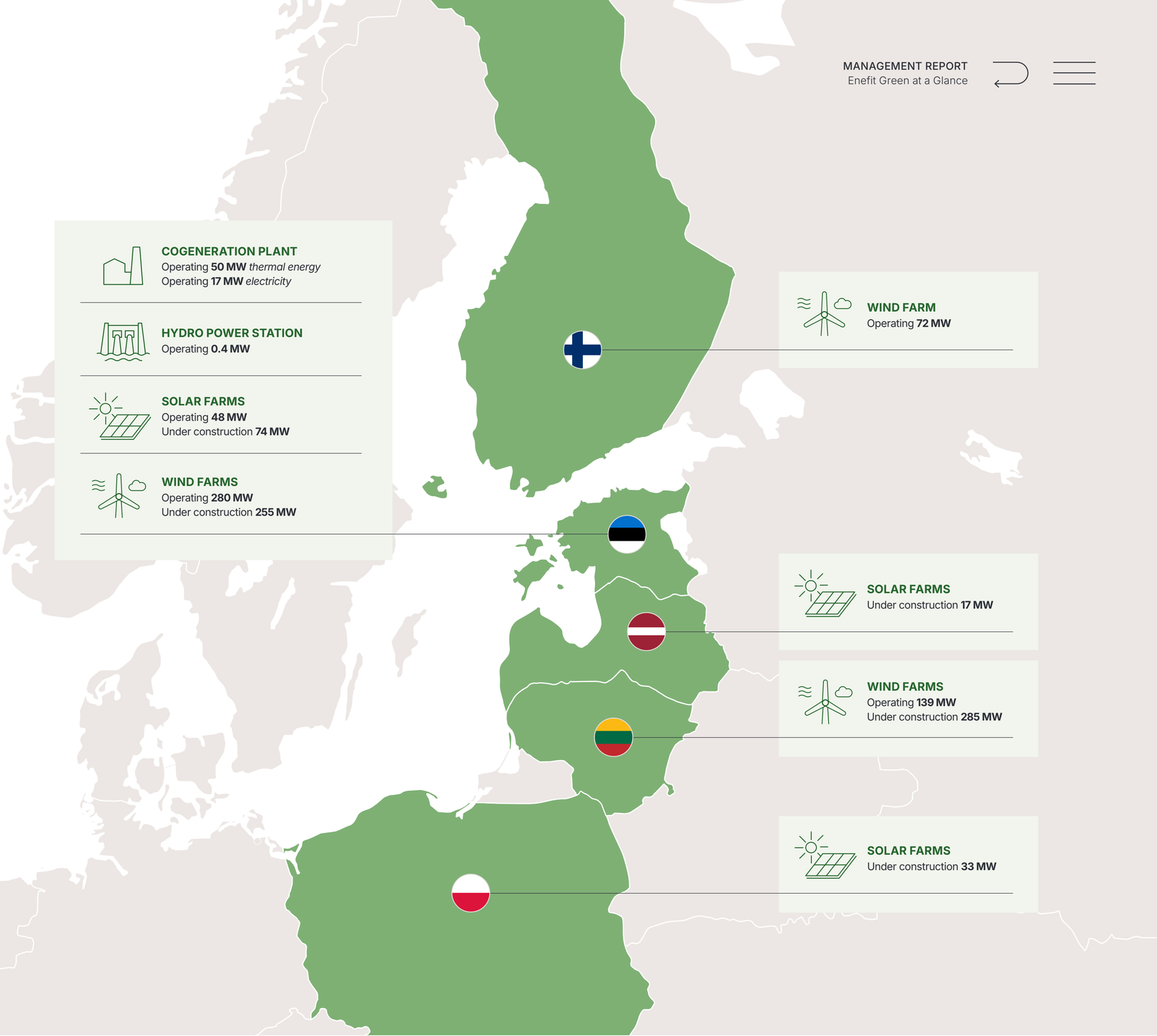
Reporting period
1 January 2024 – 31 December 2024

Auditor
AS PricewaterhouseCoopers

Management Report

Enefit Green at a Glance

- One of the leading renewable energy companies in the region
- Over 20 years of experience in renewable energy
- The largest wind energy producer in the Baltics
- Core markets: Finland, Estonia, Latvia, Lithuania, and Poland



Chairman's Letter

Dear reader

Enefit Green has grown into a large energy production company whose rapid growth in recent years has been made possible by strategic investments in new wind and solar farms. We are the largest wind energy producer in the Baltic countries.

Energy was one of the main topics of discussion in most of our core markets in 2024. The unprecedented volatility of electricity and energy commodity prices in recent years has given way to a more stable situation. We are adapting to the ongoing changes in geopolitics, the global economy, our markets and the industry.

The changes have not been limited to the external environment: the renewal of Enefit Green's management team has underlined the strength, unity and professionalism of our people. Thanks to an experienced team, we have successfully navigated the transition period and helped new colleagues in onboarding. We can now focus on the sustainable development of the company.

ADAPTING TO MARKET CONDITIONS

In 2024, Enefit Green's electricity production increased by 40% to 1.9 TWh. Thermal energy production was 415 GWh, 31% less than a year earlier. Operating income for the year was €220m (down 4%), EBITDA was €115m (up 8%) and net profit was €70m (up 26%). The company's production and financial results were affected by a combination of factors.

Our focus was on the completion and commissioning of our largest projects. At the beginning of the year, we had over 700 MW of renewable energy projects under construction, but currently

only the Kelmė II wind farm in Lithuania and the Dzērves solar power plant in Latvia, with a combined capacity of nearly 100 MW, are under active construction.

The growth in electricity production was driven by our new generation assets that were completed and reached a more stable output during the period, including the Sopi-Tootsi wind farm in Estonia (255 MW), which became fully operational. Compared to 2023, the number of generating assets in operation has increased significantly and their total capacity now exceeds 1,100 MW (457 MW in 2021). This increase has significantly boosted electricity production and sales volumes and helped meet our commitments under long-term power purchase agreements.

Although we ended the year with strong production results, operating income and EBITDA were affected by the slower than expected completion of new production capacity. The number of projects in progress was high and their contribution to cash flow was lower than expected. The availability and operational reliability of new wind farms was challenging at times, also due to warranty work. On the other hand, the availability of our older wind farms was higher than a year earlier.

Enefit Green's results were also impacted by lower electricity prices. The rapid growth of solar and wind power in our core markets has created oversupply, resulting in record renewable energy discounts. In periods of favourable weather, there is an increasing surplus of generation capacity in the market. This trend has made us cautious about the amount and growth rate of renewable energy that the market can accept, as well as the impact of oversupply on the business environment.

Digital solutions have allowed us to flexibly adjust generation and avoid overproduction and unprofitable energy sales during periods of exceptionally low electricity prices. By the end of 2024, we had developed the ability to automatically regulate the output of our wind and solar farms. This allows us not only to avoid loss-making transactions, but also to provide the necessary system services to the Estonian and Lithuanian transmission system operators. We have also developed manual frequency restoration reserve (mFRR) down-regulation capacity at ten wind farms. We will continue to expand our capacity to provide system services to most of our generation assets.

The thermal generation result was affected by the sale of our biomass cogeneration and pellet businesses a year ago. The lower than expected availability of the Iru CHP plant, due to maintenance and repair outages, also had an impact.

Years of intensive growth and delays in bringing our large farms up to full capacity have affected the return on invested capital (ROIC). Now that most of our wind and solar farms have been completed or are in the process of obtaining the necessary permits and testing, cash flow stability is gradually improving.

OUTLOOK

As a major energy producer, it is important for Enefit Green that every megawatt of generation capacity delivers maximum value. This means maintaining high levels of availability and operational reliability of our completed generation assets, completing assets under construction on time and maximising the market potential of all generation assets.

We will carefully analyse how to maximise the productivity of our assets and projects. To achieve this, we will focus on the most strategic and profitable wind and hybrid park projects. Going forward, we see the Baltic countries and Poland as our core markets, where the continuing energy deficit offers opportunities for business development.

We intend to complete the Kelmė wind farm development project, the third phase of which is awaiting construction. The Kelmė I wind farm is already fully operational and the next step is to carry out connection tests. Kelmė II is under active construction.

In order to maintain focus, we are looking for a buyer for the Tolpanvaara wind farm in Northern Finland. We believe that a new owner with existing or planned wind assets in Finland can further develop the potential of this farm.

After years of work, we have achieved strong potential in the field of offshore wind energy: we are developing the Liivi and Northwest Estonia offshore wind farm projects. The Liivi offshore wind farm (also known as Gulf of Riga offshore wind farm) is one of the most prominent projects in the market. The introduction of offshore wind energy in Estonia offers an opportunity to significantly reduce the country's import dependency and carbon footprint. Our strategic partner Sumitomo Corporation brings extensive international experience in offshore wind project development and will help accelerate the implementation of the Liivi project.

Renewable energy remains the most competitive form of energy. As a large producer, Enefit Green plays an important role in the region’s energy market, providing consumers with competitive renewable energy and creating long-term value for its owners. After years of intensive growth, we are now focusing on securing a steady cash flow and finding a balance between business development and profitability. Our focus is on the sustainable development of the business.

My sincere thanks go to all Enefit Green employees for their commitment and to our investors and partners for their confidence.

Juhan Aguraiuja
CEO and Chairman of the Management Board

Enefit Green in Numbers 2020-2024

Financial indicators

		2024	2023	2022	2021	2020
Operating income	€m	220.9	230.1	257.0	183.7	162.7
Revenue	€m	185.5	205.8	233.3	153.0	114.0
Renewable energy support and other operating income	€m	35.4	24.3	23.7	30.7	48.7
EBITDA	€m	114.8	105.9	154.8	121.5	110.2
Net profit	€m	70.3	55.8	110.2	79.7	67.9
Capex	€m	388.4	355.7	193.5	76.8	13.8
Invested capital	€m	1,450.7	1,137.9	867.4	676.6	698.1
Equity capital	€m	760.3	717.2	718.7	633.6	509.6
Net Debt	€m	690.4	420.7	148.7	43.0	188.6
Earnings per share[1]	€/per share	0.26	0.21	0.42	0.30	0.26
Share price, year end[2]	€	2.76	3.56	4.38	4.04	-
Return on invested capital		5.2%	5.7%	13.5%	12.3%	10.3%
Return on equity		9.2%	7.8%	15.3%	12.6%	13.3%
Net debt/EBITDA		6.0	4.0	1.0	0.4	1.7

Operating indicators

		2024	2023	2022	2021	2020
Operating capacity, year end	MW	592	515	457	457	457
Capacity under construction, year end[3]	MW	631	709	596	199	-
Electricity production	GWh	1,883	1,343	1,118	1,193	1,350
Wind energy	GWh	1,681	1,103	912	983	1,139
Solar energy	GWh	77	64	32	24	25
Cogeneration	GWh	123	174	173	185	185
Other	GWh	2	1	1	1	1
CO_2 footprint (Scope 1)	thousand tonnes CO_2e	138.9	150.5	129.7	142.0	137.6
CO_2 intensity of energy production (Scope 1)	gCO_2e/kWh	61	77	77	78	73
Number of employees		132	154	183	165	153

[1] In order to ensure comparability the post-IPO number of shares has been used in the calculations for 2020 and 2021.

[2] In the course of the initial public offering of shares held in October 2021 shares were sold to investors at a price of €2.90 per share.

[3] Production assets in construction may be partially capable of producing output, but have not yet been classified as operating assets (e.g. due to the lack of final permits for use, etc.). At the end of 2024, the assets under construction (631 MW) included the Akmenė (75 MW), Šilalė II (43 MW), Sopi-Tootsi (255 MW) wind farms and the Sopi solar farm (74 MW), which had reached full capacity by the end of the year but were not yet classified as operating assets.

Highlights in 2024

Q1

JANUARY

- Construction of Sopi-Tootsi wind farm reaches **turbine installation stage**

FEBRUARY

- Turbine installation begins at **Kelmė I wind farm**
- Solar panel installation begins at **Sopi solar farm**

MARCH

- **Sale of Paide and Valka CHP plants** is finalised

Q2

APRIL

- Construction of **Tolpanvaara wind farm** is completed
- **Co-development agreement for early-stage onshore wind projects** is signed with RES Global Investment sp. z o.o.
- **Power purchase agreement is signed** for construction of a direct power line between Iru CHP plant and Elcogen's new production facility
- Installation of wind turbines at **Sopi-Tootsi wind farm** begins
- Public information days on environmental studies for **Gulf of Riga offshore wind farm**

MAY

- **Annual general meeting**
- **Kristjan Kuhi** is appointed as a new member of the supervisory board

JUNE

- **Rescue exercise** at Paldiski wind farm
- **Purtse hybrid farm** passes Elering's grid compliance tests

Q3

JULY

AUGUST

- **Loan agreement** is signed with EBRD
- **Sopi-Tootsi wind farm** delivers first electricity to the grid
- Cooperation agreement is signed with the City of Pärnu and Sunly for the **development of Põldemaa wind farm**

SEPTEMBER

- Installed power generation capacity **exceeds 1,000 MW**
- **Šilalė II wind farm is inaugurated**
- **Cornerstone is laid** for Kelmė II wind farm

Q4

OCTOBER

- **Juhan Aguraiuja** takes over as chairman of the management board
- Supervisory board appoints **Argo Rannamets** as member of the management board and CFO
- Public information days on environmental studies for **Gulf of Riga offshore wind farm**
- **Floating meteorological station** is deployed for research in the Gulf of Riga

NOVEMBER

- **Sopi-Tootsi wind farm** reaches full production capacity
- **Kuressaare Regional Training Centre** receives two wind turbine blades for training purposes

DECEMBER

- **Karin Madisson** joins the supervisory board as an independent member
- **Kelmė I wind farm** delivers first electricity to the grid
- **Sopi solar farm** reaches full production capacity
- Environmental impact assessment report for **Gulf of Riga offshore wind farm** is completed
- Enefit Green passes **ISO** and **EMAS** recertification audits

Operating Environment

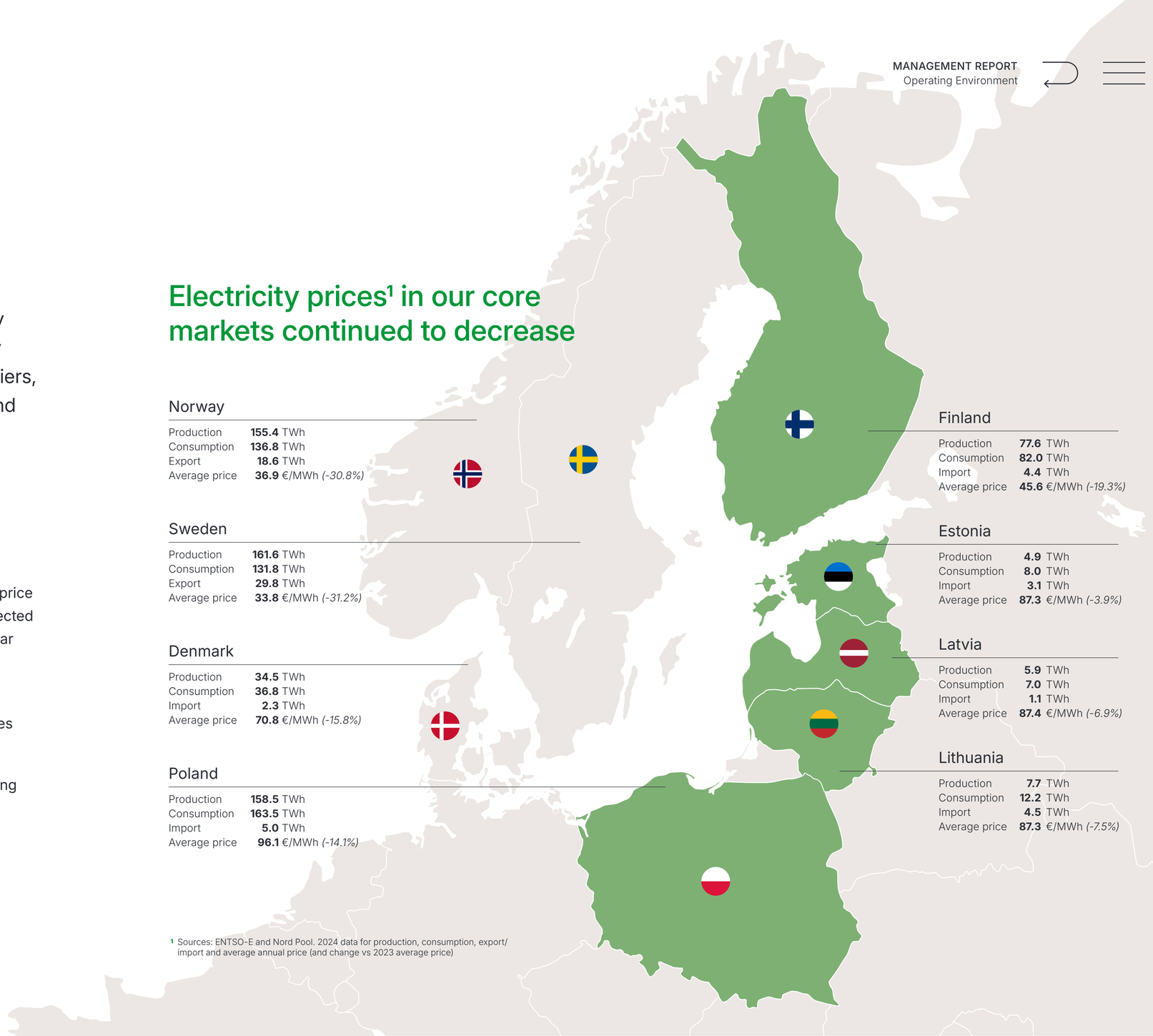
Enefit Green is a renewable energy company focused on wind and solar. As a result, its performance is influenced by electricity and emission allowance prices, electricity supply and demand, competition between energy types and suppliers, regulation of the energy sector and the weather (mainly wind conditions).

ELECTRICITY PRICES

Compared to the previous year, the following trends in market prices had a significant impact on our business in 2024.

- Electricity prices in our core markets decreased due to the decline in the price of natural gas and abundant supply of hydropower, but were strongly affected by weather conditions, power plant and interconnector failures, and regular maintenance outages.
- Gas prices dropped to their lowest level in four years, driven by changes in supply chains, falling demand, efficiently planned natural gas inventories in Europe and improved LNG supply capacity.
- Emission allowance prices fell sharply at the beginning of the year, reaching their lowest level in two years in February, before recovering in Q2 and remaining relatively stable in the second half of the year. Compared with a year earlier, the price of emission allowances fell by a fifth.

Electricity prices[1] in our core markets continued to decrease



Norway

Production	**155.4** TWh
Consumption	**136.8** TWh
Export	**18.6** TWh
Average price	**36.9** €/MWh *(-30.8%)*

Sweden

Production	**161.6** TWh
Consumption	**131.8** TWh
Export	**29.8** TWh
Average price	**33.8** €/MWh *(-31.2%)*

Denmark

Production	**34.5** TWh
Consumption	**36.8** TWh
Import	**2.3** TWh
Average price	**70.8** €/MWh *(-15.8%)*

Poland

Production	**158.5** TWh
Consumption	**163.5** TWh
Import	**5.0** TWh
Average price	**96.1** €/MWh *(-14.1%)*

Finland

Production	**77.6** TWh
Consumption	**82.0** TWh
Import	**4.4** TWh
Average price	**45.6** €/MWh *(-19.3%)*

Estonia

Production	**4.9** TWh
Consumption	**8.0** TWh
Import	**3.1** TWh
Average price	**87.3** €/MWh *(-3.9%)*

Latvia

Production	**5.9** TWh
Consumption	**7.0** TWh
Import	**1.1** TWh
Average price	**87.4** €/MWh *(-6.9%)*

Lithuania

Production	**7.7** TWh
Consumption	**12.2** TWh
Import	**4.5** TWh
Average price	**87.3** €/MWh *(-7.5%)*

[1] Sources: ENTSO-E and Nord Pool. 2024 data for production, consumption, export/import and average annual price (and change vs 2023 average price)

Enefit Green participates in the Nord Pool power exchange, where power producers that sell electricity on the exchange trade with power suppliers that buy electricity from the exchange in order to resell it to end consumers. Our performance indicators are most sensitive to electricity prices in Estonia, Lithuania, Finland and Poland, where we both generate and sell electricity. In the Latvian market Enefit Green participated with a very small volume at the beginning of 2024, when the completion of the sale of the Valka CHP plant due to the divestment of our biomass-based cogeneration business was awaiting approval from the relevant authorities.

Our core markets are closely linked by cross-border transmission cables. As a result, our electricity production and prices are affected by various factors outside our main markets, such as the level of water resources in the Norwegian hydropower reservoirs and wind conditions in the region. Potential disruptions to transmission cables have a strong impact on the balance between electricity supply and demand, causing significant price fluctuations.

In 2024 Baltic electricity prices were on one hand affected by failures of EstLink2, on the other hand by growing renewable energy supply and falling natural gas prices. As a result the average electricity prices declined, but less than in neighbouring markets and prices were clearly higher than in the Nordic countries.

In 2024, electricity prices in the Baltic countries were strongly affected by the disruption of the power link between Finland and Estonia: the EstLink2 undersea power cable was shut down due to a fault at the beginning of the year, with long and complex repairs lasting until September. As a result, lower-priced Nordic electricity reached the Estonian, Latvian and Lithuanian markets in reduced volumes, which in turn affected energy market dynamics and price formation. Weather conditions, maintenance of generation facilities in the Nord Pool region and relatively low market prices for natural gas also played a role.

In the second half of the year, the market started to stabilise, but electricity prices continued to be affected by weather conditions and the state of infrastructure. In Q3, peak prices decreased compared to the previous year, supported by the return to service of EstLink2 and a strong increase in solar energy supply.

In Q4, electricity prices in the Baltic and Nordic countries were volatile due to weather conditions, but low natural gas prices and growing renewable generation volumes supported a downward trend.

Renewable energy production in Enefit Green's core markets continued to grow rapidly in 2024. Solar and wind power generation in the Baltic countries, Finland and Poland increased by more than 14 TWh compared to 2023 and the improvement in the Nordic hydro balance also had a stabilising effect on energy prices.

In the last days of 2024, the EstLink2 undersea cable suffered another disruption, which will continue to put pressure on electricity prices in the Baltic countries for much of 2025.

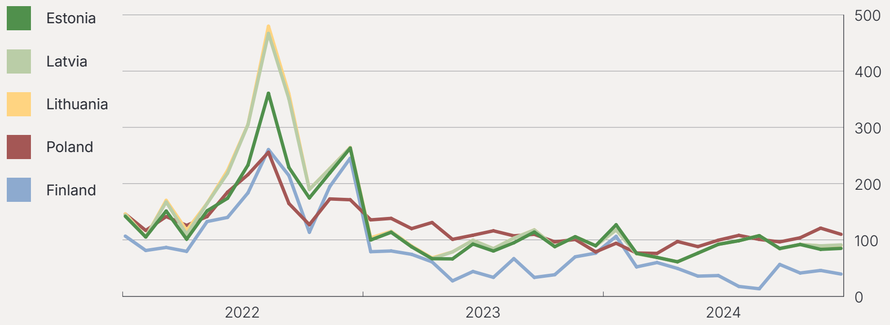
Wind and solar energy production in Enefit Green's core markets in 2022–2024

Source: ENTSO-E

TWh	2022		2023		2024	
	Solar	**Wind**	**Solar**	**Wind**	**Solar**	**Wind**
Estonia	0.6	0.7	0.7	0.8	1.0	1.2
Latvia	0.0	0.2	0.0	0.3	0.4	0.3
Lithuania	0.4	1.5	0.7	2.4	1.4	3.3
Poland	9.3	18.8	13.2	22.1	17.3	23.9
Finland	0.0	11.1	0.9	14.0	1.2	19.5
Total	**10.2**	**32.2**	**15.4**	**39.6**	**21.3**	**48.1**
Growth (TWh)	5.1	6.9	5.2	7.4	5.9	8.5
Growth (%)	101%	27%	51%	23%	38%	21%

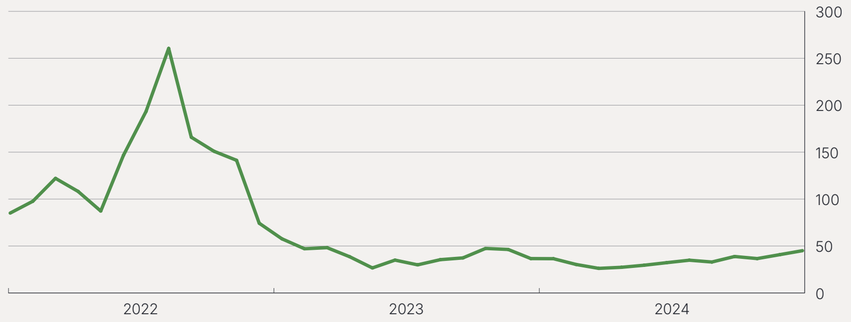
Average quarterly market prices of electricity in core markets, €/MWh

Source: Nord Pool



Natural gas price, €/MWh

Source: Intercontinental Exchange



The supply and price of natural gas are significant factors for electricity prices, as natural gas is used to generate peak energy at times when renewable energy or other less expensive generation capacity is scarce.

In 2024, the European natural gas market was relatively stable and the average price of traded natural gas was lower than in previous years. The annual average price was €33.8/MWh (-€6.3/MWh, -15.7% compared to 2023).

The first half of the year was relatively favourable for the European natural gas market, thanks to high inventories, mild weather conditions and the resulting low demand, as well as improved LNG supplies. In the second half of the year, the gas price fluctuated somewhat, mainly due to weather conditions, demand and geopolitical factors.

In Q3, global LNG supply was reduced due to planned maintenance at LNG production facilities in Norway and emergency maintenance at facilities in Australia and Malaysia. In Q4, rising demand in Asia, geopolitical tensions in the Middle East and colder weather in Europe put upward pressure on LNG prices. While European gas storage facilities had reached 95% of their capacity in preparation for the winter, a cold spell in Europe led to a faster than expected drawdown, with year-end storage levels around 15% lower than at the end of 2023.

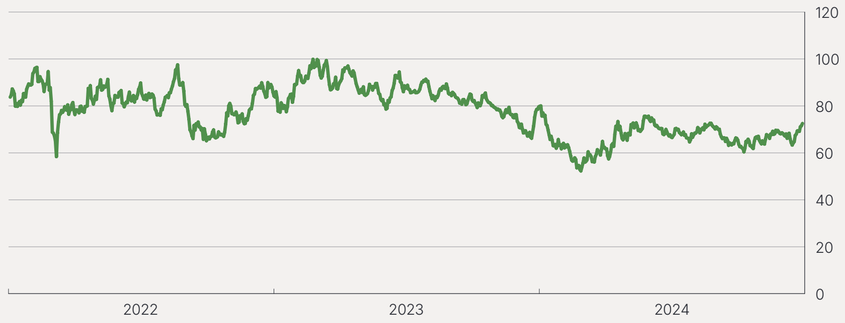
CO_2 EMISSION ALLOWANCE PRICES DECLINED

The purpose of the EU Emissions Trading System is to reduce greenhouse gas emissions in Europe and encourage energy producers to generate more energy from renewable sources, which will become more competitive as the price of emission allowances increases.

The average price of CO_2 allowances in 2024 was €66.6/t, 22% (-€18.7/t) lower than in 2023. Weak economic growth in Europe and the sale of additional allowances by the European Commission caused the allowance price to fall to its lowest level in two years, before stabilising in the second half of the year.

Prices of CO_2 emission allowances, €/t

Source: Intercontinental Exchange



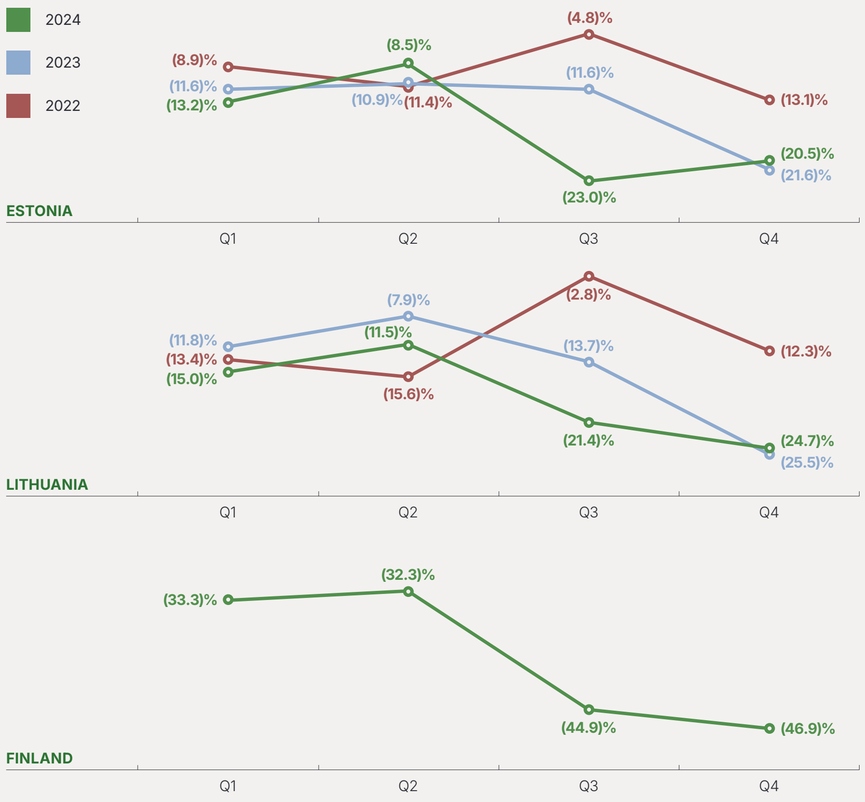
Average quarterly wind speed in Enefit Green's wind farms in Estonia, Lithuania and Finland in 2022–2024, m/s

WIND CONDITIONS

With the exception of the fourth quarter in Estonia and Finland, the measured wind speeds at Enefit Green wind farms were lower than forecast in 2024 (vs P50 forecast).

Information on the average wind speeds over the last three years is presented in the graphs to the left. Information for Finland is only provided for 2024, when Enefit Green's Tolpanvaara wind farm started to produce electricity.

Market average wind discount
in Estonia, Lithuania and Finland in 2022–2024, %



RENEWABLE ENERGY DISCOUNTS

The increase in renewable energy production brings with it the effect of renewable energy discounts. In 2024, renewable energy discounts increased significantly.

The captured renewable energy price is the average market price, weighted by hourly production. Due to the volatility of renewable energy production, the captured renewable energy price differs from the market price (the arithmetic mean of hourly prices). Market prices tend to be lower during periods of high renewable energy production and higher during periods of low renewable energy production, which is why the captured renewable energy price is usually lower than the market price. The renewable energy discount measures the difference between the captured renewable energy price and the market price as a percentage.

The renewable energy discount can be measured for different renewable energy sources. As Enefit Green produces mainly wind energy, the graphs below show the discounts for wind profiles (wind discounts) in the markets where we produce and sell wind energy. They reflect the overall market situation and not necessarily the conditions in Enefit Green's production portfolio.

Larger wind discounts are caused by hours with negative prices, which generators can counteract by actively managing, in particular curtailing, their generation assets (requires relevant capability, which Enefit Green has set up and actively uses at it's wind farms). In addition, assets that are less correlated with the overall market (mainly due to their different location – for example Enefit Green's Tolpanvaara wind farm in Finland) can help achieve discounts below the market average.

Significant Changes in the Regulatory Environment

Events and changes influencing future renewable energy development projects

EUROPEAN PARLIAMENT ELECTIONS

The Greens were the clear losers in the June 2024 European Parliament elections, while the centrist groups (the European People's Party, the Socialists and Democrats, and Renew Europe) retained their majority.

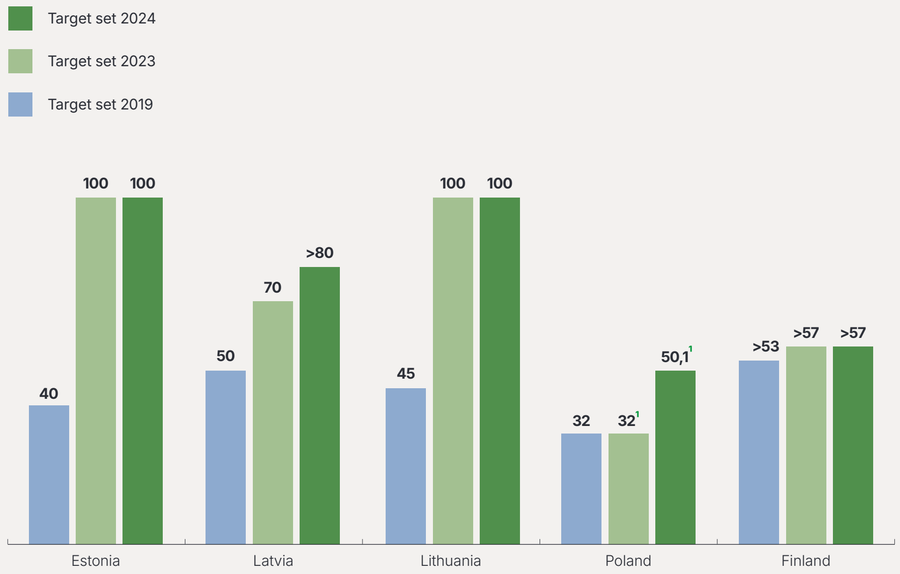
It is highly unlikely that the green policies adopted during the previous legislature will be reversed and that the policies already in place to promote the production and consumption of renewable electricity will be changed.

UPDATES TO EU MEMBER STATES' NATIONAL ENERGY AND CLIMATE PLANS

Member states were required to submit their updated energy and climate plans by 30 June 2024, based on the feedback from the European Commission. The plans provide investors with the necessary information on national plans for developing renewable electricity production, supporting the timely planning of renewable energy investments and reducing the risks associated with unexpected changes for electricity producers.

In 2024, among Enefit Green's core markets, Latvia and Poland increased the renewable electricity production targets in their climate and energy plans. The two countries aim to achieve their 2030 targets primarily by expanding onshore wind and solar power production. Recent years' aggressive updates to national energy plans indicate a growing risk of renewable energy discounts in Enefit Green's core markets.

Targets set in the national energy and climate plans of Enefit Green's core markets for the share of electricity produced annually from renewable sources in the country's electricity consumption in 2030, %



[1] Poland emphasises in its energy and climate plan that the figure is not a target, but a forecast.

LITHUANIAN PARLIAMENT ADOPTED REVISED NATIONAL ENERGY INDEPENDENCE STRATEGY

The cornerstone of Lithuania's revised National Energy Independence Strategy is the production of electricity from renewable energy sources and using it to produce hydrogen derivatives (green synthetic fuels, methanol, ammonia, synthetic methane, etc). Under the strategy, the state will need to create conditions for a competitive environment for the production and storage of electricity and other energy sources in order to maximise their use in Lithuania.

The strategy envisages a more than sixfold increase in Lithuania's electricity consumption from the current 12 TWh to 74 TWh by 2050. The implementation of the strategy could have a transformative impact on renewable electricity production in Lithuania.

CHANGES TO THE EU ELECTRICITY MARKET DESIGN

In June 2024, a thoroughly prepared reform of the European Union's electricity market design (EMD) was approved with the adoption of Directive (EU) 2024/1711 and the directly applicable Regulation (EU) 2024/1747 in an effort to improve the EMD.

Two-way contracts for difference

The most significant change related to renewable electricity production is a restriction that will take effect in July 2027. It will allow direct price support for the construction of new renewable power-generating facilities that are connected to a single bidding zone to be provided only through two-way contracts for difference or similar measures. This restriction will be extended to offshore wind farms and power-generating facilities connected to multiple bidding zones in July 2029.

Under a two-way contract for difference, consumers will pay support to renewable power generators when market prices are low, while power generators will pay support to consumers when market prices are high. Supporting renewable power generation will thus become a risk-sharing arrangement between producers and consumers.

The simplest two-way contract for difference guarantees power generators the price specified in the contract, while reducing their incentive to combine power generation with storage in a way that prioritises supply to the grid during periods of higher demand when market prices are higher.

Derogations for the Baltic electricity markets

Regulation (EU) 2024/1747 gives the transmission system operators (TSOs) in the Baltic countries the right to compete with electricity producers for system services.

Directive (EU) 2024/1711 gives Estonia, Latvia and Lithuania the right to allow their TSOs and their affiliates to own, develop, manage and operate energy storage facilities without an open, transparent and non-discriminatory tendering procedure and to allow such energy storage facilities to buy or sell electricity in the market. It also allows the Baltic TSOs to allocate less than 70% of the transnational transmission capacities to the electricity market. The derogations can be applied for up to eight years after the decoupling from the Russian electricity system.

Estonian, Latvian and Lithuanian TSOs were granted exceptional rights to procure the creation of capacities necessary for balancing the electricity system with long-term contracts for up to eight years after decoupling from the Russian electricity system. This will reduce the risks associated with building the power plants and storage facilities needed to provide system services in Estonia, Latvia and Lithuania. Normally, under the EU electricity market rules, such services can only be purchased under short-term contracts.

Based on the amended rules, in mid-2024, the Estonian transmission system operator Elering announced a reverse auction for the construction of up to 500 MW of dispatchable generation or storage capacity for frequency containment reserves. The deadline for bid submissions is 14 July 2025. If successful, the reverse auction could significantly accelerate large-scale investments in electricity storage and dispatchable electricity generation facilities. These investments would help reduce the frequency of high market prices and, among other benefits, lower the riskiness of fixed-price baseload PPAs.

Harmonised principles for renewable energy auctions

In May 2024, the European Commission issued a recommendation on the design of renewable energy auctions. As a result, non-price criteria in future auctions can be expected to become more harmonised across member states, potentially making it easier for companies to participate in auctions in multiple countries and encouraging competition.

At the same time, the recommendation allows for the introduction of requirements other than price (such as pre-qualification criteria for bidders), which may limit competition.

The actual impact of the recommendation will become clear once the terms of future auctions are published.

Accelerating permitting for renewable energy production

The deadline for member states to transpose the provisions on accelerating permitting, as set out in the amendments to the Renewable Energy Directive (RED III), adopted in 2023, was 1 July 2024. These amendments apply to new renewable energy generation developments.

In Lithuania, relevant amendments to the Law on Construction and related regulations entered into force on 1 November 2024. One stage was removed from the previous three-stage construction planning process, and the responsibility of designers was increased. While this will shorten the time required for pre-construction planning, it will also make the design process more complex and, consequently, more expensive.

At the end of 2024, Latvia decided to establish an Energy and Climate Agency to accelerate the development of renewable energy. Its role will be to serve as a single point of contact for developers of wind energy projects and coordinate the processing of the required documents by public authorities. The Agency will start operating in February 2025.

In Estonia and Poland, the process of adopting planned amendments to laws and regulations aimed at accelerating the permitting process for renewable power generation is still ongoing.

Amendments impacting existing renewable power generation facilities

ENERGY RECOVERY FROM MUNICIPAL WASTE IN ESTONIA

The Estonian parliament passed an amendment to the Electricity Market Act, ending renewable energy and efficient cogeneration support for the Iru CHP plant starting from 2025. In Enefit Green's view, the amendment is disproportionate, discriminatory and calls into question whether the state will honour its future 12-year renewable energy development commitments.

The company asked the chancellor of justice to assess the constitutionality of the amendment. The chancellor of justice concluded that the amendment was unconstitutional and submitted a proposal to the president of the Estonian parliament to rectify the inconsistency with the constitution. The Ministry of Climate has prepared a proposal for a relevant amendment to the law, on the basis of which the support payments suspended in January will be paid to the company retrospectively during 2025.

At the end of 2024, draft legislative amendments were submitted for consultation, which are aimed at reducing energy recovery from municipal waste of Estonian origin. The main impact on Enefit Green's operations will be the introduction of a tax on energy recovery from waste, which will increase the gate fee for waste incineration. This is expected to reduce the volume of waste incinerated, leading to a decline in revenue from the sale of energy produced from waste. The legislative amendments are scheduled to be adopted in 2025.

RULES FOR PROTECTING BIRDS AND BATS IN LITHUANIA

In November 2024, new rules for assessing the impact of wind farms on birds and bats came into force in Lithuania. These rules will primarily affect existing wind farms that were not subject to these rules at the time of their development.

If a monitoring report prepared under the new rules identifies that an existing wind farm has a negative impact on birds or bats, mitigation measures will have to be taken for the wind farm to continue operating. These may include shutting down wind turbines during periods of increased risk to birds and bats (e.g. seasonal migration and nesting periods), installing automatic bird detection devices on turbines, or re-painting turbine blades.

The same rules will apply to wind farms under development, but in the development of a new wind farm the requirements can already be considered during the planning phase.

The extent of the impact of the new rules will become clear once the first monitoring report is completed.

PROPERTY TAX INCREASE AND CLARIFICATION OF RULES IN POLAND

In Poland, the property tax was increased by 15% at the beginning of 2024. This has raised the fixed costs for solar farms. In the same year, the Local Taxes and Fees Act was amended to exempt, from 2025 onwards, electricity generation and transmission equipment not connected to buildings (e.g. solar panels, inverters, cables) from property tax.

Electricity Sales Portfolio: Balance Between Market Price and National Revenue Security Mechanisms

Enefit Green primarily sells electricity on the day-ahead wholesale market (i.e. on the Nord Pool power exchange) at market prices and through long-term power purchase agreements at fixed prices.

The share of national fixed-price renewable energy support measures in Enefit Green's electricity sales portfolio has decreased significantly in recent years. While in 2022 around a quarter of our electricity production was covered by these support measures (the feed-in-tariff (FiT) support scheme for wind farms in Lithuania), in 2024 only 1% of production was covered by similar contracts (contracts for difference (CfD) in Poland).

The decline in the share of national support measures has been due to our own proactive replacement of Lithuanian support measures with market-based contracts in 2022. The objective was to lower the longer-term electricity price risks of the Lithuanian wind farms in a situation where the national support measures were about to expire in the coming years.

The share of feed-in premium (FiP) support, previously used in Estonia, has also decreased in Enefit Green's portfolio in recent years due to the expiry of the scheme. Most of the 12-year support agreements under this scheme will expire by the end of 2025.

The energy crisis of 2022 and the resulting high energy prices created strong market demand and conditions for a transition from soon-to-expire national support measures to market-based, long-term fixed-price power purchase agreements (PPAs).

A PPA is a power purchase agreement under which the buyer commits to purchase and the seller commits to sell electricity at the time, price and amount agreed between the parties. A PPA can be physical, where electricity is delivered under the agreement, or virtual, where only a financial settlement is made.

At 31 December 2024, all long-term PPAs signed by Enefit Green were physical PPAs, i.e. with the physical delivery obligation. In 2024, we also used short-term financial transactions to manage the portfolio of long-term PPAs.

In the case of PPAs, a distinction is made between two volume profiles:

1. a pay-as-produced PPA – the contracted amount of electricity is determined by the actual future production of the underlying production facility; and
2. a baseload PPA – the parties agree a fixed amount of electricity that the seller is obliged to supply and the buyer is obliged to purchase each hour.

A pay-as-produced PPA involves a lower risk for the producer, as it guarantees an agreed price for each MWh produced and the producer only bears production volume risk. For the time being, however, there is not yet sufficient buyer demand for this type of PPAs in the Baltic markets. This is mainly due to the small share of large industrial consumers and limited experience in managing electricity price risk.

A baseload PPA hedges the producer against the risk of low electricity prices. The format of the agreement is standardised and comparable to futures contracts traded on Scandinavian markets. However, baseload PPAs change the nature of the risk in the portfolio, as the producer bears the production profile risk, the profile discount risk and, to some extent, price risk. It results from the need to make purchases at market prices in the event of production shortfalls.

Most of PPAs signed by Enefit Green follow the monthly baseload model. It takes into account the different monthly wind and solar power generation profiles throughout the year, but the amount of electricity sold each month remains the same for all hours of a given month.

	TYPE OF PPA	
	BASELOAD	**PAY-AS-PRODUCED**
Price of electricity	**Fixed**	**Fixed**
Amount of electricity	**Fixed** Equal amount of electricity in each hour of a month; months vary according to the agreement.	**Variable** Amount varies according to the actual production of a specific facility/farm; a minimum production requirement may apply.
Bearer of profile risk	**PPA seller** In the event of a production shortfall, the seller has to buy electricity at the market price in order to ensure supply to the buyer.	**PPA buyer** The amount depends on the actual production; in the case of a shortfall, the buyer has to buy electricity at the market price.
Bearer of profile discount risk	**PPA seller** In the event of a production shortfall, the seller has to buy electricity at a market price that is likely to be higher than average. A production surplus will have to be sold at a market price, which is likely to be below average during periods of high renewable energy production; in addition, an increase in the profile discount is accompanied by an increase in the gap between purchase and sales prices.	**PPA buyer** Electricity is likely to be supplied in a period when the market price is below average. A shortfall occurs in a period when the market price is higher than average.

Sufficient demand for such contracts in 2022 enabled Enefit Green to create competition between the region's leading energy companies and to sign a considerable number of attractively priced contracts. In subsequent years, end-customer interest in long-term power purchases has declined and demand for PPAs has therefore been very low.

In 2024, the company did not sign any new long-term fixed-price PPAs (2023: 52.6 GWh at an average price of €70/MWh).

In 2024, Enefit Green's electricity production was significantly below initial forecasts, leading to a higher-than-planned share of production covered by PPAs. This, in turn, resulted in a considerably higher need to purchase electricity to cover the PPA portfolio.

In 2024, we actively managed the PPA portfolio through short-term financial transactions to mitigate profile risk. Based on the latest production forecasts, price expectations and other relevant factors, we reduced the volume of PPAs where necessary, balancing the hedging of price risk with the management of risks associated with purchases related to baseload PPAs.

PROFILE RISK OF BASELOAD PPAs

The profile risk of baseload PPAs is the risk that the producer will have to cover the short-term production shortfalls arising from differences between the actual production profiles of its production assets and the baseload PPAs by purchasing electricity on the day-ahead market (purchases to cover PPAs) at current market prices. Electricity produced in excess of the PPA volumes is sold by the producer on the day-ahead market at the market price.

The chart on the right illustrates how fluctuations in wind power production can cause electricity surpluses and shortfalls for the producer (compared to the fixed amounts sold under the baseload PPAs) and the resulting purchases and sales. It also reflects the day-ahead production forecast and the actual production volume, which, if different, give rise to the so-called open supply transactions (both purchases and sales).

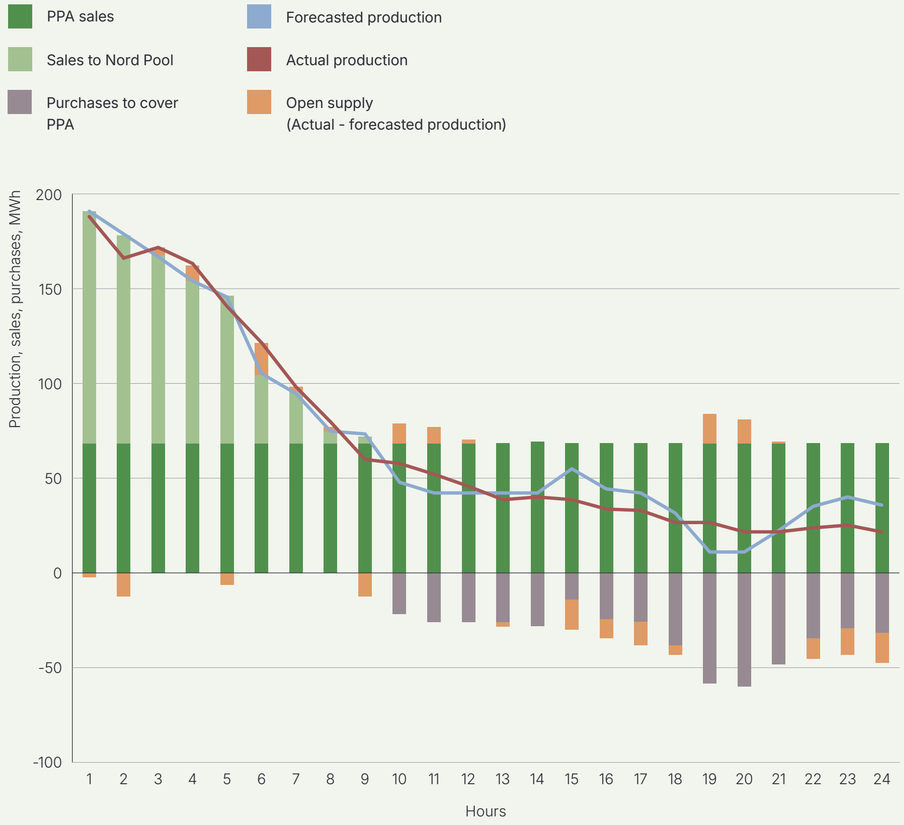
In the case of purchases resulting from the materialisation of the profile risk of baseload PPAs, Enefit Green is also exposed to the price risk of these purchases. The price risk of purchases depends on two components: Nord Pool's general price level and the size of the profile discount.

The profile discount results from the fact that the market price is lower when the production of a renewable energy asset is high and higher when the production of the asset is low or zero. As purchases are typically made during periods of low production, the purchase price is generally higher than the Nord Pool average. Therefore, the steeper the profile discount, the higher the purchase price compared to the Nord Pool average.

In addition to the purchase price, the profile discount also affects the sales price of electricity produced in excess of the volume of baseload PPAs, as production surpluses generally occur when renewable energy production is high and prices are lower.

Purchases made due to the materialisation of the profile risk of baseload PPAs will also increase the volume of electricity sold, with sales exceeding the production volume by the exact amount of electricity purchased. In the case of no profile discount, if monthly production exceeds the volume of baseload PPAs, there would be no negative impact from the intra-month electricity shortfall purchases, as the surplus would be sold at the same average price as the purchases were made. The negative impact of these purchases on the financial results stems from the fact that, due to the profile discount, the purchase price of the electricity shortfall is higher than the selling price of the electricity surplus.

Example: transactions in a wind energy portfolio
with baseload PPAs during a theoretical 24h period, MWh



When managing a portfolio of baseload PPAs, it is essential to monitor the share of PPAs in total production. Production is tracked separately for each country, as PPAs require electricity to be supplied to the electricity grid of a specific country, and electricity produced in one country can only be supplied to the grid of that country. For example, if production in Lithuania falls below the volume of the PPAs in a given hour, this shortfall cannot be covered by production in Estonia. In such cases, Enefit Green purchases the shortfall in Lithuania from the market while simultaneously selling the surplus production in Estonia to the market. In the hours when prices are equal in both countries, the sales revenue offsets the purchase costs, although the transactions are recorded separately as purchases and sales.

A higher share of PPAs in production generally results in a higher volume of purchases. Therefore, Enefit Green actively monitors its PPA portfolio and adjusts its short-term position when necessary, considering the latest production, price, and profile discount forecasts. A large part of short-term portfolio management is carried out using financial instruments, particularly swap instruments. These do not involve the delivery of physical electricity but a financial settlement at the end of the period based on the difference between the agreed price and the actual market price as well as the agreed volume. As a result, reduction of the PPA position with financial transactions does not affect the volume of physical electricity purchases but helps mitigate the price risk associated with such purchases.

COMPARISON OF PPAS AND SUPPORT MEASURES WITH FORECASTED PRODUCTION VOLUMES FOR 2025–2033

Long-term PPAs

According to its previous practice, Enefit Green has generally fixed the sales price of electricity through PPAs for 60% of a development project's projected output for the first five years before making the final investment decision on the project. In addition, the company has used PPAs to sell the output generated by its existing production assets.

In Q3 2024, we revised our investment criteria, moving away from the previous target for the share of fixed-price output. Going forward, we will focus on targeting a minimum guaranteed revenue level to cover fixed costs and debt service.

As at 31 December 2024, Enefit Green had signed PPAs (incl. financial swaps) in the volume of 8,214 GWh at an average price of €71.2/MWh for the period 2025–2033. The counterparty to most of the PPAs is Eesti Energia AS (7,409 GWh).

46.6% of Enefit Green's expected electricity production in 2025–2028 is covered by PPAs at an average price of €67.8/MWh. For the years 2029–2033, Enefit Green has signed PPAs for a total of 2,458 GWh at an average price of €79/MWh.

National support measures

Part of Enefit Green's electricity production in Estonia continues to receive renewable energy support, which is paid in addition to the sales price on the electricity market (feed-in-premium, FiP). 4% of the company's expected electricity production in 2025–2028 is covered by FiP support measures at an average FiP rate of €51.9/MWh.

The share of fixed-price support measures has decreased significantly. Only 1% of Enefit Green's expected electricity production in 2025–2028 is covered by fixed-price support measures (contracts for difference (CfD) schemes in Poland) at an average price of €120/MWh.

Coverage of Enefit Green's electricity portfolio by PPAs and renewable energy support measures

	2025	2026	2027	2028	TOTAL 2025–2028
PPA[1]	54%	49%	48%	38%	47%
Volume, GWh	1,453	1,534	1,549	1,219	5,755
Price[2] €/MWh	62.6	64.8	69.0	76.4	67.8
FiP support[1]	9%	3%	3%	2%	4%
Volume, GWh	255	91	83	80	509
Price[2], €/MWh (added to the market price)	50.1	53.7	53.7	53.7	51.9
FiT-/CfD[1]	1%	1%	1%	1%	1%
Volume, GWh	26	26	27	27	106
Price[2] €/MWh	116.6	118.9	121.0	123.4	120.0

[1] Estimated share of production covered by the measure. Estimated production comprises the forecasted production of operating assets and assets under construction.
[2] Weighted average sales price or support for production covered by the measure.

Estimated production volumes of production assets (completed and under construction) and their coverage by PPAs and renewable energy support measures in 2024–2028, GWh

[3] The assets under construction include the Kelme I and Kelme II wind farms, all other assets are classified as operating/producing.
[4] Price floor – state support in the form of a price floor received through a reverse auction at a price level of €34.9/MWh (maximum support €20/MWh) for 12 years.

By Digitalising Business Processes In Asset Management, We Improve The Availability And Performance Of Production Assets

Enefit Green's asset management focuses on data-driven management of production assets. We integrate new assets into existing digitalised control systems and implement innovative solutions in order to identify areas where availability can be improved and to provide system services to transmission system operators (TSOs).

24/7 CONTROL CENTRE FOR PRODUCTION ASSETS

In 2024, we significantly improved our monitoring and response capabilities for production assets, extending the scope of the 24/7 control centre from cogeneration to wind and solar farms in all core markets.

Changes in the electricity market, such as the transition to 15-minute trading intervals and volatile electricity prices, combined with the company's fast-growing generation portfolio, require an increasingly agile response to managing production. This is the only way to ensure the best financial results for the company.

The 24/7 control center has significantly increased our ability to detect and react quickly to unplanned production stoppages at any time. For example, we are able to shorten production downtime caused by icing of the wind turbine blades by ordering the restart of wind turbines from a maintenance partner. In addition, the staff of the control centre ensures that the production forecasts are updated around the clock for the partner carrying out energy sales.

CHANGES IN THE BUSINESS ENVIRONMENT AFFECT PERFORMANCE

The rapid growth of renewable generation capacity in all our markets has created a situation where favourable weather conditions lead to more frequent occurrence of excess generation capacity in the market. This results in very low or even negative electricity prices, which generally translate into loss-making generation for the company. On the other hand, a market for the provision of system services to TSOs has opened up, creating opportunities to generate additional revenue, provided we are able to manage our assets flexibly.

While negative electricity prices were recorded for 123 hours in the Estonian price area in 2023, this number increased strongly in 2024: due to excessively low prices, we curtailed production during 349 hours (including 170 hours with negative prices) in Estonia, 339 (173) hours in Lithuania and 960 (495) hours in Finland. Enefit Green decided not to offer 86 GWh of energy to the day-ahead market in 2024 in order to avoid supplying at a loss.

By the end of 2024, we had developed automated production control capabilities for 469 MW and 5.6 MW of wind and solar farms, respectively. Implementing the solution not only allows us to avoid the above loss-making transactions, but also to provide the system services required by TSOs.

System services include rapidly adjusting the output of generation assets to the grid based on the needs of the energy system to ensure system-wide stability and security of supply. By providing modern system services, we actively contribute to a smoother integration of renewable energy into the energy system. This will improve the competitiveness of renewable energy compared to other forms of power generation.

We are the first renewable energy company in the Baltic energy markets whose wind energy production facilities have passed the qualification tests required by both the Estonian and Lithuanian TSOs.

By the end of 2024, we had developed the manual Frequency Restoration Reserve (mFRR) down-regulation capability at 11 wind farms with 245 MW of capacity qualified to participate in the market.

We have prequalified for the automatic Frequency Restoration Reserve (aFRR) market with a portfolio of 75 MW. In 2025, we will continue to expand our system services capacity to the majority of our generation assets.

In the Baltic countries, the frequency reserve market opened in Q1 2025. We plan to actively participate in this market to generate additional revenues from our assets. During the year we also intend to develop the capability and start providing up-regulation services.

AVAILABILITY OF PRODUCTION ASSETS

Annual availability of production assets in 2022–2024[1]

Percentage %	2022	2023	2024
Total for wind farms[2]	94.7	93.6	92.4
incl. operating wind farms[3]	94.7	93.6	95.5
Iru CHP plant	86.4	94.8	91.2
Solar farms	99.8	99.8	99.8
Keila-Joa hydroelectric facility	98.4	100.0	100.0
Ruhnu renewable energy solution	99.8	99.8	99.4

1 We use availability metrics to assess the performance of our generation assets. For wind and solar farms, we use output-based availability, which characterises how much of the potential output the assets actually produced, excluding the impact of grid constraints, deliberate curtailment and environmental requirements. For other production units, we use time-based availability, which indicates the amount of time the assets were either generating or ready to generate electricity during the entire period.

2 Total availability also includes the farms that produced energy throughout 2024 but were developed during the year: Akmenė, Šilalė II and Tolpanvaara.

3 Wind farms classified as operating prior to 2024.

Wind farms

In 2024, the overall availability of our wind farms was 92.4%, which was below expectations. However, the availability of wind farms classified as operational before 2024 was 95.5%, confirming the effectiveness of our knowledge-based and data-driven maintenance and repair strategy. We are pleased with the availability of the WinWinD wind farms, which was better than expected (93.3%) in 2024. The availability of the Šilutė wind farm in Lithuania also improved significantly as we overcame the problems encountered in 2023.

Although the new wind farms Akmenė, Šilalė II and Tolpanvaara were online throughout 2024, their availability and production volumes remained well below the designed levels. This was due to various warranty works.

Also noteworthy are the changes made in 2024 to the maintenance strategy for wind turbine blades. We have increased the use of drones to reduce blade inspection time and associated production downtime. We have also implemented software to improve analytical accuracy and created a database to monitor the life cycle of blades. These activities are helping to improve preventive maintenance and reduce unexpected major repairs.

Iru CHP plant

In 2024, the availability of the Iru CHP plant was 91.2%, significantly below our expectations. Although there were no major one-off unexpected malfunctions that greatly reduced availability, the number of failures that required short-term repairs increased. In total, the plant experienced 35 failures in 2024. During the planned two-week maintenance in the summer, it became apparent that extensive masonry repairs were needed to the interior surfaces of the boiler's combustion chamber. This extended the maintenance period by one week.

Based on the results for 2024, we have scheduled more time for the regular summer maintenance in 2025. This will allow us to improve the masonry throughout the boiler and replace the heat exchanger pipes in the necessary sections. We will also install new air preheaters. In total, we have planned a 6.5 week outage for the planned maintenance in the summer of 2025. The reason for the long shutdown is also the scheduled maintenance of the turbine, which will be carried out on the manufacturer’s premises.

Solar farms

The availability of our solar power plants has remained high for years and was the same last year (99.8%).

Operating assets of Enefit Green

at 31 December 2024

Segment	Country	Production unit	Electrical capacity (MW)	Generators (pcs)	Turbine supplier	Age (yrs)	Remaining useful life (yrs)	Expiry of renewable energy support (month/year)	Capacity factor[1] (%)
Wind									
	Estonia	Pakri	18.4	8	Nordex	19.7	5.3	12/2016	23.6
	Estonia	Esivere	8.3	4	Enercon	19.3	10.7	10/2017	21.0
	Estonia	Aulepa I	39.0	13	WinWind	15.8	4.2	07/2021	21.4
	Estonia	Tooma I	16.0	8	Enercon	15.1	14.9	04/2022	24.7
	Estonia	Virtsu I	1.2	2	Enercon	22.6	7.4	10/2014	28.1
	Estonia	Virtsu WT1	0.6	1	Enercon	22.2	7.8	10/2014	29.8
	Estonia	Virtsu WT2	0.8	1	Enercon	17.0	13.0	12/2019	18.3
	Estonia	Virtsu II	6.9	3	Enercon	16.8	13.2	07/2020	21.9
	Estonia	Virtsu III	6.9	3	Enercon	14.6	15.4	08/2022	23.0
	Estonia	Vanaküla	9.0	3	WinWind	15.0	5.0	09/2022	19.8
	Estonia	Aseriaru	24.0	8	WinWind	12.3	7.7	10/2024	24.8
	Estonia	Viru-Nigula	21.0	7	WinWind	17.5	2.5	04/2025	24.1
	Estonia	Narva	39.1	17	Enercon	12.0	18.0	06/2025	20.0
	Estonia	Paldiski I	22.5	9	GE	12.2	12.8	06/2025	28.3
	Estonia	Paldiski II	22.5	9	GE	12.2	12.8	06/2025	28.1
	Estonia	Aulepa II	9.0	3	WinWind	13.8	6.2	03/2027	21.7
	Estonia	Tooma II	7.1	3	Enercon	8.5	21.5	05/2029	27.2
	Estonia	Ojaküla	6.9	3	Enercon	11.7	18.3	–	25.1
	Estonia	Purtse	21.0	5	Vestas	1.8	28.2	04/2036	20.8
	Total Wind energy segment in Estonia		**280.2**	**110**		**13.5**	**11.7**		

continues

[1] Ratio of the actual output of the period under review to the theoretical maximum output.

Segment	Country	Production unit	Electrical capacity (MW)	Generators (pcs)	Turbine supplier	Age (yrs)	Remaining useful life (yrs)	Expiry of renewable energy support (month/year)	Capacity factor[1] (%)
Wind									
	Lithuania	Sūdėnai	14.0	7	Enercon	16.0	14.0	06/2021	22.9
	Lithuania	Mockiai	12.0	6	Enercon	14.1	15.9	08/2022	34.2
	Lithuania	Šilalė	13.8	6	Siemens	13.3	11.7	08/2022	30.3
	Lithuania	Čiūteliai	39.1	17	Enercon	12.0	18.0	09/2022	29.9
	Lithuania	Šilutė	60.0	24	GE	8.4	16.6	09/2022	36.3
	Total Wind energy segment in Lithuania		**138.9**	**60**		**11.2**	**16.2**		
	Finland	Tolpanvaara	72.0	13	Nordex	0.7	29.3	–	29.1
	Total Wind energy segment in Finland		**72.0**	**13**		**0.7**	**29.3**		
Solar									
	Estonia	22 farms	48.2	362		2.5	29.5	To the extent of 11.8 MW, average remaining period 7.6 years	
	Poland	21 farms	33.0	378		3.8	23.9	To the extent of 18.2 MW, average remaining period 9.3 years	
	Total Solar energy segment		**81.2**	**740**		**3.2**	**29.4**		
Cogeneration (mixed municipal solid waste)									
	Estonia	Iru[2]	19.3			**11.3**	**13.7**	12/2024	
	Total Cogeneration segment		**19.3**			**11.3**	**13.7**		
Other									
Hydro	Estonia	Keila-Joa	0.365			20	5.1	01/2017	–
Combined	Estonia	Ruhnu	0.455			6	16.5	03/2033	–
	Total segment Other		**0.82**			**12.2**	**11.4**		
TOTAL			**592.4**						

1 Ratio of the actual output of the period under review to the theoretical maximum output.

2 Iru CHP thermal capacity is 50 MW.

Construction and Development Activities

Total installed production capacity exceeds 1,100 MW

Following the IPO in 2021, Enefit Green has been in an active growth and construction phase in all its core markets and has more than doubled its installed production capacity to 1,124 MW. During the past three years, we have taken several financing and investment decisions and built both large- and small-scale wind and solar farms in Estonia, Lithuania, Finland, Poland and Latvia.

The growth over the last three years has been significant not only for Enefit Green, but also for the entire Baltic renewable energy market, where we are one of the leading renewable energy companies. The addition of around 700 MW of power generation capacity by us has been a major catalyst towards reducing our markets' dependence on imported and fossil fuel-based energy. This has created new added value in local communities and contributed to mitigating the energy crisis that erupted in 2022.

In 2024, we focused on completing projects under construction and bringing them into stable and sustainable operation. We started the year with more than 700 MW of renewable energy projects under construction. By the end of the year, only one wind farm in Lithuania (Kelmė II) and one solar farm in Latvia (Dzērves) with a total capacity of around 100 MW were still under active construction.

Development of production capacity 2024, MW

[1] Assets where active construction has been completed and production has started, but testing and commissioning work and/or various permitting processes are still ongoing.

Overview of Renewable Energy Projects 2021–2024

WIND FARM

Purtse

Project status
Completed

Expected annual output	Avoided carbon emissions per year[1]	Tower height	Tip height
45 GWh	40 thousand t	82 m	150 m

Wind generator model
Vestas V136

Number of generators	Installed production capacity[3]	Start of electricity production[2]	Actual production in 2023	Actual production in 2024	Total investment
5 pcs	21 MW	2023 March	24.3 GWh	37.3 GWh	34.9 €m

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

3 The generation capacity of the project will be limited to 18 MW for a period of 12 years while the support mechanism is in operation, and will increase to 21 MW after 2036.

WIND FARM
Tolpanvaara

Project status
Completed

Expected annual output	Avoided carbon emissions per year[1]	Tower height	Tip height
250 GWh	218 thousand t	148 m	230 m

Wind generator model
Nordex N163/5.X

Number of generators	Installed production capacity	Start of electricity production[2]	Actual production in 2023	Actual production in 2024	Total investment
13 pcs	72 MW	2023 December	11.8 GWh	180.1 GWh	90.9 €m

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

WIND FARM
Sopi-Tootsi

Project status
The start-up process has been completed. Preparations are being made for Elering's grid connection tests.

Expected annual output	Avoided carbon emissions per year[1]	Tower height	Tip height
700 GWh	609 thousand t	159 m	250 m

Wind generator model
Nordex N163/6.X

Number of generators	Installed production capacity	Start of electricity production[2]	Actual production in 2023	Actual production in 2024	Total investment
38 pcs	255 MW	2024 September	– GWh	200.5 GWh	355.7 €m

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

WIND FARM

Silalė II

Project status
Project Commissioned and is undergoing final LitGrid approvals and commissioning of construction process as per Lithuanian Legislation.

Expected annual output	Avoided carbon emissions per year[1]	Tower height	Tip height
160 GWh	139 thousand t	131 m	200 m

Wind generator model
General Electric GE3.6-137

Number of generators	Installed production capacity	Start of electricity production[2]	Actual production in 2023	Actual production in 2024	Total investment
12 pcs	43 MW	2023 January	115.5 GWh	134.0 GWh	77.1 €m

WIND FARM

Akmenė

Project status
Project Commissioned and is undergoing final LitGrid approvals and commissioning of construction process as per Lithuanian Legislation.

Expected annual output	Avoided carbon emissions per year[1]	Tower height	Tip height
258 GWh	224 thousand t	151 m	230 m

Wind generator model
General Electric 10x5.3-158, General Electric 4x5.5-158

Number of generators	Installed production capacity	Start of electricity production[2]	Actual production in 2023	Actual production in 2024	Total investment
14 pcs	75 MW	2023 March	74.3 GWh	220.0 GWh	106.7 €m

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

WIND FARM

Kelmė I

Project status
The start-up process is in the final phase. LitGrid's grid connection tests are due to begin soon.

Expected annual output	Avoided carbon emissions per year[1]	Tower height	Tip height
266 GWh	231 thousand t	148 m	230 m

Wind generator model
Nordex N163/5.X

Number of generators	Installed production capacity	Start of electricity production[2]	Actual production in 2023	Actual production in 2024	Total investment
14 pcs	80 MW	2025 January	– GWh	0.01 GWh	165.7 €m

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

WIND FARM

Kelmė II

Project status
Under construction

Expected annual output	Avoided carbon emissions per year[1]	Tower height	Tip height
315 GWh	274 thousand t	159 m	240 m

Wind generator model
Vestas V162/6.2

Number of generators	Installed production capacity	Expected start of electricity production[2]	Actual production in 2023	Actual production in 2024	Total investment
14 pcs	87 MW	2025 November	– GWh	– GWh	157.7 €m

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

SOLAR FARM
Purtse

Project status
Completed

Installed production capacity **32** **MW**		Expected annual output **32** **GWh**	Avoided carbon emissions per year[1] **28** **thousand t**
Producer of solar panels **Yingli**	Technology **Bifacial, half cut**		Number of solar panels **48.8** **thousand pcs**
Start of electricity production[2] **2023** **May**	Actual production in 2023 **25.7** **GWh**	Actual production in 2024 **30.2** **GWh**	Total investment **18** **€m**

SOLAR FARM
Estonia

Project status
Completed

Installed production capacity **3** **MW**		Expected annual output **4.1** **GWh**	Avoided carbon emissions per year[1] **4** **thousand t**
Producer of solar panels **Recom**	Technology **Bifacial, half cut, TopCon**		Number of solar panels **9.9** **thousand pcs**
Start of electricity production[2] **2023** **March**	Actual production in 2023 **0.1** **GWh**	Actual production in 2024 **3.7** **GWh**	Total investment **2.6** **€m**

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

SOLAR FARM

Kabala and Mõisavalla

Project status
Completed

Installed production capacity **0.4** **MW**		Expected annual output **0.4** **GWh**	Avoided carbon emissions per year[1] **0.3** **thousand t**
Producer of solar panels **Risen**	Technology **Bifacial, half cut, PERC**		Number of solar panels **0.6** **thousand pcs**
Start of electricity production[2] **2024** **May**	Actual production in 2023 **–** **GWh**	Actual production in 2024 **0.2** **GWh**	Total investment **0.2** **€m**

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

SOLAR FARM

Zambrów

Project status
Completed

Installed production capacity **8.8** **MW**		Expected annual output **9.6** **GWh**	Avoided carbon emissions per year[1] **8** **thousand t**
Producer of solar panels **Risen**	Technology **Bifacial, half cut, PERC**		Number of solar panels **16.3** **thousand pcs**
Start of electricity production[2] **2023** **April**	Actual production in 2023 **7.6** **GWh**	Actual production in 2024 **8.9** **GWh**	Total investment **5.8** **€m**

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

SOLAR FARM
Debnik

Project status
Completed

Installed production capacity **6** **MW**		Expected annual output **6.3** **GWh**	Avoided carbon emissions per year[1] **6** **thousand t**	
Producer of solar panels **Canadian Solar**	Technology **Bifacial, half cut, PERC**		Number of solar panels **9.2** **thousand pcs**	
Start of electricity production[2] **2024** **February**	Actual production in 2023 **–** **GWh**	Actual production in 2024 **5.8** **GWh**	Total investment **4.2** **€m**	

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

SOLAR FARM
Sopi

Project status
Under construction

Installed production capacity **74** **MW**		Expected annual output **75** **GWh**	Avoided carbon emissions per year[1] **66** **thousand t**	
Producer of solar panels **Risen**	Technology **Bifacial, half cut, PERC**		Number of solar panels **111.6** **thousand pcs**	
Expected start of electricity production[2] **2025** **January**	Actual production in 2023 **–** **GWh**	Actual production in 2024 **0.3** **GWh**	Total investment **43** **€m**	

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

SOLAR FARM

Carnikava Dzērves

Project status
Under construction

Installed production capacity **11** **MW**		Expected annual output **11.5** **GWh**	Avoided carbon emissions per year[1] **10** **thousand t**
Producer of solar panels **Leapton**	Technology **Bifacial, half cut, TopCon**		Number of solar panels **16** **thousand pcs**
Expected start of electricity production[2] **2025** **March**	Actual production in 2023 **–** **GWh**	Actual production in 2024 **–** **GWh**	Total investment **5.5** **€m**

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

SOLAR FARM

Carnikava Austrumi

Project status
Under construction

Installed production capacity **5.8** **MW**		Expected annual output **6.2** **GWh**	Avoided carbon emissions per year[1] **5** **thousand t**
Producer of solar panels **Leapton**	Technology **Bifacial, half cut, TopCon**		Number of solar panels **8.5** **thousand pcs**
Start of electricity production[2] **2025** **February**	Actual production in 2023 **–** **GWh**	Actual production in 2024 **–** **GWh**	Total investment **2.7** **€m**

1 The annual avoided carbon emissions have been calculated compared to the carbon intensity of oil shale-based energy production. The carbon intensity rate of the Eesti Energia group for this type of production was 0.87 t CO_2e/MWh in 2024.

2 First production refers to the time when a wind or solar farm first delivers a significant amount of electricity to the grid. This is not the time of completion of the farm, as adjustments and tests are required to obtain the final permits from the transmission system operator.

OFFSHORE WIND ENERGY

Electricity generation in the Baltic states has historically relied on a Soviet-era nuclear power plant in Lithuania, oil shale-based power production in Estonia, hydroelectric plants in Latvia, and electricity imports. Lithuania's outdated nuclear power plant was shut down at the end of 2009, and Estonia's oil shale-based electricity generation is no longer competitive under current market conditions due to its high CO_2 emissions. The development of new nuclear power plants in the region is unlikely within the next 10–15 years, leaving wind energy as the only large-scale, year-round electricity generation alternative that is independent of imports.

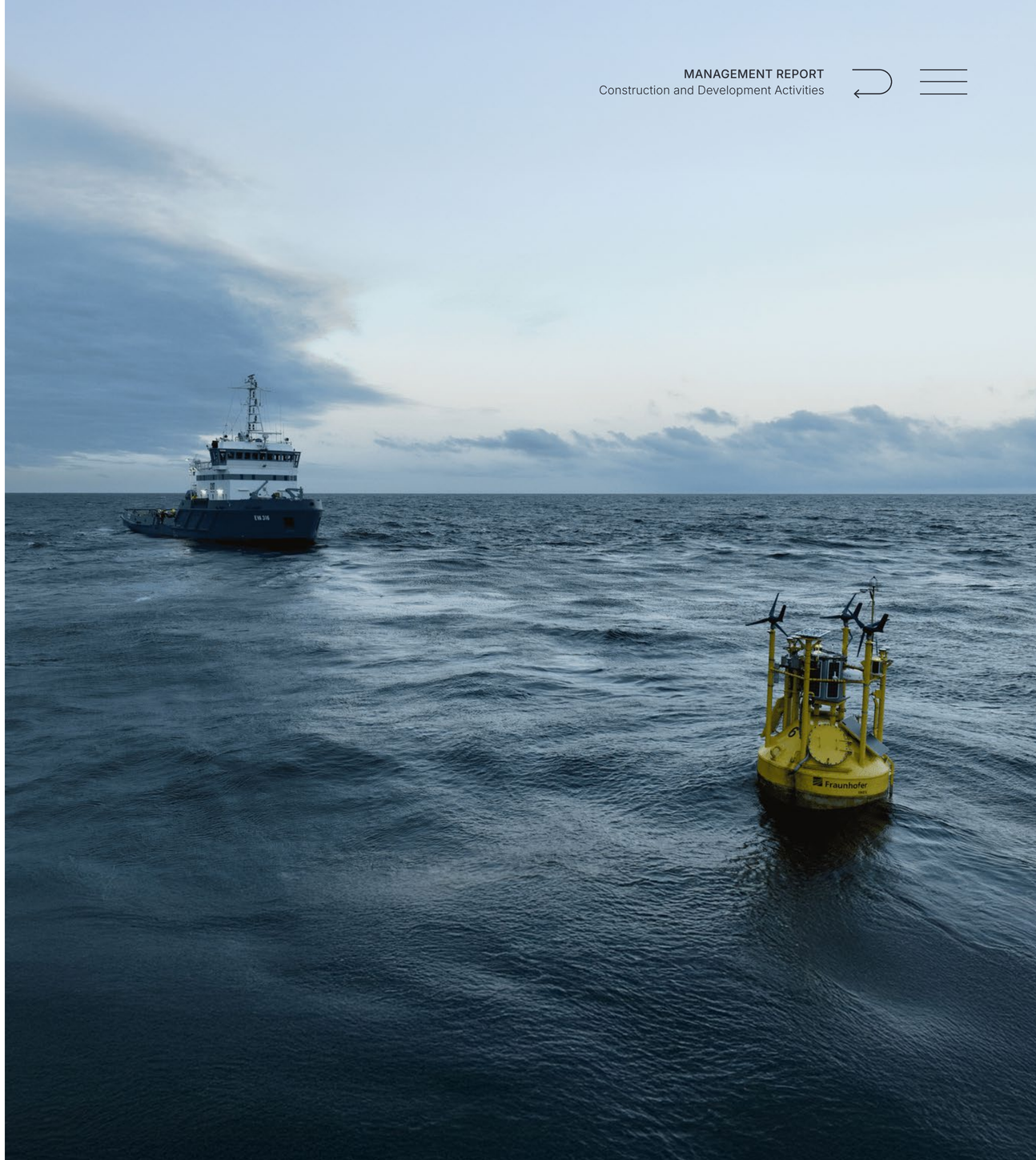
In addition to onshore wind and solar farms, large-scale use of electricity generated by offshore wind farms is the best way to meet existing and growing future energy needs. Due to more consistent wind conditions at sea, offshore wind farms can produce more energy and complement the output of onshore wind and solar farms in the nation's energy mix. It is estimated that the energy generated by just fifty offshore wind turbines could meet half of Estonia's current electricity consumption.

Offshore wind farms also have a wider socio-economic impact, as the increased availability of renewable electricity attracts investment in energy-intensive and value-adding industries. It can thus contribute to the development of the local community (€1m–€1.4m per year in support of neighbouring municipalities) and create around 150 direct and 150 indirect jobs.

Offshore wind farms could play a key role in the electricity market of the next decade, but their main challenge is their extremely high capital intensity. Therefore, their construction requires the availability of electricity price security mechanisms to limit the risks for financing providers.

Enefit Green is developing two offshore wind projects in Estonia: the Gulf of Riga offshore wind farm and the Northwest Estonia offshore wind farm, each with a capacity of around 1 GW and an expected annual output of around 4 TWh. Of these two projects, the Gulf of Riga offshore wind farm, with an expected construction period of 2028–2033, can be considered the preferred project due to its more favourable location.

The environmental impact assessment report for the Gulf of Riga offshore wind farm was completed and submitted to the Consumer Protection and Technical Regulatory Authority for public display



in December 2024. The results of the studies were presented to local authorities and communities during information days held in spring and autumn.

In February 2025, we signed a cooperation agreement with Sumitomo Corporation for the development of the Gulf of Riga offshore wind farm. Strategic partnership with a global trading house such as Sumitomo Corporation enables us to accelerate the development of the Gulf of Riga offshore wind farm by combining international expertise and experience in construction of offshore wind farms.

The Gulf of Riga offshore wind farm can host up to 84 wind turbines with a total capacity of 1,000 MW, generating up to 4 TWh of electricity per year. The actual total capacity of the wind farm will depend on the conditions of the reverse auction.

The environmental impact assessment report for the Northwest Estonia offshore wind farm was approved by the Ministry of Climate at the end of 2023. The next steps in the development process are the preparation of the technical design for the building permit process and the adoption of a marine spatial plan. The design process will clarify the technology and require further studies.

BATTERY STORAGE AND HYDROGEN TECHNOLOGY

The falling prices of battery energy storage systems in recent years, combined with increased volatility of intra-day energy prices and supply, have made investment in battery storage more attractive. Storage solutions, including battery storage, will facilitate market access for more renewable energy sources by enabling the shifting of electricity supply from hours of high renewable energy production to hours of low production. In addition, storage solutions can participate in the frequency reserve market, providing additional flexibility and supporting the stability and reliability of the electricity system.

Given the role of storage technologies in the future energy system, Enefit Green continued to analyse and test battery storage and hydrogen technologies in 2024.

During the year, preparations were made for a pilot project to install a battery energy storage system (BESS) at the Purtse hybrid farm. The plan is to install a 4 MW BESS capable of storing 9 MWh of energy. The investment decision for the project was made at the end of November 2024. The project is partly supported by the Environmental Investment Centre (KIK) with funds from the Recovery and Resilience Facility of the European Union's NextGenerationEU programme. The system is expected to be operational by the end of 2025.

If the Purtse pilot project is successful, Enefit Green plans to use a similar concept in other development projects, both in Estonia and other core markets, thereby expanding its portfolio of renewable energy solutions. The total investment in the Purtse pilot project amounts to around €3.9m, of which €1m is funded by KIK.

We are also interested in building green hydrogen production plants in our main markets. As part of a pilot project for a comprehensive green hydrogen solution, which received support from KIK already in 2023, Enefit Green plans to build a green hydrogen production unit in Estonia in 2026. It will have an electrolyser with a capacity of at least 0.5 MW and the production is expected to be consumed mainly by the vehicles of the Alexela and Eesti Energia groups. The total cost of the complete hydrogen supply chain (production-distribution-consumption) project is €27.5m, of which KIK will contribute €24.7m with funding from the Recovery and Resilience Facility of the European Union's NextGenerationEU programme.

In 2024, Enefit Green also successfully applied for funding from the Modernisation Fund of the Lithuanian Environmental Project Management Agency under the green hydrogen support measure: we received €16.9m for the development of four green hydrogen projects (with a total electrolyser capacity of 22 MW).

In 2024, Enefit Green also received support from the European Union's INTERREG programme to explore carbon capture technologies and the use of hydrogen synthesis for production purposes (e.g. to produce future marine fuels).

It is important for Enefit Green to support the use of clean fuels and the development of new, environmentally sustainable energy sources in the transport sector, which is the second largest source of CO_2 emissions after the power generation industry. The production of green hydrogen will open up new and wider green energy sales opportunities for Enefit Green.

Sustainability Report

Sustainability Principles

At Enefit Green, we are committed to operating sustainably and reducing our environmental footprint. We understand that the production of renewable energy has an impact on the environment and we work with our stakeholders to ensure the sustainability and social responsibility of our operations.

We are transparent and report regularly on our progress towards our sustainability goals. We are leading the transition to a future based on clean renewable energy and are working to make the world a better place for future generations.

Enefit Green's sustainability principles are aligned with the UN Sustainable Development Goals. We are gradually integrating selected environmental, social and governance criteria into our business objectives.

We operate in balance with the environment

We value our people and communities

We are trustworthy and transparent

Environmental Report

RESPONSIBLE AND SUSTAINABLE USE OF RESOURCES

Enefit Green is increasingly realising the significance of sustainable business in line with the growing environmental awareness in society. Following the principles of responsible business conduct and compliance with social and environmental requirements and expectations are an important part of our day-to-day operations alongside business performance. We are aware of our responsibility to society. We want to actively contribute to the achievement of environmental goals and do more than just comply with the law.

We are fully committed to the generation and development of renewable energy in Estonia and our other core markets. This way we can help reduce the dependence on fossil fuels, make our energy system more independent and sustainable and contribute to mitigating the climate crisis.

The Iru CHP plant plays a role in protecting the environment by producing heat and electricity from mixed municipal solid waste, which is unsorted waste from Estonian households. Although not directly considered a circular economy, the incineration of municipal solid waste is an environmentally preferable way of dealing with waste than landfilling it. Large-scale landfilling of municipal solid waste has been phased out in Estonia, largely due to the Iru CHP plant.

Enefit Green's goal is to use resources efficiently and to take responsibility for protecting the environment.

ENVIRONMENTAL MANAGEMENT

At Enefit Green, environmental management is a strategic activity, which includes continuously assessing the potential environmental impacts of our activities, setting environmental goals and targets, and seeking ways to improve our processes.

Effective environmental management means that environmental principles are embedded in our day-to-day operations in such a way that taking them into account in our activities is a natural choice. See the corporate governance chapter for further information about our environmental management audits.

Environmentally conscious decisions are based on the personal contribution of each employee. Therefore, since 2023, all our employees have been required to complete an e-course on environmental issues to help them understand the environmental impact of both the company and the individual. We encourage the acquisition of new knowledge and skills through our bite-sized learning sessions and environmental training at the Enefit Academy.

CLIMATE RESILIENCE ASSESSMENT

We started assessing the climate resilience of Enefit Green in 2024. The first version of the report, which describes the company's ability to prevent and mitigate the physical risks of climate change in all our markets, has been completed. Although the instability caused by climate change may affect the company's assets, operations and supply chains, the overall climate risks in the area where Enefit Green operates are significantly lower than in other parts of Europe.

To ensure climate resilience, Enefit Green has set itself three objectives:

1. protect assets and infrastructure, both in the development and operation phase;
2. maintain business continuity throughout the life of the assets;
3. ensure the financial stability of the company by managing the financial risks of climate change.

To achieve these objectives, we rely on a wide range of measures, including site surveys, application of design standards, monitoring of asset health, risk reassessment, use of insurance and continuous sharing of experience.

We are also planning to conduct an in-depth climate risk assessment in 2025.

Regular monitoring of the risk profile and ongoing risk assessment based on new knowledge help ensure that Enefit Green's activities remain sustainable in the context of climate change.

SUPPORTING BIODIVERSITY

We acknowledge that renewable energy installations can have a negative impact on biodiversity, such as the loss of birds or bats, but this impact is many times smaller than the impact of fossil fuels on climate and habitats.

The scientific consensus is that the impact of climate change on biodiversity is greater than the local losses from renewable energy production. As a relatively new sector, renewable energy is more environmentally aware than average and is actively implementing measures to reduce potential environmental damage.

The International Union for Conservation of Nature (IUCN) guidelines 'Mitigating Biodiversity Impacts Associated with Solar and Wind Energy Development' provide a framework for our development project planners on how to minimise the potential negative impacts of renewable energy solutions on biodiversity. The approach is based on a mitigation hierarchy consisting of four sequential steps: avoid, minimise, restore and offset.

In Enefit Green's projects, we have so far only had to implement the first two steps of the hierarchy. However, as a responsible company, we have trained and prepared our team to recognise situations where we need to focus our efforts on restoring natural values and offsetting impacts.

Each development project begins with the selection of a suitable site. We need to find areas that have been affected by human activity in the past, such as former mining sites, low-value farmland or areas close to settlements.

While this principle helps reduce the impact on wildlife, it may not match the community's expectations for land use in the area. In all cases, after an initial site selection, we carry out in-depth studies to gain a detailed overview of the natural values in the development area to guide our next steps.

Sopi-Tootsi: new life for a former peat extraction site

The Sopi-Tootsi renewable energy site in Põhja-Pärnumaa, Estonia, started producing energy in 2024. Consisting of a wind farm and a solar farm, it is the most powerful renewable energy production site in the Baltics with an estimated annual output of 750 GWh. This covers almost a tenth of Estonia's annual electricity consumption and marks a major step towards meeting the country's renewable energy targets.

Sopi-Tootsi is unique in that it has been built on a former peat extraction site that had long been affected by human activity. The reuse of former industrial sites helps to avoid building in natural areas and is in line with the biodiversity conservation objectives.

Development and construction activities have taken into account the humid environment and the need for different humidity regimes inside and outside the production areas, where excess humidity helps prevent emissions of the CO_2 stored in the peat. In this way, land use is deliberately targeted to give nature a chance to recover.

The planning of the Sopi-Tootsi renewable energy site was preceded by a thorough environmental impact assessment and a number of specific studies, including studies of bats and birds in the area. Particular attention was paid to the common cranes that use the area and the black storks that nest nearby, which are still being studied. Two black storks, Kergu and Kerli, which nest near the wind farm and are fitted with transmitters, reached Africa for a safe winter in the autumn of 2024.

Follow-up monitoring of birds and bats in the Sopi-Tootsi area will continue until at least 2030 to assess the impact of the wind farm. This will allow us to take further mitigation measures if necessary, such as improving the quality of the habitats or optimising the operation of the wind turbines.

The completion of the Sopi-Tootsi renewable energy site is an example of how carefully planned renewable energy development and environmental protection can go hand in hand.

Tolpanvaara: helping to study the impact of wind farms on the reindeer population

At the Tolpanvaara wind farm in Finland, we are working closely with the local reindeer farmers' association. Five reindeer have been fitted with GPS collars to study the impact of the new wind farm on their regular movement patterns and behaviour. We share the data we collect with scientists from the Natural Resources Institute Finland (Luonnonvarakeskus), who are studying the wider impact of wind farms on the Finnish wild reindeer population.

Akmenė and Kelmė wind farms: automated bird detection systems to be installed

In 2024, we decided to equip two of our Lithuanian wind farms (Akmenė and Kelmė II) with automated bird detection systems to prevent bird collisions with wind turbines.

The innovative technology, supplied by the German company ProTecBird, not only detects birds approaching the wind turbine, but also identifies the species of the birds. When birds come dangerously close to a wind turbine, the system automatically stops the wind turbine, allowing the birds to fly safely through the wind farm area.

The first system will be installed at the Akmenė wind farm in March 2025 and its effectiveness will be assessed during follow-up monitoring.

The experience gained will provide us with valuable new insights into how to further reduce the potential negative impacts of wind farms on birds.

EIA report for the Gulf of Riga offshore wind farm completed

A thorough environmental impact assessment (EIA) of the Gulf of Riga offshore wind farm, one of Enefit Green's most exceptional long-term projects, was completed by the end of 2024. It involved around 20 studies by more than 45 experts from Estonia and abroad.

The experts concluded that a wind farm with wind turbines with a higher unit capacity but a lower total number of turbines should be preferred. We have also been assured that the proposed offshore wind farm will not have a significant negative impact on the environment if appropriate mitigation measures are implemented. The report has been submitted to the Consumer Protection and Technical Regulatory Authority.

The future offshore wind farm in the Gulf of Riga will be presented in more detail together with public consultations in 2025.

EUROPEAN GREEN OFFICE

Enefit Green's head office in Tallinn has been certified as a European Green Office since 2017. Our Riga office joined the same programme in 2024.

A Green Office is a simple environmental management system, which sets out important governance and environmental principles that we follow. The main objectives of the Green Office are to:

1	continuously monitor and reduce the environmental impact of office activities;
2	promote a healthy working environment;
3	reduce the amount of waste generated.

The most noticeable change in our day-to-day work has been the increased use of video conferencing, which has enabled us to significantly reduce car use and fuel consumption by our office staff.

Our office building in Tallinn has an indoor health trail to encourage physical activity. The office has indoor plants, relaxation areas, collaborative workspaces and environmental awareness materials to promote health and environmental friendliness and ensure the productivity of our employees.

CARBON FOOTPRINT

In order to reduce carbon pollution, or at least the carbon intensity of energy production, in line with the climate goals, Enefit Green started to assess the carbon footprint of its activities in 2020.

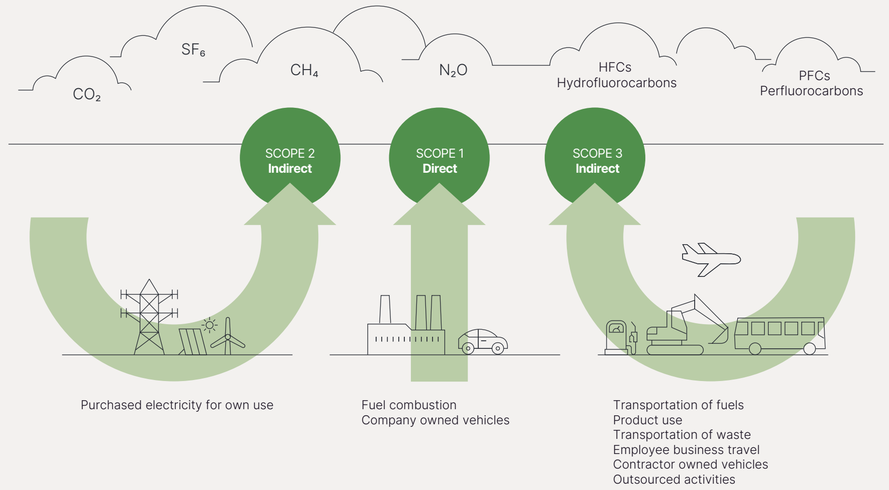
The carbon footprint expresses the total amount of greenhouse gas (GHG) emissions in quantitative terms. It is measured in CO_2 equivalents and includes emissions from all activities of a company (transport, energy consumption and waste management). GHG emissions are categorised according to the GHG Protocol standard.

The standard classifies a company's GHG emissions into three scopes:

1	direct emissions from sources owned or controlled by the company;
2	indirect emissions from the generation of purchased energy consumed by the company;
3	other indirect emissions from upstream and downstream activities in the company's value chain.

Carbon footprint

Formation of greenhouse gas emissions by scopes across the value chain



The standard requires direct biogenic CO_2 emissions to be reported separately from the above scopes.

Since 2021, we have included in scope 3 the GHG emissions from the production of the wind turbines and solar panels installed in our new wind and solar farms.

Our carbon footprint reports for 2022 and 2023 have been verified by AS PricewaterhouseCoopers and Nomine Consult OÜ, respectively, which have issued assurance reports under ISAE 3410. Due to the calculation methodology, the figures for 2024 are preliminary and have not been verified by a third party and may be revised by the time the next annual report is published.

Enefit Green's carbon footprint by source in 2022–2024

thousand tonnes CO_2e	2022	2023	2024
Scope 1			
Incineration of waste	128.1	147.7	135.0
Combustion of natural gas	1.1	2.4	3.8
Other low-impact emissions assessed	0.5	0.4	0.1
Total Scope 1	**129.7**	**150.5**	**138.9**
Scope 2			
Electricity purchased	23.3	24.3	6.2
Total Scope 2	**23.3**	**23.3**	**6.2**
Scope 3			
Transport of pellets to the consumer	4.1	4.2	–
Combustion of pellets, fossil part[1]	7.8	8.0	–
Production of solar panels and wind turbines	12.1	15.5	23.0
Transport of waste	1.8	1.8	1.7
Other low-impact emissions assessed	1.0	0.7	0.2
Total Scope 3	**26.8**	**30.2**	**24.9**
Total Scopes 1–3	**179.8**	**204.0**	**170.0**
Biogenic[2]			
Combustion of biomass	144.7	146.9	8.8[3]
Incineration of waste, biogenic part	121.4	141.1	130.0
Combustion of pellets, biogenic part	259.1	260.9	–
Total Biogenic	**525.2**	**548.9**	**138.8**
Total	**705.0**	**742.3**	**308.8**

1 CH_4 and N_2O resulting from the combustion of biogenic material and converted to CO_2e are considered part of the relevant scope. Enefit Green exited the pellet production and sales business at the end of 2023.

2 CO_2 from biogenic sources resulting from the combustion of organic material, including wood.

3 Enefit Green fully exited the biomass-based cogeneration business in the first quarter of 2024.

Measuring emissions by scope allows targets to be set to reduce the company's carbon footprint. At the end of 2023, Enefit Green signed agreements to sell its biomass-based cogeneration and pellet production businesses. As a result, in 2024 total carbon emissions of all scopes decreased by around 17% and biogenic CO_2 emissions by around 75% compared to 2023.

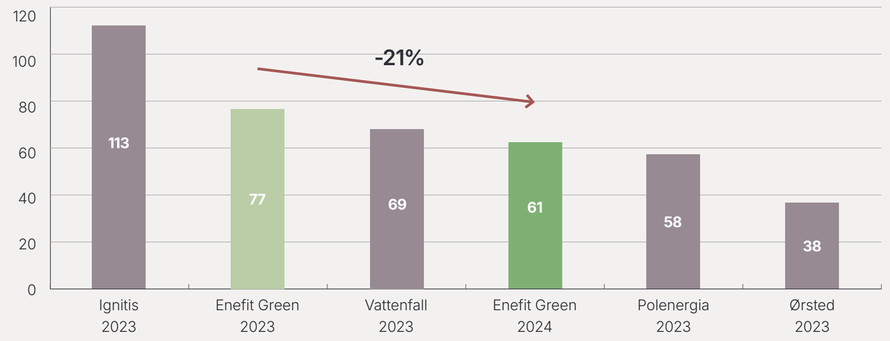
Following these transactions, the Iru CHP plant, which uses mixed municipal solid waste as fuel, remains the main production unit with emissions to air. To address these emissions, we will prepare a long-term development plan for the plant, which will include measures to reduce the carbon footprint per unit of energy produced, as well as ways to maintain the positive socio-economic impact of the plant.

A better overview of a company's emissions is provided by the emissions intensity indicator, which reflects the amount of emissions per unit produced or per service volume. This makes it possible to assess the environmental impact of a company regardless of its size and production volume and compare different companies with each other as has been shown in the chart below. For Enefit Green, the most meaningful indicator is the carbon intensity of scope 1 emissions per kWh of heat and electricity produced.

Carbon intensity of thermal energy and electricity production at Enefit Green (scope 1) in 2022–2024

gCO_2/kWh	2022	2023	2024
Carbon intensity of energy production	77	77	61

Carbon intensity of energy production, gCO_2/kWh



IRU CHP PLANT

The waste incinerator at the Iru CHP plant, which mainly incinerates mixed municipal solid waste, emits relatively more fossil carbon dioxide (CO_2) and nitrogen oxides (NO_X) than other pollutants (see the table 'Emissions to air'). The amount of mixed municipal solid waste incinerated per year (see the table 'Resources used in production') has remained relatively stable, so the amount of fossil CO_2 has not fluctuated much over the years.

We monitor the concentrations of pollutants released into the atmosphere from the Iru CHP plant using continuous monitoring equipment. At the end of 2022, the equipment used to monitor the concentrations of flue gases from waste incineration was replaced. The new equipment was commissioned in early 2023, following mandatory calibrations to ensure the accuracy of the data output. In 2024, the continuous monitoring system did not pass the QAL2 (Quality Compliance Level 2) test for one of the parameters - CO or carbon monoxide. In order to bring the monitoring system into compliance with the requirements, the CO measurement range of the continuous monitoring system must be increased according to the recommendation of the Estonian Environmental Research Centre, which carried out the test. These works will be carried out at the beginning of 2025.

Resources used in production at the Iru CHP plant in 2022–2024

Type of Fuel	Unit	2022	2023	2024
Mixed municipal solid waste	thousand tonnes	216	249	226
Natural gas	thousand m³	530	1,157	1,883

The production of energy from natural gas, which has high emissions to air, has been minimised through the use of low-nitrogen boilers, which help reduce the formation of nitrogen oxides during combustion. In 2023, the burners of the Iru natural gas-fired standby steam boiler were upgraded using this technology.

As natural gas is classified as a fossil fuel, we strive to minimise its use in electricity and heat generation. We use natural gas to start the Iru waste incinerator and to generate heat in the water heating boilers. We do not use natural gas to generate electricity.

The water heating boilers at the Iru CHP plant are used when the incinerator is not in operation to supply heat to the district heating network. In 2024, there was a small number of incinerator outages and the water heating boilers were used for heat production. As a result, the amount of natural gas used increased compared to 2023.

EMISSIONS TO AIR

The exhaust gases emitted by the Iru CHP plant as combustion products are discharged into the atmosphere through a chimney with three separate flue passages at a height of 202 m. The pollutants originate mainly from waste incineration and include nitrogen dioxide, carbon monoxide, volatile organic compounds, carbon dioxide, sulphur dioxide, particulate matter and ammonia.

Waste incineration also results in the release of heavy metals and dioxins and furans into the atmosphere. The level of emissions to air is influenced by the quality, calorific value and quantity of the waste incinerated.

The operation of the Iru CHP plant has complied with the maximum permitted annual quantities of pollutants. At the beginning of 2024 (between 18 February and 9 March), the dust limit value was exceeded several times, resulting in a slightly higher annual amount of dust than in the previous year. This was due to the failure of bag filters. When this was discovered, the control system equipment was checked and the team was re-briefed to detect signs of possible bag filter failure within a shorter period of time.

The issue was resolved and the limit values for dust have not been exceeded since. We reported the incident to the Environmental Board when we submitted the analysis of the quarterly continuous monitoring data.

Emissions to air from the Iru CHP plant in 2022–2024

Tonnes	2022	2023	2024
Nitrogen dioxide (NO_x)	173.00	196.35	177.85
Carbon monoxide (CO)	6.24	11.49	10.86
Non-methane volatile organic compounds (NMVOC)	0.54	0.65	0.87
Carbon dioxide (CO_2)	129,146	149,941	138,711
Sulphur dioxide (SO_2)	24.30	20.22	16.22
Total particulate matter	0.07	0.11	0.71

USE OF WATER RESOURCES AND GENERATION OF WASTEWATER

From 2024, the Iru CHP plant is the only Enefit Green production facility that uses water resources in its operations.

The Iru CHP plant uses surface water from the Pirita river for industrial and cooling purposes and, if necessary, for fire-fighting. A dam has been built on the river near Nehatu to obtain the water.

Groundwater, which is obtained from two nearby drilled wells, is used only for human consumption at the Iru CHP plant.

In order to ensure the long-term protection of surface and groundwater resources and an adequate water supply for production activities, the Iru CHP plant reuses cooling water: the heated water is cooled in the cooling tower and then reused.

By implementing these measures, we have minimised the use of additional water resources. In 2023, the surface water consumption of the Iru CHP plant was higher than in previous years. In 2023, the plant operated in condensation mode for a longer period of time, which increased the amount of cooled water in the cooling tower. As the cooling water is reused, its quality deteriorates after several uses and raw water has to be added by pumping.

The conditions for water extraction (quantities of water, damming of water bodies, aquifers, monitoring of groundwater levels, etc.) are set out in the production unit's environmental permit, which is available in KOTKAS, the Environmental Board's information system for environmental decisions.

Use of water at the Iru CHP plant in 2022–2024

Thousand m_3/y	2022	2023	2024
Groundwater	3.0	2.7	2.8
Surface water	182.1	284.4	198.1
TOTAL	**185.1**	**287.1**	**200.9**

Domestic wastewater and industrial effluent (excess from desalination and coagulation) are discharged into the public sewer system. Used cooling water is discharged into settling basins.

The Iru CHP plant has three settling basins for industrial effluent. Two of them have a watertight bottom and walls, and one has a natural bottom. Inspection wells have been set up near the basins.

Used cooling water together with stormwater collected from the site is discharged into the settling basins and from there via overflows into the combined sewer system. Stormwater is collected from hard paved surfaces on the site. It passes through the oil and sand traps into the basins where it mixes with used cooling water. Most of the time, however, cooling water is in circulation. It is discharged into the settling basins only a few times a year.

The Iru production unit complies with the requirements set out in the environmental permit and keeps records of the quantities of water extracted from and discharged into the environment. It also complies with the monitoring requirements set out in the environmental permit. We pay national resource charges for the water we use and pollution charges for the substances contained in our wastewater. Each year we submit an annual report on water use to the authorities.

WASTE GENERATION, RECYCLING AND PROMOTING THE CIRCULAR ECONOMY

We are committed to reducing waste, promoting the circular economy and recycling.

Waste incineration for energy recovery is one way of reusing waste. We use non-recyclable mixed municipal solid waste to produce electricity and heat at the Iru CHP plant, where we have implemented environmentally sustainable technology.

Most of the non-hazardous waste generated by Enefit Green is reused or recycled. Around 86% of the waste generated by our manufacturing operations is non-hazardous. The largest component of non-hazardous waste is ash from the incineration of mixed municipal solid waste.

The Iru CHP plant can produce heat and electricity from up to 260 thousand tonnes of waste per year. As the only plant of its kind in Estonia authorised to incinerate mixed municipal solid waste, it has put an end to large-scale landfilling of such waste.

All member states of the European Union had to organise separate collection of municipal bio-waste on their territory by 1 January 2024. In Estonia, this requirement was met on time in almost the whole country. This means that the biomass content of mixed municipal solid waste will gradually decrease in the coming years. This is also reflected in the results of 2023-2024 studies on the composition of mixed municipal solid waste received at the Iru CHP plant.

Like bio-waste, textile waste is collected separately from municipal solid waste (from 1 January 2025). However, there is currently no viable alternative to the incineration of mixed municipal solid waste. Separate collection of municipal waste has been at the same level for a decade and experience shows that it takes time to move to the next level. According to the Estonian Environment Agency, Estonia generates more than 300 thousand tonnes of mixed municipal solid waste per year.

The environmental impact of using mixed municipal solid waste to generate heat and electricity is much lower than that of landfilling, where waste decomposition releases gases and produces wastewater, which requires resource-intensive treatment.

The share of waste that remains after incineration is approximately 30% (bottom ash, metals separated from ash, hazardous fly ash and flue gas purification residues). Waste incineration produces different

types of ash: non-hazardous waste (bottom ash) and hazardous fly ash and flue gas purification residues.

All non-hazardous waste generated during incineration is recycled or reused. Bottom ash is delivered to the Tallinn landfill, where it is aged and used as a substitute for mineral material when the landfill is closed. In addition to ash, the Iru CHP plant produces metals that are separated from bottom ash. The metals are recycled, as is the scrap metal generated during repair work in the production units.

The main source of hazardous waste is the Iru CHP plant. Fly ash from the incineration process and flue gas purification residues have environmentally hazardous properties. Hazardous waste is transferred to companies authorised to handle it.

Waste generation at the Iru CHP plant in 2022–2024

Thousand t/y	2022	2023	2024
Non-hazardous waste			
Bottom ash from waste incineration	57.6	63.4	55.6
Metals	3.6	3.5	2.2
Total non-hazardous waste	**61.3**	**66.9**	**57.8**
Hazardous waste			
Fly ash	3.0	3.5	2.9
Flue gas purification residues	7.5	7.6	7.5
Total hazardous waste	**10.5**	**11.1**	**10.4**
TOTAL WASTE	**71.8**	**78.0**	**68.2**

The conditions for the use of waste are set out in the environmental permits. At Enefit Green, only the Iru CHP plant uses waste in its production operations and, based on the technology used, the environmental permit specifies the requirements for waste incineration, both in terms of the quantities of waste and the monitoring conditions.

Our production units collect information on the waste generated during the year, analyse it and submit a waste report to the government and local authorities on the generation, handling and disposal of waste.

In the construction and maintenance of wind and solar farms, Enefit Green takes into account all requirements for the management of natural resources and the waste generated.

When preparing procurement documents and carrying out work, we comply with legal requirements for the use of natural resources and the reduction and recycling of waste. For example, we recycle construction waste and packaging as much as possible. Waste that cannot currently be recycled is used to generate energy or, in the case of inert materials, as a filler. We have also adopted an internal waste management policy.

Compliance of Enefit Green's activities with the sustainability criteria of the EU taxonomy for sustainable activities

At the end of 2024, most of our production facilities met the sustainability criteria of the EU taxonomy for sustainable activities by contributing either to climate change mitigation or adaptation.

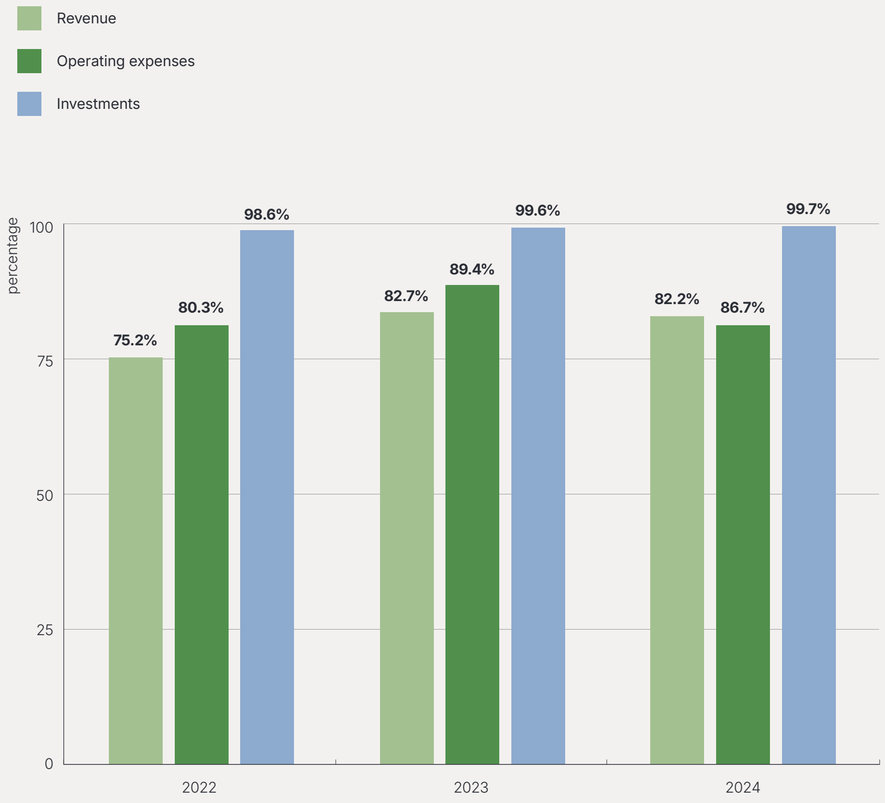
In the end of 2023 and the beginning of 2024, we exited the biomass-based cogeneration and pellet production businesses, the activities of which met the sustainability criteria of the EU taxonomy at the time of sale.

In 2024, the share of sustainable, taxonomy-compliant economic activities in Enefit Green's consolidated revenue, operating expenses and capital expenditures was 82.2%, 86.7% and 99.7%, respectively.

Indicators for Enefit Green's activities that qualify as sustainable under the EU taxonomy

€m	2022	2023	2024
Revenue	175.5	170.1	152.5
Operating expenses	112.4	147.3	125.9
Capital expenditure	190.7	354.4	387.4

Share of sustainable economic activities in Enefit Green's revenue, operating expenses and capital expenditure according to the EU taxonomy, %



A Values-driven Organisational Culture and Strong Community Relationships

Enefit Green's goal is to be the best employer, offer its employees development opportunities and contribute to the wellbeing of local communities. The production and development of green energy requires a dedicated team and strong relationships with local communities. Therefore, both our current and future employees, as well as the communities we serve, are integral to the company's development.

OUR EMPLOYEE ENGAGEMENT IS ABOVE THE ESTONIAN AVERAGE

In 2024, Enefit Green's international team comprised 132 people, 22 fewer than the previous year. The number of managers (at all levels) was 18. The decrease in headcount was mainly due to the sale of the Paide and Valka biomass assets in March 2024.

Each year, Kantar Emor conducts a comprehensive employee engagement survey to measure the composite employee engagement index, which is calculated on the basis of overall satisfaction, the net promoter score, intent to rejoin, motivation and company performance. In 2024, Enefit Green's employee engagement score was 78 points (2023: 89 points) and management quality score was 84 points (2023: 94 points).

Although employee engagement has decreased, it remains higher than the average for Estonia and for the energy sector (68 points).

The response rate to our annual employee engagement survey was 85%, reflecting our employees' willingness to share their views and express their opinions. In addition to surveys, we monitor employee satisfaction through regular meetings with direct managers.

In 2024, we conducted 17 recruitment projects, resulting in 16 new experts joining Enefit Green. In addition, six internal candidates took advantage of mobility opportunities within the company and took on new responsibilities.

The results of the engagement survey show that nearly 70% of our employees recommend Enefit Green as a strong employer and 76% would rejoin the company if they had to make that decision again.

Our employees' length of service remained at a level comparable to previous years. According to the results of the engagement survey, the most engaged employees are those whose length of service is six to ten years.

In 2024, Enefit Green was ranked as the third most desirable employer in Estonia, which confirms the company's good position in the labour market.

Workforce indicators of Enefit Green, 2022–2024

	2022	2023	2024
Number of employees at year-end	**183**	**154**	**132**
Estonia	106	111	101
Latvia	54	18	5
Lithuania	15	15	15
Poland	8	10	10
Finland	-	-	1
Employees by gender			
Women	29	30	31
Men	154	124	101
Average length of service, years	10	9	10
Average age, years	45	43	41
Voluntary employee turnover, %	6.3	5.3	8.8
Lost time injury frequency rate (LTIFR[1]), %	0	0	0
Payroll expenses, €m	9.1	10.8	9.1
Employee engagement index, points	91	89	78
Management quality index, points	95	84	84
Number of interns during the year	12 (3 became employees)	6 (1 became an employee)	15 (4 became employees)

1 LTIFR — the number of lost time injuries occurring in a workplace per one million hours worked.

ENEFIT GREEN'S UPDATED VALUES

In 2024, we updated the values of the Enefit Green organisation, which are: we care, we are responsible and we create value for our customers. We reinforced these new values through team workshops and trained ambassadors to help our people connect with the values in a meaningful way.

The new values are easy to identify with and help us as a company to stay competitive. They foster collaboration, encourage taking responsibility and giving and receiving feedback, and support us in maintaining work-life balance.

TALENT MANAGEMENT AND WORK-LIFE BALANCE

Continuous learning and development keep our employees motivated and engaged. We carry out systematic development activities to improve business performance and enhance our organisational culture.

In 2024, we organised over 90 training days for our employees, a significant proportion of which was aimed at developing and maintaining technical and professional competencies.

In the Enefit Academy training programme, we offered our employees bite-sized learning sessions on strategy, values and work processes. In addition to traditional classroom study, our people could participate in experience clubs, co-vision groups and language cafés.

A joint project with the University of Tartu gave one of Enefit Green's managers an opportunity to participate in a micro-credential programme.

The last Friday of every month is a development day at our company: employees can choose the development opportunities that best suit their needs and the employer supports them with training courses, internal development sessions and e-learning materials.

With the launch of a 24/7control centre for production assets, nine employees acquired the skills necessary to monitor the operation of renewable power plants and respond to failures.

To improve work arrangement and planning, we initiated a project to digitalise work schedules at the Iru CHP plant. The main purpose is to ensure a better work-life balance for employees.

SUCCESSION DEVELOPMENT

Succession planning is a conscious and strategic investment that ensures long-term success and stability. It involves not only transferring existing skills but also building a strong and motivated team for the future.

In 2024, Enefit Green hosted 15 interns, more than double the number of the previous year. It is worth noting that one intern returned for a second placement to gain further experience, while another joined the offshore wind farm development team from the Netherlands.

Each year, some of our interns choose to stay with the company and start their careers with us. In 2024, four former interns joined Enefit Green while still completing their studies.

Developing the next generation is a priority for us. We have created opportunities to support education in areas of strategic importance to the company. In 2024, we awarded a scholarship of €2k to a student working at Enefit Green to support their studies.

We organised 57 study trips during the year, which were attended by more than 1,000 students from vocational and secondary schools and universities. They had the opportunity to visit the Iru CHP plant, the Paldiski wind and solar farm, the Purtse hybrid farm and the Keila-Joa hydroelectric facility.

We donated two wind turbine blades to the Kuressaare Regional Training Centre. These will be used in a training programme for wind turbine blade maintenance technicians, set to launch in autumn 2025, where they will serve as essential learning tools.

A practical approach to learning supports the training of young professionals and helps ensure that Estonia has a sufficient number of skilled workers. Training young people strengthens local communities, encourages young people to stay in their home region, and promotes local development.

For the second year in a row, we participated in organising Positron, a major event in the electricity sector. We also contributed to the development and publication of a secondary school economics textbook in collaboration with Junior Achievement Eesti.

SAFETY CULTURE

Enefit Green's goal is to work without accidents and occupational diseases. Therefore, we make daily efforts to create and maintain a healthy and safe work environment. One of the company's core values is taking responsibility for safety and considering the safety and wellbeing of oneself and others.

We assess workplace risks and provide training to equip our employees with appropriate methods and techniques for dealing with hazardous situations. Our aim is to ensure that there are no accidents at work.

We take a systematic approach to promoting a safety culture and ensuring workplace safety through regular education and training. The company's safety culture is based on managers' leadership, employees' personal responsibility and collaboration.

We measure the safety of our work environment at all levels of management using the lost time injury frequency rate (LTIFR). It is a safety indicator for production units' work environment, which reflects the number of lost time injuries occurring in a workplace per one million hours worked.

In 2024, as in the previous two years, there were no workplace accidents involving Enefit Green employees.

At Enefit Green, we encourage dialogue with employees to promote health, supervision, safety and a cleaner work environment. To support this, we provide various channels for employees to report hazardous situations and near-miss incidents. We record and analyse the reported data to identify the root causes of potential risks.

The main health and safety processes have been agreed group-wide and each company is responsible for their implementation.

Measures to ensure safety at work and protect employee health and wellbeing:

- appointing persons responsible for health and safety at work;
- coordinating occupational health and safety matters at the level of Enefit Green;
- assessing health and safety risks associated with workplaces;
- determining and implementing preventive measures based on the risk assessment;
- preparing safety instructions and guidelines for jobs;
- purchasing and providing employees with appropriate personal protective equipment;
- ensuring the safety of workplaces;
- arranging regular health checks;
- providing regular mandatory training to employees consistent with the safety and qualification requirements of their work and maintaining a database for monitoring employee training;
- conducting regular checks (safety days) and internal audits at workplaces for employees and subcontractors;
- reporting and registering hazardous situations, incidents and accidents;
- analysing breaches and accidents and identifying and implementing corrective measures.

We arrange regular health and safety training and share information with our employees and partners.

In 2024, we continued our collaboration with various rescue and law enforcement agencies to practice responding to potential emergencies. Together with the Estonian Rescue Board, we organised 12 drill exercises at the Iru CHP plant and our wind and solar farms. Effective cooperation with the Rescue Board, emergency medical services and the police, combined with preparedness testing, provides reassurance for the future.

A SOUND MIND IN A SOUND BODY

We support the health of our employees by offering various opportunities to extend their healthy life years.

In 2024, almost 80% of our employees chose to participate in the supplementary health insurance scheme offered by Enefit Green. This gave them access to paid medical services (e.g. dental care, psychological counselling, medical check-ups, specialist visits) with employer support. In addition, we offer our employees vaccination against influenza and tick-borne encephalitis.

Our employees are active in recreational sports. Throughout the year, they competed in various fields, took part in exercise evenings and participated in joint training sessions organised in the offices.

Our annual health forum in 2024 focused on maintaining mental health. Experts gave valuable advice on managing stress and explained how personal relationships can affect work.

STRONG COMMUNITY RELATIONSHIPS

Enefit Green recognises that the production and development of renewable energy is a huge responsibility. We therefore invest in the development of the regions where we operate or wish to develop renewable energy production in the future.

We contribute to the overall advancement of the energy sector through our membership in industry associations.

Enefit Green is a member of the following organisations:

- Estonian Wind Power Association
- Latvian Wind Energy Association
- Lithuanian Wind Energy Association
- Lithuanian Solar Energy Association
- Polish Association of Solar Energy
- Paldiski Association of Entrepreneurs
- Estonian Circular Economy Industries Association

To support the implementation of our development projects, we set up joint working groups within local communities to address key issues and regularly discuss the concerns and questions that arise during the planning process. We also organise open days where people can get a glimpse of the day-to-day operations of wind and solar farms as renewable power plants. This helps to raise community awareness and understanding of the role of renewable energy in society as a whole.

Enefit Green's development principles

We use the best available technology

We plan for possible future scenarios so that we can use the latest and best technologies.

We do not harm the environment

We conduct thorough and comprehensive environmental impact assessments and involve experts with diverse local and international experience.

We see communities as partners

We set up joint working groups to carry out development projects in partnership with communities and key stakeholders.

We find synergies

We help communities plan their green journeys in a personal and flexible way.

We involve the best international expertise

We lead the way and work with the best international experts in their field.

In the autumn of 2024, we invited the people of Põhja-Pärnumaa to visit the Sopi-Tootsi wind farm, which was in the final stages of construction. More than 300 people interested in wind energy attended the event. They were transported by bus to the wind farm site, where they were able to see and examine the wind turbines up close. Enefit Green's specialists answered a wide range of questions, mainly about the benefits of the wind farm for local residents, its impact on electricity prices and its entire life cycle.

We have consistently supported the development of the areas around our wind farms in Estonia and Lithuania. In 2024, Enefit Green continued to contribute to the wellbeing of the communities near its wind farms through non-profit associations established in cooperation with local authorities.

The amount of the support depends on the terms of the agreement and the output of the wind farms. In 2024, the support provided for local projects through non-profit associations amounted to €130k in Estonia and €126k in Lithuania.

In addition, in 2024 Enefit Green paid the legally required environmental fee for wind turbines in Estonia, generating additional income for people and communities living near new wind turbines. We paid €40k to the municipality of Lüganuse for the Purtse wind farm and €51k to the municipality of Põhja-Pärnumaa for the Sopi-Tootsi wind farm.

We participated in the organisation of the conference Another Kind of Paldiski. The event was held for the seventh time, this time under the title 'Drivers of a Sustainable Living Environment'. The conference focused on the development of the living environment in small towns and communities, including the role of industry, investment and initiative in ensuring a high-quality and sustainable way of life in small towns. We also continued our cooperation with the Estonian Circular Economy Industries Association on a waste sorting stations project. The aim is to raise awareness among young people about the importance of waste sorting and the potential value of sorted waste.

Grant amounts in 2022–2024

€ thousand	2022	2023	2024
Through non-profit associations			
Estonia	142	113	130
Lithuania	138	118	126
Environmental fee for wind turbines			
Purtse wind farm	–	7	40
Sopi-Tootsi wind farm	–	22	51

Note In July 2023, an environmental fee for wind turbines came into force in Estonia, providing additional income for people and communities living near new wind turbines. The amount of the fee depends on the amount of electricity produced and the market price of electricity in the previous quarter.

Corporate Governance Report

We act responsibly and transparently

For Enefit Green, good corporate governance is the basis for building trust with stakeholders. As a company listed on the Nasdaq Tallinn Stock Exchange, we are committed to applying the best governance practices. We follow the law in all our activities and expect the same from all our business partners.

GOVERNANCE PRINCIPLES

The objective of Enefit Green's supervisory board and management board is to develop and manage the company in a manner that sets a positive example for other companies in terms of a clear strategy, good corporate governance practices, operational efficiency, financial performance and collaboration with stakeholders.

As a public company listed on the Nasdaq Tallinn Stock Exchange, Enefit Green applies the best governance practices. In addition to the requirements of the Estonian Commercial Code, we follow the guidelines of the Corporate Governance Recommendations approved by the Estonian Financial Supervision and Resolution Authority and the rules and regulations for listed companies.

Enefit Green's governance principles are aligned with its strategy and values as well as the expectations of its shareholders.

Eesti Energia, whose sole shareholder is the Republic of Estonia, owns 77.2% of the shares in Enefit Green. Accordingly, Enefit Green is also subject to certain governance-related provisions of the Estonian State Assets Act.

We set the company's strategic goals for a period of five years and review them annually. We have adopted key performance indicators (KPIs) for strategic goals, which we use to continuously assess the effectiveness of work done. The KPIs for 2024 included EBITDA, return on invested capital, the availability of wind farms and the Iru CHP, the production capacity of development projects, the lost time injury frequency rate and the management quality index.

To achieve our goals, managers engage and motivate their team members in line with our values and group-wide management principles. We keep our employees informed about the organisation's goals and the progress made in achieving them. We make sure that our people have a safe working environment, and maintain a high work ethic. We pay our employees competitive salaries and recognise and reward them.

The company's management and supervisory boards are accountable to the shareholders for meeting their expectations and achieving the goals set. The company is committed to transparency in its operations, disclosure of information and relationships with shareholders, customers, partners and other stakeholder groups.

Enefit Green presents, and comments on, its financial results four times a year and makes its quarterly and annual reports and related presentation materials available on its website. To further improve transparency, we publish and comment on our main production results on a monthly basis.

We are certified to three ISO standards in all our core markets: the quality management standard ISO 9001, the environmental management standard ISO 14001 and the occupational health and safety management standard ISO 45001. In addition, the Iru cogeneration plant is registered under the EU Eco-Management and Audit Scheme (EMAS).

In 2024, the surveillance audit carried out by Bureau Veritas confirmed the compliance of the integrated management system with the three ISO standards throughout the organisation: ISO 9001 Quality Management, ISO 14001 Environmental Management and ISO 45001 Occupational Health and Safety Management.

In addition, Metrosert's surveillance audit confirmed that the environmental management system of the Iru cogeneration plant complies with EMAS requirements.

CODE OF ETHICS

The Enefit Green Code of Ethics has been in effect since August 1, 2024. Prior to that, Enefit Green implemented Code of Ethics of the Eesti Energia Group. Among other matters, both documents stipulate, that the company's organisational culture is free of discrimination, harassment, bullying and other inappropriate behaviour. We treat all employees fairly and equitably regardless of their ethnicity, age, race, gender, language, origin, skin colour, religion, disability, sexual orientation, or political or other beliefs. In 2024, all employees completed an online ethics course.

To ensure that Enefit Green's ethical standards also apply to the parts of our value and supply chain that involve contractors, we have established a Code of Ethics for Partners. The Code sets out, among other things, minimum requirements for the prevention of fraud and corruption and for the respect of labour and human rights. We have installed information boards at the company's construction sites to inform partners of the established ethical standards.

At Enefit Green, we have zero tolerance for unethical and fraudulent behaviour – this applies to both employees and partner organisations. All allegations of corrupt behaviour will be reviewed and investigated without exception. Any suspicion or detection of alleged wrongdoing or unethical behaviour will be reported to the appropriate authorities. We provide a whistleblowing channel on our website that can be used to report possible breaches or concerns, either anonymously or confidentially.

CONFLICTS OF INTEREST

In line with Enefit Green's values and ethical standards and in order to prevent corruption, we have adopted a group-wide policy for avoiding conflicts of interest.

The policy requires both the members of the governing bodies and the employees of group companies who may encounter conflicts of interest due to their responsibilities, authority and/or liability to declare their business interests to the company. A reminder is sent annually to all relevant individuals to review their business interests and update the information they have provided.

Transactions with the members of the management board, the members of the supervisory board and parties related to them are disclosed in the consolidated financial statements. All such transactions have been performed in the ordinary course of business and on an arm's length basis.

Where there is a risk of a conflict of interest, the person exposed to the risk is obliged to inform the company's management and refrain from discussing and voting on the relevant matter.

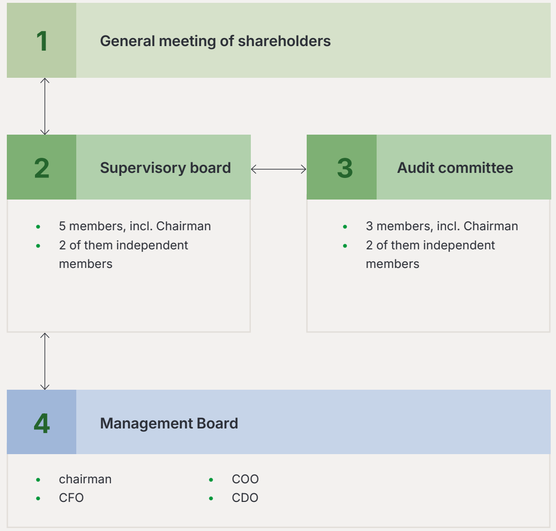
ORGANISATIONAL STRUCTURE AND GOVERNING BODIES

We consider it important to ensure that the group's structure is clear and logical. We are guided by the organisation's goals and needs and take into account the evolving business environment.

The governing bodies of Enefit Green are the general meeting, the supervisory board and the management board. The supervisory board is advised by the audit committee.

Governing bodies of Enefit Green

1	Shareholders can use their vote on the general meeting regarding important matters related to the Company (for example – distribution of profit, electing supervisory board members, appointing an auditor etc)
2	• Strategic planning • Organising and supervision of management • Adopting major strategic decisions
3	• Advising the supervisory board on accounting, auditing, risk management, internal control and audit, supervision, budgeting and compliance matters • Monitoring that transactions with related parties comply with market conditions
4	• Daily operational management and respresentation of the Company • Business and financial reporting to the supervisory board



GENERAL MEETING

Enefit Green's highest governing body is the general meeting, which, among other things, decides on:

- Amendments to the articles of association and the share capital
- The appointment and removal of the members of the supervisory board
- The appointment and remuneration of the auditor
- The approval of the results of the financial year and the allocation of profit
- The approval of the remuneration policy for members of the management board
- The approval of transactions which according to the rules of the Nasdaq Tallinn Stock Exchange must be submitted to the general meeting for approval

The general meeting may change the articles of association in accordance with the requirements of the Estonian Commercial Code. A resolution to amend the articles of association is adopted if at least two thirds of the votes represented at the general meeting are in favour.

The annual general meeting is held once a year, within six months after the end of the group's financial year, at a time and place determined by the management board.

On 14 May 2024, Enefit Green held the annual general meeting of shareholders, which was attended by all members of the management board and, additionally, by supervisory board members Andrus Durejko, Erkki Raasuke, Marlen Tamm and Anne Sulling.

On 19 December 2024, Enefit Green held an extraordinary general meeting of shareholders, which elected Karin Madisson as a new independent member of the supervisory board. The meeting was also attended by management board members Juhan Aguraiuja and Innar Kaasik and all members of the supervisory board.

SUPERVISORY BOARD

The supervisory board is a governing body with the following main responsibilities:

Organising the management of the group and supervising the activities of the management board.

Approving the group's strategy and supervising its implementation.

Adopting major strategic decisions.

In accordance with the articles of association, the supervisory board has five to seven members who are elected by the general meeting for a term of three years. At least half of the members must be independent as defined in the Corporate Governance Recommendations. When the supervisory board has an uneven number of members, the number of independent members may be one less than the number of dependent members.

At 31 December 2024, the members of the supervisory board of Enefit Green were Andrus Durejko, Marlen Tamm, Kristjan Kuhi, Erkki Raasuke and Karin Madisson. The latter two are independent members as defined in the Corporate Governance Recommendations.

At the general meeting held on 14 May 2024, Raine Pajo was removed from the supervisory board, Kristjan Kuhi was elected as a new member of the supervisory board, and the mandate of Erkki Raasuke as a member of the supervisory board was extended for three years.

On 21 October 2024, the mandate of Anne Sulling, an independent member of the supervisory board, expired. At the extraordinary general meeting held on 19 December 2024, Karin Madisson was elected as a new independent member of the supervisory board.

Since 25 May 2023, the chairman of the supervisory board of Enefit Green has been Andrus Durejko.

The members of the supervisory board do not hold shares in any companies that are partners, suppliers or customers of Enefit Green. Information on memberships in the governing bodies of other companies is presented in the table below.

The terms of office of the current members of the supervisory board expire as follows: Andrus Durejko and Marlen Tamm on 25 May 2026, Kristjan Kuhi on 14 May 2027, Erkki Raasuke on 21 October 2027 and Karin Madisson on 19 December 2027.

In accordance with the resolution of the general meeting dated 14 May 2024, the remuneration of the independent members of Enefit Green's supervisory board is €1.5k per month, effective from 23 October 2024. Before that, it was €1k per month. No remuneration or other benefits are paid to other members of the supervisory board.

Remuneration paid to independent members of the supervisory board in 2024

	Erkki Raasuke	Anne Sulling	Karin Madisson
Annual remuneration paid, €	13,152	9,652	432

The supervisory board normally meets once a month, except during the summer months. In 2024, the supervisory board held 16 meetings. In addition, on six occasions decisions were adopted by electronic means. Kristjan Kuhi was absent from one meeting, while all other members attended all meetings.

Supervisory board

At 31 December 2024

Andrus Durejko
Chairman of the Supervisory Board

Marlen Tamm
Member of the Supervisory Board

Kristjan Kuhi
Member of the Supervisory Board

Erkki Raasuke
Member of the Supervisory Board (independent)

Karin Madisson
Member of the Supervisory Board (independent)

Start of term of office	24 May 2023	24 May 2023	14 May 2024	21 October 2021	19 December 2024
End of term of office	24 May 2026	24 May 2026	14 May 2027	21 October 2027	19 December 2027
Experience	**2023–...** –... Eesti Energia, Chairman of the Management Board **2018–2023** 2023 Ericsson Eesti and Ericsson Latvia, Chairman of the Management Board and CEO **2016–2018** Ericsson Eesti, Head of Digital Services in Sweden, Finland and the Baltics **2014–2016** Ericsson Estonia, Program Director in the Nordic and Baltic Countries **1996–2014** Ericsson, various positions Previously worked for Reveko Telekom AS, OY LM Ericsson AB and Baltcom Eesti AS.	**2023– ...** Eesti Energia, Member of the Management Board **2021–2023** Eesti Energia, Head of Management Accounting **2019–2021** Eesti Energia, Head of Controlling **2016–2019** Eesti Energia, Head of Financial Controllers of Management Accounting **2012–2016** Eesti Energia, Lead Financial Controller Previously held various positions in Swedbank.	**2023–...** Eesti Energia, Member of the Management Board **2022–2023** IT Architecture Consultant, Systems and Software Development Management Services, Startup Mentor **2022–2023** Tallinn University of Technology, Blockchain Expert, Faculty of Engineering, Institute of Electrical Power and Mechatronics **2018–2022** Wepower, Development Manager and Chief Architect **2005–2018** Ericsson, various positions Previously worked as a software developer in various companies.	**2021–2024** OÜ Skeleton Technologies Group, Member of the Management Board, Financial Director **2016–2021** Luminor Group, Chairman of the Management Board **2013–2016** AS LHV Group, Chairman of the Management Board **2012–2013** Adviser to the Minister of Economic Affairs Previously held various positions in the banking sector.	**2005–...** Law firm Sorainen, Partner **1997–2004** Law firm Sorainen, Associate **1996–1997** Law firm Sorainen, Legal Assistant **1995–1996** Chancellery of the Riigikogu (Parliament of Estonia), Specialist
Education	**Estonian University of Life Sciences**, Electrical Power Engineering, Master of Science	**Estonian Business School**, Economics/Business Administration, Master of Science, cum laude **Tallinn University of Technology**, Economics/ Business Administration, Bachelor of Science	**Tallinn University of Technology**, , Faculty of Engineering, Institute of Mechanics and Industrial Engineering, PhD **Tallinn University of Technology**, Faculty of Information Technology, Master of Science	**INSEAD** Advanced Management Programme **Tallinn University of Technology**, Faculty of Economics	**Tallinn University of Technology**, AI tools for companies to optimize business processes during digital transformation (micro-degree) **Riga Graduate School of Law**, International and European Law, LLM **University of Tartu**, EuroCollege, European Studies **Institute of Law Estonia**, Law
Membership in governing bodies of other companies	Enefit Outotec Technology OÜ, Enefit AS, Enefit Power AS, Attarat Holding OÜ, Enefit Solution AS	Attarat Holding OÜ, Enefit Solutions AS, Enefit AS, Enefit Power AS, Enefit Outotec Technology OÜ	Enefit AS, Enefit Outotec Technology OÜ, F11 OÜ, Goby OÜ, Nopilot Technology OÜ, Gridmind OÜ	AS Inbank, Ussilaka OÜ	Advokaadibüroo Sorainen OÜ, Management OÜ
Number of Enefit Green's shares held by the member of the supervisory board at 31 December 2024	2,000	950	0	51,849	33,000
Number of Enefit Green's shares held by persons closely associated with the member of the supervisory board at 31 December 2024	0	401	0	0	0
Attendance at supervisory board meetings	16/16	16/16	8/7	16/16	– [1]

[1] No supervisory board meetings were held in 2024 following her election to the supervisory board.

MANAGEMENT BOARD

Enefit Green's day-to-day executive management is the responsibility of the management board that follows the strategy approved by the supervisory board.

The chairman of the management board is appointed by the supervisory board. The members of the management board are appointed by the supervisory board on the basis of a proposal from the chairman of the management board. The supervisory board can remove a member of the management board.

At 31 December 2024, the management board of Enefit Green consisted of the chairman of the management board, Juhan Aguraiuja, and the members of the management board Andres Maasing and Innar Kaasik.

In 2024, the management board of Enefit Green changed as follows:

The chairman of the management board, Aavo Kärmas, resigned in agreement with the supervisory board on 1 July 2024. During the period between his resignation and the appointment of Juhan Aguraiuja, the acting chairman of the management board was management board member Andres Maasing. Juhan Aguraiuja was elected as a member and chairman of the management board on 14 October 2024. Veiko Räim's term of office as a member of the management board expired on 24 September 2024. Innar Kaasik's mandate as a member of the management board was extended by three years until 24 September 2027.

Argo Rannamets became a member of the management board and chief financial officer on 31 January 2025. Andres Maasing, currently a member of the management board and chief development officer, has decided to resign from the management board effective from 5 March 2025.

The terms of office of the members of the management board are presented in the table on the next page.

None of the members of the management board is a member of the management board or the chairman of the supervisory board of any other listed company. The memberships of the members of the management board in the governing bodies of other companies, except the companies of the Enefit Green group, are presented in the table below. The members of the management board do not hold shares in any companies that are partners, suppliers or customers of Enefit Green.

The remuneration of the management board of Enefit Green is regulated by the principles of remuneration of the members of the management board, which were approved by the supervisory board on 10 September 2021 and by the general meeting on 14 September 2021. Information about the remuneration paid to the members of the management board of Enefit Green in 2024 is presented in the remuneration report, which is part of the audited annual report.

Severance pay is paid in the cases specified in the contract signed with the member of the management board (e.g. a member of the management board is not entitled to severance pay if he or she is removed from office by the supervisory board due to breach of duty). Severance pay is not paid if this would be clearly detrimental to the interests of Enefit Green. The decision is made by the supervisory board.

The maximum amount of severance pay is four times the amount of the last basic remuneration of the member of the management board. A member of the management board is not entitled to any other compensation or benefits in connection with the expiry of the contract or removal from office.

Management board

At 31 December 2024

Juhan Aguraiuja

Chairman of the Management Board

Innar Kaasik

Member of the Management Board responsible for production

Andres Maasing

Member of the Management Board responsible for development

Start of term of office	14 October 2024	31 August 2012	3 April 2023
End of term of office	14 October 2027	24 September 2027	4 April 2025
Previous Positions Held	**Adven**, Head of Baltic Business **Adven Eesti AS**, Chairman of the Management Board **Adven Latvia SIA**, Member of the Management Board **Danpower Eesti AS**, Member of the Management Board Previously held various positions in **Danpower Eesti AS**.	**Enefit Taastuvenergia**, Member of the Management Board and CEO **Eesti Energia**, CEO of Renewable Energy and Small Cogeneration Business Unit **Elektrilevi**, Member of the Management Board responsible for asset management, Head of Network Management Department **Elering**, Project Manager	**Cubico Sustainable Investments Australia**, Development and Acquisition Manager for Renewable Energy Projects **Tilt Renewables**, Development Manager for Renewable Energy Projects **Mitsui & Co., Ltd**, Development and Financing of Infrastructure Projects **Ernst & Young ja PricewaterhouseCoopers**, Project and Corporate Finance and Acquisition Advisory roles
Education	**Tallinn University of Technology**, Thermal Power Engineering, Master's degree	**Tallinn University of Technology**, Electrical Power Engineering **Tallinn University of Technology**, Business Administration	**Australian Institute of Company Directors**, Further Studies **Griffith University, Australia**, Master's degree in Law, Bachelor's degree in Law, Bachelor's degree in International Business
Membership in the governing bodies of other companies	AJ Energia OÜ	4Wind Services	Wind OÜ
Number of Enefit Green's shares held by the member of the management board	825 (via AJ Energia OÜ)	3,000	1,006
Number of Enefit Green's shares held by persons closely associated with the member of the management board	0	2,000	0

AUDIT COMMITTEE AND INTERNAL AUDIT

The audit committee is a body set up by the supervisory board, which is responsible for advising the supervisory board in matters relating to accounting, external audit, risk management, internal control and internal audit, supervision and budgeting, and legal and regulatory compliance.

The audit committee reviews the organisation of all functions that provide assurance to shareholders (external audit, internal audit) and all assurance-providing activities implemented by the management board (risk management) and assesses them to make sure that they function in the best possible manner, that they take into account the needs of Enefit Green and that the interests of the controlling shareholder are not favoured in the decisions made by the supervisory board and the management board. Among other things, the audit committee monitors that transactions with related parties are conducted on market terms.

Where necessary, the audit committee makes proposals to the management board and the supervisory board.

The audit committee has three members. The majority of them, including the chairman, have to be independent as defined in the Corporate Governance Recommendations.

Audit committee at 31 December 2024

	Erkki Raasuke	Marlen Tamm	Karin Madisson
Role	Chairman of the Audit Committee	Member of the Audit Committee	Member of the Audit Committee
Start of the term	22 October 2021	24 May 2024	20 December 2024

In 2024, the audit committee changed as follows:

On 24 May 2024, Raine Pajo was removed from the audit committee and Marlen Tamm was appointed as a new member. On 22 October 2024, Anne Sulling's mandate as a member of the audit committee expired. On 20 December 2024, Karin Madisson was elected as a member of the audit committee.

Erkki Raasuke continued to serve as the chairman of the audit committee.

Erkki Raasuke and Karin Madisson meet the independence requirements as defined in the Corporate Governance Recommendations. Anne Sulling also met these requirements when she was a member of the audit committee.

The audit committee convenes according to an agreed schedule, generally once a month. In 2024, the committee held 16 meetings. All meetings were attended by all members of the audit committee.

The audit committee submits its activity report to the supervisory board once a year, prior to the approval of the annual report by the supervisory board.

The rates of remuneration of the independent members of the audit committee were set by the supervisory board on 22 October 2021. The rate of remuneration of the chairman of the audit committee is €500 per meeting and the rate of remuneration of a member of the audit committee is €250 per meeting. If a member does not attend a meeting, the member does not receive remuneration for that meeting.

The remuneration paid to the members of the audit committee for participation in the work of the committee is presented in the table below. The members of the audit committee from Eesti Energia do not receive any remuneration.

Remuneration paid to members of the audit committee in 2024

	Erkki Raasuke	Anne Sulling	Karin Madisson
Annual remuneration, €	8,000	3,250	–

The tasks and responsibilities of the internal audit function of Enefit Green AS have been assigned to the internal audit department, which consists of two employees. The department carries out its work in accordance with the Auditors Activities Act and related regulations as well as the Global Internal Audit Standards, the International Professional Practices Framework and the Statutes approved by the supervisory board.

In 2024, the internal audit department underwent an external evaluation, which confirmed that its activities are in line with the Global Internal Audit Standards.

The role of the internal audit department is to contribute to the improvement of the internal control environment, risk management and corporate governance culture. The scope of the internal audit function covers the activities of the entire Enefit Green group.

The internal audit department reports to the audit committee and the supervisory board. The action plan and resources of the internal audit department are approved by the audit committee, which oversees and evaluates the effectiveness of the internal audit function. The internal auditors' report on 2024 was submitted to the audit committee and the supervisory board in February 2025.

FINANCIAL REPORTING

The preparation of the financial statements is the responsibility of the company's management board. The consolidated financial statements are prepared in accordance with the Estonian Accounting Act and International Financial Reporting Standards as adopted by the European Union (IFRS EU).

The auditor of Enefit Green is PricewaterhouseCoopers and the signatory of the independent auditors' report is Jüri Koltsov.

The contract with the auditor was signed for three years (for the audit of the financial statements for 2024–2026). The company has the right to unilaterally extend the contract for the financial years 2027–2028.

The audit firm has not provided the company with any services that might compromise the auditor's independence. The Eesti Energia group conducted a public procurement process to select the auditor, placing significant emphasis on the auditors' experience.

In 2024, the total amount of fees paid or payable for the services provided by PricewaterhouseCoopers was €152.8k (2023: €126.5k). The services included financial audit fees of €147.2k (2023: €126.5k) and other services of €5.6k (2023: €0k). Other services included fees for expressing assurance on packaging reporting.

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

As a listed company, we are required to disclose our compliance with the Corporate Governance Recommendations based on the principle of 'comply or explain'. This requires us to explain our positions and practices regarding those articles of the Corporate Governance Recommendations that Enefit Green does not comply with.

In 2024, Enefit Green followed most of the Corporate Governance Recommendations.

From 21 October to 19 December 2024, the following recommendation was not complied with: "3.2.2 At least half of the members of the Supervisory Board of the Issuer shall be independent. If the Supervisory Board has an odd number of members, then there may be one independent member less than the number of dependent members." During this period, due to the expiry of Anne Sulling's mandate, Enefit Green had four supervisory board members and only one of them was independent. As the process of selecting a new independent member, which also required the convening of and the approval from an extraordinary general meeting of shareholders, took longer than expected, Enefit Green did not comply with the above recommendation for less than two months.

Share and Shareholders

Following the successful initial public offering (IPO) in autumn 2021, during which Enefit Green's shares were acquired by more than 60,000 investors at a price of €2.90 per share, the company's shares were listed on the Baltic Main List of the Nasdaq Tallinn Stock Exchange. The company raised €100m through new shares issued for the IPO. In addition, the former sole owner Eesti Energia sold shares, reducing its stake in Enefit Green to 77.2%.

All of Enefit Green's shares are registered ordinary shares of the same class, each carrying one vote at the general meeting of the company's shareholders.

Stock exchange	Nasdaq Tallinn
Listing date	21.Oct.21
List/segment	Baltic Main List
Ticker symbol on the stock exchange	EGR1T
Bloomberg ticker symbol	EGR1T ET Equity
ISIN code	EE3100137985
Number of shares issued and listed	264,276,232
Par value	€1

DIVIDEND POLICY

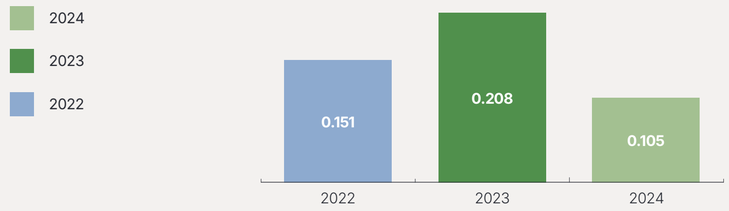
Enefit Green's dividend policy was approved before the IPO in 2021. According to the policy, Enefit Green intends to distribute 50% of its net profit for the previous year to the shareholders each year. Exceptions are possible in the case of non-recurring events, such as adverse market conditions, major asset transactions with one-off effects, the need to implement growth and development strategies, and the need to maintain an appropriate level of liquidity and a reasonable capital structure.

In general, Enefit Green's existing financing agreements do not impose any restrictions on the distribution of dividends.

The Management Board will make a dividend distribution proposal from the net profit for the financial year 2024 together with the publication of the audited annual report and in its proposal, will adhere to the dividend policy described above. The amount of the dividend and the payment procedure are decided by the general meeting of the shareholders after the approval of the audited annual report.

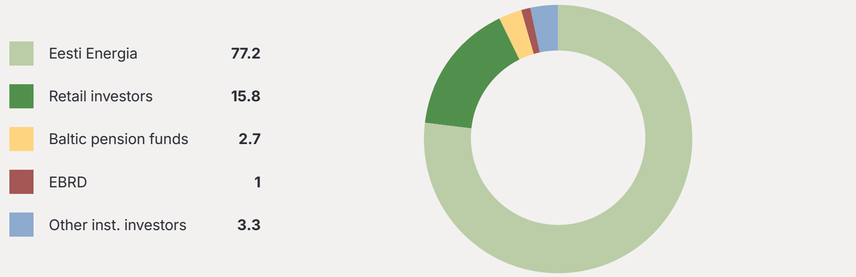
The annual general meeting of the shareholders was held on 14 May 2024. The general meeting decided to pay the shareholders a dividend of €27,749k (€0.105 per share) for the financial year 2023, which accounted for 50% of net profit for 2023. In 2023, a dividend of €54,969k (€0.208 per share) was paid to the shareholders.

Dividend per share 2022–2024, €



Shareholder structure, %

As at 31 December 2024



SHAREHOLDERS

At the end of 2024, Enefit Green's shares were held in 60,425 Nasdaq CSD securities accounts (2023: 64,101, change -3,676).

There were modest changes in the shareholder structure in 2024. The share of Baltic pension funds remained stable at 2.7%, while other institutional investors slightly increased their share (3.3%, +0.2%) at the expense of retail investors (15.8%, -0.2%).

Enefit Green's 10 largest shareholders

As at 31 December 2024

Shareholder	Number of shares	Proportion
Eesti Energia AS	203,931,405	77.17
European Bank for Reconstruction and Development	2,773,277	1.05
SEB AB/Säästopankki Korko Plus - Sijoitusrahasto	2,407,823	0.91
Swedbank Pension Fund Generation 1970-79	1,135,834	0.43
Swedbank AB Clients	1,078,942	0.41
SEB Pension Fund 55+	950,056	0.36
Swedbank AS Clients	864,06	0.33
SEB AB Lux Branch - UCITS Clients	828,521	0.31
AS LHV Pank	755,201	0.29
Swedbank Pensija 1975-1981	683,034	0.26
Other (60,415 securities accounts)	48,868,079	18.49
Total number of shares	**264,276,232**	**100.00**

TRADING STATISTICS OF THE ENEFIT GREEN SHARE

From listing until the end of 2023, the Enefit Green shares were the most actively traded ones on the Nasdaq Baltic stock exchanges.

In 2024, trading activity decreased significantly: the total trading value was €44.7m, which accounted for around 12% of the total turnover of the Main List on the Nasdaq Baltic. This made Enefit Green's share the fourth most traded. In more than 136k transactions, 14.5m shares changed hands.

During the year, the share traded between €2.70 and €3.796. The share closed at €2.76, down 22.4% over the year (excluding the dividend).

Trading statistics of the Enefit Green share on the Nasdaq Baltic Main List in 2022–2024

€	2022	2023	2024
Closing price, €	4.378	3.556	2.760
High, €	4.932	4.888	3.796
Low, €	3.334	3.420	2.700
Traded volume, m	28.6	17.3	14.5
Turnover, €m	115.3	72.3	44.7
Market capitalisation at the end of the year, €m	1,157	938	729

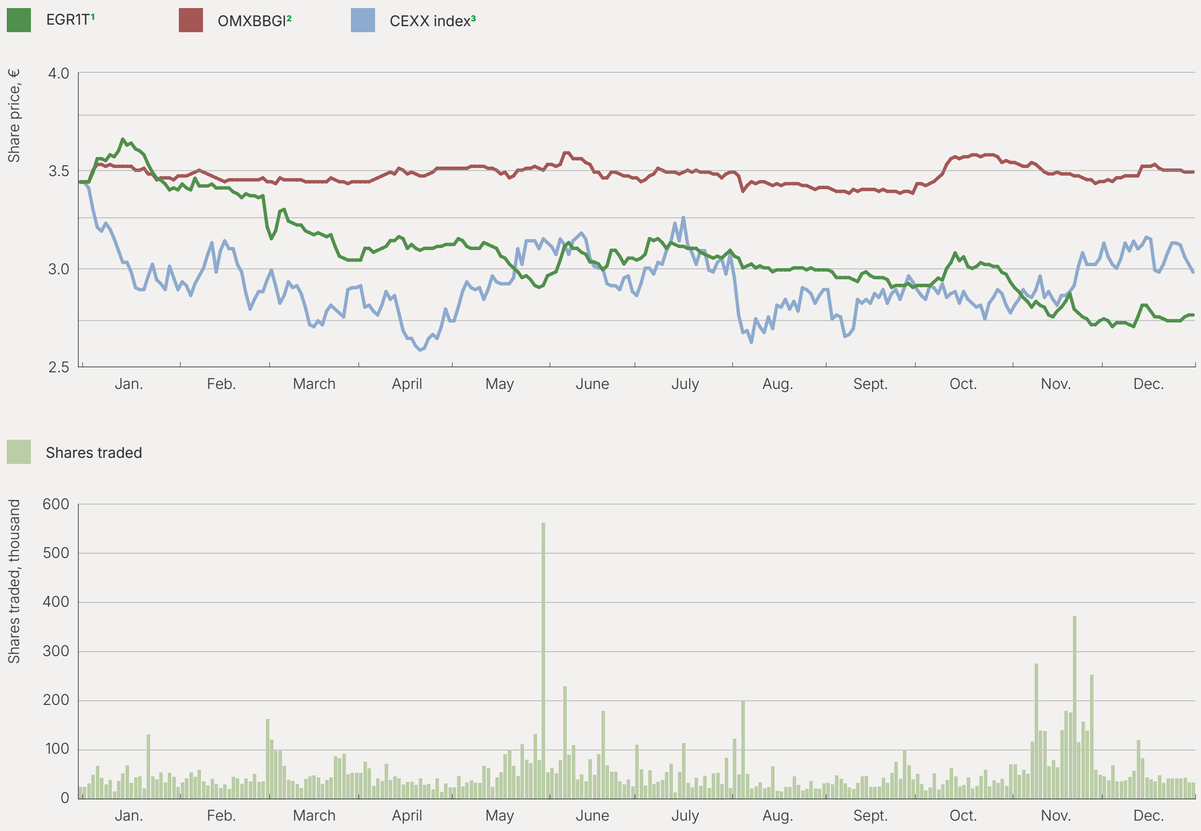
Adjusted for the dividend (€0.105 per share), the total return of the Enefit Green share in 2024 was -19.8%, meaning that the share underperformed its benchmark indexes.

Relevant benchmark indexes include the Nasdaq Baltic Benchmark (2024 return +1.5%) and the Nasdaq Clean Edge Green Energy Total Return Index, which tracks the share prices of the green energy sector and related companies listed on Nasdaq (2024 return -13.3%). In the 2023 annual report, we used the Nasdaq OMX Renewable Energy Generation Total Return Index for global comparison, but Nasdaq discontinued the calculation and publication of the index in May 2024.

The Enefit Green share underperformed its benchmark indexes for a second consecutive year. The total return on investment for investors who acquired shares in the initial public offering in 2021, including dividends, has been +6.8% since then. The return on the above benchmark indexes in the same period has been -6.1% and 43.5% in the same period, respectively.

Performance of the benchmark indexes and the price and trading volume of Enefit Green shares are shown in the following chart.

Enefit Green's share price and benchmark indexes in 2024, €



1 Enefit Green's (dividend-adjusted) share price
2 The Nasdaq Baltic Benchmark (Gross Return), an index which tracks the share prices of companies listed on the Nasdaq Baltic stock exchanges.
3 The the Nasdaq Clean Edge Green Energy Total Return Index which tracks the share prices of the green energy sector and related companies.

Tax Footprint

The tax footprint reflects how Enefit Green contributes to society by paying taxes.

In carrying out our activities, we adhere to the following tax risk management principles, according to which we:

1	comply with all applicable tax laws and regulations;
2	conduct all transactions at market prices and document them in accordance with relevant requirements;
3	assess the tax implications of new projects for Enefit Green's tax liabilities;
4	maintain an open and trusting relationship with the tax authorities; and
5	engage external advisers in projects where we do not have in-house tax expertise.

In disclosing our tax footprint, we present tax information by tax and by country.

When calculating the tax footprint, we distinguish between taxes borne and taxes collected:

1	taxes borne are taxes that are borne directly by Enefit Green;
2	taxes collected are taxes for which Enefit Green acts as an intermediary, i.e. we collect the taxes from consumers and employees and transfer them to the tax administrator.

Our tax footprint includes the taxes borne and collected in all our markets.

In 2024, the taxes borne by Enefit Green totalled €8,291k (2024: €15,197k) and the taxes collected by Enefit Green totalled €(34,267)k (2023: €(23,020)k). As a result, the group's tax footprint was negative at €(25,976)k (2023: €(7,822)k).

The tax footprint was negative due to VAT refunds related to the development of new production assets.

In 2024, Enefit Green paid income tax of €4,539k on dividends distributed to shareholders (2023: €9,481k).

Tax Footprint: Taxes borne and collected by the Enefit Green group

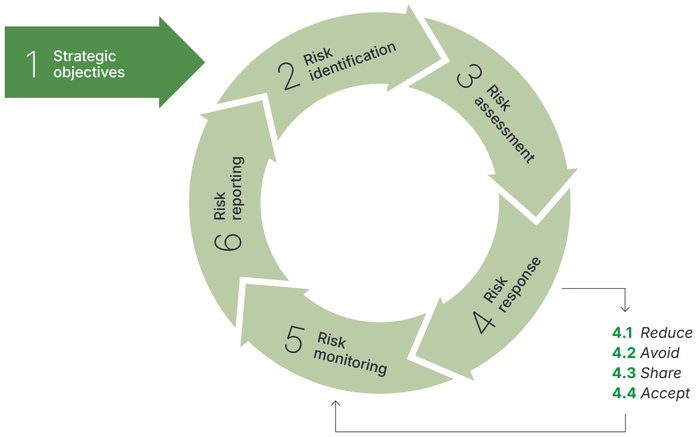
€ thousand	2024						2023					
	Estonia	**Latvia**	**Lithuania**	**Poland**	**Finland**	**TOTAL**	**Estonia**	**Latvia**	**Lithuania**	**Poland**	**Finland**	**TOTAL**
Taxes borne												
Payroll taxes borne by the employer	1,757	85	17	0	13	**1,872**	1,659	412	18	54	0	**2,143**
Environmental charges	801	0	2	0	0	**803**	267	33	0	0	0	**301**
Corporate income tax	4,538	0	32	1	0	**4,571**	9,514	0	2,154	39	0	**11,707**
Property taxes	38	1	805	200	0	**1,045**	66	5	934	41	0	**1,046**
Total taxes borne	**7,135**	**86**	**855**	**201**	**13**	**8,291**	**11,507**	**451**	**3,106**	**134**	**0**	**15,197**
Taxes collected												
Excise taxes	76	0	0	0	0	**76**	63	1	0	0	0	**64**
Employees' payroll taxes	1,415	107	397	83	0	**2,002**	1,227	502	416	71	0	**2,217**
VAT (VAT on sales less VAT on purchases)	(32,023)	(136)	(1,981)	(598)	(1,608)	**(36,345)**	(10,383)	(1,793)	(1,620)	381	(11,885)	**(25,301)**
Total taxes collected	**(30,532)**	**(29)**	**(1,584)**	**(515)**	**(1,608)**	**(34,267)**	**(9,093)**	**(1,289)**	**(1,204)**	**452**	**(11,885)**	**(23,020)**
Total taxes	**(23,397)**	**57**	**(729)**	**(314)**	**(1,594)**	**(25,976)**	**2,414**	**(838)**	**1,902**	**586**	**(11,885)**	**(7,822)**

Risk Management

The main objective of risk management is to support the achievement of Enefit Green's strategic objectives: to help mitigate the business risks associated with the execution of the strategy and to identify new business opportunities.

Risk management is a natural part of all Enefit Green's business processes and operations. Risks are managed in a systematic, consistent, transparent and timely manner in accordance with the established risk management policy. We apply the three lines of defence approach to risk management in our organisational structure. This helps assure that the risks inherent in and affecting our operations are identified, assessed, mitigated and controlled effectively and that losses are prevented.

A simplified structure of the risk management process is shown in the figure below.



Our objective is to ensure a risk-conscious approach to development activities, operations, change management and business continuity. To make sure that our risk management activities are effective and to prevent risks from materialising, we regularly and systematically collect information about the materialisation of risk, threats of the materialisation of risk, and incidents.

We assess risks using a risk matrix (probability x impact) methodology. When a risk changes, we initiate risk self-assessment processes to determine its potential scope and impact and implement appropriate mitigation measures.

We analyse materialised risks (i.e. risk incidents) to identify their root cause and improve risk mitigation measures, if necessary. We also analyse near misses so that additional measures can be applied before the risk materialises. This information is used to make improvements and thereby lower the probability of the recurrence and/or impact of similar events in the future.

We use the information, analyses and expert assessments gathered in the course of risk management to set Enefit Green's strategic objectives and plan the activities to achieve them.

The main risks are summarised in the figure to the right.

MARKET AND FINANCIAL RISKS

As demand and the prices of products and services can change in the market, Enefit Green is exposed to fluctuations in the value of its assets or liabilities, or in the amount of income it earns on its assets and services.

Price risk

Enefit Green's main market risk is electricity price risk, which also includes price discount risk for solar and wind power due to an increasing number of production units in these segments.

Previously, renewable energy support measures had an important role in mitigating this risk, reducing the impact of price volatility on financial performance. However, the share of renewable energy support

Main risks

has steadily declined. At the same time, the share of long-term power purchase agreements (PPAs) has increased to mitigate the risk of low electricity prices.

The share of PPAs in our electricity sales and other risks associated with them are discussed in more detail in the chapter on PPAs.

We manage price risk by applying the market risk management framework and conduct stress tests to assess our tolerance of price risk.

A ±€10/MWh change in the average realised sales price of electricity would have had a ±€12.3m impact on Enefit Green's profit before tax for 2024 (2023: €7.7m). A ±€10/MWh change in the average realised purchase price of electricity would have had a ±€5.5m impact on Enefit Green's profit before tax for 2024 (2023: €4.1m).

Even though purchase and sales prices do not always follow the same trend, a simultaneous ±€10/MWh change in the purchase and sales price would have had a ±€6.8m impact on Enefit Green's profit before tax for 2024 (2023: €3.6m).

Financial leverage risk

Enefit Green has used a large amount of debt to accelerate business growth through the development of new production assets. The objective is to enhance the company's prospects for long-term return on equity.

In a situation where the company has a high number of projects under construction relative to the assets generating stable cash flow, and the completion of new projects is slower than expected, production shortfalls may occur compared to the original forecasts. As a result, financial performance may be weaker than projected.

We assess and mitigate the risk associated with financial leverage using the net debt-to-EBITDA and EBITDA-to-interest expense ratios as the key metrics, tracking their dynamics on a monthly basis and conducting stress tests. Enefit Green's loan covenants impose specific limits on these ratios and exceeding them can lead to higher interest expense and restrictions on the company's operations.

We have projected that in the active development phase of new projects, the net debt-to-EBITDA ratio may increase significantly and rise to 5.0 or even higher in the short term. At 31 December 2024, the ratio stood at 6.0 and we expect it to decline below 6.0 by the end of 2025.

At 31 December 2024, Enefit Green was in compliance with all loan terms and conditions, including the covenants.

Interest rate risk

The fair value or cash flows of financial instruments may fluctuate due to changes in market interest rates, which may have a positive or negative effect. Cash flow interest rate risk arises from Enefit Green's floating-rate borrowings and is the risk that finance costs will increase when interest rates rise.

We have used interest rate swaps to mitigate interest rate risk.

At 31 December 2024, Enefit Green had three interest rate swap agreements in the nominal amount of €142.5m (2023: €157.7m), which accounted for 19.8% (2023: 33.4%) of total borrowings.

At the same date, the weighted average effective interest rate of bank loans including the effect of interest rate swaps was 3.88% (31 December 2023: 3.75%).

The interest rate of Enefit Green's bank loans depends on the base interest rate: the level of the 3- or 6-month EURIBOR for borrowings denominated in euros, and the level of the 6-month WIBOR for borrowings denominated in Polish zloty. At 31 December 2024, a 1.0% percentage point rise in the average base interest rate would have had an impact of -€5.8m on Enefit Green's profit before tax for the year (31 December 2023: -€3.2m).

In January 2025, Enefit Green's management board approved a new interest rate risk mitigation framework.

Credit risk

Credit risk is the risk of a potential loss that occurs when a counterparty is unable to meet its contractual obligations. Cash at bank, long-term fixed-price PPAs, trade and other receivables and derivatives with a positive value are exposed to credit risk.

In the case of each long-term fixed-price PPA signed with a counterparty not belonging to the Eesti Energia group, we assess the potential credit risk and use appropriate credit risk mitigation measures, such as a credit limit, a parent company guarantee or a bank guarantee. We regularly monitor the counterparty's credit behaviour and creditworthiness. The amounts and due dates of obligations are spread out over different periods to prevent excessive exposure to credit risk.

At 31 December 2024, the counterparty to 90.2% of the long-term fixed-price PPAs was Eesti Energia AS (31 December 2023: 88.9%).

Liquidity risk

Liquidity risk is the risk that Enefit Green will not be able to discharge its financial obligations due to insufficient cash flow. Short-term liquidity risk is the risk that there is insufficient cash in Enefit Green's bank accounts to meet current payment obligations. Long-term liquidity risk is the risk that Enefit Green does not have enough cash available to cover future liquidity needs in implementing its business plan and to fulfil its obligations.

We mitigate short-term liquidity risk by keeping a sufficient cash buffer in our bank accounts to ensure that funds are available even when there is a deviation from the cash flow forecast.

To mitigate long-term liquidity risk, we regularly forecast the liquidity needs for the next 12 months to finance investments, make loan repayments and dividend payments, taking into account cash inflow from operating activities. In order to meet our liquidity needs, we maintain a sufficient liquidity buffer in the form of undrawn loans and unused credit limits (both short-term credit facilities and long-term investment loans).

LEGAL RISK

Legal risk is the risk that changes in legislation, either in Enefit Green's core markets or at the EU level, which affect Enefit Green's operations will prevent the company from achieving its business objectives.

We mitigate legal risk by monitoring the developments and planned changes in the regulatory environment, both in our core markets and at the EU level. We participate actively in public debates and discussions on the development of new legislation and make sure that our activities comply with legislation.

OPERATIONAL RISKS

Operational risks (incl. those related to development and operation) are risks that can arise from in-effective internal processes, employee errors, staff shortages, equipment failures and external events.

Technical and technological risks

The identification and management of the risks associated with physical assets and technological solutions used to achieve our business objectives along with the implementation of preventive measures help prevent or mitigate the occurrence of business risks and their adverse consequences.

We conduct criticality analyses, which are based on the risk assessments for components of production assets, to achieve the expected availability and operational reliability of our production assets with optimal resources. We apply risk-specific preventive measures in planning maintenance, repairs and inventories. In the case of emergencies, we take pre-planned actions to reduce their impact or duration. This approach ensures the business continuity of the organisation and production assets. We have transferred part of the availability risk to our contractual partners.

In September 2024, we signed an agreement with GE Vernova regarding the incident on 2 May 2023, when a wind turbine supplied by GE Vernova collapsed at the Akmenė wind farm that was under construction in Lithuania. GE Vernova replaced the wind turbine in the first half of 2024 and at 31 December 2024 all the wind turbines in the Akmenė wind farm were fully operational.

In 2024, we also focused on updating and testing the business continuity risk assessments and plans for our production assets. Business continuity planning includes services provided to achieve strategic business objectives and for district heating as a vital service.

IT risk (incl. cyber risk)

IT risk is the risk that Enefit Green will not be able to meet its business objectives or will suffer a loss due to flaws in IT solutions or due to cyberattacks.

We manage IT risk, including cyber risks, by carrying out and updating the risk analyses of all business-critical activities with a particular focus on the risks associated with business continuity, data integrity and loss of confidentiality. We have established cybersecurity requirements for our business partners to help mitigate the IT risks associated with counterparties. It is also important to consistently raise the cyber security awareness of our employees.

In 2024, extensive preparations began for an audit in accordance with the Estonian Information Security Standard (an E-ITS audit). We assessed and identified all business-critical processes, and the assets associated with them. Work will continue on developing a plan for implementing measures, during which we will assess additional IT risks based on the business-criticality of the processes.

Fraud risk

Fraud is a deliberate act or failure to act on the part of a person belonging or not belonging to Enefit Green, which involves breach of legislation or rules by misleading, making false representations, abusing trust, withholding information or deceiving.

Enefit Green has zero tolerance to fraud. We respond to all incidents of fraud based on the nature of the case and strive to reduce the impacts on the company.

PHYSICAL CLIMATE RISK

Physical climate risk is the risk that, due to climate change, Enefit Green's development portfolio and production assets will be affected by physical climate risk factors, including changing wind conditions, more intense storms, snowfall and rainfall, floods and prolonged periods of high air temperatures. Given that our production portfolio primarily consists of wind farms, which are non-dispatchable production assets, we are highly dependent on wind conditions.

We take these risks into account in the planning and construction of our development projects, the maintenance of newly completed and operating assets, and production forecasts. We transfer the risk through all-risk insurance.

ENVIRONMENTAL RISKS

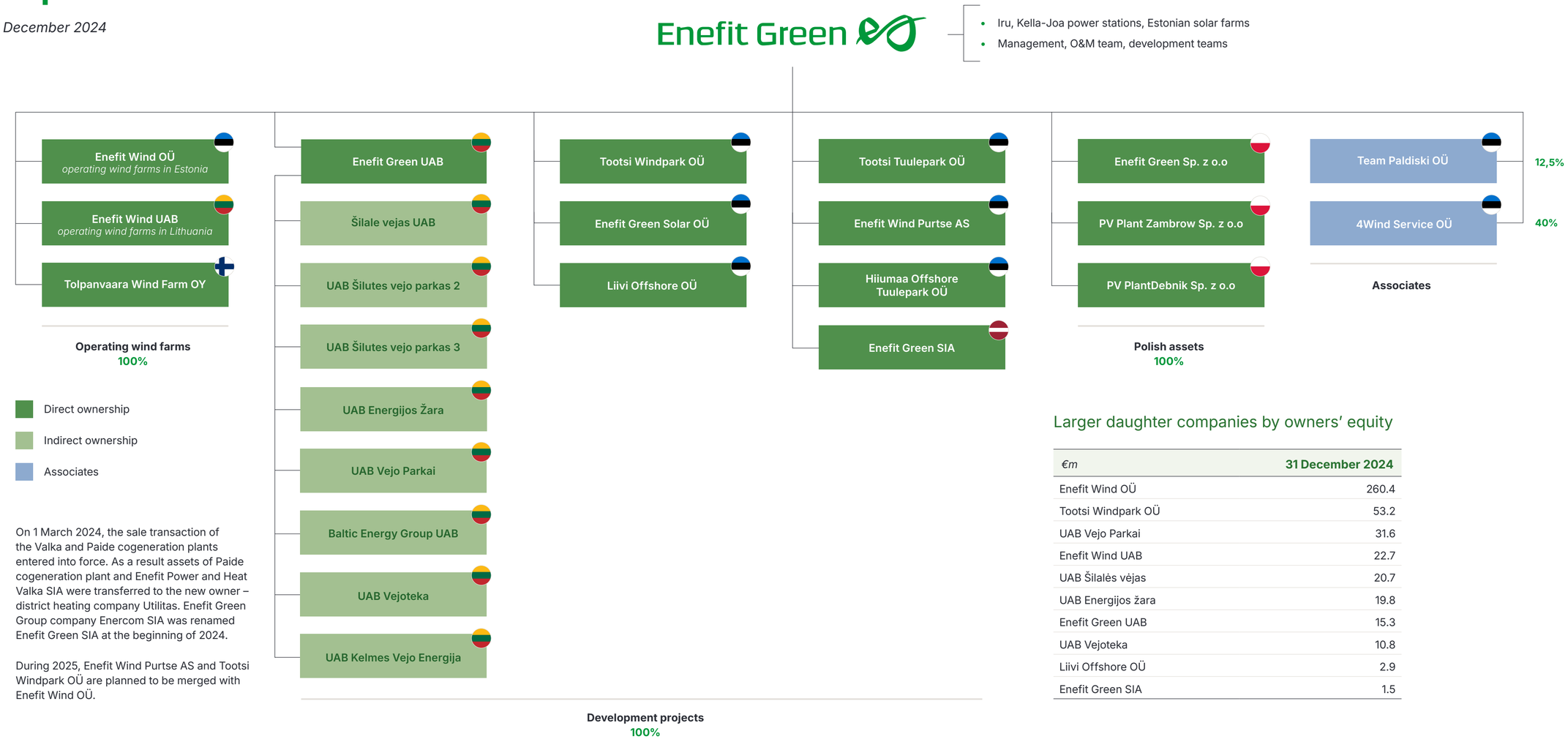
We define environmental risk as a situation in which Enefit Green's activity or failure to act causes damage to the environment that exceeds permissible limits and does not comply with the agreed requirements, including the conditions specified in environmental permits.

Our environmental risk management measures are aimed at preventing the occurrence of these risks. We update them to reflect changes in Enefit Green's strategy, operations and organisational structure.

For further details on environmental risk management, see the environmental part of the sustainability report.

Group Structure

As at 31 December 2024



On 1 March 2024, the sale transaction of the Valka and Paide cogeneration plants entered into force. As a result assets of Paide cogeneration plant and Enefit Power and Heat Valka SIA were transferred to the new owner – district heating company Utilitas. Enefit Green Group company Enercom SIA was renamed Enefit Green SIA at the beginning of 2024.

During 2025, Enefit Wind Purtse AS and Tootsi Windpark OÜ are planned to be merged with Enefit Wind OÜ.

Larger daughter companies by owners' equity

€m	31 December 2024
Enefit Wind OÜ	260.4
Tootsi Windpark OÜ	53.2
UAB Vejo Parkai	31.6
Enefit Wind UAB	22.7
UAB Šilalės vėjas	20.7
UAB Energijos žara	19.8
Enefit Green UAB	15.3
UAB Vejoteka	10.8
Liivi Offshore OÜ	2.9
Enefit Green SIA	1.5

Analysis of Financial Results

Group Performance in Q4 2024

Enefit Green's Q4 operating income increased by 5% and operating expenses decreased by 13% compared to the same period last year. EBITDA increased by 28% to €37.8m and net profit for the period increased by €8.3m to €27.4m.

IMPACT OF ASSETS SOLD ON GROUP PERFORMANCE

The comparison of the group's performance indicators for Q4 2024 with those for the same period in 2023 is strongly affected by the sale of the Brocēni CHP plant and pellet factory, which was completed in Q4 2023, and the sale of the Paide and Valka CHP plants, which was completed in March 2024 ('assets sold').

The results for Q4 2023 include operating income of €13.5m, operating expenses of €10.4m and EBITDA of €3.1m related to the assets sold.

PRODUCTION AND SALE OF ELECTRICITY AND HEAT PRODUCTION

The group's electricity production in Q4 increased by 275 GWh (+67%) to 688 GWh and production from new wind farms completed and under construction increased by 249 GWh year-on-year. Heat production decreased by 63 GWh to 110 GWh. The impact of the assets sold on electricity and heat production in Q4 was -11 GWh and -59 GWh compared to the same period in 2023, respectively.

Production of electricity and heat and sale of electricity

GWh	Q4 2024	Q4 2023	Change	Change %
Electricity production, net	688	413	275	67%
Of which from new wind and solar farms	361	112	249	222%
Of which from assets sold	-	11	(11)	(100)%
Electricity sales[1]	858	520	338	65%
Heat production	110	172	(63)	(36)%
Of which from assets sold	-	59	(59)	(100)%

1 The difference between the quantities of electricity sold and produced is attributable to differences between sales under baseload PPAs and wind energy production profiles as well as day-ahead forecasts and unrealised production, which is covered by purchases from Nord Pool and/or the energy imbalance market.

Operating income

Operating income increased by €3.3m, the figure reflecting revenue growth of €1.9m and an increase in renewable energy support and other operating income of €1.4m. Operating income from the continuing business increased by €16.8m as a result of revenue growth of €14.2m and an increase in other operating income of €2.6m.

Consolidated income statement

€m	Q4 2024	Q4 2023	Change	Change %
Total operating income	**70.2**	**66.9**	**3.3**	**5%**
Revenue	61.6	59.6	1.9	3%
Renewable energy support and other operating income	8.6	7.3	1.4	19%
Total operating expenses (excl. D&A)	**32.4**	**37.3**	**(4.9)**	**(13)%**
Electricity purchase costs	17.7	14.7	3.0	21%
Fixed costs	13.0	12.4	0.6	5%
Other variable costs	1.7	10.2	(8.5)	(83)%
EBITDA[2]	**37.8**	**29.6**	**8.2**	**28%**
Depreciation, amortisation and impairment (D&A)	9.8	10.8	(1.0)	(9)%
Operating profit	**28.0**	**18.8**	**9.2**	**49%**
Net finance costs	(0.3)	(0.3)	0.1	(22)%
Income tax cost (income)	0.3	(0.7)	1.0	(147)%
Net profit	**27.4**	**19.1**	**8.3**	**44%**
Impact of assets sold on income statement line items				
Total operating income	0.0	13.5	(13.5)	(100)%
Total operating expenses (excl. D&A)	0.0	10.4	(10.4)	(100)%
EBITDA[2]	**0.0**	**3.1**	**(3.1)**	**(100)%**
Depreciation, amortisation and impairment (D&A)	0.0	1.2	(1.2)	(100)%

2 EBITDA – earnings before net finance income or costs, profit or loss from associates under the equity method, tax, depreciation, amortisation and impairment losses.

OPERATING INCOME

Revenue from the continuing business grew by €14.2m year-on-year, driven by electricity revenue, which grew by 14.4m due to an increase in electricity production from the continuing business (+287 GWh, +71%). In Q4 2024, the average electricity price[1] in the group's core markets was €91.3/MWh (Q4 2023: €93.1/MWh) and the group's average implied captured electricity price[2] was €63.8/MWh (Q4 2023: €80.3/MWh).

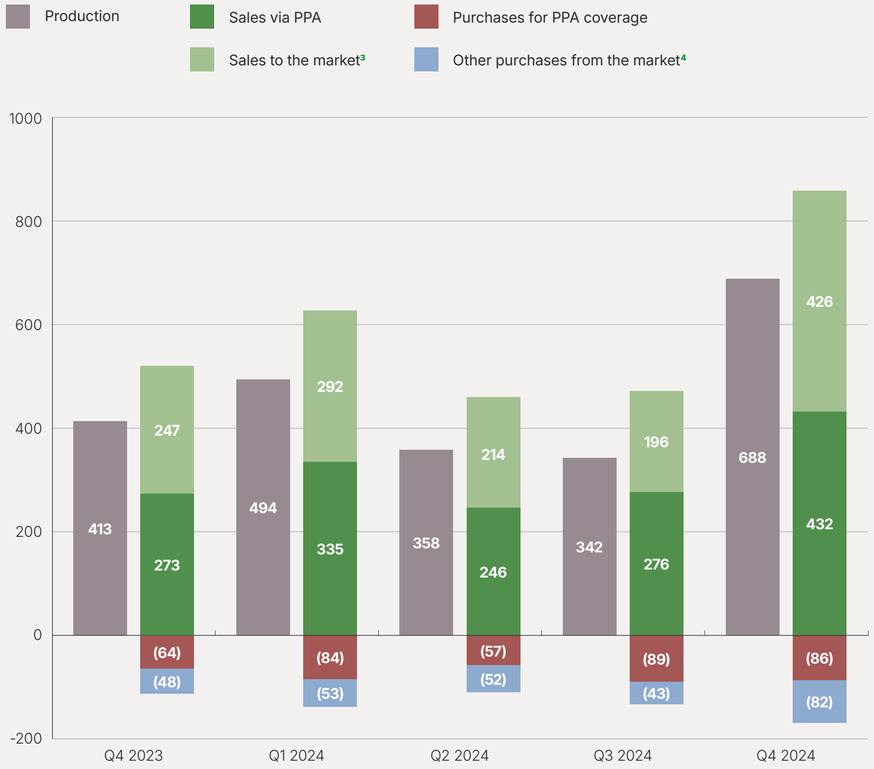
The implied captured electricity price differs from the average market price in the group's core markets, because it takes into account long-term fixed-price power purchase agreements (PPAs), renewable energy support, purchases of balancing energy, electricity purchases from the Nord Pool day-ahead and intraday markets, and the fact that the renewable energy generation profile differs significantly from the baseload profile.

The group's average price of electricity supplied to the market in Q4 2024 was €58.5/MWh (2023: €64.1/MWh). The group supplied 426 GWh of electricity to the market in Q4 2024 compared with 247 GWh in the same period in 2023.

In Q4 2024, 432 GWh of the group's electricity production was covered by PPAs at an average price of €66.4/MWh. In Q4 2023, 273 GWh of electricity was sold under PPAs at an average price of €91.2/MWh. The average price of electricity sold under PPAs has decreased significantly compared to the same period in 2023, mainly because the supply periods under the PPAs signed in Estonia, Lithuania and Finland in 2021 at lower prices began in 2024. The share and prices of production covered by PPAs in future periods are disclosed in the risk management chapter.

An overview of the amounts of electricity produced, purchased and sold, the realised prices and the resulting implied captured electricity price for the past five quarters is presented in the chart below and table on the right.

Electricity produced, purchased and sold, GWh



1 Production-weighted average market price in the group's core markets

2 (electricity sales revenue + renewable energy support and efficient cogeneration support + revenue from sale of guarantees of origin – cost of electricity purchases from the power exchange – cost of balancing energy purchases) / production

3 Other purchases from the market include purchases from the power exchange and the balancing market, excl. purchases to cover PPAs.

4 Sales to the market include sales transactions on the power exchange and the balancing market.

Average quarterly electricity prices

Prices €/MWh	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Core markets' average electricity price[1]	93.1	87.0	72.2	87.5	91.3
Price of electricity sold to the market	64.1	77.6	52.5	50.1	58.5
PPA price	91.2	75.0	68.2	60.7	66.4
Realised purchase price	121.5	106.1	80.4	107.0	98.8
Implied captured electricity price[2]	80.3	81.4	69.7	50.3	63.8

1 Production-weighted average market price in the group's core markets. This is the arithmetic price that the group would receive if it sold all its production on the power exchange without any profile discount, if its farms did not receive any support, if no balancing costs were incurred on the forecast result and if no PPA contracts were signed.

2 (electricity sales revenue + renewable energy support and efficient cogeneration support + revenue from sale of guarantees of origin – cost of electricity purchases from the power exchange – cost of balancing energy purchases) / production

In Q4 2024, we purchased 168 GWh of electricity from the market at an average price of €98.8/MWh, compared with 112 GWh at an average price of €121.5/MWh in Q4 2023 (the prices and volumes exclude the electricity purchased for pellet production in Q4 2023). The increase in the volume of electricity purchased (+56 GWh) is the result of both purchases to cover PPAs and an increase in production volume, which is accompanied by a proportional increase in the volume of other purchases. The purchase price decreased compared to Q4 2023, in line with the overall decrease in market prices and the gap between the purchase and sales prices decreased slightly.

Compared to Q4 2023, when wind discounts in Estonia and Lithuania were among the steepest recorded, the level in Q4 2024 improved slightly. Enefit Green's wind discounts in Estonia and Lithuania were similar to the overall market level, decreasing by 3.9 and 2.3 percentage points year-on-year in Estonia and Lithuania, respectively. The low correlation of production with other Finnish wind farms and the curtailment of generation capacity during periods of low electricity prices enabled Enefit Green to achieve a premium of 0.9% for the Tolpanvaara wind profile in a situation where the market wind discount hit a record of almost -47%.

Other operating income from the continuing business increased by €2.6m, the figure including an increase in renewable energy support of €1.6m. The support period for the Purtse wind farm started in Q2 2024, which increased the amount of support received by €0.7m compared to the same period in 2023. The support period for the Aseriaru wind farm ended in Q4 2024. In Q4 2024, the wind power production of our other eligible Estonian wind farms was higher than in the same period in 2023, which increased the amount of support received. The support received in Poland decreased by €0.1m compared to Q4 2023.

Operating expenses

ELECTRICITY PURCHASE COSTS

Electricity purchase costs include the cost of purchases from the power exchange and the balancing market as well as directly attributable administrative expenses. Compared to Q4 2023, electricity purchase costs increased by €3.0m (+21%) to €17.7m. An overview of the volumes and prices of electricity purchases is presented in the revenue section above. The impact of the price and volume of electricity purchased on the group's EBITDA is presented in the EBITDA section of this chapter.

FIXED COSTS

Fixed costs are costs that are not directly related to the production volume. In Q4 2024, fixed costs increased by €0.6m (+5%) year-on-year to €13.0m. The impact of the assets sold on fixed costs was -€1.6m.

Fixed costs

	Total			Continuing business			Assets sold		
€m	Q4 2024	Q4 2023	Change	Q4 2024	Q4 2023	Change	Q4 2024	Q4 2023	Change
Fixed costs	**13.0**	**12.4**	**0.6 (+5%)**	**13.1**	**10.9**	**2.2 (+20%)**	**(0.1)**	**1.5**	**-1.6**
Maintenance costs	5.5	5.2	0.3 (+5%)	5.5	4.6	0.8 (+18%)	0.0	0.6	-0.6
Land costs	1.7	0.8	0.9 (+113%)	1.7	0.8	0.9 (+116%)	0.0	0.0	-0.0
Payroll expenses	2.3	2.8	-0.5 (-16%)	2.3	2.1	0.2 (+10%)	0.0	0.7	-0.7
Other	3.5	3.6	-0.1 (-3%)	3.5	3.3	0.2 (+6%)	(0.1)	0.3	-0.3

Fixed costs for the continuing business increased by €2.2m (+20%) to €13.1m, including an increase of €0.8m in the maintenance and repair costs of production assets and an increase of €0.9m in land costs related to production assets and development projects.

The increase in maintenance and repair costs is related to the addition of maintenance costs for assets that started production in 2023. The increase in land costs is partly related to the addition of land costs and taxes for new operating assets and the land costs for projects in the pre-development stage.

Payroll expenses for the continuing business increased by €0.2m (+10%). At the end of 2024, the group had 132 employees (2023: 154, including 133 in the continuing business).

OTHER VARIABLE COSTS

Other variable costs are costs related to the production volumes, which vary according to the intensity of production. These costs include direct and indirect costs incurred in the production process, excluding electricity purchase costs and fixed costs.

In Q4 2024, other variable costs decreased by €8.5m (-83%) due to the assets sold. Variable costs for the continuing business remained stable compared to Q4 2023.

EBITDA

Group's EBITDA change by drivers, €m

The biggest impact on Q4 EBITDA came from the decrease in the price of electricity sold (-€7.5m). As a result of the PPAs, the volume of electricity sold increased significantly compared to Q4 2023 (impact: +€25.0m), which was accompanied by an increase in the volume of electricity purchased to balance the electricity portfolio (impact: -€6.6m). The overall impact of these factors on EBITDA is influenced by both the volume and profile of electricity production during the period. In Q4 2024, electricity production increased by 67% compared to the same period in 2023.

The impact of assets sold on EBITDA development was negative at €3.0m.

The increase in the fixed costs of the continuing business reduced EBITDA by €2.2m. Further information on this is provided in the operating expenses section above.

DEPRECIATION, AMORTISATION AND IMPAIRMENT (D&A)

In Q4 2024, D&A expenses decreased by €1.0m (-9%) year-on-year to €9.8m. The assets sold reduced D&A expense by €1.2m compared to the same period in 2023. The D&A expense for the continuing business increased by €0.2m (+2%).

The Tolpanvaara wind farm (D&A for Q4 2024 €0.8m) and the Debnik solar farm in Poland (D&A for Q4 2024 €33k) were recognised as a depreciable non-current asset in Q3 2024. In Q4 2024, we wrote off the unusable parts of the gearbox of a wind turbine generator (impact: €0.5m) in the Vanaküla wind farm and recognised the rest of the carrying amount of the asset as spare parts (reported within non-current assets).

NET FINANCE COSTS

Net finance costs decreased by €0.1m compared to the same period last year. Interest expense on bank loans increased by €2.1m year-on-year, but 98% of the loan interest was capitalised due to the construction period of the assets.

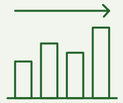
INCOME TAX

Income tax expense increased by €1.0m compared to the same period in 2023.

NET PROFIT

The group's Q4 net profit increased by €8.3m (+44%) to €27.4m.

OPERATING INCOME
€ 70.2 m
▲ +5%



EBITDA
€ 37.8 m
▲ +28%

NET PROFIT
€ 27.4 m
▲ +44%

Group Performance in 2024

In 2024, Enefit Green's operating income decreased by 4%, while operating expenses (excluding depreciation and amortisation) declined by 15% compared to 2023. As a result, the group's EBITDA improved by 8% to €114.8m and net profit increased by €14.5m to €70.3m

IMPACT OF ASSETS SOLD ON GROUP PERFORMANCE

The comparison of the group's performance indicators for 2024 with those for 2023 is affected by the sale of the Brocēni CHP plant and pellet factory, which was completed in Q4 2023, and the sale of the Paide and Valka CHP plants, which was completed in March 2024 ('assets sold').

The group's results for 2023 include operating income of €43.9m, operating expenses of €35.6m and EBITDA of €8.3m related to the assets sold. The same figures for 2024 are operating income of €7.2m (including sales gain of €5.0m), operating expenses of €1.6m and EBITDA of €5.6m.

In the next parts of the report, the term 'continuing business' is used in the context of figures and indicators from which the impact of the assets sold has been eliminated.

PRODUCTION AND SALE OF ELECTRICITY AND HEAT

The group's total electricity production increased by 540 GWh (+40%) to 1,883 GWh and production from new wind and solar farms completed and under construction increased by 561 GWh during the year. Heat production decreased by 188 GWh (-31%) over the year. The decrease in heat production was mainly due to the assets sold. The impact of the assets sold on electricity and heat production is shown in the table below.

Electricity production and sales and heat

GWh	2024	2023	Change	Change %
Electricity production, net	1,883	1,343	540	40%
Of which from new wind and solar farms	821	259	561	216%
Of which from assets sold	4	43	(39)	(90)%
Electricity sales[1]	2,417	1,736	681	39%
Heat production	415	604	(188)	(31)%
Of which from assets sold	21	188	(167)	(89)%

1 The difference between the quantities of electricity sold and produced is attributable to differences between sales under baseload PPAs and wind energy production profiles as well as day-ahead forecasts and unrealised production, which is covered by purchases from Nord Pool and/or the energy imbalance market.

Operating income

Operating income decreased by €9.2m in 2024, the figure reflecting a €20.3m decrease in revenue and a €11.1m increase in renewable energy support and other operating income. Operating income from the continuing business increased by €27.6m, the figure including revenue growth of €19.9m and growth in other operating income of €7.7m.

Consolidated income statement

€m	2024	2023	Change	Change %
Total operating income	**220.9**	**230.1**	**(9.2)**	**(4)%**
Revenue	185.5	205.8	(20.3)	(10)%
Renewable energy support and other operating income	35.4	24.3	11.1	46%
Total operating expenses (excl. D&A)	**106.1**	**124.2**	**(18.1)**	**(15)%**
Electricity purchase costs	56.6	48.4	8.2	17%
Other variable costs	7.5	31.8	(24.3)	(76)%
Fixed costs	42.0	44.0	(2.0)	(5)%
EBITDA[2]	**114.8**	**105.9**	**8.9**	**8%**
Depreciation, amortisation and impairment (D&A)	39.1	40.6	(1.5)	(4)%
Operating profit	**75.7**	**65.3**	**10.4**	**16%**
Net finance income (costs)	(0.1)	0.1	(0.2)	(200)%
Profit from associates under the equity method	0.04	0.07	(0.03)	(42)%
Income tax	5.3	9.7	(4.4)	(45)%
Net profit	**70.3**	**55.8**	**14.5**	**26%**
Impact of assets sold on income statement line items				
Total operating income	7.2	43.9	(36.7)	(84)%
Total operating expenses (excl. D&A)	1.6	35.6	(34.0)	(95)%
EBITDA[2]	**5.6**	**8.3**	**(2.7)**	**(33)%**
Depreciation, amortisation and impairment (D&A)	0.0	4.7	(4.7)	(100)%

2 EBITDA – earnings before net finance income or costs, profit or loss from associates under the equity method, tax, depreciation, amortisation and impairment losses.

REVENUE

Revenue from the continuing business grew by €19.9m, driven by electricity revenue, which grew by €20.0m due to higher electricity production (+579 GWh, +45%). In 2024, the average electricity price[1] in the group's core markets was €83.3/MWh (2023: €92.7/MWh) and the group's average implied captured electricity price[2] was €67.1/MWh (2023: €89.0/MWh).

The implied captured electricity price differs from the average market price in the group's core markets, because it takes into account long-term fixed-price power purchase agreements (PPAs), renewable energy support, purchases of balancing energy, electricity purchases from the Nord Pool day-ahead and intraday markets, and the fact that the renewable energy generation profile differs significantly from the baseload profile.

The group's average price of electricity supplied to the market in 2024 was €60.9/MWh (2023: €73.0/MWh). The amount of electricity supplied to the market in 2024 was 1,129 GWh compared with 783 GWh in 2023.

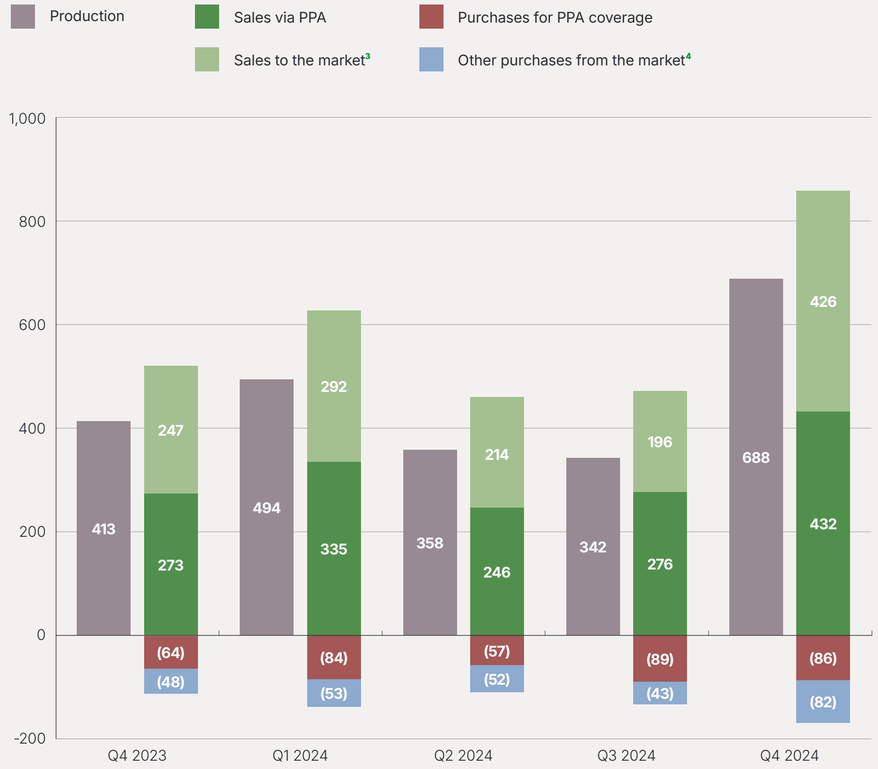
In 2024, 1,288 GWh of the group's electricity production was covered by PPAs at an average price of €67.7/MWh. In 2023, 953 GWh of electricity was supplied under PPAs at an average price of €86.9/MWh. The average price of electricity sold under PPAs has decreased significantly compared to 2023 because the supply periods under the PPAs signed in Estonia, Lithuania and Finland in 2021 at relatively low prices began in Q1 2024. The share and prices of production covered by PPAs in future periods are disclosed in the risk management chapter.

An overview of the amounts of electricity produced, purchased and sold, the realised prices and the resulting implied captured electricity price in 2024 and 2023 is presented in the chart on the right and table below.

1 Production-weighted average market price in the group's core markets

2 (electricity sales revenue + renewable energy support and efficient cogeneration support + revenue from sale of guarantees of origin – cost of electricity purchases from the power exchange – cost of balancing energy purchases) / production

Electricity produced, purchased and sold



3 Sales to the market include sales transactions on the power exchange and the balancing market.

4 Other purchases from the market include purchases from the power exchange and the balancing market, excl. purchases to cover PPAs.

Average electricity prices

Prices, €/MWh	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2023	2024
Core markets' average electricity price[1]	93.1	87.0	72.2	87.5	91.3	92.7	83.3
Price of electricity sold to the market	64.1	77.6	52.5	50.1	58.5	73.0	60.9
PPA price	91.2	75.0	68.2	60.7	66.4	86.9	67.7
Realised purchase price	121.5	106.1	80.4	107.0	98.8	110.2	99.0
Implied captured electricity price[2]	80.3	81.4	69.7	50.3	63.8	89.0	67.1

1 Production-weighted average market price in the group's core markets. This is the arithmetic price that the group would receive if it sold all its production on the power exchange without any profile discount, if its farms did not receive any support, if no balancing costs were incurred on the forecast result and if no PPA contracts were signed.

2 (electricity sales revenue + renewable energy support and efficient cogeneration support + revenue from sale of guarantees of origin – cost of electricity purchases from the power exchange – cost of balancing energy purchases) / production

In 2024, we purchased 546 GWh of electricity from the market at an average price of €99.0/MWh, compared with 411 GWh at an average price of €110.2/MWh in 2023 (the prices and volumes exclude the electricity purchased for pellet production in 2023).

The increase in the volume of electricity purchased (+135 GWh) is the result of both higher purchases for PPAs (+88 GWh) and an increase in production volume, which increased the volume of other purchases (+47 GWh). The volume of electricity purchased to meet PPA obligations was higher than expected in 2024 due to delays in the start of production from wind farms under construction.

The realised purchase price decreased compared to 2023, in line with the overall decrease in market prices, but the relative difference between the purchase and sales prices increased due to a higher wind discount. Wind discounts increased slightly compared to the previous year. Enefit Green's wind discounts in Estonia and Lithuania were similar to the overall market level, increasing by 3.9 and 0.6 percentage points over the year in Estonia and Lithuania, respectively.

The low correlation of production with other Finnish wind farms and the curtailment of generation capacity during periods of excessively low electricity prices helped Enefit Green to significantly reduce its Finnish wind energy discount compared to the market average. Wind discounts are also discussed in the operating environment chapter of this report.

Heat revenue from the continuing business increased by €2.1m to €5.5m. The increase in heat revenue was due to an increase in the heat price of €5.9/MWh (+73%) compared to the previous year, while heat production from the continuing business decreased by 21 GWh to 395 GWh (2023: 416 GWh).

RENEWABLE ENERGY SUPPORT AND OTHER OPERATING INCOME

Other operating income from the continuing business increased by €7.7m to €30.3m (2023: €22.6m). Renewable energy support for the continuing business increased by €1.5m to €22.4m. The renewable energy support is linked to the amount of electricity produced by eligible wind and solar farms in Estonia, the Iru CHP plant and solar farms in Poland.

The renewable energy support received for eligible generation assets located in Estonia increased by €0.9m. The eligibility period for the Purtse wind farm started in Q2 2024, which increased the amount of support received by €1.2m year-on-year, and the eligibility period for the Aseriaru wind farm ended in October, which reduced the support received in Q4 by €0.6m year-on-year. The support received in Poland increased by €0.6 million compared to 2023 because the market price of electricity (€96.1/MWh) was lower than the prices fixed in the Contracts for Difference (€125–134/MWh). As a result, Enefit Green was compensated for the difference between the market price and the fixed price.

Other operating income in 2024 and 2023 was significantly influenced by gains on the sale of production assets: the gain on the sale of the Brocēni CHP plant and pellet factory completed in Q4 2023 (€1.0m) and the gain on the sale of the Paide and Valka CHP plants completed in Q1 2024 (€5.0m).

Other operating income for Q3 2024 included €5.3m of income related to a settlement reached between Enefit Green and GE Vernova in connection with an incident during the construction of the Akmenė wind farm, which resulted in the collapse of a wind turbine. As a result of the negotiations, Enefit Green and GE Vernova agreed on an amendment to the Akmenė wind farm turbine supply

contract signed between the parties, including compensation of €8.2m, of which €3.9m was paid by GE Vernova to Enefit Green in cash and the remaining amount was offset against reciprocal receivables and liabilities. Of the €8.2m, €5.3m was recognised as other operating income and €1.6m as a reduction of previously made investments. GE Vernova and Enefit Green also entered into additional agreements totalling €1.3m, which had no impact on Enefit Green's financial results.

Operating expenses

ELECTRICITY PURCHASE COSTS

Electricity purchase costs include the cost of purchases from the power exchange and the balancing market as well as directly attributable administrative expenses. Compared to 2023, electricity purchase costs increased by €8.3m. Electricity purchase costs for the continuing business increased by 25% to €56.6m in 2024. The increase in the volume of electricity purchased (+135 GWh) is due to both purchases related to PPAs (+88 GWh) and growth in the production volume, which increased the volume of other purchases (+47 GWh). An overview of the volumes and prices of electricity purchases is presented in the revenue section above. The impact of the price and volume of electricity purchased on the group's EBITDA is presented in the EBITDA section of this chapter.

FIXED COSTS

Fixed costs are costs that are not directly related to the production volume. In 2024, fixed costs decreased by €2.0m (-5%) to €42.0m. The impact of the assets sold on the decrease in fixed costs was €5.4m. Fixed costs for the continuing business increased by €3.4m (+9%) to €41.3m, including an increase of €2.2m in the maintenance and repair costs of production assets and an increase of €1.3m in land costs related to production assets and development projects.

Development of fixed costs

	Total			Continuing business			Assets sold		
€m	2024	2023	Change	2024	2023	Change	2024	2023	Change
Fixed costs	**42.0**	**44.0**	**-2.0 (-5%)**	**41.3**	**38.0**	**3.4 (+9%)**	**0.6**	**6.0**	**-5.4 (-90%)**
Maintenance costs	18.0	18.4	-0.3 (-2%)	18.0	15.9	2.2 (+14%)	0.0	2.5	-2.5 (-100%)
Land costs	4.4	3.1	1.3 (+42%)	4.4	3.1	1.3 (+43%)	0.0	0.0	-0.0 (-100%)
Payroll expenses	9.1	10.8	-1.7 (-16%)	8.9	8.1	0.7 (+9%)	0.2	2.7	-2.4 (-92%)
Other	10.4	11.7	-1.3 (-11%)	10.1	10.9	-0.8 (-8%)	0.4	0.9	-0.5 (-55%)

The increase in maintenance costs is related to the addition of maintenance costs for assets that started production in 2023. The growth in land costs is partly related to the addition of the land costs and taxes for new operating assets and the land costs for projects in the pre-development stage. Payroll expenses for the continuing business grew by €0.7m (+9%).

At the end of 2024, the group had 132 employees (2023: 154, including 133 in the continuing business).

OTHER VARIABLE COSTS

Other variable costs are costs related to the production volumes, which vary according to the intensity of production. These costs include direct and indirect costs incurred in the production process, excluding electricity purchase costs and fixed costs.

In 2024, other variable costs decreased by €24.3m (-76%), of which €25.5m was related to the assets sold. Variable costs for the continuing business increased by €1.2m, of which €1.7m was related to the Iru CHP plant. The main driver of the increase in the variable costs of the Iru CHP plant was the

increase in pollution charges (€1.1m) – a new, 12 times higher CO_2 emission charge (€25/t) for heat producers took effect on 1 July 2024. As heat prices are regulated in Estonia, the increase in the pollution charge was passed on to the price of heat sold by Enefit Green. The increase in the variable costs of the Iru CHP plant is further explained in the chapter on the cogeneration segment.

EBITDA

Group's EBITDA change by drivers, €m

In 2024, the decrease in the price of electricity sold reduced EBITDA by €33.0m compared to the previous year. Due to the increase in production volume, the amount of electricity sold increased significantly, improving EBITDA by €54.4m compared to 2023. As the volume of electricity sold under PPAs increased significantly, the volume of electricity purchased to balance the electricity portfolio also increased, reducing EBITDA by €15.4m year-on-year. The overall effect of these items on EBITDA was influenced by both the volume and profile of electricity generation during the period.

The impact of the assets sold on EBITDA was negative at €2.7m.

The Iru CHP plant, excluding fixed costs and the impacts of electricity price and volume, reduced EBITDA by €1.2m. The figure reflects the effects of heat energy, gate fees and technological fuel (mainly natural gas). The results of the Iru CHP plant are described in more detail in the chapter on the cogeneration segment.

The increase in the fixed costs of the continuing business reduced EBITDA by €3.4m compared to the previous year. Further information on this is provided in the operating expenses section above and in the chapters on the group's operating segments.

DEPRECIATION, AMORTISATION AND IMPAIRMENT (D&A)

D&A expenses decreased by €1.4m (-4%) compared to 2023, of which €4.7m was due to the assets sold. The figure for the continuing business increased by €3.3m (+9%) due to the recognition of new assets in 2024.

The Purtse wind farm (D&A for 2023 €0.6m, D&A for 2024 €1.0m) and the Purtse solar farm (D&A for 2023 €0.3m, D&A for 2024 €0.5m) in Estonia were recognised as depreciable non-current assets in Q3 2023 and the Zambrow solar farm in Poland (D&A for 2023 €80k, D&A for 2024 €0.2m) and the Estonia solar farm in Estonia (D&A for 2023 €7k, D&A for 2024 €86k in 2024) in Q4 2023.

The Tolpanvaara wind farm in Finland (D&A for 2024 €1.9m) and the Debnik solar farm in Poland (D&A for 2024 €44k) were recognised as depreciable non-current assets in Q3 2024.

D&A expenses are expected to increase in 2025 due to the completion of major development projects in Estonia and Lithuania.

NET FINANCE INCOME AND COSTS

The change in net finance income and costs was negative at €0.2m. Interest expense on bank loans increased by €12.2m year-on-year to €25.1m, but 98% of the loan interest was capitalised due to the construction period of the assets. Interest expense recognised in the income statement is expected to increase in 2025, as the completion of development projects in Estonia and Lithuania will reduce the share of interest expense that is capitalised.

INCOME TAX

Income tax expense decreased by €4.4m compared to 2023 due to a lower dividend distribution and therefore lower income tax expense in Estonia.

NET PROFIT

The group's net profit increased by €14.5m (+26%) to €70.3m in 2024.

OPERATING INCOME	€ 220.9 m	▼ –4%
EBITDA	€ 114.8 m	▲ +8%
NET PROFIT	€ 70.3 m	▲ +26%
RETURN ON INVESTED CAPITAL (ROIC)[1]	5.2%	▼ –0.5 pp
RETURN ON EQUITY (ROE)[2]	9.2%	▲ +1.4 pp

1 Return on invested capital (ROIC) = Operating profit for the last 12 months / invested capital
2 Return on Equity (ROE) = net profit for the last 12 months / equity

RETURN ON INVESTED CAPITAL AND RETURN ON EQUITY

Return on invested capital (ROIC) decreased by 0.5 percentage points year-on-year due to the increase in the volume of invested capital - a large part of the investments made during the year were in assets under construction, which are not yet fully operational. Return on equity (ROE) increased due to the increase in net profit, driven by higher operating profit and lower income tax expense.

Investment

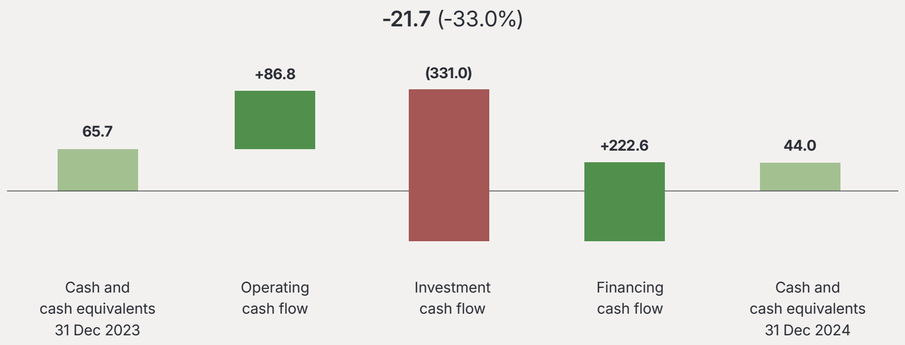
The Group's investments in 2024 amounted to €388.4m, €32.7m more than in 2023. The increase was driven by development investments, which totalled €382.0m. Of this, €324.1m was invested in the construction of new wind farms: €200.9m in the Sopi-Tootsi wind farm and €102.7m in the Kelmė wind farms, including €47.4m in Kelmė I and €52.5m in Kelmė II. As regards solar developments, the largest investments were made in the Sopi solar farm (€28.4m) and the Latvian solar farms (€6.8m). Baseline investments (expenditure for the maintenance and improvement of existing assets) amounted to €6.4m in 2024 (2023: €5.1m) and were mainly related to wind farms in Estonia (€5.4m) and the Iru CHP plant (€1.0m).

At 31 December 2024, the carrying amounts of the non-current assets of the group's operating segments were as follows: Wind energy €1,245.9m (of which 53% in construction), Cogeneration €90.8m (of which 0% in construction), Solar energy €104.5m (of which 41% in construction) and Other €65.5m.

At 31 December 2024, the assets of the Wind energy segment included goodwill of €23.6m (2023: €23.6m), the assets of the Cogeneration segment included goodwill of €32.4m (2023: €32.4m) and the assets of the Solar energy segment included goodwill of €2.2m (2023: €2.2m).

Cash flows

Liquidity development in 2024, €m



Cash inflow from operating activities amounted to €86.8m, consisting of cash inflow from operating activities of €119.3m, cash outflow from interest paid and borrowing costs of €28.2m, cash inflow from interest received of €1.1m and cash outflow from income tax paid of €5.4m.

Cash outflow from investing activities was €331.0m, consisting of investments in property, plant and equipment and intangible assets of €348.0m and proceeds from the sale of businesses of €16.9m.

Cash inflow from financing activities consisted of inflows from bank loans received of €355m and outflows from loan repayments of €108.5m, lease payments of €0.2m and dividends paid of €27.7m.

Financing

The Enefit Green group finances its activities through equity and debt. In 2024, we continued to raise additional capital by entering into new loan agreements and drawing down previously secured loans to finance the development programme of new wind and solar farms that was launched in 2021.

During the year, we signed new loan agreements and amended existing ones for a total of €180m. In June, we signed an amendment to the loan agreement with Swedbank, increasing the loan amount from €50m to €100m. In August we signed a new 8-year loan agreement for €100m with EBRD and in September we signed a new revolving credit facility agreement of €20m with OP and extended the €10m revolving credit facility agreement with SEB.

At 31 December 2024, the amount of investment loans raised but not yet drawn was €165m.

In addition to the investment loans, Enefit Green has three revolving credit facilities totalling €50m, which will mature in the period 2026–2027. At 31 December 2024, all the facilities were undrawn.

At 31 December 2024, the amortised cost of the group's interest-bearing liabilities was €734.3m (31 December 2023: €486.4m). The figure consists of bank loans and lease liabilities of €724.9m and €9.4m, respectively.

The average interest rate on bank loans drawn down as at 31 December 2024 was 3.90% (31 December 2023: 4.09%). The base rates at the end of 2024 were lower than a year earlier. During the year, the 3-month EURIBOR decreased by 1.20 percentage points to 2.71% and the 6-month EURIBOR decreased by 1.29 percentage points to 2.57%. At 31 December 2024, the interest rate risk of 19.8% of the loans drawn by Enefit Green was hedged with interest rate swaps.

LOAN COVENANTS

The group's loan agreements include covenants, which set certain limits to the group's consolidated financial indicators. At the end of 2024 and 2023, the group was in compliance with all loan terms and conditions, including the covenants.

FINANCING RATIOS

The group's management determines the maximum level of debt by reference to financial leverage, the ratio of net debt to EBITDA and the interest coverage ratio (interest cover). At the end of 2024, the level of borrowings was higher than a year earlier due to ongoing investments in new wind and solar farms.

€m	31.12.2024	31.12.2023
Interest-bearing liabilities	734.3	486.4
Less cash and cash equivalents	(44.0)	(65.7)
Net debt	**690.4**	**420.7**
Equity	760.3	717.2
Invested capital	**1,450.7**	**1,137.9**
EBITDA	114.8	105.9
Financial leverage[1]	48%	37%
Net debt / EBITDA	6.0	4.0
Interest cover[2]	4.5	7.9

[1] Financial leverage = net debt / invested capital

[2] Interest cover = EBITDA for the last 12 months / interest expense

Segment reporting

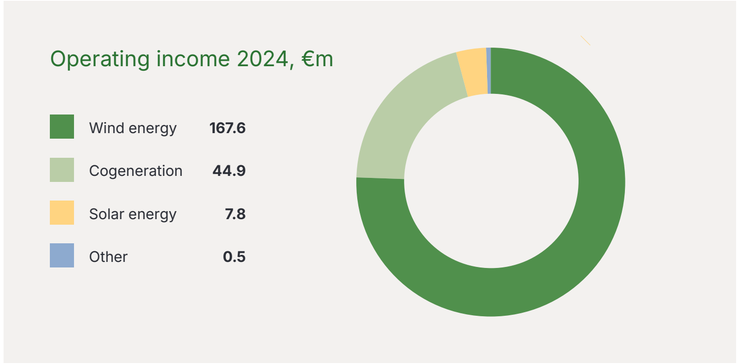
The group has identified three main business areas, which are presented as separate reportable segments, and less significant business activities and functions, which are presented in Other. The management board of Enefit Green assesses the group's financial performance and makes management decisions on the basis of segment reporting whereby the reportable operating segments of Enefit Green AS have been identified by reference to the main areas of activity of its business units. All production units operated by the group have been divided into operating segments based on the way in which they produce energy. Other internal structural units have been included in the segment Other.

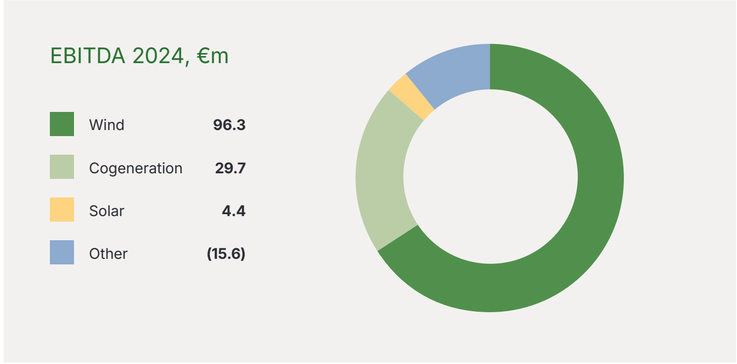
1. **Wind energy.** The segment comprises the group's operating wind farms and wind farm developments that have an investment decision. From Q1 2024, the costs of wind farm development teams and the development costs of wind energy projects without an investment decision are included in the

segment Other and not the Wind energy segment (the figures for the comparative period have been adjusted accordingly).

2. **Cogeneration.** Until the end of 2023, the segment comprised the Iru, Paide, Valka and Brocēni cogeneration (CHP) plants and a pellet factory. The sale of the Paide, Valka and Brocēni CHP plants and the pellet factory was announced in Q4 2023. The sale of the Brocēni CHP plant and the pellet factory took place before the end of 2023. The sale of the Paide and Valka CHP plants was completed on 1 March 2024. Since the completion of the sale of the Paide and Valka CHP plants, the Cogeneration segment has consisted of the Iru cogeneration plant.
3. **Solar energy.** The segment comprises operating solar farms and solar farm developments. From Q1 2024, the management costs of the development of solar farms and the development costs of solar projects without an investment decision are included in the segment Other and not in the Solar energy segment (the figures for the comparative period have been adjusted accordingly).
4. **Other.** The segment comprises hydropower, hybrid renewable energy solutions, and central development and management units. From Q1 2024, the segment also includes the costs of the teams involved in the development of wind and solar farms as well as offshore wind farm developments and wind and solar farm development projects without an investment decision (the figures for the comparative period have been adjusted accordingly). The segment Other comprises activities whose individual contribution to the group's revenue and EBITDA is insignificant. None of those activities exceeds the quantitative thresholds for separate disclosure.

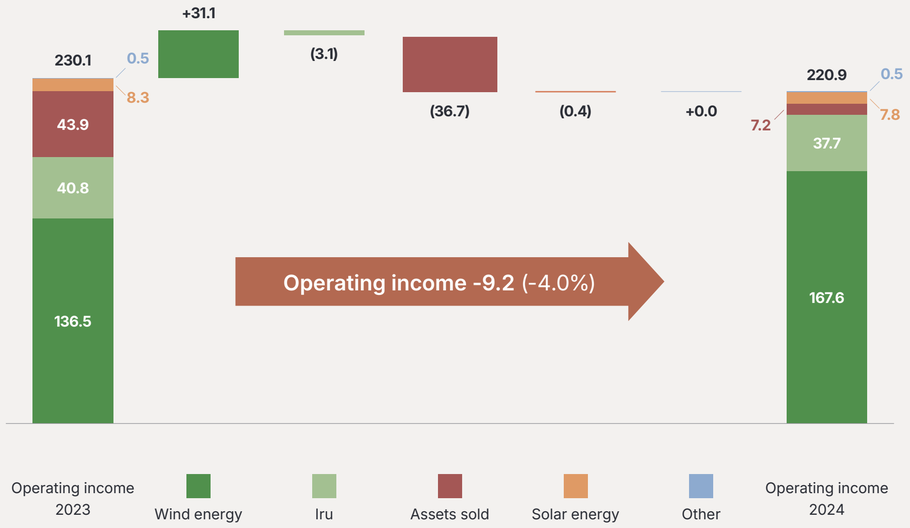
OPERATING INCOME BY SEGMENT



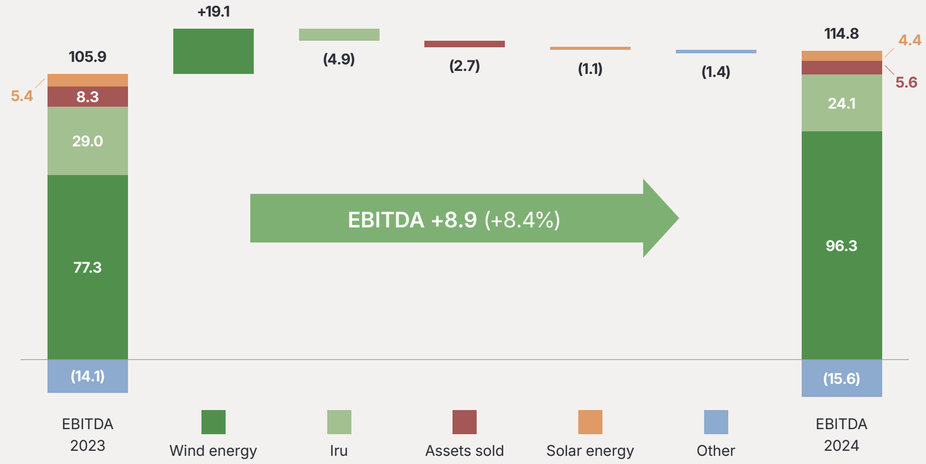


In terms of operating income and EBITDA, the group's largest segment is Wind energy, which accounted for 76% of operating income and 84% of EBITDA in 2024. The Cogeneration segment contributed 20% of operating income and 26% of EBITDA. The smallest reportable segment is Solar energy, which accounted for 4% of operating income and 4% of EBITDA in 2024.

Operating income by segment, €m



Group's EBITDA breakdown and change, €m

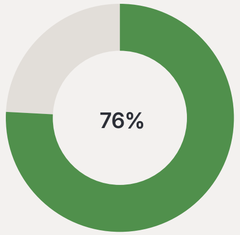


In segment terms, the strongest EBITDA growth came from the Wind energy segment. A more detailed analysis by segment is presented in the respective segment chapters. In Q1 2024, the group adjusted the allocation of income and expenses to segments (the figures for the comparative period have been adjusted accordingly). Before Q1 2024, the Wind energy and Solar energy segments included their respective payroll expenses and predevelopment costs of development projects without an investment decision, and the Wind energy segment also included the costs of offshore wind developments. From Q1 2024, the Wind energy and Solar energy segments include the financial impacts of their operating assets and development projects with an investment decision.

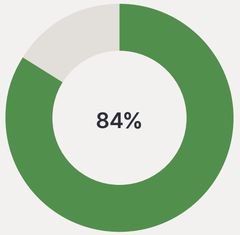
The EBITDA of the segment Other mainly includes general administrative expenses, the payroll expenses for employees involved in the Wind energy and Solar energy segments, and the costs of development projects without an investment decision. The segment also includes the Keila-Joa hydroelectric facility and the renewable energy solution on the island of Ruhnu. The loss of the segment Other increased by €1.4m.

Wind energy segment

Operating income share 2024



Share of EBITDA 2024

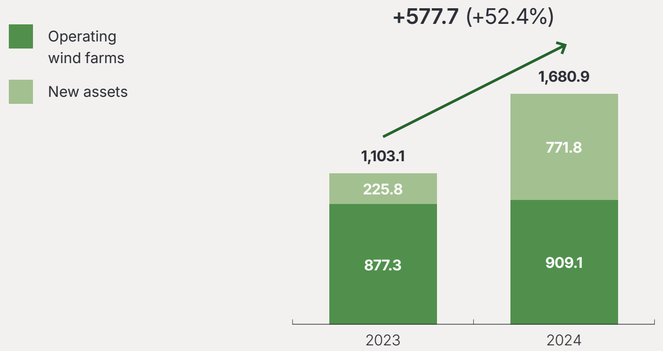


The Wind energy segment comprises the group's operating wind farms and wind farm developments with an investment decision. From Q1 2024, the expenses for wind energy development teams, wind farm developments without an investment decision and offshore wind developments are included in the segment Other and not in the Wind energy segment.

WIND POWER PRODUCTION

Wind power generation at the group's Estonian and Lithuanian wind farms grew by 44% and 31% year-on-year, respectively. In Finland, the output of the Tolpanvaara wind farm multiplied. Total wind energy production for the year was 1,681 GWh, up 52% (+578 GWh). All of the increase came from new wind farms (including those under construction), which contributed 772 GWh to the annual wind energy production. Among the new wind farms, production was highest at Sopi-Tootsi (+200 GWh), Tolpanvaara (+168 GWh) and Akmenė (+146 GWh).

Electricity production, GWh



The availability of the group's operating wind farms was 95.5%, which is slightly above target. See the asset management chapter for further information about the availability of the group's production assets.

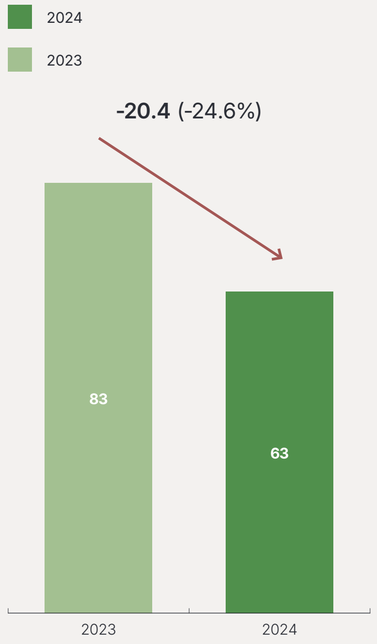
Due to weaker than expected wind conditions (P50 forecast), the electricity produced by our operating wind farms in 2024 was around 43 GWh lower than it would have been in a year of average wind conditions. See the operating environment chapter for further information about wind conditions.

Wind power production by countries and operating and new wind farms (new – under construction or completed during the year)

GWh	2024	2023	Change	Change
Estonian wind farms	763	529	234	44%
of which operating	526	505	21	4%
of which new	238	24	214	892%
Lithuanian wind farms	737	562	175	31%
of which operating	383	373	10	3%
of which new	354	190	164	86%
Finnish wind farm	180	12	168	1,400%
TOTAL	**1,681**	**1,103**	**577**	**52%**

ELECTRICITY PRICES

Implied captured electricity price, €/MWh[1]



[1] (Electricity sales revenue + renewable energy support and efficient cogeneration support – electricity purchases on the Nord Pool day-ahead and intraday market – balancing energy purchases) / production

The implied captured electricity prices of our Estonian, Lithuanian and Finnish wind farms depend on the combination of the market price and PPAs. In 2024, the Estonian wind farms' implied captured electricity price including support was €84.9/MWh (19% lower than in 2023). The Lithuanian wind farms' average implied captured electricity price was €49.1/MWh (23% lower than in 2023) and the average implied captured electricity price of the Finnish wind farm was €22.8/MWh (45% lower than in 2023). The implied captured electricity price in all countries was affected by lower prices on the Nord Pool market and a lower average PPA price. The supply period under the PPAs signed in 2021 at a lower price, which began in 2024, lowered the average PPA price for Estonian wind farms by €11.1/MWh and for Lithuanian wind farms by €17.7/MWh. Although production volumes were lower than expected (mainly due to delays in the start of energy production at wind farms under construction), active portfolio management in the Baltic markets helped to keep the ratio of purchases made to balance the PPAs to the total contracted volume under PPAs at a slightly lower level than in the previous year. The share of the total PPA volume purchased from the market in 2024 was 15.8% in Estonia and 29.1% in Lithuania. In 2024, the Estonian and Lithuanian wind discounts were at a similar level, resulting in comparable power purchase prices: €109.8/MWh in Estonia and €110.1/MWh in Lithuania.

In addition to the market price of electricity, our Estonian wind farms whose eligibility period has not expired receive renewable energy support in the form of feed-in premium (FiP) at the rate of €53.7/MWh. While the eligibility period of the Aseriaru wind farm (24 MW) expired in Q4 2024, the eligibility period of the Purtse wind farm (21 MW) began in Q2 2024.

OPERATING INCOME

In 2024, the segment's operating income increased by €31.1m (+22.8%) due to increased production from new wind farms, including those under construction. The main growth driver was electricity revenue, which increased by €23.4m (+19.5%) to €143.3m.

The Wind energy segment’s operating income for 2024 was significantly improved by the settlement reached in Q3 with GE Vernova regarding the incident at the Akmenė wind farm in May 2023. Of the agreed settlement amount, €5.3m was recognised as other operating income. For further information about the effects of the transaction, see the renewable energy support and other operating income section in the group performance chapter.

The segment's operating income was further improved by a €1.4m increase in renewable energy support for Estonian wind farms, mainly due to the start of the support period for the Purtse wind farm (€1.2m) in Q2 2024 and increased production from other supported wind farms. The share of Estonian renewable energy support in other operating income will decrease in the coming years. In Q4 2024, the support period for the Aseriaru wind farm (24 MW) ended, which reduced renewable energy support by €0.6 million year-on-year. The 12-year support periods for the Viru-Nigula (21 MW), Narva (39.1 MW) and Paldiski I and II (2 x 22.5 MW) wind farms will end in 2025.

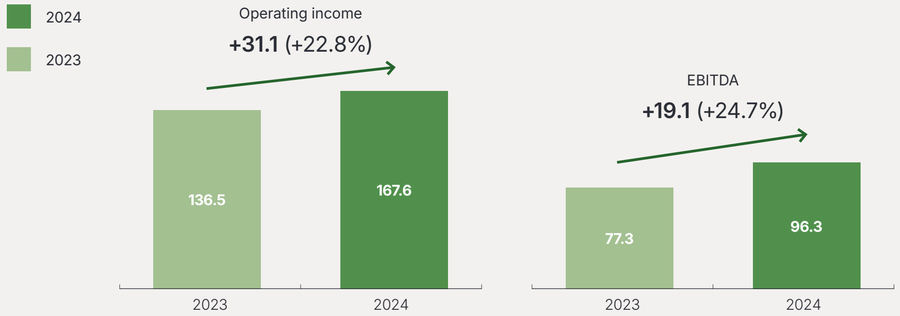
OPERATING EXPENSES

The segment's operating expenses increased due to the cost of electricity purchased to balance the PPA portfolio (+€6.6m) and balancing energy purchases (+€4.6m), which were offset by a decrease in the market price of electricity (-€11.2/MWh). Operating costs were also influenced by the provision of system services, which was recognised as a reduction of electricity purchase costs of €1.3 million. For further information about system services, see the asset management chapter.

Other operating expenses (excluding electricity purchased from the power exchange, balancing energy purchases and D&A) increased by €0.4m compared to 2023 (+2%). The main growth drivers were higher maintenance and repair costs for wind farms (+€1.0m) and land-related costs (+€0.5m). The increase in maintenance and repair costs was mainly due to the maintenance fees (+€1.1m) for the new wind farms (Tolpanvaara, Akmenė, Šilale II) whose maintenance periods started in 2024. Research and consultancy costs for wind farms under development decreased during the year (-€0.6m).

EBITDA

Operating income and EBITDA, €m



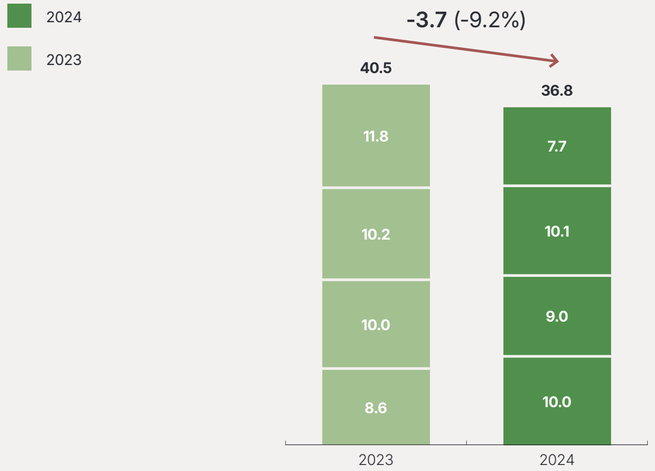
The Wind energy segment's EBITDA grew to €96.3m (2023: €77.3m), mainly due to higher electricity production from new wind farms, including those under construction. The EBITDA of wind farms classified as operating before the reporting period increased by €4.0m while the EBITDA of new wind farms (including those under construction) increased by €15.1m.

OPERATING EXPENSES PER MW

Based on the expenses of the companies holding the group's operating wind farms (Enefit Wind OÜ and Enefit Wind UAB), which are part of the Wind energy segment, wind farm operating expenses (excl. D&A, balancing energy purchases and the cost of electricity purchased to service PPAs) per installed capacity (MW) decreased by 9.2% (from €40.5k per MW to €36.8k per MW).

For comparability purposes, the above chart and calculations do not include new wind farms that were classified as operating assets in 2023 and 2024. From Q3 2023, Purtse with a capacity of 21 MW, and from Q3 2024, Tolpanvaara with a capacity of 72 MW were classified as operating wind farms. The average operating expenses of the Purtse wind farm increased to €23.2/MW in 2024 (2023: €16.1/MW). The average operating expenses of the Tolpanvaara wind farm were €19.4/MW in 2024.

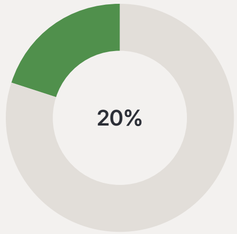
Operating expenses per MW in Enefit Wind OÜ and Enefit Wind UAB wind farms for last 4 quarters, €k/MW[1]



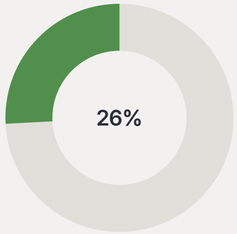
[1] (Total operating expenses – balancing energy purchase – D&A) / operating capacity. Only operating wind assets are included: Enefit Wind OÜ, Enefit Wind UAB, starting from Q3 2023 Purtse windfarm and starting from Q3 2024 Tolpanvaara.

Cogeneration segment

Operating income share 2024



Share of EBITDA 2024



Until the end of 2023, the Cogeneration segment comprised the Iru, Paide, Valka and Brocēni combined heat and power (CHP) plants and a pellet factory. After the sale of the biomass assets at the end of 2023 and the beginning of 2024, the segment comprises the Iru CHP plant that uses mixed municipal waste as fuel.

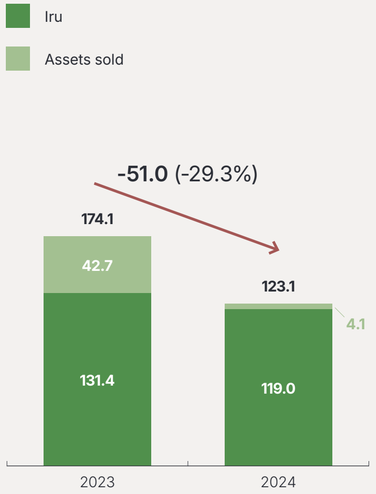
ELECTRICITY PRODUCTION AND PRICES

The Cogeneration segment produced 123 GWh of electricity in 2024. Electricity production decreased by 29% (2023: 174 GWh), mainly due to the sale of the biomass assets. Electricity production at the Iru CHP plant decreased by 12 GWh (-9%) compared to 2023. The main reason was a lower availability of 91.2% (2023: 94.8%) due to a high number of shorter and longer unplanned outages. A planned maintenance outage in July had a significant impact, lasting a week longer than planned and 4 days longer than in 2023. For further information on the availability of the Iru CHP plant, see the asset management chapter.

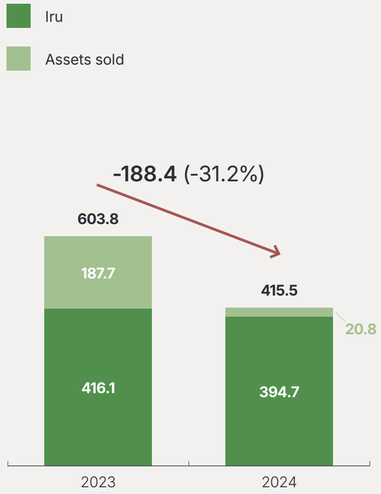
In addition to the market price of electricity, the Iru CHP plant receives renewable energy support of €53.7/MWh for electricity produced from renewable sources and efficient cogeneration support of €32/MWh for electricity produced from non-renewable sources in an efficient cogeneration mode.

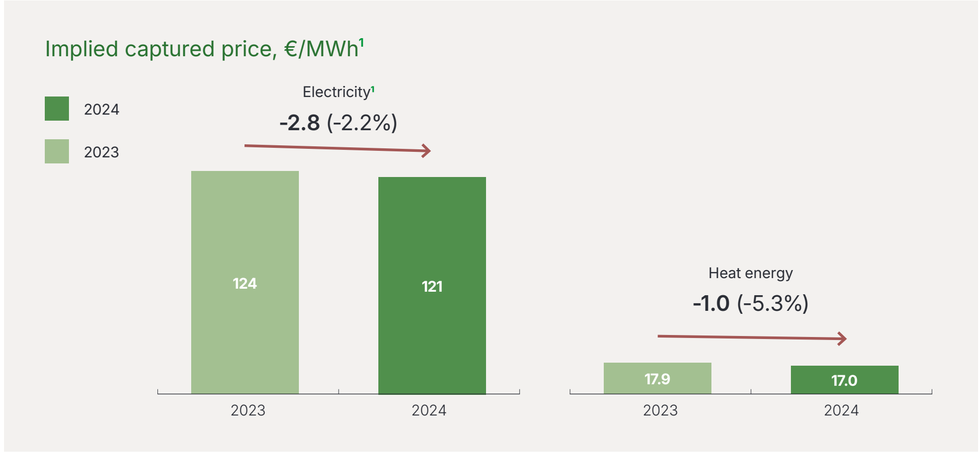
The segment's average implied captured electricity price decreased to €121/MWh due to the decline in the market price in the Nord Pool Estonia price area.

Electricity production, GWh



Heat production, GWh



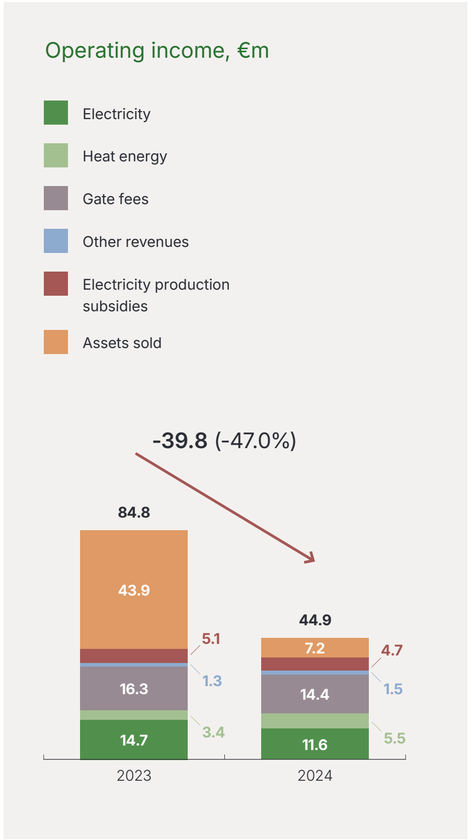


1 (Electricity sales revenue + renewable energy support and efficient cogeneration support – electricity purchases on the Nord Pool day-ahead and intraday market – balancing energy purchases) / production

HEAT PRODUCTION AND PRICES

Heat production decreased by 31% to 415 GWh. The decline attributable to the assets sold was 167 GWh. Heat production at the Iru CHP plant decreased by 21 GWh (-5%) to 395 GWh compared to 2023 (416 GWh). As with electricity production, heat production at the Iru CHP plant was affected by the extended maintenance outage in July.

In 2024, the price cap for heat produced at the Iru CHP plant from mixed municipal waste changed several times, rising to €12.36/MWh from 19 April 2024 and to €18.29/MWh from 1 July 2024. The price cap applied in 2023 of €7.98/MWh had not changed since the beginning of March 2021. Despite a significant increase last year, the price cap for heat produced from mixed municipal waste at the Iru CHP plant was about twice lower than the price cap for heat produced from other sources and supplied to the central heating network of the city of Tallinn. The annual average price of heat sold by Iru increased by 73% in 2024, reaching €13.9/MWh (2023: €8.1/MWh). The annual average heat price for the whole segment decreased by 5% year-on-year to €17.0/MWh in 2024, as the higher prices of the Paide, Valka and Brocēni CHP plants no longer supported the average price for the segment in 2024.



OPERATING INCOME

The segment's operating income decreased by €39.8m (-47%) to €44.9m. Of the decrease, €36.7m was related to the assets sold.

The Iru CHP plant's operating income for 2024 was €37.7m, down 8% year-on-year (2023: €40.8m). Operating income was mainly affected by lower electricity production (-12 GWh, -9%) and the decrease in the market price in the Nord Pool Estonia price area.

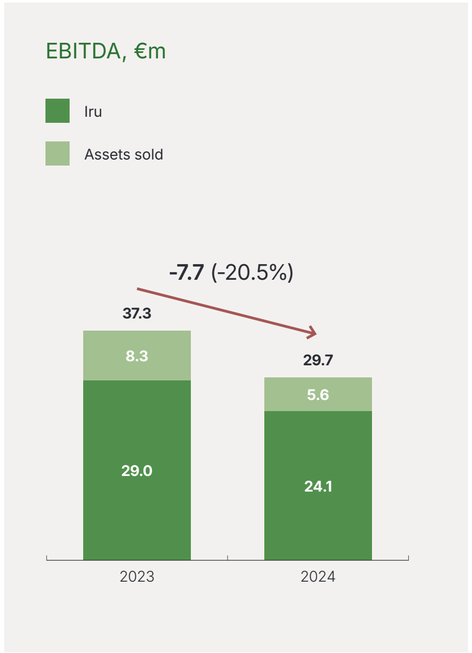
The Iru CHP plant's heat revenue increased by €2.1m due to a higher price (+73%, +€5.9/MWh).

OPERATING EXPENSES

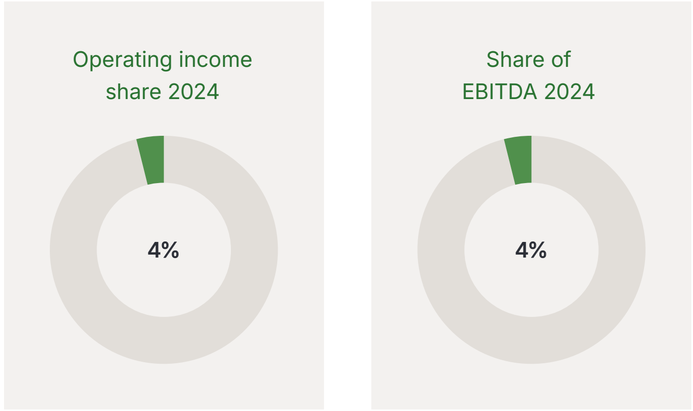
The segment's operating expenses (excluding D&A) decreased to €15.2m (2023: €47.4m). In 2023, the segment's operating expenses included expenses of €35.6m related to the assets sold. In 2024, the corresponding figure was €1.6m. The segment's variable costs decreased by €23.8m (-78%), of which variable costs related to the assets sold decreased by €25.5m. The segment's fixed costs decreased by €4.6m (-42%), of which €5.4m was related to the assets sold.

EBITDA

The segment's EBITDA decreased by €7.7m (-21% compared to 2023) to €29.7m. Of the decrease in segment EBITDA, €2.7m was related to the assets sold and the reast to the Iru CHP plant, whose EBITDA decreased by €4.9m to €24.1m. The decrease in the EBITDA of the Iru CHP plant was mainly due to the decrease in the market price of electricity and lower energy production as a result of the plant's lower availability.



Solar energy segment



The Solar energy segment comprises operating solar farms, solar farm developments with an investment decision and solar services. The group exited the turnkey solar solutions business in 2023. From Q1 2024, the expenses for the development of solar projects without an investment decision, management of solar farms and solar farm development teams are included in the segment Other and not in the Solar energy segment (the figures for the comparative period have been adjusted accordingly).

ELECTRICITY PRODUCTION AND PRICES

In 2024, solar power production was 77.4 GWh, which is 13.5 GWh (+21%) higher than in 2023 due to the addition of production from the Estonia and Debnik solar farms in the reporting period. In Q4 2023, the Estonia solar farm in Estonia produced its first electricity, and in Q1 2024, the Debnik solar farm in Poland started production. Electricity production from new solar farms (those completed and/or under construction in recent years) amounted to 48.8 GWh in 2024. The availability of the solar farms remained on target at a high 99.8% (2023: 99.8%).

Our solar farms in Estonia are partly exposed to movements in the market price of electricity. The Estonia solar farm sells electricity at a fixed price of €69/MWh. Most of our solar farms in Poland sell electricity at fixed prices, which are adjusted for inflation on an annual basis – the price for 2024 was €125–134/MWh. The price charged by the new Zambrow solar farm is €63/MWh.

The segment's implied captured electricity price was €75.5/MWh, which is 19% lower than in 2023. Compared to 2023, the implied captured electricity price decreased by 28% in Estonia and by 7% in Poland.

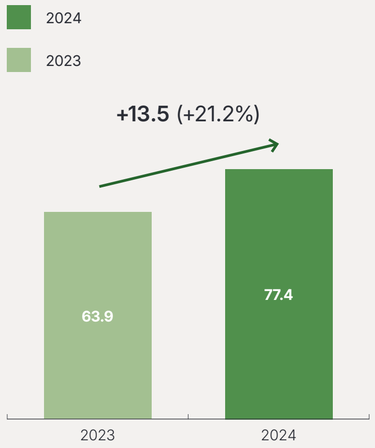
OPERATING INCOME

The operating income of the Solar energy segment decreased by €0.4m. The segment's electricity revenue decreased in both Estonia and Poland due to lower prices. However, the support received in Poland increased by €0.6m compared to 2023. As the market price of electricity (€96.1/MWh) was below the fixed price of €125–134/MWh, the difference was paid out as support. Operating income from solar services decreased by €0.7m due to the one-off impact of the Lithuanian solar services recognised at the end of 2023.

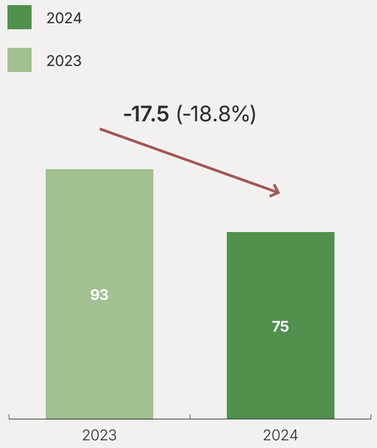
OPERATING EXPENSES

The segment's operating expenses excluding D&A increased by €0.6m compared to 2023. Variable costs for solar services decreased by €0.5m, as the one-off impact of Lithuanian solar services was recognised in December 2023. Operating expenses were increased by the cost of electricity purchases to balance the PPA contracts of the Purtse solar farm (+€0.3m) and growth in balancing energy costs (+€0.1m), network charges (+€0.3m) and solar farm maintenance costs (+€0.3m).

Electricity production, GWh



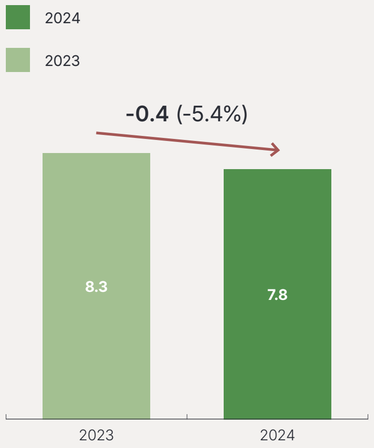
Implied captured electricity price, €/MWh[1]



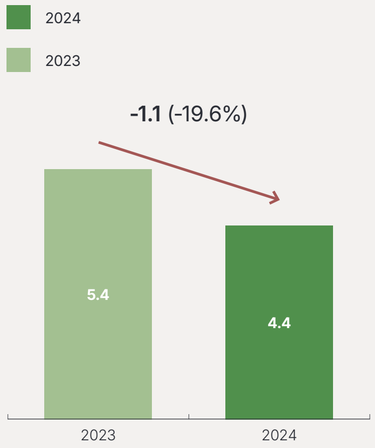
EBITDA

In 2024, the Solar energy segment's EBITDA was €4.4m, €1.1m less than in 2023. EBITDA was positively impacted by higher production (+13.5 MWh), but negatively affected by a lower implied captured electricity price (-€17.5/MWh).

Operating income, €m



EBITDA, €m



1 (Electricity sales revenue + renewable energy support and efficient cogeneration support – electricity purchases on the Nord Pool day-ahead and intraday market – balancing energy purchases) / production

Unaudited Condensed Consolidated Interim Financial Statements Q4 and 12 Months 2024

Condensed Consolidated Interim Income Statement

€ thousand	Note	Q4 2024	Q4 2023	2024	2023
Revenue	9	61,589	59,646	185,489	205,757
Renewable energy support and other operating income	10	8,650	7,256	35,412	24,307
Change in inventories of finished goods and work in progress		0	(1,056)	0	2,210
Raw materials, consumables and services used	11	(24,906)	(28,944)	(81,975)	(100,330)
Payroll expenses		(2,330)	(2,782)	(9,077)	(10,807)
Depreciation, amortisation and impairment		(9,810)	(10,819)	(39,138)	(40,559)
Other operating expenses		(5,188)	(4,520)	(15,035)	(15,237)
OPERATING PROFIT		**28,005**	**18,781**	**75,675**	**65,341**
Finance income		215	1,134	1,307	1,960
Finance costs		(484)	(1,481)	(1,420)	(1,858)
Net finance income (costs)		**(269)**	**(347)**	**(113)**	**102**
Profit (loss) from associates under the equity method		25	(20)	38	66
PROFIT BEFORE TAX		**27,761**	**18,414**	**75,600**	**65,509**
Income tax income (expense)		(326)	690	(5,332)	(9,716)
PROFIT FOR THE PERIOD		**27,435**	**19,104**	**70,268**	**55,793**
Basic and diluted earnings per share					
Weighted average number of shares, thousand	6	264,276	264,276	264,276	264,276
Basic earnings per share, €	6	0,104	0,072	0,266	0,211
Diluted earnings per share, €	6	0,104	0,072	0,266	0,211

Condensed Consolidated Statement of Comprehensive Income

€ thousand	Note	Q4 2024	Q4 2023	2024	2023
Profit for the period		**27,435**	**19,104**	**70,268**	**55,793**
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Remeasurement of hedging instruments in cash flow hedges (incl. reclassifications to profit or loss)	5, 7	678	(4,170)	223	(2,968)
Exchange differences on the translation of foreign operations	7	219	548	344	600
Other comprehensive income (loss) for the period		**897**	**(3,622)**	**567**	**(2,368)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**28,332**	**15,482**	**70,835**	**53,425**

Condensed Consolidated Interim Statement of Financial Position

€ thousand	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,394,343	1,027,057
Intangible assets		59,727	59,891
Right-of-use assets		8,525	9,097
Prepayments for non-current assets	4	37,536	55,148
Deferred tax assets		1,212	2,013
Investments in associates		548	548
Derivative financial instruments	5, 7	3,400	5,054
Non-current receivables		1,330	0
Total non-current assets		**1,506,620**	**1,158,808**
Current assets			
Inventories		2,011	3,180
Trade receivables		10,151	8,618
Other receivables		13,600	16,380
Prepayments		6,922	30,084
Derivative financial instruments	5, 7	3,274	3,806
Cash and cash equivalents		44,023	65,677
Assets classified as held for sale		**0**	**15,370**
Total current assets		**79,981**	**143,115**
Total assets		**1,586,601**	**1,301,923**

€ thousand	Note	31 December 2024	31 December 2023
EQUITY			
Equity and reserves attributable to shareholders of the parent			
Share capital	6	264,276	264,276
Share premium		60,351	60,351
Statutory capital reserve		8,291	5,556
Other reserves	5, 7	163,674	163,451
Foreign currency translation reserve	7	182	-162
Retained earnings		263,502	223,718
Total equity		**760,276**	**717,190**
LIABILITIES			
Non-current liabilities			
Borrowings	8	669,274	454,272
Government grants		2,809	3,010
Non-derivative contract liability	5, 7	6,345	12,412
Deferred tax liabilities		12,484	12,497
Other non-current liabilities		8,098	5,331
Provisions		194	8
Total non-current liabilities		**699,204**	**487,530**
Current liabilities			
Borrowings	8	65,139	32,126
Trade payables		36,926	29,464
Other payables		18,888	24,981
Provisions		8	6
Non-derivative contract liability	5,7	6,161	5,674
Liabilities directly associated with assets classified as held for sale		**0**	**4,952**
Total current liabilities		**127,121**	**97,203**
Total liabilities		**826,325**	**584,733**
Total equity and liabilities		**1,586,601**	**1,301,923**

Condensed Consolidated Interim Statement of Cash Flows

€ thousand	Note	Q4 2024	Q4 2023	2024	2023
Cash flows from operating activities					
Cash generated from operations	12	29,575	17,596	119,099	94,917
Interest and loan fees paid		(5,974)	(5,434)	(28,175)	(12,569)
Interest received		160	181	1,064	826
Income tax paid		0	(501)	(5,389)	(11,676)
Net cash generated from operating activities		**23,761**	**11,842**	**86,600**	**71,498**
Cash flows from investing activities					
Purchase of property, plant and equipment and intangible assets		(50,396)	(70,847)	(347,954)	(312,692)
Proceeds from finance lease receivables		0	0	0	1
Proceeds from sale of property, plant and equipment		0	0	27	0
Dividends received from associates		0	0	0	24
Proceeds from sale of a businesses (net of cash and cash equivalents transferred)		0	30,548	16,879	30,548
Net cash used in investing activities		**(50,396)**	**(40,299)**	**(331,048)**	**(282,119)**

€ thousand	Note	Q4 2024	Q4 2023	2024	2023
Cash flows from financing activities					
Proceeds from bank loans	8	75,000	142,000	355,020	302,000
Repayments of bank loans	8	(36,157)	(76,257)	(108,467)	(104,571)
Repayments of lease principal	8	(34)	(48)	(260)	(324)
Proceeds from realisation of interest rate swaps		488	2,707	4,250	2,707
Dividends paid		0	0	(27,749)	(54,970)
Net cash generated from financing activities		**39,298**	**68,402**	**222,795**	**144,842**
Net cash flow		**12,661**	**39,946**	**(21,654)**	**(65,779)**
Cash and cash equivalents at the beginning of the period		31,362	25,731	65,677	131,456
Cash and cash equivalents at the end of the period		44,023	65,677	44,023	65,677
Change in cash and cash equivalents		**12,661**	**39,946**	**(21,654)**	**(65,779)**

Condensed Consolidated Interim Statement of Changes in Equity

€ thousand	Share capital	Share premium	Statutory capital reserve	Other reserves	Foreign currency translation reserve	Retained earnings	Total equity
Equity as at 31 December 2022	**264,276**	**60,351**	**3,259**	**166,419**	**(762)**	**225,190**	**718,733**
Profit for the period	0	0	0	0	0	55,793	55,793
Other comprehensive loss for the period	0	0	0	(2,968)	600	-	(2,368)
Total comprehensive income for the period	**0**	**0**	**0**	**(2,968)**	**600**	**55,793**	**53,425**
Increase of statutory capital reserve	0	0	2,297	0	0	(2,297)	0
Dividends paid	0	0	0	0	0	(54,970)	(54,970)
Total contributions by and distributions to shareholders of the company, recognised directly in equity	**0**	**0**	**2,297**	**0**	**0**	**(57,267)**	**(54,970)**
Equity as at 31 December 2023	**264,276**	**60,351**	**5,556**	**163,451**	**(162)**	**223,718**	**717,190**
Profit for the period	0	0	0	0	0	70,268	70,268
Other comprehensive income for the period	0	0	0	223	344	0	567
Total comprehensive income for the period	**0**	**0**	**0**	**223**	**344**	**70,268**	**70,835**
Increase of statutory capital reserve	0	0	2,735	0	0	(2,735)	0
Dividends paid	0	0	0	0	0	(27,749)	(27,749)
Total contributions by and distributions to shareholders of the company, recognised directly in equity	**0**	**0**	**2,735**	**0**	**0**	**(30,484)**	**(27,749)**
Equity as at 31 December 2024	**264,276**	**60,351**	**8,291**	**163,674**	**182**	**263,502**	**760,276**

Notes to the Condensed Consolidated Interim Financial Statements

NOTE 1. *Summary of material accounting policies*

These condensed consolidated interim financial statements (interim financial statements) have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting and they do not include all the notes normally included in the annual financial statements. Thus, they should be read in conjunction with the group's annual financial statements as at and for the year ended 31 December 2023, which have been prepared in accordance with IFRS as adopted by the European Union.

These interim financial statements have been prepared using the same accounting policies as those applied in the preparation of the group's annual financial statements as at and for the year ended 31 December 2023.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expenses. Actual results may differ from those estimates. Significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were mainly the same as those described in the group's annual financial statements as at and for the year ended 31 December 2023.

These interim financial statements have not been audited or otherwise checked by auditors.

NOTE 2. *Financial risk management*

Through its activities, the group is exposed to various financial risks: market risk (incl. currency risk, fair value and cash flow interest rate risk, and price risk), credit risk and liquidity risk. Condensed interim financial statements do not contain all the information about the group's financial risk management which is required to be disclosed in the annual financial statements. Therefore, these interim financial statements should be read in conjunction with group's annual financial statements as at and for the year ended 31 December 2023.

The group uses interest rate swaps (IRS) for interest rate risk management. Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. Cash flow interest rate risk arises from the group's floating-rate borrowings and is the risk that finance costs will increase when interest rates rise. Interest rate risk is mitigated partly by raising debt at fixed interest rates and partly by hedging: raising floating-rate borrowings and fixing their interest expenses with IRS instruments. Information on IRS transactions is disclosed in note 5.

The group regards equity and borrowings (debt) as capital. In order to maintain or change its capital structure, the group may change the dividend distribution rate, repay capital contributions to share-holders, issue new shares or sell assets to reduce its financial liabilities, and raise debt capital in the form of loans.

On raising loans, management assesses the group's ability to service the principal and interest payments with operating cash flow and, where necessary, starts timely negotiations to refinance

existing loans before their maturity. For further information about financing ratios and borrowings, see the financing chapter in the management report.

NOTE 3. *Segment reporting*

Enefit Green's management board assesses the group's financial performance and makes management decisions on the basis of segment reporting, where the group's reportable operating segments have been identified by reference to the main business lines of its business units. All production units operated by the group have been divided into operating segments based on the way they produce energy. Other internal structural units have been divided between operating segments based on their core activity.

The group has identified three main business lines, which are presented as separate reportable segments, and less significant business activities and functions, which are presented within Other:

(a) Wind energy

The segment comprises the group's operating wind farms and wind farm developments that have an investment decision. From the interim report for Q1 2024, the costs of wind farm development teams and the development costs of wind energy projects without an investment decision are included in the segment Other and not in the Wind energy segment (the figures for the comparative period have been adjusted accordingly).

(b) Cogeneration

Until the end of 2023, the segment comprised the Iru, Paide, Valka and Brocēni cogeneration (CHP) plants and a pellet factory. The sale of the Paide, Valka and Brocēni CHP plants and the pellet factory was announced in Q4 2023. The sale of the Brocēni CHP plant and the pellet factory took place before the end of 2023. The sale of the Paide and Valka CHP plants was completed on 1 March 2024. Since the completion of the sale of the Paide and Valka CHP plants, the Cogeneration segment has consisted of the Iru cogeneration plant.

(c) Solar energy

The segment comprises operating solar farms, solar farm developments and solar services. From the interim report for Q1 2024, the management costs of the development of solar farms and the development costs of solar projects without an investment decision are included in the segment Other and not in the Solar energy segment (the figures for the comparative period have been adjusted accordingly).

(d) Other

The segment comprises hydropower, hybrid renewable energy solutions, and central development and management units. From the interim report for Q1 2024, the segment also includes the costs of the teams involved in the development of wind and solar farms as well as offshore wind farm developments and wind and solar farm development projects without an investment decision (the figures for the comparative period have been adjusted accordingly).

The segment Other comprises activities whose individual contribution to the group's revenue and EBITDA is insignificant. None of those activities exceeds the quantitative thresholds for separate disclosure.

Segment revenues and other operating income include revenues and other operating income from external customers only, generated by the sale of respective products or services. As the segments are based on externally sold products and services, there are no intragroup transactions between segments to be eliminated.

Management assesses segment results mainly on the basis of EBITDA, but also monitors operating profit. Finance income and costs, income tax expense and income, and profits and losses on investments in equity-accounted investees (associates) are not allocated to operating segments.

The group's non-current assets are allocated to segments based on their purpose of use. Liabilities and current assets are not allocated to segments. From the interim report for Q1 2024, capitalised interest expenses are allocated to segments (the figures for the comparative period have been adjusted accordingly). Previously, the entire amount was allocated to the segment Other.

Financial results by segments

€ thousand	Q4 2024	Q4 2023	2024	2023
REVENUE				
Wind energy	51,775	36,406	143,419	119,970
Cogeneration	9,113	21,621	35,124	77,910
Solar energy	599	1,715	6,547	7,415
Total reportable segments	**61,488**	**59,742**	**185,089**	**205,295**
Other	102	(95)	399	463
Total	**61,589**	**59,647**	**185,489**	**205,757**
RENEWABLE ENERGY SUPPORT AND OTHER OPERATING INCOME				
Wind energy	7,314	4,630	24,209	16,557
Cogeneration	1,271	2,476	9,802	6,858
Solar energy	(18)	138	1,285	866
Total reportable segments	**8,567**	**7,244**	**35,296**	**24,281**
Other	83	11	116	26
Total	**8,650**	**7,255**	**35,412**	**24,307**
EBITDA				
Wind energy	36,792	22,805	96,319	77,256
Cogeneration	6,458	10,257	29,689	37,346
Solar energy	(223)	988	4,377	5,445
Total reportable segments	**43,027**	**34,051**	**130,384**	**120,046**
Other	(5,212)	(4,451)	(15,573)	(14,146)
Total	**37,815**	**29,599**	**114,811**	**105,901**

€ thousand	Q4 2024	Q4 2023	2024	2023
Depreciation, amortisation and impairment losses	9,810	10,819	39,137	40,559
Net finance income and costs	(269)	(347)	(113)	102
Profit (loss) from associates under the equity method	24	(20)	38	66
Profit before tax	**27,761**	**18,414**	**75,600**	**65,509**
OPERATING PROFIT				
Wind energy	28,284	15,212	64,954	48,810
Cogeneration	5,065	7,632	24,001	26,970
Solar energy	(585)	697	3,142	4,715
Total reportable segments	**32,764**	**23,541**	**92,098**	**80,495**
Other	(4,758)	(4,761)	(16,424)	(15,153)
Total	**28,006**	**18,780**	**75,674**	**65,341**

Non-current assets and investments in non-current assets by segments

€ thousand	Q4 2024	Q4 2023	2024	2023
INVESTMENTS IN NON-CURRENT ASSETS				
Wind energy	69,016	94,766	340,786	309,002
Cogeneration	267	2,135	1,144	3,456
Solar energy	2,929	4,241	36,378	23,234
Total reportable segments	**72,212**	**101,142**	**378,308**	**335,691**
Other	4,862	757	10,120	19,999
Total	**77,074**	**101,899**	**388,428**	**355,690**
NON-CURRENT ASSETS				
Wind energy	1,245,892	944,792	1,245,892	944,792
Cogeneration	90,762	97,747	90,762	97,747
Solar energy	104,463	65,269	104,463	65,269
Total reportable segments	**1,441,118**	**1,107,807**	**1,441,118**	**1,107,807**
Other	65,502	51,000	65,502	51,000
Total	**1,506,620**	**1,158,808**	**1,506,620**	**1,158,808**

NOTE 4. *Property, plant and equipment*

€ thousand	Land	Buildings	Facilities and structures	Machinery and equipment	Assets under construction	Pre-payments	TOTAL
Property, plant and equipment as at 31 December 2023							
Cost	63,982	22,299	44,796	747,900	458,834	55,148	1,392,959
Accumulated depreciation	0	(9,788)	(25,439)	(275,527)	0	0	(310,754)
Total property, plant and equipment as at 31 December 2023	**63,982**	**12,511**	**19,357**	**472,373**	**458,834**	**55,148**	**1,082,205**
Movements in the reporting period							
Additions	419	3,054	376	951	383,375	241	388,416
Sales (at carrying amount)	0	0	0	(615)	(8)	0	(623)
Exchange differences	0	12	30	328	69	3	442
Transfers	0	0	13,202	88,658	(84,004)	(17,856)	0
Depreciation and impairment	0	(586)	(1,593)	(36,382)	0	0	(38,561)
Total movements in 2024	**419**	**2,480**	**12,015**	**52,940**	**299,432**	**(17,612)**	**349,674**
Property, plant and equipment as at 31 December 2024							
Cost	64,401	25,365	58,404	837,222	758,266	37,536	1,781,194
Accumulated depreciation	0	(10,374)	(27,032)	(311,909)	0	0	(349,315)
Carrying amount as at 31 December 2024	**64,401**	**14,991**	**31,372**	**525,313**	**758,266**	**37,536**	**1,431,879**

The group has commitments under construction and development contracts, which have not been recognised as liabilities and are accounted for off the statement of the financial position. At 31 December 2024, commitments under the construction contracts amounted to €92,493k (31 December 2023: €368,953k) and commitments under the development contracts amounted to €83,587k (31 December 2023: €17,400k). The timing and amount of payments under the development projects depend on the achievement of certain contractual development milestones and satisfaction of specific conditions.

NOTE 5. *Non-derivative contract liability, derivative financial instruments and hedge accounting*

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently measured at their fair value. The method for recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if it is, the nature of the item being hedged. At 31 December 2024, the group used cash flow hedging instruments in order to hedge the exposure to interest rate risk resulting from floating-rate borrowings.

The group documents at the inception of the transaction the relationship between the hedging instruments and the hedged items, and its risk management objectives and strategy for undertaking various hedge transactions. The group also documents whether there is an economic relationship between the derivatives that are used in hedging transactions and the changes in the cash flows of the hedged items. At inception of the hedge, the group documents the sources of hedge ineffectiveness. Hedge ineffectiveness is quantified in each reporting period and recognised in profit or loss.

The full fair value of hedging derivatives is classified as a non-current asset or liability when the remaining maturity of the hedging instrument is more than 12 months and as a current asset or liability when the remaining maturity of the hedging instrument is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as a net amount within other operating income or other operating expenses. The day one fair value of derivative instruments entered into with the parent is recognised directly in equity when its economic substance is a distribution to the parent of resources embodying economic benefits.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance, when the forecast sale that is hedged takes place).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately recognised in other operating income or other operating expenses in profit or loss.

The different levels for the determination of the fair value of financial instruments have been defined as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly;
- **Level 3:** inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the group's own estimates. An instrument is included in Level 3 if one or more significant inputs are not based on observable market data.

Non-derivative contract liability

In 2021, the group used cash flow hedging instruments in order to hedge the exposure to variability in the price of electricity.

A part of the renewable electricity production assets operated by the group which is not subject to a subsidy scheme under a feed-in tariff is exposed to the risk of electricity price fluctuations as the electricity is sold on the Nord Pool power exchange. To hedge the risk of electricity price volatility, the group has used base load swap derivative contracts. Under the given derivatives, the group is the payer of the floating price and the counterparty the payer of the fixed price.

Transactions designed to hedge the risk of variability in electricity prices are designated as hedging instruments in cash flow hedges. The underlying hedged item is the market price risk of highly probable forecasted renewable electricity sales transactions that are exposed to market price fluctuations. The hedge ratio of the hedging relationships is one to one.

The fair values of the level 3 instruments have been estimated using a combination of market prices, mathematical models, and assumptions based on historical and forward-looking market and other relevant data. The most significant input of the fair value of the derivatives is the long-term electricity price. The group determined the underlying price for the calculation of fair value based on the long-term price curve for the Lithuanian and Estonian electricity markets, which was between €34/MWh and €59/MWh. Derivative financial instruments were remeasured to fair value as at 17 August 2021.

At the trade date the fair value of derivatives designated as hedging instruments was negative at €(10,781)k, which was recognised directly in equity as it reflected a transaction with the parent, Eesti Energia AS. The balance at 31 December 2024 was €(10,781)k.

Enefit Green AS and its parent Eesti Energia AS entered into an EFET General Agreement Concerning the Delivery and Acceptance of Electricity (EFET General Agreement) on 17 August 2021, simultaneously terminating all open derivative contracts existing between them. By signing the agreement, the parties entered into a fixed-price power purchase agreement for the physical supply of electricity for the period 2023–2027. The agreement was entered into for the same quantities of electricity and at the same fixed prices as had been agreed for the originally recognised derivatives.

The group continued to apply hedge accounting to the open derivatives position until 17 August 2021, recognising changes in the fair value of the derivatives until the date of signature of the EFET General Agreement.

The negative value of the derivative financial instruments classified as liabilities increased from €(10,781)k at the trade date to €(23,207)k at 31 December 2021 due to the change in the electricity price in the period from the trade date to 17 August 2021. The negative fair value change of €(12,426)k has been recognised in other comprehensive income as no material sources of hedge ineffectiveness were identified in the hedging relationships in the period between the trade date and 17 August 2021. Since the derivative financial instruments had been measured to fair value by the date of conclusion of the EFET General Agreement (measurement date 17 August 2021), their value, which has been classified as a liability, will not change before the arrival of the supply period determined in the EFET General Agreement, which is 2023–2027.

The electricity supply period under the EFET agreements began on 1 January 2023. Accordingly, the balance of the liability decreased by €827k in Q4 (by €5,674k in 2024) and was €12,411k at 31 December 2024.

The EFET General Agreement meets the own use exemption and, therefore, is not considered to be a financial instrument that is required to be measured at fair value under IFRS 9. Rather, it is to be accounted for as an executory contract under IFRS 15 Revenue from Contracts with Customers with the revenue being recognised at a fixed per-unit value only when the delivery of electricity takes place in the years 2023–2027.

No gains or losses were recognised at the date the derivative contracts were replaced with the EFET General Agreement. Upon entering into the EFET General Agreement, the carrying amount of the derivatives classified as a liability at that date, which was €(23,207)k, was reclassified as a non-derivative contract liability, which will gradually increase recognised revenue until the EFET General Agreement is fulfilled. Such an increase in revenue will be partially offset by the reclassification of the €(12,426)k accumulated in the electricity cash flow hedge reserve to profit or loss due to the discontinuance of hedge accounting. The amount is the difference between the fair value of the derivative financial instruments at 17 August 2021 of €(23,207)k and the trade date fair value of the derivatives of €(10,781)k, which is recognised directly in equity. See note 7 for further information about reserves.

At 31 December 2024, the remaining balance of the liability of €12,411k was classified into a current portion of €6,066k and a non-current portion of €6,345k.

In connection with the continuation of the supply period under the EFET agreements, the following changes will be made to the group's reserves and income statement in 2025:

€ thousand	Note	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Total
Non-derivative contract liability		(2,097)	(1,016)	(1,184)	(1,770)	(6,066)
Electricity cash flow hedge reserve	7	1,130	764	721	875	3,491
Gain on derivative financial instruments		967	252	462	895	2,576

Interest rate swap transactions

At 31 December 2024, the group had three interest rate swap agreements to hedge the exposure to the interest rate risk of three loans:

- An interest rate swap with a notional amount of €66,087k, whereby the group receives interest at a rate equal to 6-month EURIBOR and pays a fixed rate of interest of 1.1%. The swap is designed to hedge the exposure to the interest rate risk of a floating-rate loan taken out on 30 September 2022.
- An interest rate swap with a notional amount of €44,792k, whereby the group receives interest at a rate equal to 3-month EURIBOR and pays a fixed rate of interest of 1.049%. The swap is designed to hedge the exposure to the interest rate risk of a floating-rate loan taken out on 24 September 2022.
- An interest rate swap with a notional amount of €31,668k, whereby the group receives interest at a rate equal to 6-month EURIBOR and pays a fixed rate of interest of 1.125%. The swap is designed to hedge the exposure to the interest rate risk of a floating-rate loan taken out on 30 June 2022.

The interest rate swaps have been designated as hedging instruments in cash flow hedges. There is an economic relationship between the hedging instruments (interest rate swaps) and the hedged items (the loan agreements) because at 31 December 2024 the main terms of the interest rate swaps matched the terms of the loans (i.e. their notional amounts, currencies, and maturity, payment and other dates). The forward hedges have a hedge ratio of one to one. To test the hedge effectiveness, the group uses the hypothetical derivative method and compares the changes in the fair values of the interest rate swaps against the changes in the fair values of the loan agreements.

Hedge ineffectiveness can arise from the following sources:

A change in the credit risk of the group or the counterparty of the interest rate swap. The effect of credit risk may cause an imbalance in the economic relationship between the hedging instrument and the hedged item so that the values of the hedging instrument and the hedged item no longer move in opposite directions. According to the assessment of the group's management, it is highly unlikely that credit risk will cause significant hedge ineffectiveness.

At 31 December 2024, the effect of the hedging instruments on the group's statement of financial position was as follows:

€ thousand	Notional amount	Carrying amount (Asset)	Carrying amount (Liability)	Line item in the statement of financial position	Change in fair value[1]	Hedge ineffectiveness recognised in profit or loss	Amounts transferred from hedge reserve to profit or loss
Interest rate swaps	144,421	5,779	0	Derivative financial instruments	757	0	905

1 Change compared to 30 September 2024, recognised in other comprehensive income

At 31 December 2024, the effect of the hedged items on the group's statement of financial position was as follows:

€ thousand	Change in fair value used to measure ineffectiveness	Amounts recognised in hedge reserve	Amounts recognised in hedge reserve to which hedge accounting is no longer applied
Floating rate loans	5,779	5,779	0

Fair value has been measured based on a model from a third party, which was supported by the confirmation of the counterparty to the trade.

In its internal calculations, the group determines the fair value of interest rate swaps by estimating the present value of the expected future cash flows based on the interest rate curves of EURIBOR observable in the market. The fair value measurement takes into account the credit risk of the group and the counterparty, which is calculated based on current credit spreads derived from credit default swaps or bond prices. The fair value of interest rate swaps qualifies as a level 2 measurement.

NOTE 6. *Share capital*

At 31 December 2024, Enefit Green AS had 264,276,232 registered shares (31 December 2023: 264,276,232 shares). The nominal value of a share is €1.

Basic earnings per share (EPS) have been calculated by dividing profit for the period attributable to shareholders of the parent by the weighted average number of ordinary shares outstanding during the period. Since the group has no potential ordinary shares, diluted earnings per share for all periods presented equal basic earnings per share.

Basic and diluted earnings per share based on the weighted average number of shares

		Q4 2024	Q4 2023	2024	2023
Emaettevõtja omanike osa kasumist	€ thousand	27,435	19,104	70,268	55,793
Weighted average number of shares	thousand	264,276	264,276	264,276	264,276
Basic earnings per share	€	0.104	0.072	0.266	0.211
Diluted earnings per share	€	0.104	0.072	0.266	0.211

NOTE 7. *Other reserves*

€ thousand	31 December 2024	31 December 2023
Other reserves at the beginning of the period, of which:	**163,289**	**165,657**
Foreign currency translation reserve	(162)	(762)
Hedge reserve for cash flow hedges for interest rate risk (interest rate swaps)	8,860	14,626
Hedge reserve for cash flow hedges for electricity price risk	(9,628)	(12,426)
Initial fair value of derivative transactions with the parent	(10,781)	(10,781)
Voluntary financing reserve	175,000	175,000
Change in fair value of cash flow hedges, of which:		
Hedge reserve for cash flow hedges for interest rate risk	967	(2,221)
Decrease in hedge reserve for cash flow hedges for electricity price risk	3,303	2,798
Reclassification from other comprehensive income, recognised as a change in interest expense	(4,048)	(3,545)
Exchange differences on the translation of foreign operations	344	600

€ thousand	31 December 2024	31 December 2023
Other reserves at the end of the period, of which:	**163,855**	**163,289**
Foreign currency translation reserve	182	(162)
Hedge reserve for cash flow hedges for interest rate risk (interest rate swaps)	5,779	8,860
Hedge reserve for cash flow hedges for electricity price risk	(6,325)	(9,628)
Initial fair value of derivative transactions with the parent	(10,781)	(10,781)
Voluntary financing reserve	175,000	175,000

NOTE 8. *Borrowings at amortised cost*

€ thousand	Current borrowings			Non-current borrowings		TOTAL
	Interest	Bank loans	Lease liabilities[1]	Bank loans	Lease liabilities[1]	
Borrowings at amortised cost as at 31 December 2023	**3,967**	**27,414**	**745**	**445,174**	**9,098**	**486,398**
Movements in the reporting period						
Monetary movements						
Borrowings received	0	67,500	0	287,520	0	355,020
Repayments of borrowings	(27,624)	(88,467)	(714)	(20,000)	0	(136,805)
Non-monetary movements						
Addition of borrowings	29,260	0	4	0	456	29,720
Transfers	188	52,557	204	(52,713)	(236)	0
Amortisation of borrowing costs	0	0	0	55	0	55
Effect of movements in foreign exchange rates	7	23	1	72	17	120
Other movements	0	0	74	0	(169)	(95)
Total movements in the reporting period	**1,831**	**31,613**	**(431)**	**214,934**	**68**	**248,015**
Borrowings at amortised cost as at 31 December 2024	**5,798**	**59,027**	**314**	**660,108**	**9,166**	**734,413**

1 Repayments of lease liabilities of €714k consist of principal repayments of €259k and interest payments of €455k.

NOTE 9. *Revenue*

€ thousand	Q4 2024	Q4 2023	2024	2023
Revenue by activity				
Sale of goods				
Pellets	0	9,179	0	31,985
Scrap metal	107	134	431	726
Other goods	17	22	88	62
Total sale of goods	**124**	**9,335**	**519**	**32,773**
Sale of services				
Heat	2,014	2,670	7,044	8,601
Electricity	55,361	42,237	162,040	146,021
Waste reception and resale	3,999	4,256	14,969	16,304
Lease and maintenance of assets	59	80	518	694
Other services	33	1,068	400	1,364
Total sale of services	**61,465**	**50,311**	**184,970**	**172,984**
Total revenue	**61,589**	**59,646**	**185,489**	**205,757**

LISA 10. *Renewable energy support and other operating income*

€ thousand	Q4 2024	Q4 2023	2024	2023
Renewable energy support	6,879	5,453	22,522	21,303
Government grants	54	134	251	504
Gain on derivative financial instruments	893	0	893	0
Gain on sale of a business es	0	960	4,958	960
Other income	824	709	6,788	1,540
Total renewable energy support and other operating income	8,650	7,256	35,412	24,307

In September 2024, Enefit Green reached a settlement with GE Vernova regarding an incident during the construction of the Akmenė wind farm, which resulted in the collapse of a wind turbine. As a result of the negotiations, Enefit Green and GE Vernova agreed on an amendment to the Akmenė wind farm turbine supply agreement signed between the parties, including compensation of €8.2m, of which €3.9m was paid by GE Vernova to Enefit Green in cash and the remaining amount was offset against reciprocal receivables and liabilities. Of the €8.2m, €5.3m was recognised as other operating income and €1.6m as a reduction of previously made investments. GE Vernova and Enefit Green also entered into additional agreements totalling €1.3m, which did not affect Enefit Green's financial results.

NOTE 11. *Raw materials, consumables and services used*

€ thousand	Q4 2024	Q4 2023	2024	2023
Maintenance and repairs	4,930	5,002	17,019	17,514
Technological fuel	703	6,689	2,141	27,033
Electricity	17,889	14,687	56,744	48,394
Services related to ash treatment	455	516	1,776	1,965
Transport services for sale of goods	0	583	0	1,920
Materials and spare parts for production	671	1,007	1,681	2,067
Transmission services	407	174	1,404	518
Waste handling	109	115	576	410
Resource charges for natural resources	0	2	3	6
Other raw materials, consumables and services used	281	50	465	178
Environmental pollution charges	712	119	1,417	325
System services	(1,251)	0	(1,251)	0
Total raw materials, consumables and services used	**24,906**	**28,944**	**81,975**	**100,330**

NOTE 12. *Cash generated from operations*

€ thousand	Q4 2024	Q4 2023	2024	2023
Profit before tax	**27,761**	**18,414**	**75,600**	**65,509**
Adjustments				
Depreciation and impairment of property, plant and equipment	9,778	10,529	39,007	39,943
Amortisation and impairment of intangible assets	31	291	130	617
Amortisation of government grants related to assets	(55)	(130)	(251)	(500)
Interest expense on borrowings	287	679	1,069	1,252
Gain on sale of a business es	0	(960)	(4,959)	(960)
(Profit) loss from associates under the equity method	(24)	20	(1)	(42)
(Gain) loss on disposal of property, plant and equipment	0	(2)	104	(2)
Interest and other finance income	(160)	(181)	(1,065)	(826)
Other gains and losses on investments	0	0	0	(24)
(Gain) loss on other non-cash transactions	(128)	26	117	26
Foreign exchange loss on loans granted and taken	4	399	96	470
Realised gain on derivative financial instruments	(1,885)	(813)	(3,172)	(2,323)
Adjusted profit before tax	**35,610**	**28,272**	**106,443**	**103,140**

continues

€ thousand	Q4 2024	Q4 2023	2024	2023
Net change in current assets related to operating activities				
Change in receivables related to operating activities	(3,632)	(3,074)	(1,582)	(1,618)
Change in inventories	353	2,807	(1,752)	(2,143)
Net change in other current assets related to operating activities	(4,343)	4,711	22,919	(14,244)
Total net change in current assets related to operating activities	**(7,626)**	**4,444**	**19,585**	**(18,005)**
Net change in current liabilities related to operating activities				
Change in provisions	192	4	187	3
Change in trade payables	(809)	(13,604)	(7,964)	8,842
Net change in other current liabilities related to operating activities	2,207	(1,520)	849	937
Total net change in current liabilities related to operating activities	**1,591**	**(15,120)**	**(6,928)**	**9,782**
Cash generated from operations	**29,575**	**17,596**	**119,099**	**94,917**

NOTE 13. *Transactions and balances with related parties*

The parent of Enefit Green AS is Eesti Energia AS. At 30 September 2024, the sole shareholder of Eesti Energia AS was the Republic of Estonia.

For the purposes of the condensed consolidated interim financial statements of Enefit Green, related parties include the shareholders, other companies belonging to the same group (group companies), members of the executive and higher management, and close family members of the above persons and companies under their control or significant influence. Related parties also include entities under the control or significant influence of the state.

The group has applied the exemption from disclosure of individually insignificant transactions and balances with the government and other related parties where the state has control or joint control of, or significant influence over, such parties.

Enefit Green AS and its subsidiaries produce renewable energy that is sold directly to third parties (incl. to the Nord Pool power exchange). The parent, Eesti Energia AS, provides Enefit Green AS with back-office services to assist in the sales procedures. The costs related to the services are presented in the table within purchases of services.

The group also discloses transactions with companies under the control or significant influence of the state. In the reporting and the comparative period, the group conducted ordinary purchase and sales transactions with the Estonian transmission system operator Elering AS, which is wholly owned by the state.

At 31 December 2024 Enefit Green AS had signed long-term power purchase agreements (PPAs) for the physical supply of electricity of 8,294 GWh with Eesti Energia AS for the supply of electricity in the Lithuanian, Estonian, Finnish and Polish electricity networks in the period January 2025 – December 2033. The contracts are for the supply of both annual and monthly base load energy. At 31 December 2024 as a part of active portfolio management short term financial swaps have been entered into to buy electricity for the period January – March 2025. The net weighted average price of the PPAs for the physical supply and of electricity purchases signed with the related party is €71.2/MWh.

At the beginning of 2021, the group used base load swap derivative contracts in order to hedge the exposure to variability in the price of electricity. The initial fair value of the derivatives designated as hedging instruments of €(10,781)k was recognised directly in equity.

The group continued to apply hedge accounting to the open derivatives positions until 17 August 2021, when an EFET General Agreement Concerning the Delivery and Acceptance of Electricity (EFET General Agreement) was signed and all open derivative contracts were simultaneously terminated. The negative value of the derivative financial instruments classified as liabilities increased from €(10,781) k at the trade date to €(23,207)k due to the change in the electricity price in the period from the trade date to 17 August 2021. The cumulative change in the fair value of the derivative financial instruments of €(12,426)k was recognised through other comprehensive income and the cash flow hedge reserve in equity (see also note 5). At 31 December 2024, the balance of the electricity cash flow hedge reserve was €(6,325)k (see also notes 5 and 7).

€ thousand	TRANSACTIONS				BALANCES		
	Q4 2024	Q4 2023	2024	2023		31 December 2024	31 December 2023
PARENT							
Purchase of services	6,485	5,333	21,165	17,804	Receivables	12,318	9,497
Sale of goods	0	0	0	0	Payables	15,762	20,281
Sale of services	27,457	19,500	23,727	78,713	Of which non-derivative contract liability	12,434	18,086
OTHER GROUP COMPANIES							
Purchase of goods	0	0	0	0	Receivables	306	314
Purchase of services	(381)	884	65	3,357	Payables	(476)	62
Sale of goods	0	0	0	0			
Sale of services	437	1,379	3,709	4,208			
OTHER RELATED PARTIES (INCL. ASSOCIATES)							
Purchase of services	833	448	2,195	1,908	Receivables	0	22
Sale of services	27	18	27	18	Payables	541	311
ELERING AS							
Purchase of services	626	(1,131)	(835)	18,992	Receivables	3,546	5,629
Sale of services	6,933	5,339	22,016	21,355	Payables	186	33

Management Board's Confirmation

The Management Board has prepared the consolidated interim report of AS Enefit Green for the fourth quarter and 12 months of 2024, which covers the period ended on 31 December 2024.

The members of the Management Board confirm that the accounting policies applied in the preparation of the consolidated interim financial statements for the fourth quarter and 12 months of 2024 are in accordance with the International Financial Reporting Standards as adopted by the European Union and that the interim financial statements give a true and fair view of the financial position, economic performance and cash flows of Enefit Green AS and the companies involved in the consolidation as a whole, to the best of their knowledge.

In addition, the members of the Management Board confirm that the management report for the fourth quarter and 12 months of 2024 accurately and fairly reflects the Group's development, financial results and financial position and provides an overview of the main risks and uncertainties as well as significant transactions with related parties.

28 February 2025

Juhan Aguraiuja
Chairman of the Management Board

Argo Rannamets
Member of the Management Board, Chief Financial Officer

Innar Kaasik
Member of the Management Board, Chief Operating Officer

Andres Maasing
Member of the Management Board, Chief Development Officer