



# Notice of the Annual General Meeting of Shareholders

28 February 2023



## Annual General Meeting of Shareholders of AB “Ignitis grupė”

On 28 February 2023, the Management Board of AB “Ignitis grupė” (hereinafter – the Group or the Company), company code: 301844044, registered office address: Laisvės Ave. 10, Vilnius, decided to convene the Annual General Meeting (hereinafter – AGM) of Shareholders, to be held on

**30 March 2023, 13.00 pm (Vilnius time) at**

**Business Garden Vilnius verslo centras, Laisvės Ave. 10, Vilnius, LT-04215**

**Registration starts at 12.00 pm and closes at 12.45 pm (Vilnius time)**

The agenda for the AGM of Shareholders and proposed resolutions are as follows:

| No. | Item  | Proposed resolution   | Arguments              |
|-----|---|---|------------------------|
| 1.  | Regarding agreement to AB “Ignitis grupė” consolidated annual report for the year 2022, except for the part of the remuneration report.   | 1.1. To agree to AB “Ignitis grupė” consolidated annual report for the year 2022, except for the part of the remuneration report.   | <a href="#">(link)</a> |
| 2.  | Regarding agreement to the remuneration report of AB “Ignitis grupė”, as part of the consolidated annual report of AB “Ignitis grupė” for the year 2022.  | 2.1. To agree to the remuneration report of AB “Ignitis grupė”, as part of the consolidated annual report of AB “Ignitis grupė” for the year 2022.  | <a href="#">(link)</a> |
| 3.  | Regarding the approval of the set of audited annual financial statements of AB “Ignitis grupė” and the set of consolidated financial statements of AB “Ignitis grupė” group of companies for the year 2022. | 3.1. To approve the set of audited annual financial statements of AB “Ignitis grupė” and the set of consolidated financial statements of AB “Ignitis grupė” group of companies for the year ended 31 December 2022.   | <a href="#">(link)</a> |
| 4.  | Regarding the allocation of profit (loss) of AB “Ignitis grupė” for the year 2022.  | 4.1. To allocate AB “Ignitis grupė” profit (loss) for the year 2022 (attached).   | Annex 1                |
| 5.  | Regarding agreement to the allocation of aid to Ukraine.  | 5.1. To agree to the allocation of EUR 12 million in aid for the recovery and reconstruction of Ukraine's energy infrastructure in accordance with the requirements and procedures laid down in the legal acts of the Republic of Lithuania. This decision shall enter into force from the date of entry into force of the amendments to the legal acts of the Republic of Lithuania regulating the allocation of such aid. | Annex 2                |

## Other information

### Share capital and voting rights

The Group's share capital is EUR 1,616,445,476.80, divided into 72,388,960 ordinary registered shares with a nominal value of EUR 22.33 per share. Each share carries one vote.

### Agenda

The agenda of the AGM of Shareholders of the Group may be supplemented on the initiative of shareholders whose shares held in the Group carry at least 1/20 of all votes at the AGM of Shareholders of the Group. The proposal to supplement the agenda of the respective AGM of Shareholders shall be accompanied by draft resolutions or, where no resolutions have to be passed, by explanations on each proposed agenda item of the AGM of Shareholders. The agenda shall be supplemented if the proposal is received no later than 14 days before the respective AGM of Shareholders.

Shareholders whose shares held in the Group carry at least 1/20 of all votes at the AGM of Shareholders shall have the right to propose, at any time before or during the AGM of Shareholders of the Group, new draft resolutions on issues that are included or will be included in the agendas of the AGM of Shareholders of the Group. Proposals on the supplementation of the respective agenda or relevant draft resolutions shall be submitted in writing to the Group, Laisvės Ave. 10, Vilnius, or by e-mail [IR@ignitis.lt](mailto:IR@ignitis.lt).

### Record date of attendance and voting rights

Shareholders holding shares in the Group on the fifth business day before the date of the AGM of Shareholders (record date) are entitled to attend and vote at the AGM of Shareholders.

The date of registration (or record date) is 23 March 2023. At the end of the date of registration, the shareholding and voting rights are determined based on the ownership recorded in the shareholders' register. Furthermore, attendance at the AGM of Shareholders is at the discretion of the shareholder.

### Voting

A shareholder or his authorised representative who is unable to attend the AGM of Shareholders may vote in writing in advance (by filling in and submitting the general ballot paper).

#### **Obtaining a general ballot paper**

- It may be downloaded from the Group's website: <https://ignitisgrupe.lt/en/gm>
- Upon a written request, the Group shall send a general ballot paper by registered mail or deliver it to the shareholder with a signed acknowledgement of receipt at least 10 days prior (or by 20 March 2023) to the AGM of Shareholders

#### **Ways of submitting a general ballot paper**

- A general ballot paper, completed and signed by qualified electronic signature, shall be submitted by emailing [IR@ignitis.lt](mailto:IR@ignitis.lt)  
or
- A general ballot paper, completed and signed by qualified electronic signature, shall be submitted to the Group by registered mail or delivered to AB "Ignitis grupė", Laisvės Ave. 10, Vilnius, LT-04215, Lithuania, attn. Ainė Riffel-Grinkevičienė, no later than before the AGM of Shareholders, i.e., no later than 30 March 2023, 12.45 pm.

**Important:** if the general ballot paper is signed by an authorised person, a document confirming the right to vote must be submitted as well.

- Detailed instructions on signing and submitting the general ballot paper to the Group are also available on the Group's website: <https://ignitisgrupe.lt/en/gm>

The Group shall reserve the right not to include the advance vote of a shareholder or his/her authorised representative, if the submitted general ballot papers do not conform to the provisions of Article 30(3) and (4) of the Law on Companies of the Republic of Lithuania or they are received after the end of deadline or filled in such manner that it is impossible to establish the true will of the shareholder on a separate issue.

## ***Voting under the power of attorney***

Persons shall have the right to vote under the power of attorney in the AGM of Shareholders. Power of attorney shall state in a written document that one person (the principal) grants to another person (the authorised representative) the right to represent the principal in establishing and maintaining relation with the third party. An authorisation to perform actions on behalf of a natural person that pertain to legal entities must be notarised, except in cases provided by the law and authorising the granting an authorisation in any other form. A power of attorney issued abroad must be translated into Lithuanian and legalized in accordance with the procedure established by law. The Group does not establish a special form of power of attorney. Authorised representatives must hold the power of attorney as provided by law, which must be submitted before the AGM of Shareholders. The authorised representative shall enjoy the same rights in the convened AGM of Shareholders as his/her represented shareholder would.

Shareholders entitled to attend the AGM of Shareholders shall have the right to authorise a natural person or a legal entity using electronic means of communication to attend and vote on their behalf at an AGM of Shareholders. Such authorisation does not need to be notarised. The Group shall acknowledge authorisation granted by electronic means of communication only if the shareholder signs it by electronic signature generated by safe software and certified by a qualified certificate applicable in the Republic of Lithuania, i.e., if the security of the conveyed information is ensured and the identity of the shareholder can be established. The shareholder must notify the Group in writing about granted authorisation by electronic means of communication by sending an authorisation by e-mail to [IR@ignitis.lt](mailto:IR@ignitis.lt) no later than until the AGM of Shareholders.

## **Questions**

Any shareholder of the Group may present questions related to the agenda of the AGM of Shareholders of the Group. Such questions must be submitted by e-mail to [IR@ignitis.lt](mailto:IR@ignitis.lt) or delivered to the Group, Laisvės Ave. 10, Vilnius, Lithuania, attn. Ainė Riffel-Grinkevičienė no later than 3 working days (or by 27 March 2023 inclusive) before the AGM of Shareholders. After receiving the questions, the answers will be provided to the Group's shareholders in accordance with the procedure established by the Law on Companies of the Republic of Lithuania, i.e., at the same time for all shareholders of the Group prior to the AGM of Shareholders in the form of questions and answers on the website of the Group at <https://ignitisgrupe.lt/en/gm>.

## **Webcast**

The AGM of Shareholders will not be webcasted.

## **Language**

The AGM of Shareholders will be held in Lithuanian with simultaneous interpretation to English.

## **Available information**

All statutory information related to the convened AGM of Shareholders and annexes to issues on the agenda of such meeting will be available on the website of the Group at <https://ignitisgrupe.lt/en/gm> and other informational sources based on the procedures established by law.

## **Other information**

The Group CEO, the Group CFO, members of the Management Board, and members of the Supervisory Board are entitled to attend and speak at the AGM. During this AGM, both the Group's CEO and the Group's CFO will participate in the meeting.

Electronic means of communication shall not be used for the participation and voting at the AGM of Shareholders.

## Annex 1: AB “Ignitis grupė” draft of the profit (loss) allocation 2022

| Articles  | Amount, EUR           |
|---|-----------------------|
| <b>Retained profit (loss) at the end of 2021</b>  | <b>230,145,970.06</b> |
| - share of profit allocated to legal reserve  | (11,577,890.00)       |
| - share of profit allocated to reserve for the purchase of own shares                               | (14,659,965.00)       |
| - share of profit allocated to pay out dividends for the period of 2021                             | (87,577,441.27)       |
| <b>Net profit for the year 2022</b>   | <b>102,548,198.24</b> |
| - profit (loss) not recognized in the income statement  | 5,392,806.84          |
| - transfer from other reserves  | 0.00                  |
|   |                       |
| <b>Distributable profit (loss) at the end of 2022, total</b>  | <b>224,271,678.87</b> |
| - share of profit allocated to legal reserve  | (5,127,409.91)        |
| - share of profit allocated to reserve for the purchase of own ordinary registered shares           | 0.00                  |
| <b>Share of profit for the allocation of dividends</b>  | <b>219,144,268.96</b> |
| - share of profit allocated to pay out dividends for the period 2022.01.01 – 2022.06.30             | (45,170,711.04)       |
| - share of profit allocated to pay out dividends for the period 2022.07.01 – 2022.12.31             | (45,170,711.04)       |
| <b>Retained profit (loss) at the end of 2022 remaining after profit allocation, brought forward</b> | <b>128,802,846.88</b> |
|   |                       |
| <b>Dividends per share for the period of 2022.07.01 – 2022.12.31</b>                                | <b>0.624</b>          |
| Number of shares for the distribution of dividends for the period of 2022.07.01 - 2022.12.31        | 72,388,960            |

## Annex 2: Regarding agreement to the allocation of aid to Ukraine

The Group's Management Board proposes to the Annual General Meeting of Shareholders to agree on the allocation of EUR 12 million of additional profit earned in 2022 from Green Generation as aid to recover and reconstruct energy infrastructure of Ukraine. On 24 February 2023, the Supervisory Board of the Group provided a positive comment to such proposal by the Group's Management Board.

Based on the Group's management assessment, additional profit earned in 2022 from Green Generation amounts to EUR 114.2 million and is calculated as per below:

1. in the [Annual report 2021](#) announced on the 28 February 2022, the Group provided Adjusted EBITDA guidance for 2022 in the range of EUR 290–335 million;
2. the actual audited Adjusted EBITDA for 2022 reached EUR 469.3 million or EUR 134.3 million more compared to the higher end of the provided guidance range, i.e., EUR 335 million;
3. a nominal profit tax rate in Lithuania of 15% was applied for a difference of the actual 2022 Adjusted EBITDA result versus the initial guidance (EUR 134.3 million), thus arriving at EUR 114.2 million ( $134.3 \times 0.85 = 114.2$ ).

Hence, 10% or EUR 11.4 million of additional profit earned in 2022 from Green Generation rounded up is EUR 12 million, which is proposed to be allocated to Ukraine. The Group believes that the main cause of energy sector companies additional profits earned in 2022 is the war in Ukraine. Hence, companies should make their best efforts in supporting the country.

All the remaining additional profit earned in 2022 from Green Generation (EUR 102.2 million out of EUR 114.2 million), as [committed](#) in Q4 2022, will be reinvested into building new energy infrastructure in Lithuania to contribute to ensuring Lithuania's energy security and green transition.

It should be noted that the allocation of aid to Ukraine is possible only after the amendments to the legal acts of the Republic of Lithuania regulating the provision of such aid come into force, therefore, the proposal of the Management Board to the Annual General Meeting of Shareholders is conditional and it would be implemented from the date of entry into force of the amendments to the legal acts of the Republic of Lithuania regulating the allocation of such aid.