UAB Atsinaujinančios Energetikos Investicijos

Audited Consolidated and Separate Financial Statements as at and for the year ended 31 December 2024, prepared in accordance with IFRS, as adopted by the European Union

Closed-end Investment Company Intended for Informed Investors

Content

Statement of financial position

Amounts are presented in thousand EUR, unless stated otherwise

	Notes	Group 31 December 2024	Group 31 December 2023	Company 31 December 2024	Company 31 December 2023
Assets					
Non-current assets					
Investment assets at fair value through profit or loss	1	159 902	180 060	159 902	180 060
Investment in subsidiaries		-	-	2	2
Other financial assets	2	-	2 275	-	2 250
Prepayments	3	25	25	25	25
Total non-current assets		**159 927**	**182 360**	**159 929**	**182 337**
Current assets					
Other financial assets	2	2 600	1 600	2 600	1 600
Other receivables	4	931	839	900	803
Cash and cash equivalents	5	26 556	2 083	26 366	2 053
Total current assets		**30 087**	**4 522**	**29 866**	**4 456**
Total assets		**190 014**	**186 882**	**189 795**	**186 793**
Equity & liabilities					
Equity					
Share capital	6	58 656	58 656	58 656	58 656
Share premium	7	24 119	24 119	24 119	24 119
Legal reserve	8	1 325	1 075	1 325	1 075
Retained earnings		16 450	31 477	16 376	31 450
Total equity		**100 550**	**115 327**	**100 476**	**115 300**
Non-current liabilities					
Bonds issued	9	-	69 020	-	69 020
Total non-current liabilities		**-**	**69 020**	**-**	**69 020**
Current liabilities					
Bonds issued	9	88 826	161	88 826	161
Trade and other payables	10	578	2 331	493	2 312
Employee benefit obligations	11	52	37	-	-
Current tax liabilities		8	6	-	-
Total current liabilities		**89 464**	**2 535**	**89 319**	**2 473**
Total liabilities		**89 464**	**71 555**	**89 319**	**71 493**
Total equity & liabilities		**190 014**	**186 882**	**189 795**	**186 793**

Financial statements have been signed by electronic signature:

Director of Management Company	*Vilma Tvaronavičienė*
Company's manager	*Mantas Auruškevičius*
Representative of company providing accounting services	*Miglė Budreikaitė*

Statement of profit or loss and other comprehensive income

Amounts are presented in thousand EUR, unless stated otherwise

	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Income					
Result on sale of investment	12	4 882	-	4 882	-
Dividend income	12	210	355	210	355
Net gain/(loss) on financial assets at fair value through profit or loss	12	(11 866)	10 874	(11 866)	10 874
Other income	12	660	198	660	190
Total net income (loss)		**(6 114)**	**11 427**	**(6 114)**	**11 419**
Expenses					
Administrative expenses	13	(1 760)	(2 495)	(1 811)	(2 520)
Total expenses		**(1 760)**	**(2 495)**	**(1 811)**	**(2 520)**
Operating profit (loss)		**(7 874)**	**8 932**	**(7 925)**	**8 899**
Finance income					
Foreign exchange gain		-	44	-	45
Total finance income		**-**	**44**	**-**	**45**
Finance costs					
Interest expenses	14	(6 859)	(3 939)	(6 859)	(3 939)
Foreign exchange loss		(42)	-	(40)	-
Total finance costs		**(6 901)**	**(3 939)**	**(6 899)**	**(3 939)**
Profit (loss) before tax		**(14 775)**	**5 037**	**(14 824)**	**5 005**
Income tax	15	(2)	(6)	-	-
Profit/(loss) after tax		**(14 777)**	**5 031**	**(14 824)**	**5 005**
Other comprehensive income (loss)					
Items that may be reclassified to profit or loss		-	-	-	-
Items that will not be reclassified to profit or loss		-	-	-	-
Total comprehensive income (loss)		**(14 777)**	**5 031**	**(14 824)**	**5 005**

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Director of Management Company	*Vilma Tvaronavičienė*
Company's manager	*Mantas Auruškevičius*
Representative of company providing accounting services	*Miglė Budreikaitė*

Statement of cash flows

Amounts are presented in thousand EUR, unless stated otherwise

	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Profit (loss) before tax		**(14 775)**	**5 037**	**(14 824)**	**5 005**
Adjustments for non-cash items and non-operating activities:					
Net gain/(loss) on financial assets at fair value through profit or loss	12	11 866	(10 874)	11 866	(10 874)
Result on sale of investment	12	(4 882)	-	(4 882)	-
Net finance costs	14	6 859	3 939	6 859	3 939
Dividends received	12	(210)	(355)	(210)	(355)
Working capital adjustments					
Decrease (increase) in trade and other receivables		(100)	(251)	(105)	(229)
Increase (decrease) in trade and other payables		(1 736)	(736)	(1 819)	(757)
Net cash flows from activities		**(2 978)**	**(3 240)**	**(3 115)**	**(3 271)**
Income taxes paid		(2)	(1)	-	-
Dividends received	12	210	243	210	243
Net cash flows from operating activities		**(2 770)**	**(2 998)**	**(2 905)**	**(3 028)**
Loans granted	1	(15 185)	(43 098)	(15 185)	(43 098)
Repayment of loans granted	1	2 952	19 746	2 952	19 746
Payment of interest on loans granted	1	1 037	5 644	1 037	5 644
Disposal of loans and accrued interests	1	15 109	-	15 109	-
Bonds acquired	1	(4 917)	(12 887)	(4 917)	(12 887)
Redeemed bonds	1	-	3 248	-	3 248
Payment of interest on bonds	1	-	370	-	370
Acquisition of subsidiary and associate	1	(5)	(1)	(5)	(1)
Sale of shares of subsidiary	1	14 183	-	14 183	-
Issue of financial guarantees	2	(1 000)	(1 000)	(1 000)	(1 000)
Recovery of financial guarantees	2	2 275	1 050	2 250	1 050
Net cash flows from investing activities		**14 449**	**(26 928)**	**14 424**	**(26 928)**
Proceeds from issue of share capital	6	-	3 772	-	3 772
Proceeds from share premium	7	-	2 991	-	2 991
Bonds issued	9	17 554	18 828	17 554	18 828
Transaction costs related to bonds issued	9	(194)	(224)	(194)	(224)
Repayment of bonds interest	9	(4 566)	(3 235)	(4 566)	(3 235)
Net cash flows from financing activities		**12 794**	**22 132**	**12 794**	**22 132**
Net change in cash and cash equivalents		**24 473**	**(7 794)**	**24 313**	**(7 824)**
Cash and cash equivalents at the beginning of the year		**2 083**	**9 877**	**2 053**	**9 877**
Effects of changes in foreign exchange rates		-	-	-	-
Cash and cash equivalents at the end of the year		**26 556**	**2 083**	**26 366**	**2 053**

Financial statements have been signed by electronic signature:

Director of Management Company	*Vilma Tvaronavičienė*
Company's manager	*Mantas Auruškevičius*
Representative of company providing accounting services	*Miglė Budreikaitė*

Consolidated statement of changes in equity

Amounts are presented in thousand EUR, unless stated otherwise

For the financial year ended 31 December 2024	Share capital	Share premium	Legal reserve	Retained earning	Total
Balance as of 1 January 2024	**58 656**	**24 119**	**1 075**	**31 477**	**115 327**
Contributions and redemptions by holders of redeemable shares:					
- Issue of redeemable shares	-	-	-	-	**-**
- Redemption of redeemable shares	-	-	-	-	**-**
Total contributions and redemptions by holders of redeemable shares	**-**	**-**	**-**	**-**	**-**
Profit (loss) for the year	-	-	-	(14 777)	**(14 777)**
Other comprehensive income for the year	-	-	-	-	**-**
Transfers to legal reserve	-	-	250	(250)	**-**
Balance as at 31 December 2024	**58 656**	**24 119**	**1 325**	**16 450**	**100 550**
Balance as at 1 January 2023	**54 884**	**21 128**	**407**	**27 114**	**103 533**
Contributions and redemptions by holders of redeemable shares:					
- Issue of redeemable shares	3 772	2 991	-	-	**6 763**
- Redemption of redeemable shares	-	-	-	-	**-**
Total contributions and redemptions by holders of redeemable shares	**3 772**	**2 991**	**-**	**-**	**6 763**
Profit (loss) for the year	-	-	-	5 031	**5 031**
Other comprehensive income for the year	-	-	-	-	**-**
Transfers to legal reserve	-	-	668	(668)	**-**
Balance as at 31 December 2023	**58 656**	**24 119**	**1 075**	**31 477**	**115 327**

Financial statements have been signed by electronic signature:

Director of Management Company	*Vilma Tvaronavičienė*
Company's manager	*Mantas Auruškevičius*
Representative of company providing accounting services	*Miglė Budreikaitė*

Separate statement of changes in equity

Amounts are presented in thousand EUR, unless stated otherwise

For the financial year ended 31 December 2024	Share capital	Share premium	Legal reserve	Retained earning	Total
Balance as of 1 January 2024	**58 656**	**24 119**	**1 075**	**31 450**	**115 300**
Contributions and redemptions by holders of redeemable shares:					
- Issue of redeemable shares	-	-	-	-	**-**
- Redemption of redeemable shares	-	-	-	-	**-**
Total contributions and redemptions by holders of redeemable shares	**-**	**-**	**-**	**-**	**-**
Profit (loss) for the year	-	-	-	(14 824)	**(14 824)**
Other comprehensive income for the year	-	-	-	-	**-**
Transfers to legal reserve	-	-	250	(250)	**-**
Balance as at 31 December 2024	**58 656**	**24 119**	**1 325**	**16 376**	**100 476**
Balance as at 1 January 2023	**54 884**	**21 128**	**407**	**27 113**	**103 532**
Contributions and redemptions by holders of redeemable shares:					
- Issue of redeemable shares	3 772	2 991	-	-	**6 763**
- Redemption of redeemable shares	-	-	-	-	**-**
Total contributions and redemptions by holders of redeemable shares	**3 772**	**2 991**	**-**	**-**	**6 763**
Profit (loss) for the year	-	-	-	5 005	**5 005**
Other comprehensive income for the year	-	-	-	-	**-**
Transfers to legal reserve	-	-	668	(668)	**-**
Balance as at 31 December 2023	**58 656**	**24 119**	**1 075**	**31 450**	**115 300**

Financial statements have been signed by electronic signature:

Director of Management Company	*Vilma Tvaronavičienė*
Company's manager	*Mantas Auruškevičius*
Representative of company providing accounting services	*Miglė Budreikaitė*

Explanatory Notes

These consolidated financial statements of UAB Atsinaujinančios energetikos investicijos (hereinafter – the Company or AEI) and its subsidiary, as well as separate financial statements of the Company as at and for the financial year ended on 31 December 2024 were prepared and signed by Management on 15 April 2025. According to the Law on Companies of Republic of Lithuania, the annual financial statements prepared by the Management must be authorised for issue by the General Shareholders' meeting. The shareholders hold the power not to approve the annual financial statements and the right to request new financial statements to be prepared.

The Company was registered in the Register of Companies at address Lvivo g. 25, Vilnius on 15 March 2016, company code 304213372. The Company has its registered office at address Jogailos g. 4, Vilnius. The Company specializes in renewable energy infrastructure objects and related assets such as development of new renewable energy production sources. As investments to the renewables sector have shown an extensive growth potential the decision was made to transform the Company into a separate closed-end collective investment undertaking to provide investors an instrument to invest directly into renewable energy sector. Based on the decision of the Supervision Service of the Bank of Lithuania dated 14 December 2020, the Company was reorganized into a closed-end investment company for informed investors, after the Supervision Service of the Bank of Lithuania had approved the Articles of Association of the Company. The Company started to operate as a closed-end investment entity on 16 December 2020. The Company's data is compiled and stored at the state enterprise Centre of Registers. The Company's period of operation will end on 5 February 2026 with a possibility of extending for additional 2 years, at the end of which, the Company will redeem the shares from its investors. The decision on the extension of the term of operation of the Company will be taken by the general meeting of Shareholders. The decision on the extension of the term of operation of the Company shall be taken at least 3 (three) months before the last day of the term of operation of the Company.

The Company is a limited liability private legal person having its economic and commercial, financial, and organisational independence. The Company is held liable for its obligations only to the extent of its assets.

The objective of the Company is, by offering its shares, to collectively invest the collected funds in renewable energy infrastructure objects and related assets such as renewable energy sources, energy efficiency projects, energy resources distribution and transmission networks and their storage facilities, etc. and seek to earn returns for its shareholders. The redemption of the Company's shares will be restricted up until the end of the Company's investment activities on 5 February 2026 or 5 February 2028 if the operation period shall be extended for an additional 2 years.

As at 31 December 2024, the authorised capital of the Company amounted to EUR 58 656 thousand (as at 31 December 2023 – EUR 58 656 thousand). As at 31 December 2024, the authorised capital was divided into 58 656 399 ordinary registered shares (as at 31 December 2023 – 58 656 399) with the par value of EUR 1 each. As at 31 December 2024, the Company's share capital is fully paid and share premium amounted to EUR 24 119 thousand (as at 31 December 2023 – EUR 24 119 thousand). AEI does not hold its own shares.

These consolidated annual financial statements include two consolidated entities of the group – AEI and UAB AEI Development. These separate annual financial statements include AEI. For the purpose of these financial statements, the term Group is used to refer to the activities and financial data of both AEI and UAB AEI Development, whereas the term Company is used to refer to the activities and financial data of, solely, AEI. For the purpose of the explanatory notes to these financial statements, the term "Group and Company" is used to refer to the financial data of the Company that is consistent with the consolidated financial data of the Group.

Subsidiaries and associates

As at 31 December 2024 the Company controlled the following subsidiaries and associates:

	Country of domicile	Date of acquisition	Ownership, %	Segment
Subsidiary				
PV Energy Projects sp. z o. o.	Poland	01/09/2020	100%	Investment activities
UAB JTPG	Lithuania	23/12/2020	89.96%	Investment activities
PL Sun sp. z o. o.	Poland	18/02/2022	100%	Investment activities
UAB Nimela	Lithuania	13/05/2022	100%	Investment activities
UAB AEI Development	Lithuania	04/07/2022	100%	Project management and consultation services
UAB PV Holding	Lithuania	08/10/2024	100%	Investment activities
Associate				
UAB Saulės energijos projektai	Lithuania	15/06/2016	30%	Investment activities
UAB Ekoelektra	Lithuania	21/04/2021	50%	Investment activities
UAB Žaliosios investicijos	Lithuania	16/09/2021	25%	Investment activities
UAB KNT Holding	Lithuania	16/03/2022	50%	Investment activities
Zalais Speks SIA	Latvia	29/03/2022	50%	Investment activities
Zala Elektriba SIA	Latvia	30/03/2023	50%	Investment activities

As at 31 December 2023 the Company controlled the following subsidiaries and associates:

	Country of domicile	Date of acquisition	Ownership, %	Segment
Subsidiary				
Energy Solar Projekty sp. z o. o.	Poland	09/11/2018	100%	Investment activities
PV Energy Projects sp. z o. o.	Poland	01/09/2020	100%	Investment activities
UAB JTPG	Lithuania	23/12/2020	89.96%	Investment activities
PL Sun sp. z o. o.	Poland	18/02/2022	100%	Investment activities
UAB Atelda	Lithuania	18/02/2022	100%	Investment activities
UAB Nimela	Lithuania	13/05/2022	100%	Investment activities
UAB AEI Development	Lithuania	04/07/2022	100%	Project management and consultation services
UAB Rineila	Lithuania	05/09/2022	100%	Investment activities
UAB Pakruojo vėjas	Lithuania	28/11/2023	100%	Investment activities
Associate				
UAB Saulės energijos projektai	Lithuania	15/06/2016	30%	Investment activities
UAB Ekoelektra	Lithuania	21/04/2021	50%	Investment activities
UAB Žaliosios investicijos	Lithuania	16/09/2021	25%	Investment activities
UAB KNT Holding	Lithuania	16/03/2022	50%	Investment activities
Zalais Speks SIA	Latvia	29/03/2022	50%	Investment activities
Zala Elektriba SIA	Latvia	30/03/2023	50%	Investment activities

As at 31 December 2024 and 31 December 2023 subsidiary PV Energy projects sp. z o. o. have a loan with certain covenants. The subsidiary is required to meet the following covenants: Historic Average Debt Service Coverage ratio (ADSCR), Loan Life Coverage Ratio (LLCR), full payment of maintenance of Debt Service Reserve account and Maintenance Reserve Account if covenants are not met. Additionally, the loan agreement includes a cash utilization mechanism requiring the subsidiary to allocate additionally 30% of its excess cash (after loan and interest repayment according to the schedule), toward repaying the bank loan.

As at 31 December 2024, and 31 December 2023, the associate UAB Žaliosios Investicijos group entities have an external financing agreement that includes a cash sweep mechanism. Under this agreement, the creditor is entitled to a share of the free cash flow ranging from 67.5% to 95% after scheduled interest payments.

As at 31 December 2024, the subsidiary PL SUN sp. z o.o. has a short-term financing agreement that includes a 100% cash sweep mechanism for excess cash generated by operating projects.

As at 31 December 2023 the subsidiary Energy Solar Projekty sp. z o. had a loan with certain that need to be met before transferring funds to the Company for Historic Average debt service coverage ratio (ADSCR), Prospective ADSCR, Loan Life Coverage Ratio (LLCR), full repayment of Debt Service due, the amount standing to the credit of the Debt Service Reserve account and of the Maintenance Reserve Account. The subsidiary, along with its external obligations, was sold in December 2024.

According to the agreements the bonds or loans may be subordinated with regards to the bank when subsidiaries or associates enter into financing agreement. In this case the Group shall provide the consent in writing for such subordination and the redemption of the bonds or payment of interest shall only be permitted with prior consent from the bank or when all obligations to the bank had been fully fulfilled.

As at 31 December 2024, PV Energy Projects sp. z o.o., PL SUN sp. z o.o., and the loans granted by UAB Žaliosios Investicijos to its subsidiaries are subordinated to external lender loans. Additionally, the shares of PV Energy Projects sp. z o.o., PL SUN sp. z o.o. and UAB Žaliosios investicijos group's subsidiaries have been pledged in favor of the external lender.

On 26 October 2021, the Company issued a parent company guarantee to EE Lithuania Emerald ApS, by which it unconditionally guaranteed for the full and timely fulfilment of payment obligation under the shares purchase agreement concerning the entire share capital of UAB EE Emerald Holding. The contingent liability of the Group under this guarantee agreement is limited to EUR 8 966 thousand.

On 19 June 2024, the Company issued an indirect partial parent company guarantee to UL Services Spain SL, by which it guaranteed for the payment of a contract that was concluded on 29 May 2023 between UL Services Spain SL and the Group's indirect associate UAB Troškūnų vėjas. The contingent liability of the Group under this guarantee agreement is limited to EUR 90 thousand.

During the reporting years ended 31 December 2024, and 31 December 2023, the Group issued support letters to its subsidiaries and associates. In these letters, the Group confirmed its intention to continue the development and construction of projects over the 12 months following the issuance of the subsidiaries' or associates' financial statements. Additionally, the Group expressed the possibility of providing financial and other support, to the extent economically justified, to ensure the continuity of their operations and the fulfilment of their obligations.

Subsidiaries and associates of the Company specialize in the production of energy from renewable energy resources. They are measured at fair value through profit or loss and are not consolidated in consolidated financial statements. As at 31 December 2024 and 31 December 2023, the fair values of the shares of the Company's subsidiaries were as follows:

	As at 31 December 2024		As at 31 December 2023	
	Number of shares	Fair value of shares (kEUR)	Number of shares	Fair value of shares (kEUR)
Subsidiary				
Energy Solar Projekty sp. z o. o.	-	-	100	9 290
PV Energy Projects sp. z o. o.	45 000	(4 892)	50	4 694
UAB JTPG	2 249	(322)	2 249	(120)
PL Sun sp. z o. o.	100	(11 407)	100	4 049
UAB Atelda	-	-	2 500	(123)
UAB Nimela	2 500	(828)	2 500	(421)
UAB Rineila	-	-	2 500	(37)
UAB Pakruojo vėjas	-	-	100	-
UAB PV Holding	100	(457)	-	-
Associate				
UAB Saulės energijos projektai	9 180	47	9 180	344
UAB Ekoelektra	50	(290)	50	(375)
UAB Žaliosios investicijos	7 209 746	23 452	7 209 746	23 449
UAB KNT Holding	1 251	(534)	1 250	(490)
Zalais Speks SIA	1 400	(20)	1 400	(73)
Zala Elektriba SIA	2 829 878	8 022	1 400	(96)

As at 31 December 2024 subsidiary which provided project management and consulting services to the Company was UAB AEI Development. As at 31 December 2024 and 31 December 2023, the controlled number of shares and value of shares of subsidiary are provided below:

	As at 31 December 2024		As at 31 December 2023	
	Number of shares	Value of shares (kEUR)	Number of shares	Value of shares (EUR)
Subsidiary				
UAB AEI Development	100	70	100	27

The subsidiary UAB AEI Development provides project management and consulting services to the Company, therefore its' financial results are consolidated in consolidated financial statements. In separate financial statements investment in subsidiary UAB AEI Development is measured at cost.

Other Group companies specialize in the production of energy from renewable energy resources, they are measured at fair value through profit or loss and are not consolidated.

The financial year of the Group coincides with the calendar year.

The Company is managed by management company UAB LORDS LB Asset Management (hereinafter – the Management Company), set up and registered on 8 September 2008, company code 301849625, having its registered office at address: Jogailos g. 4, Vilnius, Lithuania. Data on the Management Company are compiled and stored in the Register of Legal Entities of the Republic of Lithuania.

By the decision of the Securities Commission of the Republic of Lithuania of 23 December 2008, UAB LORDS LB Asset Management was issued Licence No. VĮK – 016 to engage in the activities of management companies operating under the Law on Collective Investment Undertakings of the Republic of Lithuania. By Decision No. 03-201 of the Board of the Bank of Lithuania dated 5 December 2013 the management company's Licence No. VĮK – 016 was expanded with the right to manage collective investment undertakings established under the Law on Collective Investment Undertakings Intended for Informed Investors of the Republic of Lithuania. On 23 June 2015, the Management Company was issued Licence No. 1 to engage in the activities of the management company operating under the Law on Managers of Alternative Collective Investment Undertakings.

As at 31 December 2024 UAB AEI Development which provides project management and consulting services to the Company had 14 employees (as at 31 December 2023 – 12 employees).

The Depository of the Company is AB SEB bankas, company code 112021238, registered office address: Konstitucijos pr. 24, Vilnius, Lithuania.

The audit company of the Company is UAB PricewaterhouseCoopers, legal entity code 111473315, registered office address: J. Jasinskio g. 16B, Vilnius, Lithuania.

Investments of the Company

The objective of the Company is to earn a return for the Company's investors on investment in renewable energy infrastructure objects and related assets. Renewable energy infrastructure objects and related assets include renewable energy powerplants, energy efficiency projects, energy resource distribution and transmission networks and their storage facilities, etc.

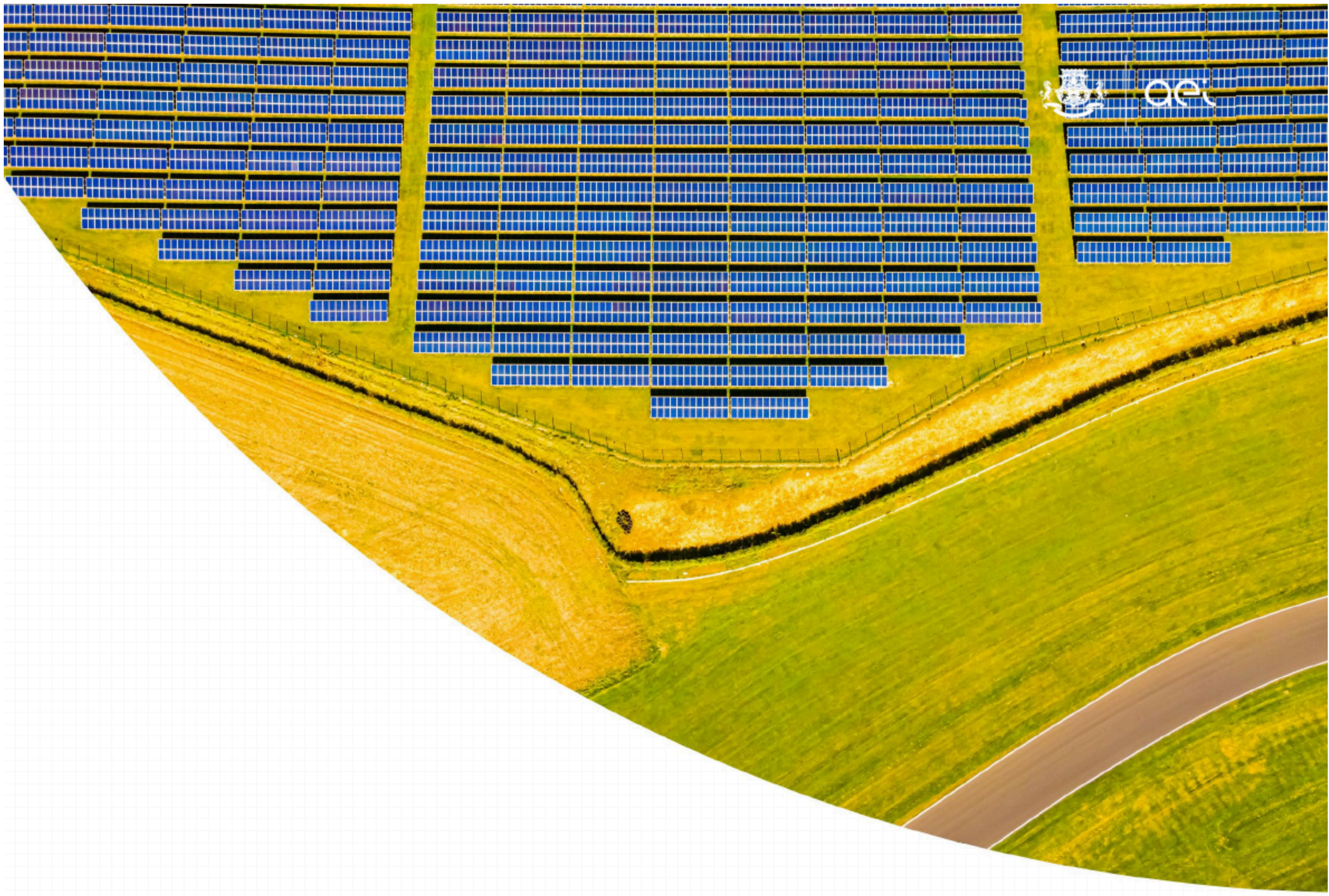
By investing in infrastructure objects and related assets, the Company acquires equity and non-equity securities, which may also include convertible bonds, movable and immovable properties.

The Company's free cash flows may be invested into: (1) EU government bonds with a maturity not exceeding 3 years, liquid and with an investment grade rating (by S&P or alternative certified rating agency), (2) deposits held in EU credit institutions with a maturity not exceeding 1 year.

The Company may conclude derivative financial instrument transactions only for the purposes of risk management, thus seeking to hedge the Company's portfolio against potential adverse market changes.

Redemption of shares of the Company

Upon liquidation of the Company, the priority is given to liabilities settled to the Company's creditors, and after deductions are made, the net assets are distributed to the shareholders. Net assets are distributed in the same manner and under the same conditions to all the shareholders by redeeming the Company's issued shares. The Company's net assets are divided in proportion to the shares held by each investor, by multiplying by the number of shares held by the shareholder.



II. Significant accounting policy

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the annual periods presented, unless otherwise stated.

1. Investment entity and basis of preparation

Investment entity

Investors of the Company hold equity securities issued by the Company which are ordinary registered shares. The Company's management concludes that the Company is an investment entity, regardless of its legal status of a limited liability company up until 16 December 2020 or closed-end company since 16 December 2020 up until the reporting date, as it has main components defining an investment entity:

- Collects funds from more than one investor for the purpose of providing those investor(s) with investment management services (investment services condition);
- Holds several investments to diversify its risk and maximize its returns;
- Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both (business purpose condition). As part of this commitment, the Company may engage in activities such as providing management services, loans, bonds, or guarantees to its investees, all of which are aimed at enhancing the value of investments and maximizing returns. These activities are undertaken to support the entity's overall goal of increasing the returns to its investors, without representing separate substantial business activities or sources of income beyond the core investment strategy;
- Measures and evaluates the performance of substantially all its investments on a fair value basis (fair value condition).

Management has assessed that it complies with investment services condition as the Company’s goal is solely to collect pool of funds from different investors and to provide returns from capital appreciation.

Subsidiaries

The Company has two types of subsidiaries. One type of subsidiary is a controlled subsidiary (hereinafter referred to as unconsolidated subsidiary). In consolidated financial statements unconsolidated subsidiaries are measured at fair value through profit or loss and are not consolidated in accordance with IFRS 10. Change in fair value of investment in a controlled subsidiary is recognized in statement of profit or loss, the value is determined consistently with the fair value measurement principles described in section 12 of the accounting policy. In separate financial statements investments in controlled subsidiaries are measured at fair value through profit or loss.

The second type of subsidiaries provide investment related services (investment advisory services, investment management services) to investors and third parties (hereinafter referred to as consolidated subsidiary). They themselves are not investment entities. In assessing whether it meets the definition of an investment entity, the Company assesses whether the provision of services to third parties is a secondary activity in relation to its main investment activity. In consolidated financial statements investments in subsidiaries that provide services related to the Company's investment activities are consolidated. In separate financial statements investments in subsidiaries that provide services related to the Company’s investment activities are measured at cost, less impairment losses, if any. At the end of each financial year, Management Company of the Company, determines whether there is objective evidence that the investment in the subsidiary is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary and its carrying value, and then recognizes the loss in the separate Statement of Profit or Loss and Other Comprehensive Income for the period in which it is incurred.

Associates

Associates are described as entities over which the Company has significant influence but not control or joint control. In consolidated financial statements and separate financial statements, investments in associates that are part of the Company's investment portfolio are measured at fair value through profit or loss, regardless of whether the Company has a significant influence over such entities.

Basis of preparation

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). These financial statements of the Company have been prepared in accordance with all requirements of IFRS as at 31 December 2024.

The Company’s financial accounting books and records are maintained separately from those of the Management Company according to the approved chart of accounts. The Company is required to follow the requirements of the Law on Collective Investment Undertakings Intended for Informed Investors of the Republic of Lithuania (LCIUII).

The financial statements are prepared based on the going concern principle and the assumption of continued operations in the foreseeable future. According to the Company’s Prospectus and Articles of Association, the Company will operate until 5 February 2026 with the possibility of extending its activities for another 2 year. The assessment of going concern is disclosed in Note 19.

The values of the Company’s assets and liabilities, as well as all amounts reported in the financial statements are presented in euros. Transactions denominated in foreign currencies are translated at the official exchange rate of the Bank of Lithuania effective at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of assets and liabilities denominated in foreign currencies are recognized in the Statement of profit or loss and other comprehensive income. Such balances are translated at the exchange rate at the end of the reporting period.

2. Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary (hereinafter – the Group) as at 31 December 2024 and 31 December 2023. The consolidated financial statements only include financial statements of subsidiary that is not an investment entity and whose main purpose and activities are to provide services related to the investment entity’s project management activities.

The Company is considered to have control when it has:

- power over the investee;
- rights to a variable return on investment; and
- power to affect the return on investment.

The Company reassesses whether it controls an investee if the facts and circumstances indicate a change in one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company acquires control of the subsidiary and cease when the Company loses control of the subsidiary. The results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date on which the Company obtains control until the date that the Company ceases to control the subsidiary.

Where necessary, the financial statements of subsidiaries are adjusted to ensure consistency with the accounting policies adopted by the Group.

All the Group’s assets and liabilities, equity, income, expenses, and cash flows related to intra-group transactions are eliminated on consolidation.

Changes in the Group's share in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group and non-controlling interest is adjusted to reflect changes in their relative interests in subsidiaries. Any difference between the amount by which the non-controlling interest interest is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the fair value of the consideration received and the Group's interest in the entity after the transaction and (ii) the previous carrying amount of assets (including goodwill) minus the liabilities of the subsidiary and non-controlling interest interests. All amounts previously recognized in other comprehensive income relating to a subsidiary are accounted for as if the Group had directly transferred the related asset or liability of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as required / permitted by applicable IFRS). Any investment retained in a former subsidiary after the transfer of ownership of the subsidiary is carried at fair value on initial recognition in accordance with IFRS 9 Financial Instruments, or at cost of a subsidiary.

IFRS 10 sets out principles of consolidation for investment entities. In its consolidated financial statements, an investment entity shall:

- consolidate any subsidiary that is not an investment entity and whose main purpose and activities are providing services that relate to the investment entity’s investment activities and apply the requirements of IFRS 3 to the acquisition of any such subsidiary; and
- measure all other investments in a subsidiary at fair value through profit or loss in accordance with IFRS 9.

3. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Assets acquired and liabilities assumed at the acquisition date are recognized at fair value, except for:

- Deferred tax assets or liabilities arising from the assets acquired and liabilities assumed in a business combination are measured and recognized in accordance with IAS 12 "Income taxes";
- Liabilities (or assets, if any) related to the acquiree's employee benefit arrangements are measured and recognized in accordance with IAS 19 "Employee benefits";
- Liabilities or equity instruments related to payments for the acquiree's shares or payments for shares made to replace the acquiree's share-based payments are measured in accordance with IFRS 2 "Share-based Payment" at the time of acquisition;
- Assets that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Such assets are measured in accordance with IFRS 5.

Lease liabilities arising as at acquisition date are measured at the present value of the remaining lease payments in accordance with IFRS 16, as if the acquired leases were new leases at the acquisition date. Right-of-use assets acquired at the acquisition date are measured at the same amount as the lease liabilities, adjusted to reflect favourable or unfavourable terms of the leases when compared with market terms.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

Goodwill is not amortized but it is reviewed for impairment at least annually. For the impairment testing, goodwill is allocated to each cash-generating unit (or group of cash-generating units) of the Company. Cash-generating units to which goodwill has been allocated are tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of a cash-generating unit is less than it carrying amount, the impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the unit and then to other assets in proportion to its carrying amount. Impairment losses on goodwill are not reversed in a subsequent period. When a cash-generating unit is sold, the amount of goodwill allocated is included in determining the gain or loss on sale.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group presents preliminary amounts for items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period or additional assets or liabilities are recognized to reflect new information received about facts and circumstances that existed at the acquisition date that would have affected the amounts recognized at the acquisition date.

When the Group acquires shares of new entities, management considers the substance of the assets and activities of the acquiree in determining whether the acquisition represents the acquisition of a business or assets. Where acquisitions of shares of new entities are not determined to be an acquisition of a business, they are treated as asset acquisitions rather than as business combinations.

4. Income recognition

The Group's income includes interest income and gain on change in fair value of financial assets at fair value through profit or loss.

Interest income is accrued over the period on the outstanding balance and at the effective interest rate, which accurately discounts the estimated future cash inflows over the estimated useful life of the financial asset to its net carrying amount.

The gain on a realized financial asset classified as financial assets at fair value through profit or loss is recognized in profit or loss. The gain is measured as the difference between the asset's fair value as of the date of the last issued audited financial statements and the consideration received upon disposal.

5. Expense recognition

Expenses are decreases in assets, or increases in liabilities, that result in decreases in equity. Expenses are recognised on an accrual basis as they are recognized when incurred, regardless of when the cash is disbursed. The cost is usually estimated by the amount of money paid or payable, excluding VAT. In cases where there is a long (over 1 year) settlement period and no interest is charged, the cost is estimated by discounting the settlement amount at the market interest rate.

The following costs are covered from the Company's assets: the Company's management fee, depository service fees, auditors' fees, Company's incorporation (business structuring) costs, investment object acquisition, management and sale costs, costs of financial institutions, remuneration to the Company's property appraisers, the Company's financial accounting, NAV calculation fees and share value estimation services, currency conversion fees, costs of foreign exchange and interest rate swaps, litigation costs, costs related to loans obtained on behalf of the Company exceeding income from loans granted on behalf of the Company to its special-purpose vehicles (SPV), fees for the management of the Company's securities and other accounts, fees for the safekeeping of the Company's securities, fees for the management of the shareholders' personal securities accounts, costs of execution, registration and deregistration of security instruments, costs of enforced debt recovery, state and municipal fees and charges, costs of preparation, translation and presentation of information on the Company, costs of preparation and revision of the Articles of Association, the Prospectus and the Key Investor Information Document, consultancy costs, notary fees, costs of registration and legal services, costs of insurance for the persons of the Management Company responsible for the Company's activities, costs incurred by the Investment Committee in connection with the Company's activities, and the Company's presentation.

All payments to the Management Company and the depository are recognized on accrual basis.

6. Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

7. Income tax

The calculation of income tax is based on the annual profit, considering the deferred income tax. Income tax is calculated in accordance with the requirements of the tax laws of the Republic of Lithuania.

The corporate income tax rate applicable to companies of the Republic of Lithuania is 15%.

Tax losses may be carried forward for an indefinite period, except for losses arising from the transfer of securities and / or derivatives. Such a transfer is terminated if the Company ceases to carry on the activities that caused the loss unless the Company ceases to carry on the activities for reasons beyond its control. Losses from the transfer of securities and / or derivatives can be carried forward for 5 years and covered only from the profit of the same type of transactions. The amount of deductible tax losses carried forward may not exceed 70% of the amount of taxable profit for the reporting year.

Deferred tax is provided using the balance sheet liability method. Deferred tax reflects the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax assets are recognized in the statement of financial position to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. If it is probable that part of the deferred tax will not be realized, this part of the deferred tax is not recognized in the financial statements.

Based on the provisions of the Law on Corporate Income Tax of the Republic of Lithuania, income of collective investment undertakings is non-taxable, and expenses are non-deductible accordingly.

8. Share capital

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

Some financial instruments include a contractual obligation for the issuing entity to deliver to another entity a pro rata share of its net assets only on liquidation based on the IAS 32. The obligation arises because liquidation either is certain to occur and outside the control of the entity (for example, a limited life entity) or is uncertain to occur but is at the option of the instrument holder. As an exception to the definition of a financial liability, an instrument that includes such an obligation is classified as an equity instrument if it has all the following features:

a) It entitles the holder to a pro rata share of the entity's net assets in the event of the entity's liquidation. The entity's net assets are those assets that remain after deducting all other claims on its assets. A pro rata share is determined by:

   - dividing the net assets of the entity on liquidation into units of equal amount; and
   - multiplying that amount by the number of the units held by the financial instrument holder.

b) The instrument is in the class of instruments that is subordinate to all other classes of instruments. To be in such a class the instrument:

   - has no priority over other claims to the assets of the entity on liquidation, and
   - does not need to be converted into another instrument before it is in the class of instruments that is subordinate to all other classes of instruments.

c) All financial instruments in the class of instruments that is subordinate to all other classes of instruments must have an identical contractual obligation for the issuing entity to deliver a pro rata share of its net assets on liquidation.

Further, for an instrument to be classified as an equity instrument, in addition to the instrument having all the above features, the issuer must have no other financial instrument or contract that has:

a) total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the entity (excluding any effects of such instrument or contract); and

b) the effect of substantially restricting or fixing the residual return to the instrument holders.

For the purposes of applying this condition, the Company shall not consider non-financial contracts with a holder of an instrument described in paragraphs above that have contractual terms and conditions that are like the contractual terms and conditions of an equivalent contract that might occur between a non-instrument holder and the issuing entity. If the entity cannot determine that this condition is met, it shall not classify the instrument as an equity instrument.

Respectively, the Company does not hold any other instruments that would meet the criteria described above, as the Company only issued equal shares which shall be redeemed upon the liquidation. Redemption of the shares as at liquidation date does not have any restrictions as all the remaining funds shall be distributed to the Shareholders by principles applied in the paragraphs above. Finally, no other side contracts, beside the share purchase agreements exist between the Company and the shareholders.

The Company's shares meet the conditions listed above and all the shares are classified as equity, since all amount of the equity is subject to repurchase that entity will make in the future – carrying amount attributable to single class of owners.

The redemption of the Company's shares is restricted. During the period of operation of the Company, the shares of the Company are held by the shareholders and will not be redeemed on demand. The shares will be redeemable by the decision of the Company's general meeting of shareholders on pro rata basis to all shareholders. The Company's shares are also redeemed during the Company's liquidation procedure.

The Company's shares may be redeemed during the Company's operations if:

- the Company has free funds that it does not intend to invest in;
- there is the decision of the general meeting of shareholders to reduce the issued capital of the Company and to pay out funds to the shareholders or the Company to acquire its own shares.

Upon payment of the Company's funds to the shareholders, the Company's funds are paid to the shareholders in accordance with the procedure for reduction of the issued capital. After the reduction of issued capital shareholders are paid an amount proportional to the par value of their shares.

When the liquidation of the Company is carried out, the shares shall be redeemed by distribution of the Company's assets remaining after settlement with the Company's creditors to the shareholders. The distribution of assets is performed by the Company’s liquidator, whose role may be appointed to the management Company.

In order to pay free funds to the shareholders during the period of operation of the Company by the relevant resolution of the general meeting of shareholders and in accordance with the procedure, the Company may arrange and carry out the acquisition of its own shares from the shareholders.

The total nominal value of the acquired shares together with the nominal value of shares already held may not be greater than 1/10 of the issued capital. The Company ensures equal opportunities for all shareholders to transfer the shares to the Company. The maximum and minimum purchase price of the shares, considering the last calculated NAV is determined by the general meeting of shareholders. The term within which the Company may acquire own shares may not exceed 12 months. Resolution of the general meeting of shareholders regarding the acquisition of shares may be cancelled by another resolution of the general meeting of shareholders, if the market special circumstances arise, such as the economic crisis, the deterioration of the Company's operating conditions, geopolitical tensions, etc.

The current amount of equity represents the amount that would be paid to shareholders if redemption or repurchase is executed as of reporting date. The value of the financial instruments is determined by incorporation of fair value of investment instruments where discounted cash flow valuation techniques are used.

9. Financial assets

Initial recognition and measurement

Financial assets are recorded when the Company grants or acquires the right to receive cash or other financial assets. Planned transactions, guarantees and warranties obtained are not recognised as the Company’s assets unless they comply with the definition of financial assets. The Company initially recognises regular-way transactions in financial assets at fair value on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets are recognised on the date on which they are originated.

Financial assets are classified into the following specified categories: financial asset at amortised cost, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss.

After initial recognition, financial assets are classified into the afore-mentioned categories based on the business model the Company applies when managing its financial assets. The business model applied to the group of financial assets is determined at a level that reflects how all groups of financial assets are managed together to achieve a particular business objective of the Company. The intentions of the Company’s management regarding separate instruments have no effect on the applied business model. The Group may apply more than one business model to manage its financial assets.

The business model for managing financial assets is a matter of fact and not merely an assertion. It is typically observable through the activities that the Company undertakes to achieve the objective of the business model. In determining the business model applicable for managing financial assets, the Company justifies its decision not by a single factor or activity, but in view of all relevant evidence that is available at the date of the assessment.

The Company recognises a financial asset in its statement of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument. The purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting.

At initial recognition, the Company measures financial assets at fair value, except for trade receivables that do not have a significant financing component. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

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

Subsequent measurement

For the purpose of financial measurement financial assets are classified into the following categories:

- financial assets at amortised cost;
- financial assets at fair value through profit or loss;
- financial assets at fair value through comprehensive income.

Financial assets measured at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are tested for impairment. Interest income is recognized using the EIR and gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

As the business model for the Company's other financial assets (except investments assets measured at fair value through profit and loss (next section)) is to hold assets to collect contractual cash flows and they are solely payments of principal and interest, other financial assets are measured at amortised cost. They comprised trade and other receivables, cash, and cash equivalents.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is calculated using the effective interest rate method and presented as "other income" in the statement of comprehensive income. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as separate line item in the statement of comprehensive income.

The Group holds restricted cash to provide bank guarantees and to confirm that subsidiaries would perform their obligations under agreements related with investing in solar and wind farm infrastructure (refer to Note 2). Restricted cash refers to cash and cash equivalents balances held by the Group that are not available for general use by the Group. Restricted cash to provide financial guarantees is subsequently measured at amortised cost and is tested for impairment.

For the year ended 31 December 2024, financial assets subsequently measured at amortised cost included restricted cash for guarantees, prepayments, other receivables, cash and cash equivalents and long-term deposits.

Financial assets measured at fair value through profit and loss

The Company has main components meeting the definition of an investment entity, therefore it has been treated as an investment entity since its establishment and based on IFRS 10, it measures and evaluates the performance of substantially all its investments on a fair value basis (fair value condition).

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. The mandatory classification includes:

- financial assets that are held in a business model other than held to collect contractual cash flows, including those, that are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term;

- financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's goal is solely to collect pool of funds from different investors and to provide returns from capital appreciation. The business model of the Company is to manage investment into subsidiaries together with loans granted to subsidiaries as one portfolio and evaluate their performance on a combined fair value basis. Therefore, the portfolio is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. Consequently, such portfolio of financial assets is measured at fair value through profit or loss.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

IFRS 13 sets out a list of valuation approaches and techniques that can be used in order to determine fair value of a financial instrument. Valuation approaches include market approach, income approach and combinations of approaches. Market approach includes valuations techniques like transaction price paid for an identical or a similar instrument of an investee and comparable company valuation multiples technique. Income approach includes valuation techniques like discounted cash flows method, dividend discount model, capitalisation model. An example of combination of approaches is adjusted net asset method.

As at 31 December 2024 and 31 December 2023, the Company had investments in equity and debt instruments of subsidiaries and associates that were recognized and subsequently measured at fair value. The fair value of investments is determined based on valuation reports prepared by independent valuer using the income and asset approaches. As at 31 December 2024 and 31 December 2023, the Company also had other receivables that were measured at fair value which was determined using income approach.

Loans and receivables are classified as current assets unless they have a maturity of more than 12 months after the statement of financial position date. In the latter case, they are classified as non-current assets.

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. The term of such investments does not exceed three months and the risk of changes in value is very low. The carrying amount of this asset approximates its fair value.

Derecognition of financial assets

Financial assets are derecognised when:

- the rights to cash flows of the asset have expired;
- the Company has retained the right to the cash flows but has undertaken to pay the full amount to a third party under the pass-through arrangement agreement within a short period of time;
- the Company has transferred its right to receive cash inflows from the assets or has transferred substantially all the risks and rewards of ownership of the financial assets or has neither transferred nor retained substantially all the risks and rewards of ownership but has transferred control of the assets.

When the Company transfers rights to the cash flows of an asset but neither transfers nor retains the risks and rewards of ownership of the asset and does not transfer control of the asset, the asset is recognized to the extent that the Company is still a party to the asset.

Impairment of financial assets

Impairment requirements are applied to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, an entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (ECL).

The Management Company constantly monitors the Company's risk profile, indicators, and its compliance with intended limits.

For the impairment of investment assets at fair value through profit or loss, other receivables, the Company applies a simplified approach due to a low credit risk. At reporting date, the Company evaluates whether the debt instruments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost and effort. The Company considers that there has been significant increase in credit risk when contractual payments are more than 30 days past due. The Company's Investment assets at fair value through profit or loss comprise of acquired bonds of subsidiaries and associate's, loans granted to subsidiaries and associates.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

In addition to assessing the amounts of other receivables, loans, and bonds, the Company evaluates the development and construction progress of the projects it finances. This includes considering all reasonable and supportable information available, such as indicators that the projects may not be completed as planned. The Company also assesses the counterparty's ability to secure the necessary funding to cover outstanding receivables and evaluates whether there are any factors suggesting that the projects may be delayed or not completed. Furthermore, the Company considers the likelihood that third parties involved in the projects intend to continue with the projects, as part of its assessment of expected credit losses.

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group uses the following approaches to determine impairment losses:

- general approach (basic);
- simplified approach for trade receivables.

ECL is calculated using the "three-stage" approach (the "general approach") for impairment:

Stage 1

Includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the expected credit losses that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months.

Stage 2

Includes financial instruments that have had a significant increase in credit risk (SICR) since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised, but interest revenue is still calculated on the gross carrying amount of the asset. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument.

Stage 3

Includes financial assets that have objective evidence of default at the reporting date. For these assets, life of ECL and interest income are calculated on the net carrying amount. ECL for trade receivables which do not have a significant financial component is stated over all debt period. The Group applies a simplified model for impairment of trade receivables.

For trade and other receivables, prepayments, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Trade and other receivables, prepayments are classified either to Stage 2 or Stage 3. The Company's cash and cash equivalents are held with well-established credit institutions with a low credit risk profile and classified in Stage 1.

10. Financial liabilities

The Company recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognised at fair value, minus transaction costs that are directly attributable to issuing the financial liability.

The Company classifies all financial liabilities as subsequently measured at amortised cost using the effective interest method, except for financial liabilities at fair value through profit or loss. Such liabilities are subsequently measured at fair value. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Interest rate expenses are recognized using the EIR.

For the year ended 31 December 2024, financial liabilities subsequently measured at amortised cost include bonds issued, trade and other payables. For the year ended 31 December 2024, the Group did not have financial liabilities measured at fair value through profit or loss.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Financial liabilities included in trade payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest-bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Borrowings

Borrowings are recognised initially at fair value less directly attributable transaction costs. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation is discharged or cancelled or expires. When one existing financial liability is replaced by another liability to the same lender but on different terms, or when the terms of an existing liability are substantially changed, such a change is treated as a termination of the original liability and the creation of a new liability. The difference between the respective carrying amounts is recognized in the income statement.

11. Valuation techniques and assumptions used in fair value measurement of assets and liabilities, frequency of investment revaluation

The financial statements include the fair value of the Company's assets and liabilities at the end of the reporting year.

The fair value hierarchy based on IFRS 13 is used to determine fair value in a more consistent and comparable manner. All assets and liabilities whose fair value is determined or disclosed in the financial statements are classified according to a fair value hierarchy based on the significant lowest level data used to determine fair value:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – valuation techniques where the lowest level inputs that are significant in determining fair value are observable directly or indirectly;
- Level 3 – valuation techniques where the lowest level inputs that are significant in determining fair value are unobservable.

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

As at 31 December 2024 and 31 December 2023 the carrying amount of the Company's assets and liabilities approximated their fair value – Level 3 valuation technique.

Investments in equity and debt instruments that are not traded on trading venues are valued based on the valuation carried out by an independent business valuer entitled to engage in such practice. Equity and debt instruments that are not traded on trading venues are valued at least once per year provided that no material economic changes that require a new valuation have occurred.

The fair value of cash and cash equivalents in credit institutions is equal to their nominal value.

Methods, process, and inputs for valuation of financial assets

Fair value of the Company's financial assets is determined based on the valuation reports submitted by the independent business valuer who has the right to carry out a valuation and meets the criteria laid down in the Company’s incorporation documents.

The fair value of the Company's investments in equity and debts instruments is measured on an aggregated basis. Fair value measurement when an investor holds both debt and equity shares in an investee – the Company is an investment entity as defined in IFRS 10. Among other investments, it holds both a controlling interest in equity shares and debt instruments issued by the subsidiaries. From a business strategy perspective, and in a manner consistent with standard practice in its industry, the Company evaluates the performance of its investments in subsidiaries and makes acquisition and disposal decisions on an aggregate basis rather than by considering the shares and debt instruments separately. When it holds both a controlling interest in a subsidiary and debt instruments issued by that subsidiary, the Company rarely, if ever, disposes of one instrument without also disposing of the other as this ensures that its return on investment is maximised. Neither the debt nor the equity instruments are traded in an active market.

In the specific circumstances described above (when both interest and debt instruments are held in a subsidiary), measuring the interest and debt instruments combined into a single unit of account would be appropriate. Such a transaction might involve aggregation of assets in a way in which market participants would enter a transaction, if the unit of account in other IFRS does not prohibit such aggregation. Since IFRS 9 does not specifically prohibit measurement of the instruments on an aggregate basis, it is appropriate to consider how fair value would be maximised. In the circumstances described, this may be through disposal of all the Company's interests in subsidiaries if this is how market participants would transact.

Since the Group measures the fair value of its investments in a subsidiary on an aggregated basis, aggregated fair value is allocated to the individual financial instruments. The aggregated fair value of the subsidiary is allocated to the Group's investments in equity and debt instruments issued by the subsidiaries and associated in the following manner:

- Independent valuers that prepare valuation reports based on which fair value of investments is determined calculate market value of the business;
- Methods that are used to determine market value of subsidiaries and associates of the Company are as follows:
  - Combination of income and net asset approach;
  - Asset Approach.

Combination of income and net assets approach is applied when the equity value is related to generation of future positive earnings. The underlying assumption of income approach is that an investor in a business will not pay more than the present value of future earnings that the business will generate. The present value of the business is assessed by discounting future cash flows to present value or by capitalizing solely current, historic or projected level of annual income. The mid-year discounting methodology has been applied, which assumes that cash flows occur evenly throughout the year, providing a more accurate reflection of the business's value. The terminal value was not applied in this valuation because the renewable project is valued based on a detailed cash flow projection, which sufficiently captures the long-term value without the need for an additional terminal value calculation. The equity value is determined as the enterprise value indicated under the income approach of the investment, minus net debt as of the valuation date.

Asset approach is applied when the value of a business is determined by the assets rather than by the activities carried out. Under this approach, the value of a business is determined by deducting liabilities from the company's assets, where both assets and liabilities are adjusted to their market values.

In the valuation report dated 7 February 2025 with the valuation of assets as of 31 October 2024, combination of income and net asset approach was selected by an independent appraiser as a valuation method for investments in subsidiaries PV Energy Projects sp. z o. o., PL Sun sp. z o. o., and associates UAB Žaliosios investicijos, UAB Saulės energijos projektai and Zala Elektriba SIA. Net asset approach was selected as a valuation method for investments in subsidiaries UAB Nimela, UAB JTPG, UAB AEI Development and associates UAB Ekoelektra, UAB KNT Holding, Zalais Speks SIA and UAB PV Holding. Net asset approach was selected by an independent appraiser for the valuation of investments in aforementioned subsidiaries and associates as entities did not have significant operations or their projects were at a stage of development at valuation date. Valuation assumptions and sensitivity analysis for investments of the Group are further disclosed in Note 1 to Consolidated Financial Statements.

In the valuation report dated 29 December 2023 with the valuation of assets as of 31 October 2023, combination of income and net asset approach was selected by an independent appraiser as a valuation method for investments in subsidiaries Energy Solar Projekty sp. z o. o., PV Energy Projects sp. z o. o., PL Sun sp. z o. o. and associates UAB Žaliosios investicijos and UAB Saulės energijos projektai. Net asset approach was selected as a valuation method for investments in subsidiaries UAB Atelda, UAB Rineila, UAB Nimela, UAB JTPG, UAB AEI Development and associates UAB Ekoelektra, UAB KNT Holding, Zalais Speks SIA and Zala Elektriba SIA. Net asset approach was selected by an independent appraiser for the valuation of investments in mentioned subsidiaries and associates as entities did not have significant operations or their projects were at an early stage of development at valuation date. Valuation assumptions and sensitivity analysis for investments of the Group is further disclosed in the Note 1 of the Notes to Consolidated Financial Statements.

The terms denoting the valuation methods (but not the valuation methods themselves), used in the valuation of assets as of 31 October 2024 and 31 October 2023 may differ.

Inputs used to determine fair value of the Company's investments in subsidiaries and associate include financial and other data of the subsidiaries and associates of the Company, financial forecasts of the Company's operations, legal documents, other information.

12. Significant accounting estimates and judgements

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards requires management to make certain assumptions and estimates that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of uncertainties. Future events may change the assumptions used in making the estimates. The effect of changes in such estimates will be recognized in the financial statements when determined. Sensitivity analysis for investments of the Company is further disclosed in Note 1 to Consolidated Financial Statements.

Status of investment entity and fair value measurement

Management has assessed that the Company has three main components meeting the definition of an investment entity, therefore it has been treated as an investment entity since its establishment, regardless of its legal status.

Management has assessed that it complies with business purpose condition as the Company's goal is solely to collect pool of funds from different investors and to provide returns from capital appreciation. Before the Company became a closed-end investment entity, investors invested in the Company through the Company's sole Shareholder, which then provided collected funds to the Company via share capital or lending commitments. As mentioned in the General part I, as investments to the renewables sector have shown an extensive growth potential the decision was made to transform the Company into a separate closed-end collective investment entity to provide investors an instrument to invest directly into renewable energy sector. As a closed-end investment entity, the Company has a prospectus which provides details about shares (most important aspect – net asset value per share) offering to the public. In addition, investment company distributes annual and quarterly reports to its investors, which contains information such as:

- Investment company data (net asset value, net asset value per share, net internal rate of return calculated from the inception of fund, number of investors, etc.);
- Significant events during the period – mainly activities such as new investments, potential investment opportunities;

- Company's investments;
- Other information.

Management has assessed that the Company complies with fair value condition since its establishment, regardless of its legal status, as the fair value of the Company's investments is assessed once a year by reputable external business appraiser and the Company also provides annual and quarterly reports to its investors and to the Bank of Lithuania which contain fair value information of all investments made by the Company.

Additionally, The Company's net assets are calculated in accordance with the NAV Calculation Methodology approved by the Bank of Lithuania and the NAV Calculation Procedure of the Management Company. The Company's Articles of Association stipulate that the fair value of assets and liabilities is determined based on observable market transactions or market information. In the absence of observable market transactions and market information related to assets and liabilities, fair value is determined using valuation techniques.

The objective of fair value measurement in all cases is the same - to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

Term of operation of the Company is specified in the prospectus as 5 years with the possibility of extension for 2 additional years. Before maturity all investments will be disposed as the Company will seize to exist. Therefore, this confirms that the Company does not plan to hold its investments indefinitely.

Assumptions that were used to measure the Company's investments in subsidiaries and associates at fair value and sensitivity analysis of fair value of investments of the Group are presented in Note 1. The fair value of the Group's investments was determined based on valuation reports prepared by an independent appraiser.

Assumption is made, that records of issued bonds and received loans consists of their nominal value, but accumulated interests is closer to the fair value. It is an accounting estimate made based on significant judgement by the Management of the Company. The Company carefully monitors the market interest rates, therefore fixed interest rates that are determined in the bond and loan agreements the Company has concluded with its subsidiaries, associates or external / third parties are set considering the interests rates that are applicable in the market at the time of undertaking the liability.

Leases

The Group has assessed lease contracts in accordance with requirements of IFRS 16.

As at 31 December 2023, the Group had signed a lease contract of business premises. However, the lease agreement was terminated on 10 May 2024.

The Group has assessed that right-of-use assets and lease liabilities will not be recognized in regard to signed lease contract as in accordance with requirements of IFRS 16 recognition exemption is applied. Lease contract of business premises was signed on 1 October 2022 for a lease term ending 31 August 2023. As lease term was less than 12 months, it can be concluded that a lease was a short-term lease and the Group elects to apply recognition exemption in accordance with IFRS 16 requirements. An additional agreement was signed to extend the term of the lease from 1 September 2023 to 30 November 2023. The extension was a lease modification and considered to be a new short-term lease for which IFRS 16 recognition exemption is applied.

As at 31 December 2024 and at 31 December 2023, the Company has a contract on reimbursement of costs signed with the Management Company based on which it compensates office maintenance costs in order to have available workspaces for its employees in the office of the Management Company. The Company compensates such costs as rent, electricity, cleaning and other utility costs incurred in relation to maintaining workplaces in the office. As the contract does not specify granting the right to control use of the asset and does not specify period, the Company concludes that contract does not comply to definition of a lease. Reimbursable costs are recognized as office maintenance expenses in statement of profit or loss.

13. Adoption of new and revised International Financial Reporting Standards

Standards issued and effective, but not yet adopted

The following standards, amendments and interpretations are not applied for the reporting periods ending on 31 December 2024 and are not relevant to the preparation of these financial statements. The following are standards that are not relevant to the Group and its investing activities.

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period.

Management has assessed that the amendments have no impact on the Group.

IFRS 16 Leases: Lease Liability in a Sale and Leaseback (Amendments)

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16.

Management has assessed that the amendments have no impact on the Group.

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments)

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable. Furthermore, the amendments require an entity to disclose at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements. The amendments have not yet been endorsed by the EU.

Management has assessed that the amendments have no impact on the Group.

Standards issued but not yet effective and not early adopted

The following standards, amendments and interpretations are not yet applied for the reporting period ended on 31 December 2024 and are not relevant to the preparation of these financial statements. The following are standards that may be relevant to the Group. The Group does not plan early adoption of the amendments and interpretations to the standards listed below.

The following amendments are not expected to have a significant impact on the Company's financial statements.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. The amendments have not yet been endorsed by the EU.

Management has assessed that the amendments have no impact on the Group.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (Amendments)

The amendments are effective for annual reporting periods beginning on or after 1 January 2026. The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.

Derecognition of financial liabilities

Derecognition of financial liabilities settled through electronic transfers.

Classification of financial assets

Elements of interest in a basic lending arrangement (the solely payments of principle and interest assessment – 'SPPI test').

Contractual terms that change the timing or amount of contractual cash flows.

Financial assets with non-recourse features.

Investments in contractually linked instruments.

Disclosures

Investments in equity instruments designated at fair value through other comprehensive income.

Contractual terms that could change the timing or amount of contractual cash flows.

The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. This would be particularly useful to entities that wish to apply the Amendments early for financial instruments with ESG (Environmental, Social and Governance)-linked or similar features.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments)

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application of the amendments is permitted. However, for certain jurisdictions the amendments must be endorsed prior to application.

Nature-dependent electricity contracts assist companies to secure their electricity supply from wind and solar power sources. Since the amount of electricity generated under these contracts may vary based on uncontrollable factors related to weather conditions, current accounting requirements may not adequately capture how these contracts affect a company's performance. In response, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to improve the disclosure of these contracts in the financial statements. The amendments include:

Clarifying the application of the 'own-use' requirements.

Permitting hedge accounting if these contracts are used as hedging instruments; and

Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

III. Notes

1. Investment assets at fair value through profit or loss

The Company meets the definition of an investment entity, therefore it does not consolidate its subsidiaries and associates (except project management and consultation entity UAB AEI Development) but recognizes them as investments at fair value through profit or loss. Further, the Company holds both controlling interest in equity shares with voting rights and debt instruments (bonds, loans) issued by the subsidiaries and associates. From a business strategy perspective, the Company rarely, if ever, would enter a transaction to sell one financial asset, e.g., equity shares, without the other, e.g., debt instrument. In addition, neither the debt nor the equity shares are traded in an active market. The Company's investments in loans granted are not the Company's separate substantive operations since the loans are granted for the sole purpose of capital appreciation in accordance with IFRS 10. Therefore, the Company combines its investments in subsidiaries and associates into a single unit of account in order to best present the fair value of the investment as a whole. The Group's and Company's aggregated financial assets at a fair value are presented in the table below:

Group and Company

	31 December 2024	31 December 2023
Energy Solar Projekty sp. z o. o.		
Initial investment in shares	1	1
Long term loan granted	-	14 230
Interest on loan granted	-	413
Change in fair value of investment	-	9 289
Sale of shares	(1)	-
Total investments in equity and debt instruments	**-**	**23 933**
PV Energy Projects sp. z o. o.		
Initial investment in shares	1	1
Long term loan granted	31 975	34 242
Interest on loan granted	6 269	4 005
Change in fair value of investment	(9 304)	4 693
Increase in investments in shares	3 985	-
Total investments in equity and debt instruments	**32 926**	**42 941**
PL Sun sp. z o. o.		
Initial investment in shares	3	3
Long term loan granted	55 080	45 074
Interest on loan granted	9 293	3 790
Change in fair value of investment	(12 061)	4 046
Total investments in equity and debt instruments	**52 315**	**52 913**
UAB Atelda		
Initial investment in shares	3	3
Bonds principal acquired	-	117
Bonds interest accrued	-	11
Change in fair value of investment	(2)	(131)
Sale of shares	(1)	-
Total investments in equity and debt instruments	**-**	**-**
UAB Nimela		
Initial investment in shares	4	4
Bonds principal acquired	3 096	913
Bonds interest accrued	461	160
Change in fair value of investment	(1 001)	(566)
Total investments in equity and debt instruments	**2 560**	**511**

Group and Company
(continued)

	31 December 2024	31 December 2023
UAB Rineila		
Initial investment in shares	3	3
Bonds principal acquired	-	36
Bonds interest accrued	-	4
Change in fair value of investment	(2)	(43)
Sale of shares	(1)	-
Total investments in equity and debt instruments	**-**	**-**
UAB JTPG		
Initial investment in shares	3	3
Bonds principal acquired	2 397	2 334
Bonds interest accrued	457	120
Change in fair value of investment	(388)	(130)
Total investments in equity and debt instruments	**2 469**	**2 327**
UAB PV Holding		
Initial investment in shares	3	-
Bonds principal acquired	2 602	-
Bonds interest accrued	178	-
Change in fair value of investment	(489)	-
Total investments in equity and debt instruments	**2 294**	-
Total investments in subsidiaries	**92 564**	**122 625**
UAB Saulės energijos projektai		
Initial investment in shares	1 504	1 504
Change in fair value of investment	(1 457)	(1 160)
Total investments in equity and debt instruments	**47**	**344**
UAB Žaliosios investicijos		
Initial investment in shares	7 210	7 210
Bonds principal acquired	23 650	23 650
Bonds interest accrued	2 870	1 447
Change in fair value of investment	15 901	13 721
Total investments in equity and debt instruments	**49 631**	**46 028**
UAB Ekoelektra		
Initial investment in shares	1	1
Bonds principal acquired	2 946	2 927
Bonds interest accrued	712	353
Change in fair value of investment	(813)	(576)
Total investments in equity and debt instruments	**2 846**	**2 705**
Zalais Speks SIA		
Initial investment in shares	1	1
Long term loan granted	628	428
Interest on loan granted	16	50
Change in fair value of investment	(104)	(112)
Total investments in equity and debt instruments	**541**	**367**

Group and Company (continued)	31 December 2024	31 December 2023
UAB KNT Holding		
Initial investment in shares	1	1
Bonds principal acquired	6 560	6 515
Bonds interest accrued	1 282	486
Change in fair value of investment	(1 593)	(697)
Total investments in equity and debt instruments	**6 250**	**6 305**
Zala Elektriba SIA		
Initial investment in shares	1	1
Long term loan granted	-	1 786
Interest on loan granted	-	154
Change in fair value of investment	5 193	(255)
Increase in investments in shares	2 828	-
Total investments in equity and debt instruments	**8 022**	**1 686**
Total investments in associates	**67 338**	**57 435**
Total investment assets at fair value through profit or loss	**159 902**	**180 060**

The valuation of investments in subsidiaries and associates follows an asset-based approach until projects progress to the "ready-to-build" status or late stage of development, leveraging management's expertise in renewable project development. The Company engages in investments during the initial stages of project development. Given the typical duration of project development (2-4 years), and potential regulatory impacts on final project layouts, management employs an asset-based valuation approach until projects attain the "ready-to-build" status or late stage of development status, where all uncertainties regarding factors such as installed capacity, final size, and technology mix selection (e.g., solar, wind, batteries, or hybrid solutions) are mitigated. That way aligning with strategic objectives and reflecting the evaluation of inherent project value. Projects undertaken by UAB Ekoelektra, UAB KNT Holding, UAB JTPG, UAB Nimela, Zalais Speks SIA, and UAB PV Holding are at development stage.

The "ready-to-build" status or late stage of development denotes a crucial shift from planning to execution, facilitated by the acquisition of all permits, approvals, and environmental assessments, that enable the commencement of physical construction. As projects progress to this stage, their market value significantly rises, necessitating valuation through discounted cash flow methods. Projects overseen by PL SUN sp. z o.o. and PV Energy projects sp.z o.o. are currently in the construction stage.

Subsequently, the next significant project milestone, the commercial operation date (COD), signifies the receipt of construction completion and the final permit to produce electricity, further increasing the project's fair value as per management expectations. The UAB Žaliosios investicijos and UAB Saulės energijos projektai are at operation stage.

Movements in the fair value of the Group's and Company's investments in equity and debt instruments of subsidiaries and associates for the financial year ended 31 December 2024 are presented in the table below:

Group and Company

	Fair value as at 1 January 2024	Acquisition of asset (+) / Sale of asset (-)	Interest paid	Increase (decrease) in fair value of assets	Fair value as at 31 December 2024
Investments in equity and debt instruments of subsidiaries:					
Energy Solar Projekty sp. z o. o.	**23 933**	(24 398)	(700)	1 165	**-**
PV Energy Projects sp. z o. o.	**42 941**	1 719	(734)	(11 000)	**32 926**
PL Sun sp. z o. o.	**52 913**	10 005	(337)	(10 266)	**52 315**
UAB Nimela	**511**	2 183	-	(134)	**2 560**
UAB JTPG	**2 327**	63	-	79	**2 469**
UAB PV Holding	**-**	2 602	-	(308)	**2 294**
Total	**122 625**	**(7 826)**	**(1 771)**	**(22 403)**	**92 564**

Group and Company (continued)	Fair value as at 1 January 2024	Acquisition of asset (+) / Sale of asset (-)	Interest paid	Increase (decrease) in fair value of assets	Fair value as at 31 December 2024
Investments in equity and debt instruments of associates:					
UAB Saulės energijos projektai	**344**	-	-	(297)	**47**
UAB Žaliosios investicijos	**46 028**	-	-	3 603	**49 631**
UAB Ekoelektra	**2 705**	19	-	122	**2 846**
Zalais Speks SIA	**367**	199	-	(25)	**541**
UAB KNT Holding	**6 305**	45	-	(100)	**6 250**
Zala Elektriba SIA	**1 686**	1 043	-	5 294	**8 023**
Total	**57 435**	**1 306**	**-**	**8 597**	**67 338**

Total net amount of EUR 11 866 thousand of decrease in fair value of assets refers to unrealised loss for the year ended 31 December 2024 which are recognized in the Statement of Profit or Loss and Other Comprehensive Income under category "Net loss on investments in equity and debt instruments at fair value through profit or loss" (refer to Note 12). Gain was recognized on sale of Energy Solar Projekty Sp. z. o. o. shares and disposal of loans for an amount of EUR 4 882 thousand during year ended 31 December 2024.

On 26 March 2024, the Group sold 100% of shares of subsidiary UAB Atelda to a third party for the purchase price of EUR 1 250.

On 26 March 2024, the Group sold 100% of shares of subsidiary UAB Rineila to a third party for the purchase price of EUR 1 250.

On 17 April 2024, according to the decision of shareholders of the entity, authorized capital of UAB KNT Holding was increased by issuing 1 unit of ordinary registered shares with nominal value of EUR 1.

On 4 July 2024 and 11 October 2024, the Group received dividends totaling EUR 210 000 from the UAB Saulės energijos projektai.

On 8 October 2024, the Group acquired 100% shares of UAB PV Holding and on 22 October 2024, the Group transferred shares In Pakruojo Vėjas to PV Holding.

On 12 December 2024, the Group sold 100% of shares in subsidiary Energy Solar Projekty sp. Z o. o. to an external party for a purchase price of EUR 14 181 734 and transferred rights based on loan agreement.

On 16 December 2024, the Group increased Zala Elektriba SIA shares by converting loan for an amount of EUR 2 828 478.

On 31 December 2024, the Group increase PV Energy Projects Sp. z o. o. shares by converting loan for an amount of EUR 3 985 465.

Movements in the fair value of the Group's and Company's investments in equity and debt instruments of subsidiaries and associates for the financial year ended 31 December 2023 are presented in the table below:

Group and Company

	Fair value as at 1 January 2023	Acquisition of asset (+) / Sale of asset (-)	Interest paid	Increase (decrease) in fair value of assets	Fair value as at 31 December 2023
Investments in equity and debt instruments of subsidiaries:					
Energy Solar Projekty sp. z o. o.	**23 514**	(721)	(4 063)	5 203	**23 933**
PV Energy Projects sp. z o. o.	**49 278**	(9 783)	(2 027)	5 473	**42 941**
PL Sun sp. z o. o.	**12 766**	31 844	-	8 303	**52 913**
UAB Atelda	**-**	117	-	(117)	**-**
UAB Nimela	**2 994**	(2 097)	(370)	(16)	**511**
UAB Rineila	**-**	36	-	(36)	**-**
UAB JTPG	**14**	2 334	-	(21)	**2 327**
UAB Pakruojo vėjas	**-**	-	-	-	**-**
Total	**88 566**	**21 730**	**(6 460)**	**18 789**	**122 625**

Group and Company (continued)	Fair value as at 1 January 2023	Acquisition of asset (+) / Sale of asset (-)	Interest paid	Increase (decrease) in fair value of assets	Fair value as at 31 December 2023
Investments in equity and debt instruments of associates:					
UAB Saulės energijos projektai	**492**	-	-	(148)	**344**
UAB Žaliosios investicijos	**52 946**	875	-	(7 793)	**46 028**
UAB Ekoelektra	**41**	2 596	-	68	**2 705**
Zalais Speks SIA	**62**	225	-	80	**367**
UAB KNT Holding	**2 801**	3 525	-	(21)	**6 305**
Zala Elektriba SIA	**-**	1 787	-	(101)	**1 686**
Total	**56 342**	**9 008**	**-**	**(7 915)**	**57 435**

Total net amount of EUR 10 874 thousand of increase in fair value of assets refers to unrealised gains for the year ended 31 December 2023 which are recognized in the Statement of Profit or Loss and Other Comprehensive Income under category "Net gain on investments in equity and debt instruments at fair value through profit or loss" (refer to Note 12). No gains or losses were recognized on sale of shares of subsidiaries during year ended 31 December 2023.

As at 31 December 2024 and 31 December 2023, fair value of the investments in equity and debt instruments of subsidiaries and associates of Group (acquired until valuation date) is accounted for based on the valuation reports of an independent appraiser. Fair value of investments as at 31 December 2024 is accounted for based on the report dated 7 February 2025 (with the valuation of assets as of 31 October 2024) and fair value of investments as at 31 December 2023 is accounted based on report dated 29 December 2023 (with the valuation of assets as of 31 October 2023).

The Management concluded that from the date of valuation of investment (31 October 2024) until the end of reporting year (31 December 2024) there were no circumstances or events which could have significant impact on the fair value of investment. Therefore, fair value of the investments in equity and debt instruments of subsidiaries and associates of the Group as of 31 December 2024 is accounted at the values from the reports of an independent appraiser.

For the valuation of assets as of 31 October 2024, combination income approach and net assets approach was selected by an independent appraiser as a valuation method for investments in subsidiaries PV Energy Projects sp. z o. o., and PL Sun sp. z o. o. and associates UAB Žaliosios investicijos, UAB Saulės energijos projektai and Zala Elektriba SIA., as development of projects of these entities was started, was in further development stages and for some operating activities already started. Net assets approach was selected as a valuation method for investments in subsidiaries UAB Nimela, UAB JTPG, UAB PV Holding, and associates UAB Ekoelektra, UAB KNT Holding and Zalais Speks SIA, as entities did not have significant operations, or their projects were at an early stage of development at valuation date.

As at 31 December 2024, the fair value of the Group's investment in PV Energy Projects sp. z o.o. has decreased compared to 31 December 2023. While the construction of the 67.8 MW portfolio is nearing completion, with 44.8 MW operational, the anticipated COD for the full project is set for September 2025. The decline in value was primarily driven by lower electricity price forecasts in Poland, persisting debt costs, and delays in project energization. Consequently, the subsidiary's equity value and the Group's investment in its shares and loans have decreased.

As at 31 December 2024, the value of the Group's investment in shares of subsidiary PL Sun sp. z o.o. has decreased compared to its value as at 31 December 2023. As at the valuation date of 31 October 2024, the first phase (66.6 MW) of construction was largely completed, with 26.4 MW energized in Q4 2024 and the remaining 40.2 MW scheduled for energization by Q2 2025. The second phase (48.1 MW) commenced construction in October 2024. Despite the construction progress, the subsidiary's equity value declined due to lower electricity price forecasts in Poland and high project financing costs, leading to a reduction in the Group's investment value.

As at 31 December 2024, the value of the Group's investment in shares of associate UAB Žaliosios Investicijos increased compared to its value as at 31 December 2023. This was primarily driven by the completion of all necessary procedures to obtain production licenses for the wind farms. The Anykščiai wind farm received its Energy Production License in August 2024, while the Jonava and Rokiškis wind farms are expected to obtain their licenses in Q2 2025. This significant milestone enabled the application of a lower Weighted Average Cost of Capital (WACC), resulting in an increase in the value of UAB Žaliosios Investicijos shares.

As at 31 December 2024, the value of the Group's in shares of subsidiary Zala Elektriba has increased, this is associated that the project reached the significant milestones of development and secured construction permits, hence the investments was first time valuated using the discounted cash flow methods. For the cash flow projections, management has assumed that the project will commence operations in March 2027.

Based on the Group's asset valuation report of an independent appraiser, shares of subsidiaries UAB Nimela, UAB JTPG as well as shares of associate's UAB KNT Holding, UAB Ekoelektra, Zalais Speks SIA and UAB PV Holding were valued as EUR 1 each, as companies did not have any real estate, shares, or any other marketable asset and were in stage of development.

Fair value of investments in equity and debt instruments of subsidiaries and associates depends on the assessment of the assets that are managed by the entities themselves. As required by IFRS 13, the fair value of the investment shall represent the most accurate estimate of fair value of an investment at the reporting date. For the valuation conducted using the DCF method, external expert assessments and data were utilized. This included electricity generation volumes based on the P50 scenario, derived from wind measurements and solar radiation data, as well as wind and solar energy price forecasts for a 30-year period.

The valuation of shares owned by the Group and Company was based on the following valuation assumptions as at 31 December 2024:

- UAB Žaliosios Investicijos valuation method – combination of income and net asset approach, discount rate of 7.52%. According to the technical report from December 2021, the estimated annual electricity production at a P50 probability level is 597 GWh/year. Approximately 48% of this production is sold at a fixed Power Purchase Agreement (PPA) price until the end of March 2033, while the remaining electricity is sold at prevailing market prices.
- UAB Saulės energijos projektai valuation method – combination of income and net asset approach; discount rate – 8.61%. The annual base of generation forecasted at the level of historical data, total generation is projected at 3 GWh/year with 1 % annual degradation factor. From 2025 all electricity generated is sold at market prices.
- PV Energy projects sp. z o. o. valuation method – combination of income and net asset approach; discount rate – 9.78 %. The annual base energy generation is assumed at around 77 GWh/year under the P50 scenario based on the technical due diligence from May 2023. The annual solar panel degradation is expected to be 0.3%. CFD contracts are in place for 61.88 MWh projects for 15 years. The delivery time is flexible, allowing to choose to deliver the least energy in the beginning, when the market prices exceed CFD.
- PL Sun sp. z o. o. valuation method – combination of income and net asset approach; discount rate – 10.05%. The annual base energy generation is assumed at around 132 GWh/year under the P50 scenario based on the technical due diligence performed in January 2024. The annual solar panel degradation is expected to be 0.3%. CFD contracts are in place for 43 MW projects for 15 years.
- Zala Elektriba SIA valuation method – combination of income and net asset approach; discount rate – 9.17%. According to the wind measurement report from January 2024, under the P50 scenario, the project is expected to generate approximately 341 GWh/year. All generated electricity sold at market prices.

Electricity price forecasts do not incorporate inflation adjustments. Therefore, annual inflation is applied monthly to electricity prices and operating costs each January to provide a more accurate reflection of its impact on revenues and expenses. As at 31 December 2024 inflation rates have been applied based on central bank projections and management assessment as follows:

- Latvia: 1.3% in 2024 and 1.5% in 2025 (Bank of Latvia)
- Lithuania: 1.0% in 2024 and 2.2% in 2025 (Bank of Lithuania)
- Poland: 3.7% in 2024, 5.2% in 2025, and 2.7% in 2026 (National Bank of Poland)
- For subsequent years, management has established an estimated inflation rate of 2.5%.

Sensitivity analysis of value of shares as at 31 December 2024 is as follows:

Combination of income and net asset approach assumptions, kEur	UAB Žaliosios investicijos	UAB Saulės energijos projektai	PV Energy Projects sp. z o. o.	PL SUN sp. z o. o	Zala Elektriba SIA
Base	23 939	48	(8 374)	(12 363)	5 272
+1% WACC	15 099	47	(12 157)	(19 114)	(754)
-1% bps WACC	34 390	49	(3 992)	(4 508)	12 439
+15% electricity price	40 339	108	2 639	5 999	22 127
-15% electricity price	7 539	(12)	(19 387)	(30 724)	(11 582)
+15% electricity generation	41 861	109	2 982	6 562	22 127
-15% electricity generation	6 017	(13)	(19 730)	(31 287)	(11 582)
+1.5% inflation	25 335	49	(7 560)	(10 925)	6 554
-1.5% inflation	22 543	47	(9 188)	(13 800)	3 990

The valuation of shares owned by the Group and Company was based on the following valuation assumptions as at 31 December 2023:

- UAB Žaliosios investicijos valuation method – combination of income and net asset approach; discount rate – 9.77%. According to the technical report from December 2021, the estimated annual electricity production at a P50 probability level is 597 GWh/year. For the pre-COD period 80 % utilization is applied, for the first year after COD 98 %. Approximately 48% of this production is sold at a fixed Power Purchase Agreement (PPA) price until the end of March 2033, while the remaining electricity is sold at prevailing market prices.
- UAB Saulės energijos projektai valuation method – combination of income and net asset approach; discount rate – 10,61 %. The annual base of generation forecasted at the level of historical data, total generation is projected at 3 GWh/year, with 1 % annual degradation factor. Until 2025 electricity is sold under fixed PPA price, from 2025 all electricity generated is sold at market prices.
- PV Energy Projects sp. z o. o. valuation method – combination of income and net asset approach; discount rate – 10.24%. The annual base energy generation is assumed at 79 GWh/year under P50 scenario based on the technical due diligence from January

2022. The annual decrease in production due to panel degradation is expected at 0.3%. 61.88 MWp of projects have secured CfD auction support for 15 years.
- PL Sun sp. z o. o. valuation method – combination of income and net asset approach; discount rate – 12.68%. The annual base energy generation is assumed at 132 GWh/year under P50 scenario based on the technical due diligence report from January 2022. The annual decrease in production due to panel degradation is expected at 0.3%. 100% of generated volumes are sold at the PV capture price.
- Energy Solar Projekty sp. z o. o. valuation method – income approach; discount rate – 10.28%. The annual base energy generation is assumed at 68 GWh/year based on P50 scenario obtained from technical advisors, annual decrease in production due to panel degradation is expected at 0.3%. 99% of projected generation is subject to CfD contracts with the state. Over the 15-year CfD contractual period ending in 2035, the model assumes that only 85 % of generation will be nominated under CfD.

As at 31 December 2023 inflation rates have been applied based on central bank projections and management assessment as follows:

- Lithuania: 1.6% in 2024 and 1,5% in 2025 (Bank of Lithuania)
- Poland: 5.5% in 2024, 4.4% in 2025, and 2,7% in 2026 (National Bank of Poland)
- For subsequent years, management has established an estimated inflation rate of 2.5%.

Sensitivity analysis of value of shares as at 31 December 2023 is as follows:

Combination of income and net asset approach assumptions, kEur	UAB Žaliosios investicijos	UAB Saulės energijos projektai	PV Energy Projects sp. z o. o.	PL SUN sp. z o. o	Energy Solar Projekty sp. z o. o
Base	23 507	479	5 186	4 850	9 495
+100 bps WACC	16 182	506	9 444	10 056	12 536
-100 bps WACC	30 414	430	1 156	(1 723)	6 314
+15% electricity price	37 787	595	17 441	21 994	21 867
-15% electricity price	8 811	342	(1 812)	(4 284)	(1 229)
+15% electricity generation	40 117	552	17 740	20 167	20 629
-15% electricity generation	6 481	385	(1 974)	(3 299)	(565)
+1.5% inflation	25 213	498	5 777	5 218	10 153
-1.5% inflation	21 385	430	4 824	(1 723)	8 698

Bonds acquired

On 18 November 2022 the Group has signed amendment to the bond subscription agreement with UAB Žaliosios investicijos (initially signed on 22 November 2021) and agreed to subscribe and purchase a total amount of 30 000 000 units of non-convertible bonds with nominal value of EUR 1 per each. As at 31 December 2024 the Group has purchased 29 268 750 units of the subscribed bonds with the total value of EUR 29 269 thousand (as at 31 December 2023 – 29 268 750 units). The redemption date of the bond shall be 31 December 2052.

On 14 February 2022 the Group signed bond agreement with UAB Ekoelektra under which the Group agreed to subscribe and purchase total amount of 3 000 000 units of non-convertible bonds with nominal value of EUR 1 per each. On 16 November 2023 the Group signed an amendment to the bond agreement under which the Group agreed to subscribe and purchase total amount of 6 000 000 units of non-convertible bonds with nominal value of EUR 1 per each. As at 31 December 2024 the Group has purchased 2 964 420 units of the subscribed bonds with the total value of EUR 2 946 thousand (as at 31 December 2023 – 2 927 420 units). Based on the agreement the Group has the right to acquire the rest of the bonds until 31 March 2026. Bonds acquired are issued with interest rate of 12% and maturity date of 5 January 2028.

On 18 July 2022 the Group signed bond agreement with UAB Nimela under which the Group agreed to subscribe and purchase total amount of 30 000 000 units of bonds with issue price of EUR 1 each. As at 31 December 2024 the Group has purchased 5 215 600 units of bonds with the total value of EUR 5 216 thousand (as at 31 December 2023 – 3 033 100 units). During the year ended 31 December 2024 UAB Nimela made a partial bonds redemption in the amount of EUR 2 120 thousand and repaid EUR 370 thousand of accrued interest. Based on the agreement the Group has the right to acquire the rest of the bonds until 5 February 2026. Bonds acquired are issued with interest rate of 12% and maturity date of 5 February 2026.

On 27 October 2022 the Group signed bond agreement with UAB KNT Holding under which the Group agreed to subscribe and purchase total amount of 20 000 000 units of bonds with nominal value of EUR 1 each. As at 31 December 2024 the Group has purchased 6 560 166 units of the subscribed bonds with the total value of EUR 6 560 thousand (as at 31 December 2023 – 6 514 966 units). Based on the agreement the Group has the right to acquire the rest of the bonds until 31 March 2026. Bonds acquired are issued with interest rate of 12% and maturity date of 5 January 2028.

On 5 January 2023 the Group signed bond agreement with UAB Atelda under which the Group agreed to subscribe and purchase total amount of 3 000 000 units of bonds with issue price of EUR 1 each. On 29 February 2024 the Group has decided to cover UAB Atelda losses and set off of counterclaims, based on which receivable amount of EUR 134 thousand in regard to redemption of bonds were set off with payable in regard to decision of shareholder to cover UAB Atelda losses. Receivable amount of EUR 134 thousand consists of EUR 120 thousand of principal amount of redeemed bonds and EUR 14 thousand of interest. As at 31 December 2024 bonds are redeemed and interest is paid in full and bonds subscription agreement was terminated.

On 25 Januaryy 2023 the Group signed bond agreement with UAB JTPG under which the Group agreed to subscribe and purchase total amount of 12 000 000 units of bonds with issue price of EUR 1 each. On 29 November 2023 and 22 December 2023, the Group and UAB JTPG have signed agreements on set off of counterclaims, based on which receivable amount of EUR 2 255 thousand in regard to redemption of bonds was set-off against payable amount in regard to transfer of financial guarantee and related bank commissions. As at 31 December 2024 the Group has purchased 4 651 108 units of bonds with the total value of EUR 4 651 thousand (as at 31 December 2023 – 4 588 608 units). Bonds acquired are issued with interest rate of 14% and maturity date of 5 February 2026. The Group subscribed to a total amount of 12 000 000 bonds and based on the agreement has the right to acquire the rest of the bonds until 5 February 2026.

On 6 March 2023 the Group signed bond agreement with UAB Rineila under which the Group agreed to subscribe and purchase total amount of 10 000 000 units of bonds with issue price of EUR 1 each. On 29 February 2024 the Group has decided to cover UAB Rineila losses and set off of counterclaims, based on which receivable amount of EUR 44 thousand in regard to redemption of bonds were set off with payable in regard to decision of shareholder to cover UAB Rineila losses. Receivable amount of EUR 44 thousand consists of EUR 39 thousand of principal amount of redeemed bonds and EUR 5 thousand of interest. As at 31 December 2024 bonds are redeemed and interest is paid in full and bonds subscription agreement was terminated.

On 29 January 2024 the Group signed bond agreement with UAB Pakruojo vėjas and acquired a total amount of 2 601 289 bonds with the nominal value of EUR 1 each during reporting year. Bonds acquired are issued with interest rate of 14% and maturity date of 5 February 2026. The Group subscribed to a total amount of 60 000 000 bonds and based on the agreement has the right to acquire the rest of the bonds until 5 February 2026.

According to the agreements the bonds may be subordinated with regards to the bank when subsidiaries or associates enter into financing agreement. In this case the Group shall provide the consent in writing for such subordination and the redemption of the bonds or payment of interest shall only be permitted with prior consent from the bank or when all obligations to the bank had been fully fulfilled.

The carrying amount, accrued interest and fair values of bonds acquired as at 31 December 2024 and as at 31 December 2023 are provided in the table below.

Group and Company

Borrower	Bonds agreement date	Contractual interest rate	Maturity date	As at 31 December 2024		As at 31 December 2023	
				Carrying amount and accrued interest	Fair value of bonds and interest accrued	Carrying amount and accrued interest	Fair value of bonds and interest accrued
UAB Žaliosios investicijos	22/11/2021	6,00%	31/12/2052	26 520	26 179	25 097	22 579
UAB Ekoelektra	14/02/2022	12,00%	05/01/2028	3 658	2 846	3 280	2 705
UAB KNT Holding	27/10/2022	12,00%	05/01/2028	7 842	6 250	7 001	6 305
UAB Nimela	18/07/2022	12,00%	05/02/2026	3 557	2 560	1 073	511
UAB Atelda	05/01/2023	14,00%	05/02/2026	-	-	128	-
UAB JTPG	25/01/2023	14,00%	05/02/2026	2 854	2 469	2 454	2 327
UAB Rineila	06/03/2023	14,00%	05/02/2026	-	-	40	-
UAB Pakruojo vėjas	01/09/2024	14,00%	05/02/2026	2 780	2 293	-	-

If differences between interest rates specified in the bond agreements and market rates exists, they are accounted for as a fair value adjustment on bonds based on the valuation reports prepared by independent appraiser.

Group and Company

Borrower	31 December 2024	31 December 2023
Bonds principal acquired of UAB Žaliosios investicijos	23 650	23 650
Bonds interest accrued of UAB Žaliosios investicijos	2 870	1 447
Fair value adjustments on bonds acquired of UAB Žaliosios investicijos	(341)	(2 518)

Group and Company (continued)

Borrower	31 December 2024	31 December 2023
Bonds principal acquired of UAB Ekoelektra	2 946	2 927
Bonds interest accrued of UAB Ekoelektra	712	353
Fair value adjustments on bonds acquired of UAB Ekoelektra	(813)	(575)
Bonds principal acquired of UAB KNT Holding	6 560	6 515
Bonds interest accrued of UAB KNT Holding	1 282	486
Fair value adjustments on bonds acquired of UAB KNT Holding	(1 592)	(696)
Bonds principal acquired of UAB Nimela	3 096	913
Bonds interest accrued of UAB Nimela	461	160
Fair value adjustments on bonds acquired of UAB Nimela	(997)	(562)
Bonds principal acquired of UAB Atelda	-	117
Bonds interest accrued of UAB Atelda	-	
Fair value adjustments on bonds acquired of UAB Atelda	-	
Bonds principal acquired of UAB JTPG	2 397	2 334
Bonds interest accrued of UAB JTPG	457	120
Fair value adjustments on bonds acquired of UAB JTPG	(385)	(127)
Bonds principal acquired of UAB Rineila	-	36
Bonds interest accrued of UAB Rineila	-	4
Fair value adjustments on bonds acquired of UAB Rineila	-	
Bonds principal acquired of UAB Pakruojo vėjas	2 602	-
Bonds interest accrued of UAB Pakruojo vėjas	178	
Fair value adjustments on bonds acquired of UAB Pakruojo vėjas	(486)	
Total bonds and interest accrued	**42 597**	**34 427**

Loans granted

The outstanding principal amount, accrued interest and fair value adjustments on loans granted to the subsidiaries and associates as at 31 December 2024 and 31 December 2023 are presented in the table below:

Group and Company

Borrower	31 December 2024	31 December 2023
Long term loan granted to Energy Solar Projekty sp. z o. o.	-	14 230
Interest on loan granted to Energy Solar Projekty sp. z o. o.	-	413
Long term loan granted to PV Energy Projects sp. z o. o.	31 975	34 242
Interest on loan granted to PV Energy Projects sp. z o. o.	6 269	4 005
Fair value adjustments on loan granted to PV Energy Projects Sp. z. o. o.	(9 046)	-
Long term loan granted to PL Sun sp. z o. o.	55 080	45 074
Interest on loan granted to PL Sun sp. z o. o.	9 293	3 790
Fair value adjustments on loan granted to PL Sun sp. z o. o.	(12 057)	-
Long term loan granted to Zalais Speks SIA	628	428
Interest on loan granted to Zalais Speks SIA	16	50
Fair value adjustments on loan granted to Zalais Speks SIA	(102)	(111)
Long term loan granted to Zala Elektriba SIA	-	1 786
Interest on loan granted to Zala Elektriba SIA	-	154
Fair value adjustments on loan granted to Zala Elektriba SIA	-	(254)
Total loans granted	**82 056**	**103 807**

During the year ended 31 December 2024 the Group made disbursements according to the loan agreement (5) of EUR 985 thousand PV Energy Projects sp. z o. o.

During the year ended 31 December 2024 the Group made disbursements according to the loan agreement (1) of EUR 3 561 thousand PL Sun sp. z o. o., loan agreement (2) of EUR 560 thousand, disbursements according to the loan agreement (3) of EUR 364 thousand PL Sun sp. z o. o. and disbursements according to the loan agreement (6) of EUR 8 473 thousand PL Sun sp. z o. o.

On 21 June 2024 the Group's subsidiary PL Sun sp. z o. o. made a loan redemption to loans (2) and (5) and returned in total EUR 2 952 thousand in loan and EUR 338 thousand in accrued interest.

During the year ended 31 December 2024 the Group made loan disbursements in amount of EUR 1 043 thousand for Zala Elektriba SIA based on loan agreement dated 30 March 2023.

During the year ended 31 December 2024 the Group settled Zala Elektriba SIA loan principal amount EUR 2 828 thousand with share capital increase.

During the year ended 31 December 2024 the Group made loan disbursements in amount of EUR 200 thousand to an external party according to Zalais Speks SIA loan agreement based on dated 4 May 2022.

On 12 December 2024 the new shareholder of Energy Solar Projekty Sp. z. o. o. made a loan redemption to loan and returned in total EUR 14 229 thousand in loan and EUR 1 579 thousand in accrued interest due to sale of investment

During the year ended 31 December 2024 the Group settled PV Energy Projects Sp. z o. loan principal EUR 3 252 thousand and 734 thousand interest with share capital increase.

On 30 August 2024, to comply with Latvian tax requirement, interest rates for loans with Zala Elektriba SIA and Zalais Speks SIA were changed from 12% to 0% for the period of 2023 and 2024.

The management concluded that the fair value of loans approximates the carrying value by comparing the fixed interest rate against the prevailing market interest rate at the time of assessment and considering the various stages of project development.

The carrying amounts and accrued interest of the loans granted as at 31 December 2024:

Group and Company

Borrower	Loan date	Contractual interest rate	Maturity date	Carrying amount and accrued interest	Fair value of loans and interest accrued
PV Energy Projects sp. z o. o. (4)	09/09/2021	8,50%	03/31/2039	7 427	4 984
PV Energy Projects sp. z o. o. (5)	20/06/2022	8,50%	03/31/2039	30 817	24 214
PL Sun sp. z o. o. (1)	28/02/2022	8,50%	05/01/2026	22 723	18 773
PL Sun sp. z o. o. (3)	07/12/2022	14,00%	05/01/2026	1 634	1 273
PL Sun sp. z o. o. (4)	24/01/2023	11,68%	05/01/2026	22 509	18 186
PL Sun sp. z o. o. (6)	30/08/2023	11,68%	05/01/2026	17 507	14 124
Zalais Speks SIA	28/04/2022	12,00%	05/01/2028	644	542

The carrying amounts and accrued interests of the loans granted as at 31 December 2023:

Group and Company

Borrower	Loan date	Contractual interest rate	Maturity date	Carrying amount and accrued interest	Fair value of loans and interest accrued
Energy Solar Projekty sp. z o. o.	31/05/2019	8,50%	05/01/2026	14 643	14 643
PV Energy Projects sp. z o. o. (4)	09/09/2021	8,50%	05/01/2026	10 605	10 605
PV Energy Projects sp. z o. o. (5)	20/06/2022	8,50%	05/01/2026	27 642	27 642
PL Sun sp. z o. o. (1)	28/02/2022	8,50%	05/01/2026	17 661	17 661
PL Sun sp. z o. o. (2)	29/07/2022	8,50%	05/01/2026	1 550	1 550

Borrower	Loan date	Contractual interest rate	Maturity date	Carrying amount and accrued interest	Fair value of loans and interest accrued
PL Sun sp. z o. o. (3)	07/12/2022	14,00%	05/01/2026	1 091	1 091
PL Sun sp. z o. o. (4)	24/01/2023	11,68%	05/01/2026	20 253	20 253
PL Sun sp. z o. o. (5)	18/04/2023	11,70%	05/01/2026	1 053	1 053
PL Sun sp. z o. o. (6)	30/08/2023	11,68%	05/01/2026	7 256	7 256
Zalais Speks SIA	28/04/2022	12,00%	05/01/2028	478	367
Zala Elektriba SIA	30/03/2023	12,00%	05/01/2028	1 940	1 686

2. Other financial assets

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Restricted cash for guarantees (non-current)	-	2 250	-	2 250
Restricted cash for guarantees (current)	2 600	1 600	2 600	1 600
Long term deposits	-	25	-	-
Total other financial assets	**2 600**	**3 875**	**2 600**	**3 850**

Bank guarantees are intended to confirm that project entity will fulfil their contractual obligations related to investments in solar and wind farm infrastructure. Under the confirmation letter the bank is obligated to pay to the beneficiary amounts upon receipt of payment demand in case the project entity does not fulfil the requirements listed in letter of intent signed with the grid operator, whereas the payable amount cannot exceed the disbursements made by the Group indicated above.

Cash deposited for guarantees are held as cash restricted for the Group's general use. Restricted cash for guarantees is held at well-established credit institutions with high long-term credit ratings (refer to Note 5), therefore management does not see a risk that restricted cash will not be used for the purpose it is currently held as restricted or that it will not become available for the Group's general use once purpose of holding restricted cash is fulfilled. Management assumes that there is no significant expected credit loss in regard to restricted cash, therefore expected credit loss is not recognized.

On 19 January 2024 the Group made an additional cash payment of EUR 400 thousand as restricted cash for guarantees related to the development of wind and solar parks.

On 23 February 2024 the Group made an additional cash payment of EUR 600 thousand as restricted cash for guarantees related to the development of wind and solar parks.

On 1 February 2024, the Group signed an agreement, followed by amendments, for the transfer of rights and obligations with an external party to facilitate the return of EUR 2 600 thousand in restricted cash held for guarantees. The Group's Management is confident that this amount will be received from the bank by 30 April 2025. The third party is obligated to pay a fixed interest rate of 15% on the deposited funds until they deposit the same amount into the bank account.

The management has concluded that there is no indication that the third party will be unable to deposit the required amount into the bank account for the guarantee in accordance with the agreement for the transfer of guaranteed rights.

As at 31 December 2023 – long term deposits in the amount of EUR 25 thousand and restricted cash for guarantees in the amount of EUR 3 850 thousand – EUR 2 250 thousand as non-current asset and EUR 1 600 thousand as current asset). On 5 July 2024, the amount of EUR 2 250 thousand was transferred to UAB Pakruojo Vėjas due to signed bank guarantee assignation agreement.

3. Prepayments

Group and Company

	31 December 2024	31 December 2023
Prepayments	50	
Loss allowance on prepayments	(25)	(25)
Total prepayments	**25**	**25**

The following table presents movements in prepayments for the year ended 31 December 2024:

Group and Company

	As at 1 January 2024	Increase (decrease) in loss allowance on prepayments	Repaid amount	As at 31 December 2024
Prepayments	25	-	-	25

As at 31 December 2024 prepayments made by the Group consist of prepayments for the shares of UAB Raguvėlės vėjas and UAB Pakruojo vėjas. Loss allowance on prepayment for the shares of UAB Pakruojo vėjas is recognized as the fair value of the subsidiary is considered to be EUR 0.

The following table presents movement in loss allowance for prepayments for the year ended 31 December 2024:

Group and Company

	As at 1 January 2024	Increase (decrease) in loss allowance	As at 31 December 2024
Loss allowance for prepayments	(25)	-	(25)

4. Other current receivables

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Receivable from external party related to transfer of guarantees	564	182	564	182
Receivable from tax administrator of Poland	303	596	303	596
Future period expenses	37	16	12	13
Accrued overnight interest	19	-	19	-
Receivable for recharged costs	1	20	1	11
Deposits	-	13	-	-
Other receivables	7	12	1	1
Total other current receivables	**931**	**839**	**900**	**803**

As at 31 December 2024 the Group has a receivable from tax administrator of Poland, which refers to withholding tax paid to the tax administrator of Poland by Energy Solar Projekty sp. z o. o. in relation to interest paid to the Group on the loan granted (refer to Note 1).

In September 2024, the Polish first-instance tax authorities issued a decision to refund half of the withheld withholding tax. This decision was based solely on the fact that the received interest was not taxed in Lithuania. Consequently, the authorities applied the Double Tax Treaty and determined that the interest should be subject to a 10% tax rate in Poland.

However, the first-instance tax authority did not evaluate whether the Company qualifies as a collective investment vehicle and is entitled to the same regulatory treatment as Polish collective investment funds, whose income is exempt from corporate income tax in Poland. Due to the lack of analysis of the applicable legal framework and the rationale for the refund, the Company has appealed the decision to the second-instance tax authority.

The second-instance tax authority has accepted the appeal and commenced its review of the case. As of the reporting date, the second tax authority issued a decision to return the case to the first tax authority, obliging it to examine the exemptions applicable to collective investment vehicles.

Management remains confident in obtaining a favorable outcome in this case, as the Company, as the ultimate beneficiary of the interest, meets all the conditions for exemption under the Polish CIT Law applicable to collective investment undertakings.

At the end of 2023, the Company classified the receivable amount as a short-term asset, anticipating that the first-instance tax authorities would conclude their analysis promptly. This expectation was based on the submission of supporting evidence and the completion of data exchange between the Lithuanian and Polish tax offices. However, the decision timeline has been extended multiple times without the right to appeal, with the extensions justified by the complexity of the case.

As at 31 December 2024 the Group has a receivable from external party related to 25 September 2023 agreement on transfer of rights and obligations (refer to Note 2). According to the agreement, external party undertakes to reimburse the Group for the cost of issuing the guarantees and 15% interest per annum on the amount of the guarantees.

5. Cash and cash equivalents

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Cash and cash equivalents	29 156	5 933	28 966	5 903
Less restricted cash	(2 600)	(3 850)	(2 600)	(3 850)
Total cash and cash equivalents	**26 556**	**2 083**	**26 366**	**2 053**

As at 31 December 2024 and 31 December 2023 all cash balances have a low credit risk at the reporting date and the impairment loss determined as 12-month expected credit losses is immaterial.

As at 31 December 2024 and 31 December 2023, the Group has cash classified as restricted cash for guarantees in amount of EUR 2 600 thousand (as at 31 December 2023 – EUR 3 850 thousand). Refer to Note 2.

As at 31 December 2024 and 31 December 2023 the Group's cash was held at bank accounts:

- AB SEB bankas;
- AB Šiaulių bankas;
- AS Citadele banka Lietuvos filialas.

The credit risk associated with cash balances on bank accounts is limited as the Group conducts transactions with banks with high long-term credit ratings issued by foreign rating agencies. Bank ratings are given below for the financial year ended 31 December 2024 is as follows:

	Moody's	Standard & Poor's	Probability of default, %
AB SEB bankas	AA3	A+	0.02 %
AB Šiaulių bankas	BAA1	-	0.19 %
AS Citadele banka Lietuvos filialas	BAA1	-	0.19 %

Given these low default probabilities, the credit risk associated with the Group's cash balances is assessed as immaterial.

Net debt reconciliation for the financial year ended 31 December 2024 is as follows:

	Group			Company		
	Financial liabilities	Cash and cash equivalents	Total	Liabilities from financing activities	Cash and cash equivalents	Total
Net debt as at 1 January 2024	**(69 181)**	**2 083**	**(67 098)**	**(69 181)**	**2 053**	**(67 128)**
Operating and investment cash flows	(6 859)	(11 679)	**4 820**	(6 859)	(11 519)	**4 660**
Liabilities related to bonds	8	-	**8**	8	-	**8**
Bonds issued	(17 554)	17 554	**-**	(17 554)	17 554	**-**
Repayment of bonds interest	4 566	(4 566)	**-**	4 566	(4 566)	**-**
Transaction costs related to bonds issue	194	(194)	**-**	194	(194)	**-**
Net debt as at 31 December 2024	**(88 826)**	**26 556**	**(62 270)**	**(88 826)**	**26 366**	**(62 460)**

Net debt reconciliation for the financial year ended 31 December 2023 is as follows:

	Financial liabilities	Cash and cash equivalents	Total	Liabilities from financing activities	Cash and cash equivalents	Total
Net debt as at 1 January 2023	**(49 985)**	**9 877**	**(40 108)**	**(49 985)**	**9 877**	**(40 108)**
Operating and investment cash flows	(3 939)	(29 926)	**(33 865)**	(3 939)	(29 956)	**(33 865)**
Proceeds from issue of share capital	-	3 772	**3 772**	-	3 772	**3 772**
Proceeds from share premium	-	2 991	**2 991**	-	2 991	**2 991**
Bonds issued	(18 828)	18 828	**-**	(18 828)	18 828	**-**
Repayment of bonds interest	3 235	(3 235)	**-**	3 235	(3 235)	**-**
Transaction costs related to bonds issue	224	(224)	**-**	224	(224)	**-**
Repayment of loans	12	-	**12**	12	-	**12**
Repayment of interest on borrowings	100	-	**100**	100	-	**100**
Net debt as at 31 December 2023	**(69 181)**	**2 083**	**(67 098)**	**(69 181)**	**2 083**	**(67 098)**

6. Share Capital

For the financial year ended 31 December 2024 and 31 December 2023 movement in the number of shares issued and outstanding is provided in the table below:

Group and Company

	31 December 2024	31 December 2023
As at year start	**58 656**	**54 884**
Issue of ordinary shares	**-**	3 772
As at year end	**58 656**	**58 656**

As at 31 December 2024 and as at 31 December 2023, the Group's authorised share capital amounted to EUR 58 656 thousand and was comprised of 58 656 399 ordinary shares of EUR 1 each. During the financial year ended 31 December 2024, the authorised share capital did not change.

7. Share premium

Group and Company

	31 December 2023	31 December 2022
As at year start	**24 119**	**21 128**
Share premium	**-**	2 991
As at year end	**24 119**	**24 119**

As at 31 December 2024 and 31 December 2023, share premium is recognized if the issue price of a share exceeds the nominal value of a share.

8. Legal reserve

The legal reserve is mandatory in accordance with the legal acts of the Republic of Lithuania. It is mandatory to transfer to the legal reserve each year at least 5% of net profit calculated in accordance with the Lithuanian accounting principles until the reserve reaches 10% of the authorised capital. As at 31 December 2024 legal reserve is amounted to EUR 1 325 thousand (as at 31 December 2023 – EUR 1 075 thousand).

9. Bonds issued

Group and Company

	31 December 2024	31 December 2023
Non-current liabilities		
Bonds principal issued	-	72 382
Amortized costs of bonds issue	-	(494)
Amortized discount on bonds issue	-	(2 868)
Total non-current liabilities	**-**	**69 020**
Current liabilities		
Bonds principal issued	91 315	-
Bonds interest accrued	9 628	5 021
Bonds interest paid	(9 425)	(4 860)
Amortized costs of bonds issue	(365)	-
Amortized discount on bonds issue	(2 327)	-
Total current liabilities	**88 826**	**161**
Total bonds issued	**88 826**	**69 181**

The Group carefully monitors the market interest rates, therefore fixed interest rates in the bond and loan agreements concluded by the Group with its subsidiaries, associates or external / third parties are set in view of the market interest rates prevailing at the time of undertaking the liability.

Movement in the Group's liabilities in relation to changes in the value of bonds measured at amortized cost for the financial year ended 31 December 2024 is presented in the table below:

Group and Company

	As at 1 January 2024	Proceeds from bonds issued	Redemption of bonds issued	Interest accrued	Interest paid	Amortized costs of bonds issue	As at 31 December 2024
Green bonds	**69 181**	18 933	-	4 608	(4 566)	670	**88 826**
Total liabilities	**69 181**	18 933	-	4 608	(4 566)	670	**88 826**

During the year ended 31 December 2024, based on Green Bonds agreement, the Company issued new bonds in total amount of EUR 18 933 thousand with fixed coupon interest rate 5,00 % and maturity date of 14 December 2025. The issue price of newly issued bonds is lower than nominal value of bonds, therefore discount on bonds was recognized and is going to be amortized over the term of the bonds issued.

During the year ended 31 December 2024, based on Green Bonds Agreement, the Group has paid to investors EUR 4 566 thousand of fixed coupon interest.

Movement in the Group's liabilities in relation to changes in the value of bonds measured at amortized cost for the financial year ended 31 December 2023 is presented in the table below:

Group and Company

	As at 1 January 2023	Proceeds from bonds issued	Redemption of bonds issued	Interest accrued	Interest paid	Amortized costs of bonds issue	As at 31 December 2023
Green bonds	49 873	20 382	-	3 280	(3 235)	(1 119)	69 181
Total liabilities	49 873	20 382	-	3 280	(3 235)	(1 119)	69 181

During the year ended 31 December 2023, based on Green Bonds agreement, the Company has issued new emissions of bonds in total amount of EUR 20 382 thousand with 5,00 % of fixed coupon interest rate and maturity date of 14 December 2025. The issue price of new emissions of bonds is lower than nominal value of bonds, therefore discount on bonds was recognized and is going to be amortized over the term of the bonds issued.

During the year ended 31 December 2023, based on Green Bonds agreement, the Group has paid to investors EUR 3 235 thousand of fixed coupon interest.

Details on outstanding balances of bonds issued based on each of the bond agreement as at 31 December 2024 and 31 December 2023 are provided below:

Group and Company

Lender	Bond issue date	Interest rate	Maturity date	Outstanding balance as at 31 December 2024	Outstanding balance as at 31 December 2023
Greens Bonds	**15/12/2021**	**5,00%**	**14/12/2025**	**88 826**	**69 181**
Principal amount:				91 315	72 382
Interest accrued:				9 628	5 021
Interest paid:				(9 425)	(4 860)
Amortized costs of bonds issue:				(365)	(494)
Amortized discount on bonds issue:				(2 327)	(2 868)

Compliance with financial covenants

Under the terms of the Green Bonds Agreement the Group is obligated to comply with financial covenants as listed below:

- Minimum liquidity requirement of EUR 1 500 thousand;
- Equity ratio 50% or higher;
- Leverage ratio 75% or lower.

In addition to the financial covenants following conditions are set in the agreement:

- No event of default has occurred as at the end data of reporting year;
- No change of nature of business, disposal of assets, negative pledge, limits on dividends, borrowing limits has occurred;
- Other conditions set in the Green Bonds Agreement such as publication of audited consolidated annual financial statements, interim quarterly consolidated unaudited financial statements each of direct subsidiary or direct associated companies.

For the financial year ended 31 December 2024, the Group complies with financial covenants set out in the Green Bonds Agreement.

10.Trade and other payables

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Payable to Management Company	344	345	344	345
Accrued expenses	134	144	122	143
VAT payable	67	17	-	-
Payable to depository	28	30	27	30
Trade payables	5	12	-	11
Accrued success fee	-	1 783	-	1 783
Total trade and other payables	**578**	**2 331**	**493**	**2 312**

As at 31 December 2024 the Group has accrued expenses in amount of EUR 134 thousand (as at 31 December 2023 – EUR 144 thousand), which mainly relates to accrued transaction fees of Green Bonds, audit expenses, valuation expenses and compensation for work and office expenses.

The Company's net return on investment did not exceeded 8 % hurdle rate at 31 December 2024 (at 31 December 2023 net return exceeded 8% hurdle rate), therefore success fee was not accrued according to the Prospectus of Company (as at 31 December 2023 – EUR 1 783 thousand).

11. Employee benefit obligations

	Group		Company	
	31 December 2023	31 December 2022	31 December 2024	31 December 2023
Unused vacation accruals	52	36	-	-
Other payables to employees	-	1	-	-
Total employee benefit obligations	**52**	**37**	**-**	**-**

12. Income

	Group		Company	
	2024	2023	2024	2023
Net gain (loss) on investments in equity and debt instruments at fair value through profit or loss (Note 1)	(11 866)	10 874	(11 866)	10 874
Result on sale of investment	4 882	-	4 882	-
Dividend income	210	355	210	355
Other income	660	198	660	190
Total income (loss)	**(6 114)**	**11 427**	**(6 114)**	**11 419**

The Group measures its financial assets at fair value through profit or loss on an aggregated basis to present the best estimate of fair value of its financial assets. The Group's net loss on investment recognized for the financial year ended 31 December 2024 (refer to Note 1).

13. Administrative expenses

	Group		Company	
	2024	2023	2024	2023
Management fee	1 370	1 356	1 370	1 356
Employment related costs	1 023	770	-	-
Consulting services	379	352	1 951	1 440
Depository expenses	129	122	129	120
Development and management costs of investment objects	111	109	12	20
Accounting services	106	102	85	93
Valuation expenses	86	102	86	102
Legal expenses	78	56	(110)	26
Audit expenses	50	37	50	37
Bank charges	2	3	1	3
Other administrative expenses	209	207	20	44
Success fee	(1 783)	(721)	(1 783)	(721)
Total expenses	**1 760**	**2 495**	**1 811**	**2 520**

The Management fee is the remuneration paid to the Management Company for the management of the Company's assets, which is calculated under the following procedure:

- From the start of the Company's operations until the expiry of the Investment Period – 1.5% on the total amount of commitments to the Company of all the Investors under the Investment Agreements. The management fee shall be paid to the Management Company pro rata to the total amount of Commitments to the Company;
- At the end of the Investment Period, the Management fee is calculated as 1.5% on the actual amount invested by the shareholders in the Company.

The Articles of Association of the Company provide for the Success fee to the Management Company which depends on the Company's net return on investment for the entire life period. When the 8% hurdle rate is exceeded, the Success fee is accounted for on the accrual basis.

Hurdle rate of net return on investment was not exceeded, which led to removal of the accrual of success fee expenses in the period ended 31 December 2024. During the period ended 31 December 2024 and 31 December 2023, the rate of return decreased and as a result accrued expenses of success fee were reduced accordingly.

From 2024 the Group's and the Company's statutory audit was performed by UAB PricewaterhouseCoopers. UAB PricewaterhouseCoopers did not provide any non-audit services to Group and Company (including other assurance services and tax advisory services).

During the financial year 2024, subsidiaries and associates accounted for at fair value through profit and loss have procured services from PwC Global Group entities. The breakdown of services acquired, categorized by group, along with the corresponding remuneration, is presented below:

	Audit services	Tax consultation	Other assurance services	Total
PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k.	265	-	-	265
UAB PricewaterhouseCoopers	43	-	41	84
PricewaterhouseCoopers SIA	15	25	-	40
Total expenses, kEUR	**323**	**25**	**41**	**389**

During the financial year 2024, PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k. (PwC Polska) conducts the consolidated and separate financial statements audits for PV Energy sp. z o.o., PL SUN sp. z o.o., and their respective subsidiaries. Additionally, PwC Polska audited the separate financial statements of eight SPVs within the PL SUN group for the financial year 2023. The remuneration for these services was settled in Polish zloty (PLN). For the purpose of these financial statements, all amounts were converted into euros (EUR) using the average exchange rate of 4.3054 PLN/EUR, as announced by the Lithuanian Central Bank, in accordance with the Accounting Law of Lithuania.

UAB PricewaterhouseCoopers has been engaged to conduct the audit of the consolidated financial statements for FY2024 of UAB Zaliosios Investicijos group, along with the separate financial audits for FY2024 of its group entities. Additionally, UAB PricewaterhouseCoopers will review the consolidated financial statements for 2024 of the subsidiary UAB PV Holding and associates UAB Ekoelektra and UAB KNT Holding, as well as the separate financial statements review for 2024 of UAB Nimela, UAB JTPG, and the associate UAB Saulės Energijos Projektai.

PricewaterhouseCoopers SIA has been engaged to provide audit services for the consolidated and separate financial statements for 2024 of associates Zala Elektriba SIA and Zalais Speks SIA. Additionally, PwC SIA was engaged to conduct a tax analysis on applicable corporate tax regulations, including Latvian thin capitalization requirements, the withholding tax regime, and VAT law. During the engagement, PwC SIA did not provide any recommendations to the subsidiaries that would affect their tax benefits or tax treatment.

All remuneration paid to PwC Global Group entities is not adjusted based on ownership part.

14. Finance costs

Group and Company

	2024	2023
Interest expenses on bonds issued	6 527	3 760
Transaction fee	332	179
Total finance costs	**6 859**	**3 939**

During the year ended 31 December 2024, interest expenses on bonds issued increased as compared to the year ended 31 December 2023 due to newly issued Green Bonds in 2024 under the agreement signed on 14 December 2021.

15. Income tax

The main components of corporate income tax expenses for the financial year ended 31 December 2024 and 31 December 2023 are as follows:

	Group		Company	
	2024	2023	2024	2023
Income tax expense (benefit) for the current year	8	6	-	-
Income tax expense (benefit) for the prior year	(6)	-	-	-
Total income tax	**2**	**6**	**-**	**-**

Following the provisions of the Lithuanian Law on Corporate Income Tax, all income of closed-end investment companies operating in accordance with the Lithuanian Law on Collective Investment Undertakings are exempt from corporate income tax. Corporate income tax expense for the financial year ended 31 December 2024 and 31 December 2023 is calculated based on the results of the subsidiary that is consolidated.

Reconciliation of income tax expense and the accounting profit multiplied by the statutory tax rate for the year ended 31 December 2024 and 31 December 2024 is presented in the table below:

	Group		Company	
	2024	2023	2024	2023
Profit/(loss) before tax	(14 775)	5 037	(14 824)	5 005
Income tax expense calculated at the statutory rate in Lithuania	(2 216)	755	(2 224)	751
Non-taxable income	2 517	(753)	2 224	(751)
Non-deductible expenses	-	1	-	-
Elimination of Change in fair value of investment in subsidiary	7	3	-	-
Income tax expense (income) adjustment	(6)	-	-	-
Income tax expense recognised in profit or loss	**2**	**6**	**-**	**-**

16. Segment information

Operating reportable segments of the Group are separated on the basis of each consolidated entity, as chief operating decision-maker (hereinafter - CODM) monitors performance of Group entities and makes decisions about allocation of resources based on results of individual Group entities.

The Group provides two types of services, which are identified as its reportable segments. The following summary provides description of services of each reportable segment:

Reportable segment	Description of services
Investment activities	Investment of collected funds in renewable energy infrastructure objects and related assets such as renewable energy sources, energy efficiency projects, energy resources distribution and transmission networks and their storage facilities, etc. Investment services are provided by AEI for the financial year ended 31 December 2024.
Project management and consultation services	Provision of project management and consultation services in relation to development and operational activities of the Group.

The CODM does not monitor the results of the Group based on geographical segments.

The following table presents information on profit or loss, assets and liabilities by operating reportable segments of the Group for the year ended 31 December 2024:

	Investment activities	Project management and consultation services	Reclassifications and consolidation adjustments	Total
Segment profit or loss				
Income				
Sale of investment	4 882	-	-	**4 882**
Dividend income	210	-	-	**210**
Net gain (loss) on financial assets at fair value through profit or loss	(11 866)	-	-	**(11 866)**
Other income	660	-	-	**660**
Inter-segment income	-	1 668	(1 668)	**-**
Total income	**(6 114)**	**1 668**	**(1 668)**	**(6 114)**
Expenses				
Interest expenses	(6 859)	-	-	**(6 859)**
Administrative expenses	(1 811)	(1 617)	1 668	**(1 760)**
Foreign exchange loss	(40)	(2)	-	**(42)**
Loss before tax	**(14 824)**	**49**	**-**	**(14 775)**
Income tax	-	(2)	-	**(2)**
Loss after tax	**(14 824)**	**47**	**-**	**(14 777)**
Segment assets and liabilities				
Segment assets	**189 796**	**218**	**-**	**189 796**
Segment liabilities	**89 320**	**144**	**-**	**89 464**

The following table presents information on profit or loss, assets and liabilities by operating reportable segments of the Group for the year ended 31 December 2023:

	Investment activities	Project management and consultation services	Reclassifications and consolidation adjustments	Total
Segment profit or loss				
Income				
Net gain on financial assets at fair value through profit or loss	10 874	-	-	**10 874**
Dividend income	355	-	-	**355**
Other income	190	8	-	**198**
Inter-segment income	-	1 257	(1 257)	**-**
Total income	**11 419**	**1 265**	**(1 257)**	**11 427**
Expenses				
Administrative expenses	(2 520)	(1 232)	1 257	**(2 495)**
Foreign exchange gain	45	-	-	**45**
Interest expenses	(3 939)	-	-	**(3 939)**
Foreign exchange loss	-	(1)	-	**(1)**
Profit before tax	**5 005**	**32**	-	**5 037**
Income tax	-	(6)	**-**	**(6)**
Profit after tax	**5 005**	**26**		**5 031**
Segment assets and liabilities				
Segment assets	**186 793**	**89**	**-**	**186 882**
Segment liabilities	**71 493**	**62**	**-**	**71 555**

Total of profit after tax of reportable segments presented in the table above reconciles with the consolidated profit after tax presented in the Consolidated Statement of Profit or Loss for the year ended 31 December 2024 and 31 December 2023. Total assets and liabilities of reportable segments presented in the table above reconcile with consolidated assets and liabilities presented in the Consolidated Statement of Financial Position as at 31 December 2024 and 31 December 2023.

17. Related parties

The following income and expenses occurred from transactions with related parties:

Group and Company

Related party	Income / Expense type	Note	12 months to 31 December 2024	12 months to 31 December 2023
UAB Saulės energijos projektai	Dividend income	12	210	355
Energy Solar Projekty sp. z o. o.	Interest income on loan granted	1, 12	1 165	1 267
PV Energy Projects sp. z o. o.	Interest income on loan granted	1, 12	2 998	3 531
PL Sun sp. z o. o.	Interest income on loan granted	1, 12	5 841	3 000
Zalais Speks SIA	Interest income on loan granted	1, 12	-	33
UAB Ekoelektra	Interest income on bonds acquired	1, 12	359	319
UAB Žaliosios investicijos	Interest income on bonds acquired	1, 12	1 423	1 406
UAB KNT Holding	Interest income on bonds acquired	1, 12	796	420
UAB Nimela	Interest income on bonds acquired	1, 12	302	363
UAB Atelda	Interest income on bonds acquired	1, 12	2	11
UAB JTPG	Interest income on bonds acquired	1, 12	337	120
UAB Rineila	Interest income on bonds acquired	1, 12	1	4
Zala Elektriba SIA	Interest income on loan granted	1, 12	-	154
UAB Pakruojo vėjas	Interest income on bonds acquired	1, 12	177	-

The following are outstanding balances at the end of the financial year in relation to transactions with related parties:

Group and Company

Related party	Asset / Liability type	Note	31 December 2024	31 December 2023
Energy Solar Projekty sp. z o. o.	Receivable principal on loan granted	1	-	14 230
Energy Solar Projekty sp. z o. o.	Receivable interest on loan granted	1	-	413
PV Energy Projects sp. z o. o.	Receivable principal on loan granted	1	31 975	34 242
PV Energy Projects sp. z o. o.	Receivable interest on loan granted	1	6 269	4 005
PL Sun sp. z o. o.	Receivable principal on loan granted	1	55 080	45 074
PL Sun sp. z o. o.	Receivable interest on loan granted	1	9 293	3 790
Zalais Speks SIA	Receivable principal on loan granted	1	628	428
Zalais Speks SIA	Receivable interest on loan granted	1	16	50
UAB Ekoelektra	Receivable principal on bonds acquired	1	2 946	2 927
UAB Ekoelektra	Receivable interest on bonds acquired	1	712	353
UAB Žaliosios investicijos	Receivable principal on bonds acquired	1	23 650	23 650
UAB Žaliosios investicijos	Receivable interest on bonds acquired	1	2 870	1 447
UAB KNT Holding	Receivable principal on bonds acquired	1	6 560	6 515
UAB KNT Holding	Receivable interest on bonds acquired	1	1 282	486
UAB Nimela	Receivable principal on bonds acquired	1	3 096	913
UAB Nimela	Receivable interest on bonds acquired	1	461	160
UAB Atelda	Receivable principal on bonds acquired	1	-	117
UAB Atelda	Receivable interest on bonds acquired	1	-	11

Related party	Asset / Liability type	Note	31 December 2024	31 December 2023
UAB JTPG	Receivable principal on bonds acquired	1	2 397	2 334
UAB JTPG	Receivable interest on bonds acquired	1	457	120
UAB Rineila	Receivable principal on bonds acquired	1	-	36
UAB Rineila	Receivable interest on bonds acquired	1	-	4
Zala Elektriba SIA	Receivable principal on loan granted	1	-	1 786
Zala Elektriba SIA	Receivable interest on loan granted	1	-	154
UAB PV Holding	Receivable principal on bonds acquired	1	2 602	-
UAB PV Holding	Receivable interest on bonds acquired	1	178	-

Transactions with the Management Company

The following income and expenses occurred from transactions with the Management Company:

Group and Company

Related party	Income/ Expenses type	31 December 2024	31 December 2023
Management Company	Management fee	1 370	1 356
Management Company	Success fee	(1 783)	(721)

Amounts receivable from/payable to the Management Company as at 31 December 2024 and 31 December 2023:

Group and Company

Related party	Asset / Liability type	31 December 2024	31 December 2023
Management Company	Accrued success fee	-	1 783
Management Company	Accrued management fee	344	345

Share purchase and sale transactions with related parties

Group and Company

	31 December 2024	31 December 2023
As at year start	**20 560**	**20 560**
Shares distributed (related company)	-	-
Redeemed shares (related company)	-	-
Shares distributed (related person)	-	-
Redeemed shares (related person)	-	-
As at year end	**20 560**	**20 560**

As at 31 December 2024, related parties owned 20 559 560 units of the Company's shares representing 35,05% of the total amount of shares (as at 31 December 2023, related parties owed 20 559 560 units of representing 35,05% of the total amount of shares).

Key management personnel

The management of the Company consists solely of the Fund Manager, who operates in accordance with the Company’s Articles of Association and is employed by the Management Company.

The Group's management includes a single individual, with transactions limited to salary payments. In compliance with GDPR requirements, the Group has not disclosed further details in the financial statements.

18. Financial risk management

The Group assesses following financial risks related to its activity: liquidity, credit, interest rate, foreign exchange, and operational risks. The objective of financial risk management is to identify, assess and manage the risks that the Group might be exposed to.

18.1. General risk

The value of Group's investments may both go up and down and, therefore, the values of the Group's Shares may fluctuate during the term of the Group's operations. Past performance of the Group cannot guarantee the same future results. In addition, main investments of the Group will be made in infrastructure assets and related properties so there are risks related to investments in such infrastructure assets and properties. This risk may be inherent to the overall market of this type of properties or separate segments of this market and cover inter alia, global, regional, or national socio-economic conditions, supply of and demand for infrastructure assets and properties targeted by the Group for investment, financial capacity of buyers and sellers, changes in the legal environment and legislation related to infrastructure assets and properties, changes in the tax environment, etc.

18.2. Market risk

There is a risk that due to the deteriorating global, regional, or national situation (e.g., macroeconomic changes, wholesale energy prices, political, legal risks, or actions of investors in a particular region) the value of the property acquired by the Group or income received from it will decrease, maintenance (administration) costs of such property will increase thereby reducing the value of Group's investments.

The shares of the Company, its subsidiaries and associates are not traded on the regulated market. Subsidiaries and associates mainly operate in the Lithuanian, Latvian and Polish markets where value drivers are dependent on the specific energy regulation. The effect of changes in prices of the equity shares on the results of the Group is zero.

The Company carries out its main transactions with entities of the Group. Loans granted and bonds issued are with a fixed interest rate, therefore there is no impact of interest rate fluctuation on the results of the Group. Changes in market interest rates and their impact on the fair value of fixed rate instruments owed by the Company is determined with reference to valuation reports of independent business appraiser. Changes in fair value of instruments are accounted for based on the valuation reports. Refer to Note 1.

18.3. Liquidity risk

There is a risk of incurring losses due to low market liquidity which will prevent the disposal of the infrastructure assets and related properties acquired by the Group at the preferred time and price, or which will prevent the sale of the infrastructure assets and related properties acquired by the Group in general. There is also a risk that due to the deteriorating global, regional, or national economic situation the return demanded by the Investors will increase and the terms of financing from banks will deteriorate, which will make the sale of the Group's investments last longer than expected. To mitigate this risk, the Group will start selling the acquired assets at least 2 to 3 years before the end of the term of the Company's operations so that it can freely regulate the sale process and choose from the offers of buyers.

Liquidity risk is the risk that the Group may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Group's objective is to maintain sufficient liquidity resources to maintain operations, meet its financial obligations and liabilities, pay distributions, and provide funds for capital expenditures and investment opportunities. Management seeks to achieve these objectives through:

- Preparation of regular forecast cash flows to understand the need for and use of funds; and
- Identification of future funding opportunities, including new debt facilities.

The Group describes the management of liquidity risk as conservative which refers to ensuring the sufficient amount of cash and cash equivalents.

The following tables present contractual maturities of the Group's and Company's financial assets and liabilities based on undiscounted contractual payments as at 31 December 2024 and 31 December 2023:

Group

	Cash flows as at 31 December 2024

	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Financial assets					
Non-current assets					
Bonds acquired	41 251	-	8 094	9 506	23 651
Loans granted	87 683	-	55 080	628	31 975
Current assets					
Cash and cash equivalents	26 556	26 556	-	-	-
Other financial assets	2 600	2 600	-	-	-
Other receivables	8	8	-	-	-
Total financial assets	**158 098**	**29 164**	**63 174**	**10 134**	**55 626**
Financial liabilities					
Current liabilities					
Bonds issued	91 518	91 518	-	-	-
Trade and other payables	416	416	-	-	-
Total financial liabilities	**91 934**	**91 934**	**-**	**-**	**-**

Company

	Cash flows as at 31 December 2024				
	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Financial assets					
Non-current assets					
Bonds acquired	41 251	-	8 094	9 506	23 650
Loans granted	87 683	-	55 080	628	31 975
Current assets					
Cash and cash equivalents	26 366	26 366	-	-	-
Other financial assets	2 600	2 600	-	-	-
Other receivables	8	8	-	-	-
Total financial assets	**157 908**	**28 974**	**63 175**	**10 134**	**55 625**
Financial liabilities					
Current liabilities					
Bonds issued	91 518	91 518	-	-	-
Trade and other payables	344	344	-	-	-
Total financial liabilities	**91 862**	**91 862**	**-**	**-**	**-**

Group

	Cash flows as at 31 December 2023				
	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Financial assets					
Non-current assets					
Bonds acquired	36 492	-	3 400	9 442	23 650
Loans granted	95 760	-	93 546	2 214	-
Other financial assets	2 275	-	-	2 250	25
Current assets					
Other financial assets	1 600	1 600	-	-	-
Cash and cash equivalents	2 083	2 083	-	-	-
Total financial assets	**138 210**	**3 683**	**96 946**	**13 906**	**23 675**
	Cash flows as at 31 December 2023				

	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Financial liabilities					
Non-current liabilities					
Bonds issued	72 382	-	72 382	-	-
Current liabilities					
Bonds issued	161	161	-	-	-
Trade and other payables	374	374	-	-	-
Total financial liabilities	**72 917**	**535**	**72 382**	**-**	**-**

Company

	Cash flows as at 31 December 2023				
	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Financial assets					
Non-current assets					
Bonds acquired	36 492	-	3 400	9 442	23 650
Loans granted	95 760	-	93 546	2 214	-
Other financial assets	2 250	-	-	2 250	-
Current assets					
Other financial assets	1 600	1 600	-	-	-
Cash and cash equivalents	2 053	2 053	-	-	-
Total financial assets	**138 155**	**3 653**	**96 946**	**13 906**	**23 650**
Financial liabilities					
Non-current liabilities					
Bonds issued	72 382	-	72 382	-	-
Current liabilities					
Bonds issued	161	161	-	-	-
Trade and other payables	356	356	-	-	-
Total financial liabilities	**72 899**	**517**	**72 382**	**-**	**-**

18.4. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge a contractual obligation or commitment that it has entered with the Group, resulting in a financial loss to the Group. In managing the credit risk, the Group seeks to select only creditworthy counterparties whose reliability is not in doubt.

As at 31 December 2024 and 31 December 2023 credit risk is assessed in regard to other financial assets consisting of restricted cash for bank guarantees (Note 2) and cash at bank (Note 5) which are not accounted at fair value through profit and loss.

The Group is exposed to limited credit risk regarding to cash held at bank as the bank is a counterparty with a high credit rating assigned foreign rating agencies (please refer to Note 5). Given the high credit ratings of the banks, the Group considers the probability of bank failure to be zero.

The following table presents the movement in loss allowance for the Group's prepayments and receivables measured at amortised cost as at 31 December 2024:

Group

Asset type	Note	12 month or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
Prepayments	3	Lifetime ECL (simplified approach)	50	(25)	25
Other receivables	4	Lifetime ECL (simplified approach)	931	-	931

Company

Asset type	Note	12 month or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
Prepayments	3	Lifetime ECL (simplified approach)	50	(25)	
Other receivables	4	Lifetime ECL (simplified approach)	900	-	900

The maximum exposure to credit risk in relation to financial assets, excluding financial assets measured at fair value through profit or loss, as at reporting date is equal to the carrying value of each class of financial assets.

As at 31 December 2024 and 31 December 2023, the Group does not hold any collaterals in respect of loans granted and bonds acquired. Loan agreements that the Group concluded have clauses specifying that no additional collateral shall be offered to the Group to secure the performance of obligations under the loan agreements concluded.

On 17 July 2023, the Group signed a share purchase option agreement with external party for shares in its subsidiary UAB JTPG. Depending on the results of the project implementation, the Group will acquire the right to acquire the option shares at the price set out in the agreement, and upon the Group's exercising of its right to acquire the option shares, external party will sell the option shares by the terms and conditions set out in the agreement. The right to exercise the call option is triggered when all the conditions of the option have been fulfilled, or at the expiry of the maturity date of 1 January 2026 (in the case of a partial fulfilment of the Option conditions). The right to exercise the call option and to acquire the company's shares does not constitute a derivative within the meaning of IFRS 9 if the exercise price is variable, dependent on specific conditions that are valued at the exercise date. Therefore, the value of this option agreement at all times is zero till all the conditions of the option have been fulfilled or till the expiry of the maturity date of 1 January 2026.

As at 31 December 2024 and 31 December 2023, the Group had loans that have not yet been paid out. The Group's commitments in regard to loans granted and not yet paid out are summarized in the table below.

Commitments in regard to loans granted and bonds issued as at 31 December 2024:

Group and Company

Borrower	Type	Debt date	Maturity date	Contractual interest rate	Amount of loan granted/bonds issued	Commitment amount under loan/bond agreement
PV Energy Projects Sp. z o. o. (5)	Loan	20/06/2022	31/03/2039	8,50%	25 887	36 600
PL Sun Sp. z o. o. (1)	Loan	28/02/2022	05/01/2026	8,50%	19 266	21 000
Zalais Speks SIA	Loan	28/04/2022	05/01/2028	12,00%	628	2 300
Zala Elektriba SIA	Loan	30/03/2023	05/01/2028	12,00%	2 828	3 995
UAB Ekoelektra	Bonds	14/02/2022	05/01/2028	12.00%	4 074	6 000
UAB Žaliosios investicijos	Bonds	12/11/2021	31/12/2052	8,50%	29 269	30 000
UAB KNT Holding	Bonds	27/10/2022	05/01/2028	12,00%	6 560	20 000
UAB Nimela	Bonds	18/07/2022	05/02/2026	12,00%	5 216	30 000
UAB JTPG	Bonds	25/01/2023	05/02/2026	14,00%	4 651	12 000
UAB Pakruojo vėjas	Bonds	06/03/2023	05/02/2026	14,00%	2 601	60 000

Commitments in regard to loans granted and bonds issued as at 31 December 2023:

Group and Company

Borrower	Type	Debt date	Maturity date	Contractual interest rate	Amount of loan granted/bonds issued	Commitment amount under loan/bond agreement
Energy Solar Projekty Sp. z o. o.	Loan	31/05/2019	05/01/2026	8,50%	44 950	48 000
PV Energy Projects Sp. z o. o. (5)	Loan	20/06/2022	05/01/2026	8,50%	24 902	36 600
PL Sun Sp. z o. o. (1)	Loan	28/02/2022	05/01/2026	8,50%	15 705	19 000

Borrower	Type	Debt date	Maturity date	Contractual interest rate	Amount of loan granted/bonds issued	Commitment amount under loan/bond agreement
PL Sun Sp. z o. o. (2)	Loan	29/07/2022	05/01/2026	8,50%	1 420	1 980
PL Sun Sp. z o. o. (3)	Loan	07/12/2022	05/01/2026	14,00%	950	1 314
PL Sun Sp. z o. o. (6)	Loan	30/08/2023	05/01/2026	11,68%	7 027	15 500
Zalais Speks SIA	Loan	28/04/2022	05/01/2028	12,00%	428	2 300
Zala Elektriba SIA	Loan	30/03/2023	05/01/2028	12,00%	1 786	2 445
UAB Ekoelektra	Bonds	14/02/2022	05/01/2028	12.00%	2 927	6 000
UAB Žaliosios investicijos	Bonds	12/11/2021	31/12/2052	8,50%	29 269	30 000
UAB KNT Holding	Bonds	27/10/2022	05/01/2028	12,00%	6 515	20 000
UAB Nimela	Bonds	18/07/2022	05/02/2026	12,00%	3 033	30 000
UAB Atelda	Bonds	05/01/2023	05/02/2026	14,00%	117	3 000
UAB JTPG	Bonds	25/01/2023	05/02/2026	14,00%	4 589	12 000
UAB Rineila	Bonds	06/03/2023	05/02/2026	14,00%	36	10 000

18.5. Fair value

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Quantitative disclosures of the Group's and the Company's financial assets in the fair value measurement hierarchy as at 31 December 2024:

	Level 1	Level 2	Level 3	Total
Financial assets				
Investment assets at fair value through profit or loss	-	-	159 902	**159 902**
Other non-current receivables at fair value through profit or loss	-	-	-	**-**
Other current receivables at fair value through profit or loss	-	-	-	**-**

For the year ended 31 December 2024, the Group and the Company had investment assets which are measured at fair value through profit or loss and considered Level 3 in the fair value hierarchy. There were no movements in between the levels in the fair value measurement hierarchy during the year. For changes in the Level 3 items for the year ended 31 December 2024 refer to Note 1.

Quantitative disclosures of the Group's and the Company's financial assets in the fair value measurement hierarchy as at 31 December 2023:

	Level 1	Level 2	Level 3	Total
Financial assets				
Investment assets at fair value through profit or loss	-	-	180 060	**180 060**
Other non-current receivables at fair value through profit or loss	-	-	-	**-**
Other current receivables at fair value through profit or loss	-	-	-	**-**

For the year ended 31 December 2023, the Group and the Company had investment assets which are measured at fair value through profit or loss and considered Level 3 in the fair value hierarchy. There were no movements in between the levels in the fair value measurement hierarchy during the year. For changes in the Level 3 items for the year ended 31 December 2023 refer to Note 1.

Breakdown of financial instruments by category

Fair value and carrying amounts of financial assets and liabilities of the Group and the Company by category as at 31 December 2024:

	Group		Company	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through profit or loss				
Investment assets at fair value through profit or loss	159 902	159 902	159 902	159 902
Total financial assets at fair value through profit or loss	**159 902**	**159 902**	**159 902**	**159 902**
Financial assets at amortised cost				
Cash and cash equivalents*	26 556	26 556	26 366	26 366
Other financial assets*	2 600	2 600	2 600	2 600
Other receivables*	931	931	900	900
Prepayments*	25	25	25	25
Total financial assets at amortised cost	**30 112**	**30 112**	**29 891**	**29 891**
Financial liabilities at amortised cost				
Bonds issued*	91 518	91 153	91 518	91 513
Trade and other payables*	578	578	493	493
Employee benefit obligations *	52	52	-	-
Total financial liabilities at amortised cost	**92 148**	**91 783**	**92 011**	**91 646**

Fair value and carrying amounts of financial assets and liabilities of the Group and the Company by category as at 31 December 2023:

	Group		Company	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through profit or loss				
Investment assets at fair value through profit or loss	180 060	180 060	180 060	180 060
Total financial assets at fair value through profit or loss	**180 060**	**180 060**	**180 060**	**180 060**
Financial assets at amortised cost				
Other financial assets*	3 875	3 875	3 850	3 850
Cash and cash equivalents*	2 083	2 083	2 053	2 053
Other receivables*	839	839	803	803
Prepayments*	25	25	25	25
Total financial assets at amortised cost	**6 822**	**6 822**	**6 731**	**6 731**
Financial liabilities at amortised cost				
Bonds issued*	72 543	69 181	72 543	69 181
Trade and other payables*	2 331	2 331	2 312	2 312
Employee benefit obligations *	37	37	-	-
Total financial liabilities at amortised cost	**74 911**	**71 549**	**74 855**	**71 493**

*The carrying values of the Group's and the Company's other financial assets, prepayments, other receivables at cost, cash and cash equivalents, bonds issued, borrowings, trade and other payables and employee benefit obligations are a reasonable approximation of their fair values. In the Statement of Financial Position, only investment assets and other non-current and current receivables are measured at fair value through profit or loss.

18.6 Equity price risk

Equity price risk is the risk of unfavourable changes in the fair value of equity instruments.

As at 31 December 2024 and 31 December 2023 the Group holds shares of its subsidiaries and associates, therefore is exposed to equity securities price risk, as prices of such securities are uncertain in the future. Equity securities prices are observed and measured based on the market value of subsidiaries and associates determined in the valuation report by the independent appraisers, which is prepared once a year starting from 2023 (at least twice a year in previous reporting years). The Group holds both controlling interest in equity shares and debt instrument issued by the subsidiaries and associates, therefore the fair value is determined for the aggregated equity and debt financial instrument as one unit.

The Group's aggregated financial assets at a fair value are as follows:

	31 December 2024	31 December 2023
Equity and debt financial instruments	159 902	180 060

As equity securities are not publicly traded, their prices are determined based on valuation reports submitted by independent appraisers and benchmark indexes are not used, the impact of changes in the fair value cannot be reasonably evaluated.

In order to manage the price risk, the Group's Management is obliged to ensure the diversification of the investments. The Group's management responsibly selects investment objects, performs a thorough investment analysis, and makes efforts to ensure compliance with the investment restrictions set out in the Group's prospectus.

The Group invests in renewable energy infrastructure facilities and related assets. Renewable energy infrastructure facilities and related assets include the following facilities: renewable energy production sources, energy efficiency projects, distribution and transmission networks of energy resources and their storage and other similar facilities. The Group invests in renewable energy infrastructure facilities and related assets by acquiring equity securities (not less than 10% of equity securities with the voting right, provided they are not admitted to trading on a trading venue, in other cases – not more than 20% of equity securities with the voting rights) and non-equity securities, including convertible bonds, movable property (plant, equipment, and other similar property) and real estate.

18.7 Interest rate risk

There is a risk that a rapid recovery of the global economy or a higher inflation rate may force central banks to raise interest rates which will entail higher costs of administration of credits related to the Group's investments, thereby reducing the value of the Group's investments. To mitigate this risk, the Group may hedge against interest rate risks by concluding respective transactions in financial instruments, where necessary.

As at 31 December 2024 and 31 December 2023 the Group's assets (loans granted, bonds acquired) and liabilities (borrowings, bonds issued) are subject to fixed interest rates, therefore the Group is not exposed to interest rate risk. The Group's assets and liabilities do not use benchmark rates.

The fair value of the Group's investments in equity and debts instruments is measured on an aggregated basis. Among other investments, it holds both a controlling interest in equity shares and a debt instrument issued by the subsidiaries.

From a business strategy perspective, and in a manner consistent with standard practice in its industry, the Group evaluates the performance of its investments in subsidiaries and makes acquisition and disposal decisions on an aggregate basis rather than by considering the equity shares and debt instruments separately.

When it holds both a controlling interest in the equity shares of a subsidiary and debt instruments issued by that subsidiary, the Group rarely, if ever, disposes of one instrument without also disposing of the other as this ensures that its return on investment is maximized. Therefore, the risk arising solely from interest is not applicable.

18.8. Foreign exchange risk

Foreign exchange risk is the risk that the value of cash flows of financial instruments may fluctuate in the future due to changes in foreign exchange rates. The Group's investments will be mainly made in euros, therefore the Group's assets and liabilities are considered to be free of foreign exchange risk.

To mitigate this risk, the Group may hedge against foreign exchange risks using derivative financial instruments but neither the Group nor the Management Company can guarantee that these hedges will cover the entire or majority of the investment portfolio.

For the financial year ended 31 December 2024 and the financial year ended 31 December 2023 derivative financial instruments are not used to hedge against the risks of fluctuations in foreign exchange rates.

As at 31 December 2023 the Company has receivables denominated in PLN in the amount of EUR 303 thousand (as at 31 December 2023 – EUR 596 thousand) (refer to Note 4). An increase of 10% in the PLN/EUR rate would result in foreign exchange loss in the amount of EUR 28 thousand. A decrease of 10% in the PLN/EUR rate would result in foreign exchange gain in the amount of EUR 33 thousand.

18.9. Operational risk

Operational risk refers to mismanagement, error, or fraud in relation to financial risk management resulting in financial loss to the Group. It is managed by maintaining a strict review of the accounts and the financials of the Group, whilst ensuring that suitably experienced and qualified staff implements those reviews, appropriate contractual arrangements are in place with counterparties and compliance with the laws and regulations is maintained.

18.10. Capital risk management

The Group's objective in managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes share capital, share premium and all other equity reserves attributable to the equity holders of the Group.

The Group performs the following in order to maintain capital structure and ensure effective capital management:

- Regularly monitors the performance of the Group and adjusts the Group's distributions to shareholders;
- Issues new shares to existing or new shareholders in accordance with the constitutional documents of the Group;
- Restricts redemption of shares in accordance with the constitutional documents.

18.11. Property development risk

There is a risk that the development projects of the Group will take longer or cost more than expected, thereby reducing the value of the Group's investments. To mitigate this risk, the Group will allocate sufficient resources to control the budget and implementation deadlines of the development projects.

18.12. Limited diversification risk

The limits of investment of the Group's assets are not regulated as tightly as those of other collective investment undertakings so the risk spread is not broad and there is a risk that even a single unsuccessful investment may have a significant negative effect on the overall result of the Group due to a limited number of investments. To mitigate this risk, the Management Company will choose the investment objects responsibly, analyse the investments in great detail and will make every effort to ensure compliance with the investment restrictions laid down in the Prospectus.

18.13. Tax risk

There is a risk that a change in the economic climate and political situation in the country may result in new taxes applicable to the Group and investment objects of the Group and/or an increase in the current tax rates, thereby reducing the return on investments of the Group.

18.14. Political and legal risk

An entity which invests in one geographic region or economic sector is exposed to higher political and/or legal risks. Political risks are inherent in all developing countries. They are high in countries that are not members of the European Union, especially in the developing countries. Political instability in the country may lead to legal, tax, fiscal and regulatory changes such as nationalization, confiscation, restriction of the free movement of capital and other political decisions which may have an adverse effect on the value of the Group's shares.

18.15. Geopolitical risk

There is a risk that the operations of the Group may be affected by geopolitical changes (such as conflicts between countries, internal conflicts of neighbouring countries, uprisings, or wars) resulting in a lower value of the Group's investments or failure to dispose of the investment objects acquired by the Group at the preferred time and price.

In February 2022, the Russian Federation invaded Ukraine. The military actions affect not only the economies of Ukraine, Russia and Belarus, but also the whole European Union and the global economy. As at the date these financial statements were authorized for issue, the situation in Ukraine is extremely volatile and inherently uncertain. The Group does not invest in Ukraine, Russia and Belarus and does not have subsidiaries in these markets, nor does it attract any investments from the mentioned countries, therefore the management of the Group has concluded that:

- no expected credit losses adjustments should be made as Group and its subsidiaries do not have balances with above-mentioned countries;
- no adjustments to the carrying amounts of assets and liabilities should be made;
- the situation does not have an impact on Group's ability to continue as a going concern;
- overall potential effects tightly related to the Group's activities are an increase in electricity prices, possible disruptions in the supply chain as well as increased inflation and growing prices of other materials.

In the management's opinion, considering the ongoing and dynamic nature of the situation, a reliable estimate of the financial impact cannot be presently made. Additionally, the Group s management ensures compliance with the relevant EU sanctions and monitors for any further restrictions by following the Management Company's internal procedures.

18.16. Group's property valuation risk

The assets acquired by the Group will be evaluated according to the main rules laid down in the Prospectus. The valuation of individual items of assets of the Group will be carried out by a property or business appraiser but such valuation constitutes only the approximate value of the assets which does not automatically mean an accurate realizable value of the Group's assets which depends on a number of factors, e.g., economic, and other conditions beyond the control of the Management Company and its employees. Therefore, the realizable value of the Group's assets may be either above or below the value of the assets determined by the property or business appraiser.

18.17. Fluctuation risk

The value of the Group's investments may significantly increase or decrease within a relatively short period of time and as a result of this the Group's NAV may significantly increase or decrease within a relatively short period of time. A significant increase or decrease in the Group's NAV within a relatively short period of time may cause sudden significant fluctuations (increase or decrease) in the value of the Group's shares.

19. Going concern and Green bonds obligations

As at 31 December 2024, the Company's current liabilities exceed its current assets. The Company has EUR 91,3 million in outstanding Green Bonds, maturing on 14 December 2025. In line with its strategic plans for 2025, the Company intends to address these obligations through one or a combination of the following approaches:

- ***Full repayment through asset divestments.*** The Company plans to utilize proceeds from asset sales to repay the bonds. However, there is a risk that market conditions could lead to lower-than-expected valuations, reducing available proceeds. Additionally, liquidity challenges may arise if suitable buyers are not identified in a timely manner, potentially delaying transactions and creating a funding shortfall.
- ***Refinancing through a new debt facility.*** The Company may secure new financing to replace the existing bonds. However, unfavourable credit conditions or higher interest rates could make borrowing more expensive or even unattainable. If market conditions tighten or lenders perceive the Company's financial position as high-risk, securing refinancing on acceptable terms may be challenging.
- ***Extension of bond maturity with bondholder approval.*** The Group may seek to extend the bond maturity with the approval of the majority of bondholders. However, there is no guarantee that bondholders will agree to such an extension. They may prefer full repayment or demand higher yields or additional fees, making this option uncertain and potentially costly.
- ***A combination of the above approaches.*** The Company may pursue a combination of asset divestments, refinancing, and bond maturity extensions. However, this strategy introduces execution complexities, as coordinating sales, securing financing, and negotiating with bondholders requires precise timing and planning. Any delays or unfavourable market shifts could impact the successful resolution of obligations.

The Company has already initiated the sale process for several projects, with sell-side Merger and Acquisitions advisors engaged or negotiations underway with potential buyers.

The Company remains in active discussions with bondholders to communicate its strategic approach and is committed to exploring all viable solutions to ensure timely resolution of its Green Bond obligations.

Furthermore, the Company's operational term may be extended by up to two years, subject to approval by the general meeting of shareholders. A decision on this extension will be made at least three months before the current term's expiration. Management is confident in securing shareholder approval, with the general meeting expected to take place in the second half of 2025.

Given the Company's strategic initiatives to address its Green Bond obligations and the potential extension of its operational term, the financial statements have been prepared on a going concern basis.

20. Subsequent events

On 9 January 2025, the Group has acquired a total amount of 436 787 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB Nimela dated 18 July 2022.

On 15 January 2025, the bond that has Group with UAB Pakruojo vėjas, has been transferred to UAB PV Holding with the same rights and conditions as it was.

On 17 January 2025, the Group has acquired a total amount of 1 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB JTPG dated 25 January 2023.

On 17 January 2025, the Group has acquired a total amount of 15 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB KNT Holding dated 27 October 2022.

On 27 January 2025, the Group has been informed about the new guarantee between UL Services Spain SL and UAB Pakruojo vėjas for a total price of EUR 45 500 as well as new guarantee between UL Services Spain SL and UAB Troškūnų vėjas for a total price of EUR 11 900.

On 29 January 2025, the Group has acquired a total amount of 20 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB KNT Holding dated 27 October 2022.

On 30 January 2025, the Group has paid additional loan drawdown of EUR 200 000 according to loan agreement with PV Energy Projects Sp. z. o. o. dated 20 June 2022.

On 6 February 2025, the Group has made additional loan drawdown of EUR 150 thousand according to loan agreement with Zala Elektriba SIA dated 30 March 2023.

On 19 February 2025, the Group has acquired a total amount of 8 500 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB JTPG dated 25 January 2023.

On 26 February 2025, the Group has acquired a new subsidiary UAB Sorlena in Lithuania which is measured at fair value through profit and loss for the purchase value of EUR 2 500.

On 27 February 2025, the Group has paid additional loan drawdown of EUR 200 000 according to loan agreement with PV Energy Projects Sp. z. o. o. dated 20 June 2022.

On 3 March 2025, the Group has acquired a total amount of 30 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB JTPG dated 25 January 2023

On 6 March 2025, the Group has acquired a total amount of 20 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB KNT Holding dated 27 October 2022

On 6 March 2025, the Group has made additional loan drawdown of EUR 350 thousand according to loan agreement with Zala Elektriba SIA dated 30 March 2023.

On 14 March 2025, the Group has acquired a total amount of 7 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB JTPG dated 25 January 2023.

On 14 March 2025, the Group has acquired a total amount of 40 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB PV Holding dated 15 January 2025.

On 24 March 2025, the Group has made additional loan drawdown of EUR 275 thousand according to loan agreement with Zala Elektriba SIA dated 30 March 2023.

On 27 March 2025, the Group has acquired a total amount of 50 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB JTPG dated 25 January 2023.

On 28 March 2025, the Group has acquired a total amount of 30 000 bonds with nominal value of EUR 1 each according to bond subscription agreement with UAB PV Holding dated 15 January 2025.

On 31 March 2025, the Group has made additional loan drawdown of EUR 5 223 thousand according to loan agreement with WPR2 SIA dated 28 March 2025.

On 31 March 2025, the Group has issued guarantee to support and secure the obligations of the WPR2 SIA under wind turbine supply contract dated 28 March 2025, entered with Nordex Latvia SIA. The total amount covered by Group under this guarantee is EUR 26 115 thousand.

Financial statements have been signed by electronic signature:

Director of Management Company	*Vilma Tvaronavičienė*
Company's manager	*Mantas Auruškevičius*
Representative of company providing accounting services	*Miglė Budreikaitė*

Annual management report of the Company and the Group for FY2024

1. The Company's situation, review of performance and development, main risks and uncertainties faced by the Company

UAB Atsinaujinančios energetikos investicijos, a closed-end investment company intended for informed investors (hereinafter – the Company), Company identification number: 304213372, registered on 15 March 2016 as UAB Atsinaujinančios energetikos investicijos by the decision of the Supervision Service of the Bank of Lithuania of 14 December 2020, the Company was transformed into a closed-end investment company intended for informed investors UAB Atsinaujinančios energetikos investicijos upon approval of the Company's Articles of Association by the Supervision Service of the Bank of Lithuania. The Company began operating as a closed-end investment company on 16 December 2020. The Company's data is stored and accumulated by the State Enterprise Centre of Registers (VĮ Registrų centras). The address of the Company: Jogailos g. 4, Vilnius.

The area of activities of the Company

The objective of the Company is, by distributing the Company's shares, to collectively invest the raised funds into facilities of the renewable energy infrastructure and related assets, such as renewable energy production sources, energy efficiency projects, energy resources distribution and transmission networks and their protection, etc. as well as striving for earning profit for the shareholders.

The Company's s shareholders who have more than 25% of the shares

ENERGY AND INFRASTRUCTURE SME FUND, a closed-end investment fund for informed investors holds 31.28% of shares as of 31 December 2024 (31.28 % as of 31 December 2023).

The Company has not acquired its own shares.

The Company's manager

Mantas Auruškevičius

Review of performance and development

Investment Portfolio in Poland:

In December 2024, the Company successfully divested its 65.5 MW operating solar portfolio in Poland, Energy Solar Projekty sp. z o.o. This divestment marks the Company's first significant exit in its core portfolio.

The construction of the 67.8 MW total capacity portfolio for PV Energy Projects sp. z o.o. is nearing completion. As of the fourth quarter of 2024, 44.8 MW of this capacity is operational, with a Commercial Operation Date (COD) anticipated for September 2025.

The construction of the PL SUN sp. z o.o. portfolio, with a total capacity of 114.7 MW, is progressing through two distinct development phases. The first phase, encompassing 66.6 MW, saw substantial completion in the second quarter of 2024, with 26.4 MW energized by the close of the fourth quarter. The remaining capacity of 40.2 MW is scheduled to be energized by the second quarter of 2025. Construction on the second phase, totalling 48.1 MW, commenced in the fourth quarter of 2024, with energization expected by the fourth quarter of 2025.

Investment Portfolio in Lithuania:

The Company currently holds a 25% equity stake in UAB Žaliosios investicijos, which is managing the construction of a 185.5 MW portfolio, comprising 34 wind turbines in Lithuania. The energy production license for the Anykščiai wind farm was secured in August 2024, and licenses for the Jonava and Rokiškis wind farms are anticipated in the second quarter of 2025. Collectively, these three wind farms have generated a total of 490,060 MWh of renewable wind energy from January to December 2024.

Key developments from January to December 2024 include:

- The development permit for a hybrid power plant with a capacity of 100 MW of wind and 70 MW of solar, being developed by UAB Ekoelektra, has been granted. The technical design project has been initiated and submitted to the Transmission System Operator (Lidgrid) for coordination, ensuring adherence to grid requirements for effective integration into the national electricity network. The project team will continue to advance further permitting and technical preparations, with building permits expected by the second quarter of 2025.
- UAB JTPG submitted the grid connection technical project for a 70 MW solar PV project to Litgrid for approval in the third quarter of 2024, marking a significant step in the project's development.
- The development permit for a hybrid power plant developed by UAB KNT Holding, which includes 390 MW of wind, 250 MW of solar, and a Battery Energy Storage System (BESS) of 50 MW / 200 MWh, has also been granted. The technical design project has been initiated and submitted to the Lidgrid for coordination. Concurrently, efforts to secure cable route easements and finalize notarial land lease agreements are underway, with building permits anticipated in the fourth quarter of 2025.
- For the 112 MW wind park development project in Latvia managed by Zala Elektriba SIA, the grid connection deadline was extended in the third quarter of 2024, with balance of plant works commencing in the fourth quarter of 2024.
- The Company has successfully completed the issuance of all remaining bonds under its Green Bonds programme.

Risks and uncertainties

Given the urgent need to accelerate the EU's clean energy transition, the Renewable Energy Directive EU/2018/2001 was revised in 2024, establishing an overall renewable energy target of at least 45% binding at the EU level by 2030. The governments of the Baltic States and Poland remain committed to the objectives of the Green Deal.

The Company's operations within the renewable sector are subject to a range of risks and uncertainties that can significantly influence financial outcomes. Regulatory and policy risks are foremost among these concerns, as the renewable energy sector is closely tied to government policies and regulations. Frequent changes or uncertainties in energy policies, subsidies, or incentives can materially affect the financial viability of projects undertaken by the Company, potentially leading to operational disruptions.

Market demand and pricing volatility further complicate the Company's investment landscape. Fluctuations in electricity prices and the overall demand for renewable energy can substantially impact returns on investment. Increased competition from global markets or shifts in consumer preferences may create pricing pressures that affect the Company's profitability.

Supply chain constraints are particularly pertinent to the Company, especially in the onshore wind sector, where delivery timelines for turbine components currently range between 12 and 18 months. Elevated global demand has resulted in higher turbine prices and challenges regarding the availability of transformer stations. Consequently, the Company emphasizes advanced planning and securing supplier contracts early as crucial strategies to mitigate these risks.

Financing and investment risks are inherent to the renewable sector and affect the Company directly. Difficulties securing adequate financing due to fluctuating market conditions could impact the Company's ability to meet its financial obligations. Political instability, economic downturns, or shifts in regulatory landscapes within the Company's operational regions can lead to increased borrowing costs, further influencing overall investment returns

Permit and approval delays may impede the Company's project timelines and escalate costs. The permitting process is often subject to bureaucratic inefficiencies, resulting in prolonged project initiation and delayed returns on investments, which could impact the Company's financial performance.

Operational risks associated with project execution, such as construction delays, cost overruns, and technical challenges, may also significantly affect the Company. Inadequate project management or unforeseen environmental factors can disrupt timelines and result in increased operational costs.

Infrastructure limitations pose additional challenges for the Company, as the rapid growth of renewable energy necessitates substantial enhancements to existing electricity networks. Bottlenecks created by government-controlled grid operators may hinder the integration of renewable energy, delaying the completion of projects and their connection to the grid.

Technological changes within the renewable landscape could disrupt the Company's existing projects. Staying informed about advancements in solar and wind technologies is essential; failure to adapt may jeopardize the Company's competitiveness and the relevance of installed systems.

Environmental and social risks are also prominent for the Company, as projects may face scrutiny or opposition from local communities, particularly in ecologically sensitive areas. Securing a social license to operate is critical, and ineffective stakeholder engagement could impede project development.

In February 2022, the Russian Federation invaded Ukraine, creating a volatile and uncertain economic environment that impacts not only Ukraine, Russia, and Belarus but also the broader European Union and global economy. As of the date these financial statements were authorized for issue, the Company does not invest in Ukraine, Russia, or Belarus, nor does it have subsidiaries in these markets or attract investments from these countries. Consequently, management has concluded that:

- ✓ No expected credit loss adjustments should be made, as the Company and its subsidiaries do not have balances with the indicated countries.
- ✓ No adjustments to the carrying amounts of assets and liabilities should be necessary.
- ✓ The situation does not impact the Company's ability to continue as a going concern.
- ✓ General potential effects closely related to the Company's activities include an increase in electricity prices, possible disruptions in the supply chain, increased inflation, and rising prices of other materials.

Additionally, the Company's management ensures compliance with relevant EU sanctions and actively monitors for any further restrictions by adhering to internal procedures established by the Management Company.

2. Analysis of financial and non-financial operating results; environment and personnel-related information

The Company's objective is to earn a return for the Company's investors from investments in facilities of the renewable energy infrastructure and related assets.

As of 31 December 2024, the Company's investment assets, valued at fair value through profit or loss, totalled EUR 159 902 thousand. This represents a decrease of EUR 20 158 thousand, or 11.20%, compared to 31 December 2023. The decline in fair value of the investment portfolio was mainly driven by the results of the independent annual valuation of the Company's shares and the sale of the solar energy portfolio in Poland. Specifically, the value of the Company's solar assets in Poland primarily decreased due to electricity price curve forecasts being significantly lower than the electricity price curve utilized in the Company's valuation in the fourth quarter of 2023.

As of 31 December 2024, the Company reported total assets of EUR 189 795 thousand, total equity of EUR 100 476 thousand, and total liabilities of EUR 89 319 thousand.

For the period from January to December 2024, the Company reported a comprehensive loss of EUR 14 824 thousand, primarily attributed to the negative fair value change in the investment portfolio resulting from the independent annual valuation of the Company's shares.

In Company's corporate structure, there is a subsidiary UAB AEI Development, the subsidiary employs 14 employees who provide services to the Company, including project development, technical construction management of wind and photovoltaic projects, operations and asset management, finance management, and legal matters.

In December 2021 and throughout 2022, 2023, and 2024 the Company issued Green Bonds to finance projects aimed at reducing emissions and increasing renewable energy capacity. As of 31 December 2024, the total Company's obligations under Green Bonds Programme consist of EUR 91.3 million. The Green Bonds are listed on the Nasdaq stock exchange since 19 July 2022. Currently, three projects are financed by the Green Bond proceeds: one wind farm project in Lithuania and two PV Solar Parks in Poland. The Company published a separate report with an overview of the positive environmental impact achieved using proceeds from Green Bonds issuances on an annual basis.

Responsible business principles, Environmental protection and actions on climate change

The Company has formulated and ratified a Code of Conduct to steer its operations. This Code underscores the Company's dedication to upholding ethical standards and adhering to labour regulations. The Code delineates strategies for involving suppliers and contractors, ensuring their compliance with ethical standards across the supply chain. It also highlights the effectiveness of grievance mechanisms in addressing concerns and preserving transparency within the organization. The Company's ongoing commitment to enhancing ethical practices and nurturing a culture of integrity is evident through its continuous improvement endeavours.

AEI are devoted to conducting the business in an ethical, legal, and socially responsible way. AEI engages with its suppliers, contractors, subcontractors, advisers and other business partners (hereinafter- Partners) to share this commitment and, therefore, has established this Partner Code of Conduct. Before the Group enters to the agreement with suppliers the Group asks them to confirm that suppliers are familiar with the partner code of conduct and apply the general principles in their activities.

AEI and its subsidiaries are dedicated to financing renewable energy projects and enhancing long-term value. The Company's Supply Chain Security Policy aims to ensure successful development and competitive positioning by professionally funding renewable energy projects and promptly addressing client and investor needs. Key objectives include strengthening relationships with stakeholders, identifying and mitigating risks in the supply chain, and involving employees in safety management activities. The policy also emphasizes compliance with legal requirements and continuous improvement through feedback analysis.

The objective of the Company is sustainable investments as defined in Article 9 of Regulation (EU) 2019/2088 of 27 November 2019 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector. The "do no significant harm" principle applies only to those investments of the Company that consider the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not consider the EU criteria for environmentally sustainable economic activities.

Combating corruption and bribery, including bribery of foreign officials in international business transactions

The Group's employees adhere to procedures established by the Management Company in their daily operations. These measures are implemented to mitigate the risks associated with both external and internal bribery. The Management Company has developed internal protocols to ensure transparency in its operations and to minimize the potential involvement in criminal activities.

The Management Company has adopted a Conflicts of Interest Management Policy, which outlines the fundamental standards for conducting business. This policy applies to both Management Company employees and staff members of entities managed by the Management Company in the management of collective funds. It serves as a framework for ethical business conduct, aimed at organizing activities in a systematic manner and facilitating decision-making based on principles of business ethics.

Additionally, the Management Company has implemented an Incentive Policy to govern its operations. The primary objective of this policy is to ensure that the Management Company and its employees conduct themselves honestly, fairly, and professionally in the best interests of the collective investment undertakings. The policy aims to prevent conflicts of interest in relation to the receipt or provision of incentives, as such actions could potentially introduce bias and compromise the duty to act in the best interests of the collective investment undertakings.

3. References and additional explanations about the data provided in the annual financial statements.

In drawing up the annual financial statements, the Company was guided by the provisions of the Law on Financial Reporting of the Republic of Lithuania and the International Financial Reporting Standards.

The separate and consolidated financial statements are crafted by an external accounting service provider. Following this, employees of the Management Company carry out a meticulous review to guarantee precision and adherence to regulatory standards. The process of preparing financial statements encompasses the use of IFRS checklists, underscoring their significance in maintaining compliance with international accounting standards and ensuring requisite disclosures.

4. The number of all shares acquired and held by the Company and their face value and the portion of the authorised capital constituted by those shares.

None.

5. The number of all shares acquired during the reporting period and held by the Company and their face value and the portion of the authorised capital constituted by those shares.

None.

6. Information about payment for own shares if they are acquired or transferred for consideration.

None.

7. Reason for the acquisition of own shares by the Company during the reporting period.

None.

8. Information on the Company's branches and representative offices.

The Company does not have any representative offices or branches.

9. Information about significant events that took place after the end of the reporting period.

There were no significant events except for those disclosed in the financial statements.

10. The Company's operational plans and forecasts for 2025.

In 2025, the Company will prioritize investments in the development and construction of solar and wind power infrastructure across Poland, Lithuania, and Latvia. As it finalizes the investment cycle for its core asset portfolio, the Company plans to divest these assets throughout the year.

The Company anticipates refinancing its current project financing facilities related to solar portfolios in Poland during the third quarter of 2025, which is expected to release substantial equity capital.

The Company has EUR 91.3 million in outstanding Green Bonds, maturing on 14 December 2025. In alignment with its strategic plans for 2025, the Company expects to address these Green Bonds through one or a combination of the following options: full settlement using proceeds from the divestment of its assets, refinancing via a new debt facility, extending the term with favourable majority consent from bondholders, or a mix of these approaches. The Company is actively engaging with its bondholders to keep them informed about its strategy for settling the outstanding bonds and is committed to exploring all avenues to ensure their resolution by year-end.

Additionally, the Company's operational term may be extended by up to two years, subject to approval by the general meeting of shareholders. A decision regarding this extension will be made at least three months prior to the current term's expiration. Management is optimistic about obtaining shareholder approval for a two-year extension, with the general meeting anticipated to take place in the second half of 2025.

11. Information on the Company's research and development activities.

None.

12. Objectives of the Company's financial risk management, security instruments used for the main groups of envisaged transactions, which are subject to hedge accounting, and scopes of the Company's price risk, credit risk, liquidity risk, and cash flow risk.

Information about the financial risk management of the Company is disclosed in financial statements.

13. Information about other managerial positions held by the manager, board members, and supervisory board members of the public limited liability company and private limited liability company (manager of the legal entity (legal form, name, identification number, registered office address), member of a management body or supervisory body of the legal entity (legal form, name, identification number, registered office address) and most important information about their main working place (position, legal entity's legal form, name, registered office address).

As at 31 December 2024 the Management Board of the Company's Management company consisted of 4 Board members:

- Jan Ake Gustaf Litborn
- Mindaugas Marcinkevičius
- Andrius Stonkus
- Antanas Vainauskas

No.	Management Conpany Board Member	The Name of the Company, Entity or Organization	Position	Portion in the capital of the organisation, %
1	Antanas Vainauskas	UAB Serenus	Shareholder	100%
		UAB INVESTI LT	Manager	50% shares own UAB Serenus
		Advokatų kontora Vainauskas ir partneriai	Lawyer	100%
		UAB LL Investicijos	Board member	0%
		UAB TAN Oil	Board member	0%
		UAB Diseta	Board member	0%
		UAB Emont	Director	100% shares own UAB Serenus
2	Mindaugas Marcinkevičius	UAB Glera	Shareholder, Manager	100%
		UAB Taikos projektas	Shareholder, Manager	100%
		UAB Biruliškių projektas	Shareholder	100%
		OÜ Attexo	Shareholder, Board member	100%
		UAB Ordeta	Board member	0%
		AS PN Project	Supervisory Board member	0%
3	Andrius Stonkus	UAB Aemulus	Shareholder	100%
		Starlynx investment OU	Board member	100%
		UAB Koversijos projektai	Indirect shareholder (via UAB Aemulus)	100%
		UAB Parkdema	Board member	0%
		UAB Cogito Invest	Manager, Board member	0%
		UAB Humitas	Indirect shareholder (via Starlynx investment OÜ)	50%
		AB Sparta	Supervisory Board member	0%
		AS "PN Project"	Supervisory Board member	0%
		AB "CRANBALT"	Board member	0%
4	Jan Ake Gustaf Litborn	Advokatų kontora PK Advocati AB	Managing Partner	36%
		Born Advokater KB	Managing Partner (via PK Advokat AB)	0%
		Varakani AB	Shareholder	100%
		Atlant Ocean Racing AB	Shareholder	19%
		Donap Advokat AB	Shareholder	100%
		Backastad AB	Shareholder	15%

Manager of the Company:

- Grėtė Bukauskaitė - Tuinylė (until 6th February 2025);
- Vilma Tvaronavičienė (from 7th February until 13th February 2024);
- Mantas Auruškevičius (from 14th February 2025).

No.	Company Manager	The Name of the Company, Entity or Organization	Position	Portion in the capital of the organisation, %
1	Grėtė Bukauskaitė - Tuinylė	Energy and Infrastructure SME Fund	Fund Manager	0%
		UAB Ekoelektra	Board member	0%
		UAB KNT Holding	Board member	0%
		UAB Žaliosios investicijos	Board member	0%
		UAB EE Emerald Holding	Board member	0%
		UAB Potentia industriae	Board member	0%
		UAB Anykščių vėjas	Board member	0%
		UAB Rokvėja	Board member	0%
		SIA Zala Elektriba	Board member	0%
		UAB Čiurlionio tiltas	Director	0%
2	Vilma Tvaronavičienė	UAB Lords LB Asset Management	Director	0%
		Lords LB European Property Fund	Class A Manager	0%
		Lords LB European Property LuxCo S.a r.l.	Class A Manager	0%
3	Mantas Auruškevičius	Green Energy Growth Fund	Fund manager	0%
		UAB Žaliosios investicijos	Director	0%
		UAB EE Emerald Holding	Director	0%
		UAB Potentia industriae	Director	0%
		UAB Anykščių vėjas	Director	0%
		UAB Rokvėja	Director	0%
		UAB Ekoelektra	Board member	0%
		UAB KNT Holding	Board member	0%
		Zaļais Spēks, SIA	Board member	0%
		SIA SELP	Board member	0%
		SIA WPR2	Board member	0%
		UAB GEGF 1	Director	0%
		UAB GEGF 2	Director	0%
		UAB GEGF 3	Director	0%
		UAB GEGF Development	Director	0%
		UAB Surdegio vėjas	Director	0%
		UAB Vėjo pašvaistė	Director	0%
		UAB „LT Energetika“	Director	0%
		UAB Nimela	Director	0%

This annual management report has been signed electronically by

Manager of UAB Atsinaujinančios energetikos investicijos, a closed-end investment company intended for informed investors.

Mantas Auruškevičius

CORPORATE GOVERNANCE REPORTING

UAB Atsinaujinančios energetikos investicijos, a closed-end investment company intended for informed investors (hereinafter – the **Company**), acting in compliance with Article 12 (3) of the Law of the Republic of Lithuania on Securities and paragraph 24.5 of the Listing Rules of AB NASDAQ OMX Vilnius, hereby discloses how it complies with the Corporate Governance Code for the Companies Listed on NASDAQ OMX Vilnius as well as its specific provisions or recommendations. In case of non-compliance with this Code or some of its provisions or recommendations, the specific provisions or recommendations that are not complied with must be indicated and the reasons for such non-compliance must be specified. In addition, other explanatory information indicated in this form must be provided.

1. Summary of the Corporate Governance Report:

The Company is a closed-end collective investment undertaking intended for informed investors, the form of activity of which is an investment company intended for informed investors. No management bodies have been formed at the Company. The management of the Company is assigned to the management company UAB „Lords LB Asset Management" (hereinafter – **the Management Company**) under the agreement on the management of the Company concluded between the Company and the Management Company, therefore, in accordance with the Law of the Republic of Lithuania on Collective Investment Undertakings Intended for Informed Investors (hereinafter – LCIUIII) and the Law on Companies of the Republic of Lithuania (hereinafter – LOC), the rights and obligations of the management bodies of the Company are transferred to the Management Company.

In compliance with the Company's Articles of Association, the documentation of the Management Company, and the relevant legislation of the Republic of Lithuania, the Company's management body has specific rights, duties, functions, and competencies. The Management Company is responsible for organizing and conducting the Company's General Meeting of Shareholders, managing the Company's operations, maintaining accurate records of the Company's activities, and carrying out other responsibilities assigned to it. As per the Articles of Association, the Company's Manager makes investment decisions for managing the Company's assets, and the Board members of the Management Company may also make specific decisions in accordance with its internal documents.

The General Meeting of Shareholders of the Company operates under the same competence, convening, and decision-making procedures as specified in the LOC, unless otherwise stated in the Company's Articles of Association. Furthermore, the General Meeting of Shareholders is authorized to decide on matters such as the replacement of the Management Company and the transfer of its functions to another entity, the content and conclusion of agreements with the Management Company, the extension of the Company's activities, and the delegation of powers to the Management Company, in addition to the competencies outlined in the LOC.

The Company's Investment Committee advises on the Company's investments and the disposal of its assets. The Committee's advice is a necessary requirement for approving (disapproving) investment decisions, although this opinion is only advisory. The Board members of the Management Company form the Investment Committee, which may comprise 5-7 members. When selecting the Committee's members from among the Company's shareholders, the Management Company strives to appoint to the Company's Investment Committee the shareholders with the greatest commitments, following the procedure outlined in the Company's Articles of Association.

2. Structured table for disclosure:

Principle 1: General meeting of shareholders, equitable treatment of shareholders, and shareholders' right

The corporate governance framework should ensure the equitable treatment of all shareholders. The corporate governance framework should protect the rights of shareholders.

Principles/ Recommendations	***Yes/No/ Not Applicable***	***Commentary***
1.1. All shareholders should be provided with access to the information and/or documents established in the legal acts on equal terms. All shareholders should be furnished with equal opportunity to participate in the decision-making process where significant corporate matters are discussed.	YES	The shares of the Company are not listed for trading on the NASDAQ Stock Exchange. The Company has issued Green bonds on the NASDAQ Stock Exchange under the ISIN LT0000405938. Shareholders are notified about upcoming shareholder meetings via individual email, and the information is provided in both Lithuanian and English. All shareholders possess equal rights to participate in the Company's shareholder meeting.
1.2. It is recommended that the Company's capital should consist only of the shares that grant the same rights to voting, ownership, dividend and other rights to all of their holders.	YES	The Company's share capital consists of ordinary registered intangible shares with equal nominal values, which are not divided into different types and/or classes, thus granting equal rights to all company shareholders.

Principles/ Recommendations	*Yes/No/ Not Applicable*	*Commentary*
1.3. It is recommended that investors should have access to the information concerning the rights attached to the shares of the new issue or those issued earlier in advance, i.e., before they purchase shares.	YES	The Management Company and the delegated company are responsible for attracting potential investors to the Company and conducting the placement of shares. The shares are distributed through a non-public offering, in compliance with the regulations governing the placement of shares, the Company's Articles of Association, and the Prospectus. In all cases, the Company's prospectus, articles of association, a copy of the key information document, and a copy of the Company's annual activity report are provided before the conclusion of the Investment Agreement.
1.4. Exclusive transactions that are particularly important to the Company, such as transfer of all or almost all assets of the Company which in principle would mean the transfer of the Company, should be subject to approval of the general meeting of shareholders.	NOT APPLICABLE	The responsibility for the acquisition, disposal, management, and restriction of management of the Company's assets, as well as those of other special purpose vehicles controlled by the Company (further - SPVs), and decisions related to the acquisition and financing of the Company's and the SPVs' activities and assets, and the exercise of the Company's rights as a shareholder of other companies, are set out in the Company's Articles of Association and the Prospectus as the responsibility of the Management Company.
1.5. Procedures for convening and conducting a general meeting of shareholders should provide shareholders with equal opportunities to participate in the general meeting of shareholders and should not prejudice the rights and interests of shareholders. The chosen venue, date and time of the general meeting of shareholders should not prevent active participation of shareholders at the general meeting. In the notice of the general meeting of shareholders being convened, the Company should specify the last day on which the proposed draft decisions should be submitted at the latest.	YES	Shareholders are notified of the upcoming General Meeting of Shareholders in accordance with the requirements, deadlines, methods, and ways specified in the applicable laws of the Republic of Lithuania and the Company's Articles of Association. The Annual General Meeting is always held at the registered office of the Company.
1.6. With a view to ensure the right of shareholders living abroad to access the information, it is recommended, where possible, that documents prepared for the general meeting of shareholders in advance should be announced publicly not only in Lithuanian language but also in English and/or other foreign languages in advance. It is recommended that the minutes of the general meeting of shareholders after the signing thereof and/or adopted decisions should be made available publicly not only in Lithuanian language but also in English and/or other foreign languages. It is recommended that this information should be placed on the website of the Company. Such documents may be published to the extent that their public disclosure is not detrimental to the Company or the Company's commercial secrets are not revealed.	YES	The shares of the Company are not listed on the NASDAQ Stock Exchange. Notifications regarding the General Meetings of Shareholders are sent to the shareholders via email in both Lithuanian and English languages, outlining the procedures for accessing the agenda, related matters, and other necessary documentation.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
1.7. Shareholders who are entitled to vote should be furnished with the opportunity to vote at the general meeting of shareholders both in person and in absentia. Shareholders should not be prevented from voting in writing in advance by completing the general voting ballot.	YES	The Company's articles of association provide the right to participate in the general shareholders' meeting: a) personally to the shareholder; b) to authorize individuals with whom a voting rights agreement has been concluded to participate; c) granting authorization to the Management Company to represent the shareholder and vote on their behalf.
1.8. With a view to increasing the shareholders' opportunities to participate effectively at general meetings of shareholders, it is recommended that companies should apply modern technologies on a wider scale and thus provide shareholders with the conditions to participate and vote in general meetings of shareholders via electronic means of communication. In such cases the security of transmitted information must be ensured, and it must be possible to identify the participating and voting person.	NO	The Company currently does not provide shareholders with the possibility to participate in meetings electronically. Shareholders may exercise their rights in the ways described in 1.7.
1.9. It is recommended that the notice on the draft decisions of the general meeting of shareholders being convened should specify new candidatures of members of the collegial body, their proposed remuneration and the proposed audit company if these issues are included into the agenda of the general meeting of shareholders. Where it is proposed to elect a new member of the collegial body, it is recommended that the information about his/her educational background, work experience and other managerial positions held (or proposed) should be provided.	NOT APPLICABLE	The Company does not form collegial bodies, and its management is assigned to the Management Company and the Board members of the Management Company.
1.10. Members of the Company's collegial management body, heads of the administration[1] or other competent persons related to the Company who can provide information related to the agenda of the general meeting of shareholders should take part in the general meeting of shareholders. Proposed candidates to member of the collegial body should also participate in the general meeting of shareholders in case the election of new members is included into the agenda of the general meeting of shareholders.	YES	Representatives of the Management Company, the Company's Manager, always participate in the Company's shareholders' meetings.

***Principle 2:* Supervisory board**

2.1. Functions and liability of the supervisory board

The supervisory board of the Company should ensure representation of the interests of the Company and its shareholders, accountability of this body to the shareholders and objective monitoring of the Company's operations and its management bodies as well as constantly provide recommendations to the management bodies of the Company.

The supervisory board should ensure the integrity and transparency of the Company's financial accounting and control system.

[1] For the purposes of this Code, heads of the administration are the employees of the company who hold top level management positions.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
2.1.1. Members of the supervisory board should act in good faith, with care and responsibility for the benefit and in the interests of the Company and its shareholders and represent their interests, having regard to the interests of employees and public welfare.	NOT APPLICABLE	Neither the Company nor the Management Company has a supervisory board.
2.1.2. Where decisions of the supervisory board may have a different effect on the interests of the Company's shareholders, the supervisory board should treat all shareholders impartially and fairly. It should ensure that shareholders are properly informed about the Company's strategy, risk management and control, and resolution of conflicts of interest.		
2.1.3. The supervisory board should be impartial in passing decisions that are significant for the Company's operations and strategy. Members of the supervisory board should act and pass decisions without an external influence from the persons who elected them.		
2.1.4. Members of the supervisory board should clearly voice their objections in case they believe that a decision of the supervisory board is against the interests of the Company. Independent[2] members of the supervisory board should: a) maintain independence of their analysis and decision-making; b) not seek or accept any unjustified privileges that might compromise their independence.		
2.1.5. The supervisory board should oversee that the Company's tax planning strategies are designed and implemented in accordance with the legal acts in order to avoid faulty practice that is not related to the long-term interests of the Company and its shareholders, which may give rise to reputational, legal or other risks.		
2.1.6. The Company should ensure that the supervisory board is provided with sufficient resources (including financial ones) to discharge their duties, including the right to obtain all the necessary information or to seek independent professional advice from external legal, accounting or other experts on matters pertaining to the competence of the supervisory board and its committees.		

[2] For the purposes of this Code, the criteria of independence of members of the supervisory board are interpreted as the criteria of unrelated parties defined in Article 31(7) and (8) of the Law on Companies of the Republic of Lithuania

2.2. Formation of the supervisory board

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
2.2.1. The members of the supervisory board elected by the general meeting of shareholders should collectively ensure the diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance between the qualifications of the members of the supervisory board, it should be ensured that members of the supervisory board, as a whole, should have diverse knowledge, opinions and experience to duly perform their tasks.	NOT APPLICABLE	Neither the Company nor the Management Company has a supervisory board.
2.2.2. Members of the supervisory board should be appointed for a specific term, subject to individual re-election for a new term in office in order to ensure necessary development of professional experience.		
2.2.3. Chair of the supervisory board should be a person whose current or past positions constituted no obstacle to carry out impartial activities. A former manager or management board member of the Company should not be immediately appointed as chair of the supervisory board either. Where the Company decides to depart from these recommendations, it should provide information on the measures taken to ensure impartiality of the supervision.		
2.2.4. Each member should devote sufficient time and attention to perform his duties as a member of the supervisory board. Each member of the supervisory board should undertake to limit his other professional obligations (particularly the managing positions in other companies) so that they would not interfere with the proper performance of the duties of a member of the supervisory board. Should a member of the supervisory board attend less than a half of the meetings of the supervisory board throughout the financial year of the Company, the shareholders of the Company should be notified thereof.		
2.2.5. When it is proposed to appoint a member of the supervisory board, it should be announced which members of the supervisory board are deemed to be independent. The supervisory board may decide that, despite the fact that a particular member meets all the criteria of independence, he/she cannot be considered independent due to special personal or company-related circumstances.		
2.2.6. The amount of remuneration to members of the supervisory board for their activity and participation in meetings of the supervisory board should be approved by the general meeting of shareholders.		

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
2.2.7. Every year the supervisory board should carry out an assessment of its activities. It should include evaluation of the structure of the supervisory board, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the supervisory board, and evaluation whether the supervisory board has achieved its objectives. The supervisory board should, at least once a year, make public respective information about its internal structure and working procedures.	NOT APPLICABLE	Neither the Company nor the Management Company has a supervisory board.

***Principle 3:* Management Board**

3.1. Functions and liability of the management board

The management board should ensure the implementation of the Company's strategy and good corporate governance with due regard to the interests of its shareholders, employees, and other interest groups.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
3.1.1. The management board should ensure the implementation of the Company's strategy and good corporate governance with due regard to the interests of its shareholders, employees and other interest groups.	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Management has been assigned to the Management Company, which fulfils the functions of the Company's Board members and head of Company. The Company's investment strategy is outlined in the Company's Articles of Association. The Management Company is responsible for the implementation of the strategy.
3.1.2. As a collegial management body of the Company, the management board performs the functions assigned to it by the Law and in the articles of association of the Company, and in such cases where the supervisory board is not formed in the company, it performs inter alia the supervisory functions established in the Law. By performing the functions assigned to it, the management board should take into account the needs of the Company's shareholders, employees and other interest groups by respectively striving to achieve sustainable business development.	NOT APPLICABLE	The Management Company is responsible for organising the Company's shareholders' meetings, managing the Company's insider information, organising the Company's operations, keeping proper information on the Company's activities, and carrying out other functions assigned to the Management Company
3.1.3. The management board should ensure compliance with the laws and the internal policy of the Company applicable to the Company or a group of companies to which this Company belongs. It should also establish the respective risk management and control measures aimed at ensuring regular and direct liability of managers.	NOT APPLICABLE	The Management Company and its employees are responsible for ensuring compliance with legal and internal policies of the Company.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
3.1.4. Moreover, the management board should ensure that the measures included into the OECD Good Practice Guidance[3] on Internal Controls, Ethics and Compliance are applied at the Company in order to ensure adherence to the applicable laws, rules and standards.	NOT APPLICABLE	The Management Company has approved compliance, risk management, operational policies, as well as the Employee Code of Conduct and the Partner Code of Conduct, ensuring that the Company complies with applicable laws, regulations, and standards and meets the recommendations of the OECD good practice. The implementation of these policies is the responsibility of the Management Company's employees.
3.1.5. When appointing the manager of the Company, the management board should take into account the appropriate balance between the candidate's qualifications, experience and competence.	NOT APPLICABLE	Management has been assigned to the Management Company, which fulfils the functions of the Company's board members and head of the Company. The Management Company's Board of Directors make decisions on the appointment of the authorized representative of the Company - Company's manager, considering his/her experience, knowledge, competencies, and reputation, and submits a notification of such appointment to the Bank of Lithuania.

3.2. Formation of the management board

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
3.2.1. The members of the management board elected by the supervisory board or, if the supervisory board is not formed, by the general meeting of shareholders should collectively ensure the required diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance in terms of the current qualifications possessed by the members of the management board, it should be ensured that the members of the management board would have, as a whole, diverse knowledge, opinions and experience to duly perform their tasks.	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Management has been assigned to the Management Company, which fulfils the functions of the Company's board members and manager.
3.2.2. Names and surnames of the candidates to become members of the management board, information on their educational background, qualifications, professional experience, current positions, other important professional obligations and potential conflicts of interest should be disclosed without violating the requirements of the legal acts regulating the handling of personal data at the meeting of the supervisory board in which the management board or individual members of the management board are elected. In the event that the supervisory board is not formed, the information specified in this paragraph should be submitted to the general meeting of shareholders. The management board should, on yearly basis, collect data provided in this paragraph on its members and disclose it in the Company's annual report.	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Information on the involvement of the Management Company's Board members and the managers of the Company in the activities of other companies is set out in the Company's Annual Report.

[3] Link to the OECD Good Practice Guidance on Internal Control, Ethics and Compliance: https://www.oecd.org/daf/anti-bribery/44884389.pdf

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
3.2.3. All new members of the management board should be familiarized with their duties and the structure and operations of the Company 3.2.4. Members of the management board should be appointed for a specific term, subject to individual re-election for a new term in office in order to ensure necessary development of professional experience and sufficiently frequent reconfirmation of their status.	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Management and CEO functions have been assigned to the Management Company.
3.2.5. Chair of the management board should be a person whose current or past positions constitute no obstacle to carry out impartial activity. Where the supervisory board is not formed, the former manager of the Company should not be immediately appointed as chair of the management board. When a Company decides to depart from these recommendations, it should furnish information on the measures it has taken to ensure the impartiality of supervision	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Management and CEO functions have been assigned to the Management Company.
3.2.6. Each member the management board should give sufficient time and attention to perform the duties of a member of the Board. If a member of the management Board participated in less than half of the board meetings during the financial year of the Company, the Company's Supervisory Board should be informed if the Supervisory Board is not formed in the Company - the General Shareholder Meeting.	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Management and CEO functions have been assigned to the Management Company.
3.2.7. In the event that the management board is elected in the cases established by the Law where the supervisory board is not formed at the Company, and some of its members will be independent[4], it should be announced which members of the management board are deemed as independent. The management board may decide that, despite the fact that a particular member meets all the criteria of independence established by the Law, he/she cannot be considered independent due to special personal or company-related circumstances.	NOT APPLICABLE	Due to the status of the Company, no independence assessment is carried out for the Management Company's managers.
3.2.8. The general meeting of shareholders of the Company should approve the amount of remuneration to the members of the management board for their activity and participation in the meetings of the management board.	NOT APPLICABLE	The management fee paid to the Management Company is disclosed in the Company's annual report in accordance with the current management agreement between the Company and the Management Company. The employees of the Management Company and the Company's Manager receive remuneration according to the employment contracts they have signed.

[4] For the purposes of this Code, the criteria of independence of the members of the management board are interpreted as the criteria of unrelated persons defined in Article 33(7) of the Law on Companies of the Republic of Lithuania.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
3.2.9. The members of the management board should act in good faith, with care and responsibility for the benefit and the interests of the Company and its shareholders with due regard to other stakeholders. When adopting decisions, they should not act in their personal interest; they should be subject to no-compete agreements and they should not use the business information or opportunities related to the Company's operations in violation of the Company's interests.	NOT APPLICABLE	The obligation of the Management Company to act in a professional and trustworthy manner is defined in the Company's Articles of Association and internal policies.
3.2.10. Every year the management board should carry out an assessment of its activities. It should include evaluation of the structure of the management board, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the management board, and evaluation whether the management board has achieved its objectives. The management board should, at least once a year, make public respective information about its internal structure and working procedures in observance of the legal acts regulating the processing of personal data.	NOT APPLICABLE	Due to the nature of the Company's operations, collegial bodies are not formed in Company. The functions of management and the board have been delegated to the Management Company; therefore, an evaluation of the Management Company's performance regarding the Company is not conducted.

Principle 4: **Rules of procedure of the supervisory board and the management board of the Company**

The rules of procedure of the supervisory board, if it is formed at the Company, and of the management board should ensure efficient operation and decision-making of these bodies and promote active cooperation between the Company's management bodies.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
4.1. The management board and the supervisory board, if the latter is formed at the Company, should act in close cooperation in order to attain benefit for the Company and its shareholders. Good corporate governance requires an open discussion between the management board and the supervisory board. The management board should regularly and, where necessary, immediately inform the supervisory board about any matters significant for the Company that are related to planning, business development, risk management and control, and compliance with the obligations at the Company. The management board should inform the supervisory board about any derogations in its business development from the previously formulated plans and objectives by specifying the reasons for this.	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Management has been assigned to the Management Company, which performs the functions of the management board and the head of the Company.
4.2. It is recommended that meetings of the Company's collegial bodies should be held at the respective intervals, according to the pre-approved schedule. Each company is free to decide how often meetings of the collegial bodies should be convened but it is recommended that these meetings should be convened at such intervals that uninterruptable resolution of essential corporate governance issues would be ensured. Meetings of the Company's collegial bodies should be convened at least once per quarter.		

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
4.3. Members of a collegial body should be notified of the meeting being convened in advance so that they would have sufficient time for proper preparation for the issues to be considered at the meeting and a fruitful discussion could be held and appropriate decisions could be adopted. Along with the notice of the meeting being convened all materials relevant to the issues on the agenda of the meeting should be submitted to the members of the collegial body. The agenda of the meeting should not be changed or supplemented during the meeting, unless all members of the collegial body present at the meeting agree with such change or supplement to the agenda, or certain issues that are important to the Company require immediate resolution.	NOT APPLICABLE	Due to the status of the Company, collegial bodies are not formed within the Company. Management has been assigned to the Management Company, which performs the functions of the management board and the head of the Company.
4.4. In order to coordinate the activities of the Company's collegial bodies and ensure effective decision-making process, the chairs of the Company's collegial supervision and management bodies should mutually agree on the dates and agendas of the meetings and close cooperate in resolving other matters related to corporate governance. Meetings of the Company's supervisory board should be open to members of the management board, particularly in such cases where issues concerning the removal of the management board members, their responsibility or remuneration are discussed.		

Principle 5: Nomination, remuneration and audit committees

5.1. Purpose and formation of committees

The committees formed at the Company should increase the work efficiency of the supervisory board or, where the supervisory board is not formed, of the management board which performs the supervisory functions by ensuring that decisions are based on due consideration and help organise its work in such a way that the decisions it takes would be free of material conflicts of interest.

Committees should exercise independent judgment and integrity when performing their functions and provide the collegial body with recommendations concerning the decisions of the collegial body. However, the final decision should be adopted by the collegial body.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
5.1.1. Taking due account of the company-related circumstances and the chosen corporate governance structure, the supervisory board of the Company or, in cases where the supervisory board is not formed, the management board which performs the supervisory functions, establishes committees. It is recommended that the collegial body should form the nomination, remuneration and audit committee[5].	YES	The decision regarding the formation of an independent audit committee and the approval of its regulations is made during the ordinary general shareholders' meeting. Due to the nature of the Company's governance and the delegation, appointment, and remuneration of management, nomination, and compensation committees are not formed.
5.1.2. Companies may decide to set up less than three committees. In such case companies should explain in detail why they have chosen the alternative approach, and how the chosen approach corresponds with the objectives set for the three different committees		

[5] Issues related to the activities of audit committees are regulated by Regulation No. 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, the Law on the Audit of Financial Statements of the Republic of Lithuania, and the Rules Regulating the Activities of Audit Committees approved by the Bank of Lithuania

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
5.1.3. In the cases established by the legal acts the functions assigned to the committees formed at companies may be performed by the collegial body itself. In such case the provisions of this Code pertaining to the committees (particularly those related to their role, operation and transparency) should apply, where relevant, to the collegial body as a whole.	YES	Due to the nature of the company's operations, collegial bodies are not formed. Its management is delegated to the Management Company, which performs the functions of the Company's board and executive. In light of this, an independent audit committee is formed by the decision of the general shareholders' meeting. Due to the governance structure and delegation of management, nomination, and compensation committees are not formed.
5.1.4. Committees established by the collegial body should normally be composed of at least three members. Subject to the requirements of the legal acts, committees could be comprised only of two members as well. Members of each committee should be selected on the basis of their competences by giving priority to independent members of the collegial body. The chair of the management board should not serve as the chair of committees.		Pursuant to Clause 9 of the Schedule of Requirements for Audit Committee Members applicable to the Company, approved by Resolution No 03-14 of the Board of the Bank of Lithuania on 24 January 2017, the Company appoints 2 members of the Audit Committee, who are subject to the requirements of independence and work experience in the field of accounting or auditing financial statements.
5.1.5. The authority of each committee formed should be determined by the collegial body itself. Committees should perform their duties according to the authority delegated to them and regularly inform the collegial body about their activities and performance on a regular basis. The authority of each committee defining its role and specifying its rights and duties should be made public at least once a year (as part of the information disclosed by the Company on its governance structure and practice on an annual basis). In compliance with the legal acts regulating the processing of personal data, companies should also include in their annual reports the statements of the existing committees on their composition, the number of meetings and attendance over the year as well as the main directions of their activities and performance.		Since no collegial bodies are formed in the Company due to its status, the Audit Committee regulations, which define the powers of the Audit Committee, are approved by the decision of the general shareholders' meeting. According to the Company's Audit Committee regulations, the Audit Committee submits a written report on its activities to the annual general shareholders' meeting at least once per year.
5.1.6. With a view to ensure the independence and impartiality of the committees, the members of the collegial body who are not members of the committees should normally have a right to participate in the meetings of the committee only if invited by the committee. A committee may invite or request that certain employees of the Company or experts would participate in the meeting. Chair of each committee should have the possibility to maintain direct communication with the shareholders. Cases where such practice is to be applied should be specified in the rules regulating the activities of the committee.		According to the Company's Audit Committee regulations, the committee has the right to decide whether the Company's manager or the management company's CEO, the chief financial officer (or senior employees responsible for finance and accounting), the internal auditor, and the external auditor should participate in its meetings and, if so, when. The committee also has the opportunity to meet with the relevant individuals as needed, without the presence of executives or members of management bodies

5.2. Nomination committee

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
5.2.1. The key functions of the nomination committee should be the following: 1) to select candidates to fill vacancies in the membership of supervisory and management bodies and the administration and recommend the collegial body to approve them. The nomination committee should evaluate the balance of skills, knowledge and experience in the management body, prepare a description of the functions and capabilities required to assume a particular position and assess the time commitment expected; 2) assess, on a regular basis, the structure, size and composition of the supervisory and management bodies as well as the skills, knowledge and activity of its members, and provide the collegial body with recommendations on how the required changes should be sought; 3) devote the attention necessary to ensure succession planning.	NOT APPLICABLE	Due to the specifics of the Company's management and the delegation, Nomination committee are not formed.
5.2.2. When dealing with issues related to members of the collegial body who have employment relationships with the Company and the heads of the administration, the manager of the Company should be consulted by granting him/her the right to submit proposals to the Nomination Committee.	NOT APPLICABLE	Due to the specifics of the Company's governance structure and delegation of the management function, the Nomination committee is not formed.

5.3. Remuneration committee

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
The main functions of the remuneration committee should be as follows: 1) submit to the collegial body proposals on the remuneration policy applied to members of the supervisory and management bodies and the heads of the administration for approval. Such policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as conditions which would allow the Company to recover the amounts or suspend the payments by specifying the circumstances under which it would be expedient to do so; 2) submit to the collegial body proposals regarding individual remuneration for members of the collegial bodies and the heads of the administration in order to ensure that they would be consistent with the Company's remuneration policy and the evaluation of the performance of the persons concerned; 3) review, on a regular basis, the remuneration policy and its implementation.	NOT APPLICABLE	Due to the specifics of the Company's governance structure and delegation of the management function, the Remuneration committee is not formed..

5.4. Audit committee

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
5.4.1. The key functions of the audit committee are defined in the legal acts regulating the activities of the audit committee.	YES	The provisions of the Audit Committee comply with the requirements of European Union legislation regarding specific audit requirements set forth in the laws of public interest entities, the Republic of Lithuania Law on Audit of Financial Statements and Other Assurance Services, and provisions established by the Board of the Bank of Lithuania. Furthermore, in drafting the Audit Committee's regulations, consideration has been given to the applicable Corporate Governance Code. Members of the Audit Committee are briefed on the peculiarities of the Company's operations, and they are granted the right to access any documents and all other information necessary for the proper implementation of their functions, as well as to engage third parties for special investigations or other tasks. Comprehensive information related to specific accounting, financial, and operational aspects of the public interest entity is provided to the Audit Committee members. The Audit Committee is afforded the opportunity to decide on meetings or invite authorized representatives of the Company, individuals responsible for the Company's finances and accounting, as well as other individuals who, in the opinion of the Audit Committee members, can provide necessary information for the proper implementation of the Audit Committee's functions. The Audit Committee has the right to provide recommendations to the Company's general shareholders' meeting regarding the selection, appointment, or dismissal of the audit company, as well as the terms of the contract with the audit company. It is also responsible for establishing appropriate selection criteria for the audit company, assessing the auditors' qualifications and experience, requesting and evaluating information from the audit company on internal quality control procedures, and obtaining confirmation from the audit company regarding its knowledge, qualifications, and experience necessary to perform the assigned tasks. Additionally, the Audit Committee maintains ongoing cooperation with the auditors, receiving information on the auditors' work program, including the scope of financial statement audit tasks, the applied materiality level, and the process of identifying significant risks.
5.4.2. All members of the committee should be provided with detailed information on specific issues of the Company's accounting system, finances and operations. The heads of the Company's administration should inform the audit committee about the methods of accounting for significant and unusual transactions where the accounting may be subject to different approaches.		
5.4.3. The audit committee should decide whether the participation of the chair of the management board, the manager of the Company, the chief finance officer (or senior employees responsible for finance and accounting), the internal and external auditors in its meetings is required (and, if required, when). The committee should be entitled, when needed, to meet the relevant persons without members of the management bodies present.		
5.4.4. The audit committee should be informed about the internal auditor's work program and should be furnished with internal audit reports or periodic summaries. The audit committee should also be informed about the work program of external auditors and should receive from the audit firm a report describing all relationships between the independent audit firm and the Company and its group.		
5.4.5. The audit committee should examine whether the Company complies with the applicable provisions regulating the possibility of lodging a complaint or reporting anonymously his/her suspicions of potential violations committed at the Company and should also ensure that there is a procedure in place for proportionate and independent investigation of such issues and appropriate follow-up actions.		
5.4.6. The audit committee should submit to the supervisory board or, where the supervisory board is not formed, to the management board its activity report at least once in every six months, at the time that annual and half-yearly reports are approved.		

***Principle 6:* Prevention and disclosure of conflicts of interest**

The corporate governance framework should encourage members of the Company's supervisory and management bodies to avoid conflicts of interest and ensure a transparent and effective mechanism of disclosure of conflicts of interest related to members of the supervisory and management bodies.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
Any member of the Company's supervisory and management body should avoid a situation where his/her personal interests are or may be in conflict with the Company's interests. In case such a situation did occur, a member of the Company's supervisory or management body should, within a reasonable period of time, notify other members of the same body or the body of the Company which elected him/her or the Company's shareholders of such situation of a conflict of interest, indicate the nature of interests and, where possible, their value.	YES	The management role of the Company is assigned to the Management Company, which performs the functions of the Company's board and head of the Company. In accordance with the Conflict-of-Interest Prevention Policy approved by the Management Company of the Company, the Management Company must have an organizational structure that avoids conflicts of interest. When it is impossible to avoid conflicts of interest, the Management Company must ensure fair treatment of the Company's shareholders.

***Principle 7:* Remuneration policy of the Company**

The remuneration policy and the procedure for review and disclosure of such policy established at the Company should prevent potential conflicts of interest and abuse in determining remuneration of members of the collegial bodies and heads of the administration, in addition it should ensure the publicity and transparency of the Company's remuneration policy and its long-term strategy.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
7.1. The Company should approve and post the remuneration policy on the website of the Company; such policy should be reviewed on a regular basis and be consistent with the Company's long-term strategy.	YES	To the extent appropriate and relevant based on the Company's structure, the Company adheres to the remuneration policy approved by the Management Company's board.
7.2. The remuneration policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as the conditions specifying the cases where the Company can recover the disbursed amounts or suspend the payments.	YES	The Management Company's remuneration policy includes all types of compensation that can be provided, including fixed compensation and variable compensation (based on the Company's performance and/or that of the employee).
7.3. With a view to avoid potential conflicts of interest, the remuneration policy should provide that members of the collegial bodies which perform the supervisory functions should not receive remuneration based on the Company's performance.	NOT APPLICABLE	The management role of the Company is assigned to the Management Company, which performs the functions of the Company's board and head of the Company
7.4. The remuneration policy should provide sufficient information on the policy regarding termination payments. Termination payments should not exceed a fixed amount or a fixed number of annual wages and in general should not be higher than the non-variable component of remuneration for two years or the equivalent thereof. Termination payments should not be paid if the contract is terminated due to inadequate performance.	NOT APPLICABLE	The Company applies the Remuneration Policy of the Management Company, which does not include a severance pay policy.
7.5. In the event that the financial incentive scheme is applied at the Company, the remuneration policy should contain sufficient information about the retention of shares after the award thereof. Where remuneration is based on the award of shares, shares should not be vested at least for three years after the award thereof. After vesting, members of the collegial bodies and heads of the administration should retain a certain number of shares until the end of their term in office, subject to the need to compensate for any costs related to the acquisition of shares.	NOT APPLICABLE	The Company applies the Remuneration Policy of the Management Company, which does not include a financial incentive scheme.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
7.6. The Company should publish information about the implementation of the remuneration policy on its website, with a key focus on the remuneration policy in respect of the collegial bodies and managers in the next and, where relevant, subsequent financial years. It should also contain a review of how the remuneration policy was implemented during the previous financial year. The information of such nature should not include any details having a commercial value. Particular attention should be paid on the major changes in the Company's remuneration policy, compared to the previous financial year.	NOT APPLICABLE	The Management Company Remuneration Policy applies to the Company, when it is relevant. The Management Company's Remuneration Policy is published on the Management Company's website.
7.7. It is recommended that the remuneration policy or any major change of the policy should be included on the agenda of the general meeting of shareholders. The schemes under which members and employees of a collegial body receive remuneration in shares or share options should be approved by the general meeting of shareholders.	NOT APPLICABLE	The Management Company Remuneration Policy applies to the Company, when it is relevant. The Management Company's Remuneration Policy is published on the Management Company's website.

***Principle 8:* Role of stakeholders in corporate governance**

The corporate governance framework should recognize the rights of stakeholders entrenched in the laws or mutual agreements and encourage active cooperation between companies and stakeholders in creating the Company value, jobs and financial sustainability. In the context of this principle the concept "stakeholders" includes investors, employees, creditors, suppliers, clients, local community and other persons having certain interests in the Company concerned.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
8.1. The corporate governance framework should ensure that the rights and lawful interests of stakeholders are protected.	YES	The principles of conduct outlined in the Company's Code of Conduct and the Partners' Code of Conduct are designed to ensure that individuals representing the Company act in a manner that safeguards the rights and legitimate interests of stakeholders, without causing harm to their rights and interests.
8.2. The corporate governance framework should create conditions for stakeholders to participate in corporate governance in the manner prescribed by law. Examples of participation by stakeholders in corporate governance include the participation of employees or their representatives in the adoption of decisions that are important for the Company, consultations with employees or their representatives on corporate governance and other important matters, participation of employees in the Company's authorized capital, involvement of creditors in corporate governance in the cases of the Company's insolvency, etc.	NOT APPLICABLE	The Company has no employees. The Company provides opportunities for its investors (shareholders) to participate in the management of the Company, in accordance with the procedures specified in the Company's Articles of Association and legal acts.
8.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.	YES	The Company's shareholders receive information that is mandated by applicable laws and regulations, as well as any other relevant information deemed appropriate by the Management Company.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
8.4. Stakeholders should be provided with the possibility of reporting confidentially any illegal or unethical practices to the collegial body performing the supervisory function.	YES	The Management Company ensures that confidential reporting of any illegal or unethical practices is made possible. On the Management Company's website, stakeholders can report various instances of misconduct, including but not limited to violations of personal data protection, violations of laws and other regulations, the Management Company's policies, procedures, or instructions, which may harm the Management Company's reputation, employee, client, third-party health/safety, or public interests. The confidentiality of individuals submitting reports is ensured in all cases, in accordance with applicable laws.

<u>Principle 9:</u> Disclosure of information

The corporate governance framework should ensure the timely and accurate disclosure of all material corporate issues, including the financial situation, operations and governance of the Company.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
9.1. In accordance with the Company's procedure on confidential information and commercial secrets and the legal acts regulating the processing of personal data, the information publicly disclosed by the Company should include but not be limited to the following:	YES	The information mentioned below is disclosed in notifications of important events made available via the disclosure platform of the Nasdaq Vilnius Stock Exchange, on the Company's website, and in the Company's documents – annual and interim financial statements, to the extent necessary as per the applicable legal requirements and the International Financial Reporting Standards adopted in the European Union.
9.1.1. operating and financial results of the Company;	YES	The Company publishes interim and annual reports.
9.1.2. objectives and non-financial information of the Company;	YES	The Company publishes semi-annual and annual reports, the information is published as described above.
9.1.3. persons holding a stake in the Company or controlling it directly and/or indirectly and/or together with related persons as well as the structure of the group of companies and their relationships by specifying the final beneficiary;	NO	Information related to the Company's investors (shareholders) is not made available to the public.
9.1.4. members of the Company's supervisory and management bodies who are deemed independent, the manager of the Company, the shares or votes held by them at the Company, participation in corporate governance of other companies, their competence and remuneration;	YES	The Company does not have any collective bodies. The responsibility for management is assigned to the Management Company, whose Board and Manager information is published in the bi-annual and annual reports.
9.1.5. reports of the existing committees on their composition, number of meetings and attendance of members during the last year as well as the main directions and results of their activities;	NOT APPLICABLE	The Audit Committee submits a written report on its activities to the annual general shareholders' meeting at least once per year.
9.1.6. potential key risk factors, the Company's risk management and supervision policy;	YES	Financial reports include information about key risks and their management and oversight.
9.1.7. the Company's transactions with related parties;	YES	Information on the Company's transactions with related parties and the Management Company is disclosed in the financial statements

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
9.1.8. main issues related to employees and other stakeholders (for instance, human resource policy, participation of employees in corporate governance, award of the Company's shares or share options as incentives, relationships with creditors, suppliers, local community, etc.);	YES	Due to the status of the Company, the Company has no employees. Management has been assigned to the Management Company.
9.1.9. structure and strategy of corporate governance;	YES	The Company's strategy is stated in its Articles of Association, which are published on the Management Company's website.
9.1.10. initiatives and measures of social responsibility policy and anti-corruption fight, significant current or planned investment projects. This list is deemed minimum and companies are encouraged not to restrict themselves to the disclosure of information included into this list. This principle of the Code does not exempt companies from their obligation to disclose information as provided for in the applicable legal acts.	YES	The Company's Code of Conduct, Partner Code of Conduct, Environmental and Social Policy, and other approved procedures or policies set forth the main initiatives, principles, and measures related to corporate social responsibility, anti-corruption efforts, and initiatives. Significant ongoing or planned investment projects are disclosed in the financial reports.
9.2. When disclosing the information specified in paragraph 9.1.1 of recommendation 9.1, it is recommended that the Company which is a parent Company in respect of other companies should disclose information about the consolidated results of the whole group of companies.	NOT APPLICABLE	The Company meets the definition of an investment entity under International Financial Reporting Standards and therefore discloses its subsidiaries in financial statements at fair value through profit or loss.
9.3. When disclosing the information specified in paragraph 9.1.4 of recommendation 9.1, it is recommended that the information on the professional experience and qualifications of members of the Company's supervisory and management bodies and the manager of the Company as well as potential conflicts of interest which could affect their decisions should be provided. It is further recommended that the remuneration or other income of members of the Company's supervisory and management bodies and the manager of the Company should be disclosed, as provided for in greater detail in Principle 7.	YES	The Company has not formed any collegial bodies, and the management function has been assigned to Management Company. Details regarding the Management Company's Board and the Company's Manager are published in the semi-annual and annual reports.
9.4. Information should be disclosed in such manner that no shareholders or investors are discriminated in terms of the method of receipt and scope of information. Information should be disclosed to all parties concerned at the same time.	YES	The Company publishes the Company's information on the Nasdaq Vilnius regulated announcement distribution platform and on its website.

Principle 10: Selection of the Company's audit firm

The company's audit firm selection mechanism should ensure the independence of the report and opinion of the audit firm.

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
10.1. With a view to obtain an objective opinion on the Company's financial condition and financial results, the Company's annual financial statements and the financial information provided in its annual report should be audited by an independent audit firm.	YES	The Company is audited by an independent auditor uždaroji akcinė bendrovė "PricewaterhouseCoopers".

Principles/ Recommendations	Yes/No/ Not Applicable	Commentary
10.2. It is recommended that the audit firm would be proposed to the general meeting of shareholders by the supervisory board or, if the supervisory board is not formed at the Company, by the management board of the Company	YES	The Management Company presents the candidate of the audit firm for consideration to the General Meeting of Shareholders.
10.3. In the event that the audit firm has received remuneration from the Company for the non-audit services provided, the Company should disclose this publicly. This information should also be available to the supervisory board or, if the supervisory board is not formed at the Company, by the management board of the Company when considering which audit firm should be proposed to the general meeting of shareholders.	NOT APPLICABLE	In 2024 the audit firm did not provide any other services to the Company.

CONFIRMATION OF RESPONSIBLE PERSONS

15 April 2025

Following the Information Disclosure Rules of the Bank of Lithuania and the Law on Securities (Article 12) of the Republic of Lithuania, management of UAB Atsinaujinančios energetikos investicijos, a closed-end investment company intended for informed investors hereby confirms that, to the best of our knowledge, the attached Company's Financial statements for 2024 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, give true and fair view of the assets, liabilities, financial position and profit or loss of Company. Presented Annual Report for 2024 includes a fair review of the development and performance of the business and position of the company and its companies' group in relation to the description of the main risks and contingencies faced thereby.

Mantas Auruškevičius Company's manager signs the Company's and Group' financial statements for 2024, also Annual report for 2024 and Confirmation of responsible persons with a qualified electronic signature. **Vilma Tvaronavičienė** Director of Management Company signs the Company's and Group' financial statements for 2024 and Confirmation of responsible persons with a qualified electronic signature.	**Miglė Budreikaitė** Representative of company providing accounting services signs the Company's and Group' financial statements for 2024 and Confirmation of responsible persons with a qualified electronic signature.

Director of Management Company	*Vilma Tvaronavičienė*
Company's manager	*Mantas Auruškevičius*
Representative of company providing accounting services	*Miglė Budreikaitė*

Independent auditor's report

To the shareholders of Uždaro tipo informuotiesiems investuotojams skirta investicinė bendrovė UAB „Atsinaujinančios Energetikos Investicijos"

Report on the audit of the separate and consolidated financial statements

Our opinion

In our opinion, the separate and consolidated financial statements give a true and fair view of the separate and consolidated financial position of Uždaro tipo informuotiesiems investuotojams skirta investicinė bendrovė UAB „Atsinaujinančios Energetikos Investicijos" (the "Company") and its subsidiaries (together - the "Group") as at 31 December 2024, and of the Company's and of the Group's separate and consolidated financial performance and separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee dated 15 April 2025.

What we have audited

The Company's and the Group's separate and consolidated financial statements comprise:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

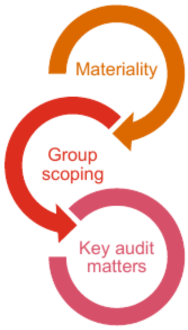
We are independent of the Company and the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services that are relevant to our audit of the separate and consolidated financial statements in the Republic of Lithuania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Company and the Group are in accordance with the applicable law and regulations in the Republic of Lithuania and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014 considering the exemptions of Regulation (EU) No 537/2014 endorsed in the Law of the Republic of Lithuania on the Audit of Financial Statements and Other Assurance Services.

There were no non-audit services that we have provided to the Company and the Group, in the period from 1 January 2024 to 31 December 2024.

Our audit approach

Overview



- Overall Group and Company materiality: EUR 980 thousand and EUR 980 thousand respectively.

- Our group audit included full-scope audit of the parent and specified audit procedures on components, representing 100% of the Group's total assets, 100% of the Group's total liabilities, and 100% of the Group's total revenue and epxenses.

- Valuation of Investment assets at fair value through profit or loss

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the separate and consolidated financial statements (together "the financial statements"). In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Company and Group materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the financial statements as a whole.

Overall Company materiality	EUR 980 thousand

Overall Group materiality	EUR 980 thousand
How we determined it	1% of net assets
Rationale for the materiality benchmark applied	We applied a benchmark of 1% of net assets because the Company's and the Group's core line of business is management of investments. Accordingly, net assets is the most relevant measure of financial position and financial performance. The selected threshold aligns with a common industry practice and ensures sufficient focus on valuation and related disclosures, and addresses users' primary concern: the accuracy of the Company's and the Group's net asset values.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above EUR 49 thousand, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment assets at fair value through profit or loss *Refer to page 24 (Significant accounting estimates and judgements section), and page 29 (Note 1) of financial statements.* We focused on this area due to a significant balance of *Investment assets at fair value through profit or loss* (amounting to EUR 159,902 thousand as at 31 December 2024), significant judgements made by the management in relation to key assumptions used in determining the fair values of the Company's and the Group's investment assets, and the valuation techniques applied. The Group and the Company hold a portfolio of unquoted investments measured at fair value, determined by external appraisers using various approaches, including the income approach and net assets approach. These valuation techniques involve significant judgment and complex estimates,	We reviewed and challenged the management's valuation of *Investment assets at fair value through profit or loss*, as well as the valuation process. In particular, we focused on whether the valuations were carried out in line with the internal procedure for key assumptions and valuation techniques, and whether they were timely monitored and challenged by the management and consistent with the Company's and the Group's Board decisions. We compared the actual results of the applied assumptions against the historical information on measurement of *Investment assets at fair value through profit or loss* using the income approach, to consider whether any forecasts included assumptions that, with hindsight, were optimistic or pessimistic. We consider that, overall, the management's significant judgements about key assumptions applied and valuation techniques selected were appropriate, and that they were appropriately disclosed in Note 1 *Investment assets at fair value through profit or loss*. In relation to valuation of investment assets under the combination of income and net asset approach, in particular PV Energy Projects sp. z o. o.; PL Sun sp. z o. o.; Zala Elektriba SIA; UAB Žaliosios investicijos, we

particularly around discount rates and the assumptions used in forecasted cash flows of the underlying investments. As such, there is considerable estimation uncertainty that can materially affect both the carrying values in the statements of financial position and the net changes in fair value recognized in profit or loss. Given these factors, we identified valuation of this investment portfolio as an area of heightened audit focus and a key audit matter.	challenged the key assumptions and data used by the management in: • wind and solar energy generation forecasts, by comparing them against the historical actual results, economic and industry forecasts, the Company's and technical due diligence reports; and • energy price forecasts, by evaluating and verifying the inputs and their sources, and comparing them against economic and industry forecasts; and • capital expenditure forecasts for PV Energy Projects sp. z o. o., PL Sun sp. z o. o., Zala Elektriba SIA, by evaluating the estimated costs to complete and comparing them against the signed contracts and historical costs of similar assets developed; and • determining the discount rate, by assessing the cost of capital for the Company and comparable organisations, as well as considering territory specific factors; and • the managements' decisions with respect to specific valuation methods applied, and in particular, inflation calculation formula, mid-year discounting, terminal value; and • verified the mathematical accuracy of the net assets-based valuation model and assessed reliability of data used. In relation to valuation of investment assets under the net assets approach, in particular UAB Ekoelektra, UAB JTPG, UAB KNT Holding, UAB Nimela, Zalais Speks SIA, UAB PV Holding and UAB Pakruojo Vėjas, we verified the mathematical accuracy of the net assets-based valuation model and assessed reliability of input data used. We found that the management's significant judgments and key assumptions were consistent and in line with our expectations. We reperformed the management's sensitivity analysis in respect of the key assumptions and inputs used in determination of investment assets fair value. Our audit procedures in the above-mentioned area were performed with the assistance of our own valuation specialists.

How we tailored our Company and Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company and the Group, the accounting processes and controls, and the industry in which the Company and the Group operate.

The Group consists of two entities: the parent company and a subsidiary that is insignificant in the context of the consolidated financial statements. Given this structure, our audit approach focused primarily on the parent company, which represents the majority of the Group's assets, liabilities, and financial performance. We performed a full-scope audit of the parent company, covering all material account balances, transactions, and disclosures. For the subsidiary, given its immaterial impact on the Group's financial statements, we performed specified procedures over administrative expenses. This approach allowed us to obtain sufficient and appropriate audit evidence to form our opinion on the consolidated financial statements as a whole.

Reporting on other information including the consolidated management report

Management is responsible for the other information. The other information comprises the consolidated management report, including the information on corporate governance and remuneration matters (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information, including the consolidated management report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the consolidated management report, including the information on corporate governance and remuneration matters, we considered whether it includes the disclosures required by the Law of the Republic of Lithuania on Reporting by Undertakings and Groups of Undertakings.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the consolidated management report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the consolidated management report, including the information on corporate governance and remuneration matters , has been prepared in accordance with the Law of the Republic of Lithuania on Reporting by Undertakings and Groups of Undertakings.

In addition, in light of the knowledge and understanding of the Company and the Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the consolidated management report which we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company and the Group as a basis for forming an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Report on the compliance of the format of the separate and consolidated financial statements with the requirements of the European Single Electronic Reporting Format

We have been engaged based on our audit agreement by the management of the Company to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the European single electronic reporting format of the Company's separate and the Group's consolidated financial statements, including the consolidated management report, for the year ended 31 December 2024 (the "Single Electronic Reporting Format of the separate and consolidated financial statements").

Description of a subject matter and applicable criteria

The Single Electronic Reporting Format of the separate and consolidated financial statements has been applied by the management of the Company to comply with the requirements of art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Single Electronic Reporting Format of the separate and consolidated financial statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Single Electronic Reporting Format of the separate and consolidated financial statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the management and those charged with governance

The management of the Company is responsible for the application of the Single Electronic Reporting Format of the separate and consolidated financial statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in iXBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the Single Electronic Reporting Format of the separate and consolidated financial statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process, which should also be understood as the preparation of financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Single Electronic Reporting Format of the separate and consolidated financial statements complies, in all material aspects, with the ESEF Regulation.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (“ISAE 3000 (R)”). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Single Electronic Reporting Format of the separate and consolidated financial statements complies, in all material aspects, with the applicable requirements.

Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance ISAE 3000 (R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Single Electronic Reporting Format of the separate and consolidated financial statements was applied, in all material aspects, in accordance with the applicable requirements and such application is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the Single Electronic Reporting Format of the separate and consolidated financial statements, including the preparation of the XHTML format and marking up the separate and consolidated financial statements;
- verification whether the XHTML format was applied properly;
- evaluating the completeness of marking up the separate and consolidated financial statements using the iXBRL markup language according to the requirements of the implementation of single electronic format as described in the ESEF Regulation;
- evaluating the appropriateness of the Company’s and the Group’s' use of XBRL markups selected from the ESEF taxonomy and the creation of extension markups where no suitable element in the ESEF taxonomy has been identified; and
- evaluating the appropriateness of anchoring of the extension elements to the ESEF taxonomy.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, the Single Electronic Reporting Format of the separate and consolidated financial statements for the year ended 31 December 2024 complies, in all material aspects, with the ESEF Regulation.

Appointment

We were first appointed as auditors of the Group on 12 August 2024. Our appointment represents engagement appointment for the first year.

The key audit partner on the audit resulting in this independent auditor’s report is Rimvydas Jogėla.

On behalf of PricewaterhouseCoopers UAB

Rimvydas Jogėla
Partner
Auditor's Certificate No.000457

Vilnius, Republic of Lithuania
15 April 2025

The auditor's electronic signature is used herein to sign only the Independent Auditor's Report