Consolidated Annual Management Report 2024

AKROPOLIS GROUP, UAB

AKROPOLIS
REAL ESTATE DEVELOPMENT & MANAGEMENT COMPANY

Akropolis Group at a Glance

Who We Are

Akropolis Group (AKROPOLIS GROUP, UAB) companies, with over 20 years of history, operate in Lithuania and Latvia and firmly hold the leading position in the Baltic market for shopping and entertainment centres.

Akropolis Group manages five shopping and entertainment centres Akropolis: three in Lithuania – in Vilnius, Klaipėda and Šiauliai, and two in Latvia – Akropole Riga and Akropole Alfa in Riga. Welcoming visitors with popular international and local brand shops, services and entertainment venues, the centres managed by the Group (AKROPOLIS GROUP, UAB and its direct and indirect subsidiaries) are leaders in the cities they operate.

2024 was a year of stable and successful business. The five Akropolis centres managed by the Group in Lithuania and Latvia welcomed more than 44 million visitors, and the tenant turnover exceeded EUR 1.2 billion. Akropolis Group generated record revenue – the consolidated EBITDA of the Group nearly reaching EUR 88 million. The shopping centres managed by the Group facilitated the opening of more than 130 new and renovated shops, service and entertainment venues. All Akropolis centres have maintained low vacancy rates.

The Group is developing new investment projects with a particular focus on the development of the multifunctional complex Akropolis Vingis in Vilnius, along with refurbishment of existing shopping centres.

In November 2024, Gabrielė Sapon, formerly the CFO of the company, was appointed as the CEO of Akropolis Group. Nerijus Maknevičius, who was the CEO and the Chairman of the Board until then, continues as the Chairman of the Board. The Board members of Akropolis Group are: Nerijus Maknevičius (Chairman), Gabrielė Sapon, and Akvilė Mackay. To strengthen the management of the shopping centres operating in Latvia, in September 2024, Kaspars Beitiņš was appointed as the CEO of SIA Akropole Latvija (formerly known as SIA Akropole Rīga until 1 October 2024).

Akropolis Group issued a five-year Eurobond of EUR 300 million in 2021. The Group's credit and borrowing ratings are regularly reviewed by international rating agencies. On 27 May 2024, S&P Global Ratings confirmed BB+ rating with a stable outlook granted to Akropolis Group, and on 17 July 2024, Fitch Ratings confirmed BB+ credit rating with a stable outlook. Akropolis Group has launched a Green Finance Framework (the "Framework"), which creates an even closer link between the company's sustainability objectives and its financial activities. The Framework provides an opportunity to finance or refinance projects that meet the sustainability criteria outlined in the Framework, including green buildings, through a variety of Green Finance Instruments. A world-renowned Environmental, Social and Governance (ESG), rating, and data provider Sustainalytics assessed the Framework, its compliance with relevant industry standards, and provided a positive Second Party Opinion (SPO), confirming that the Framework is credible and impactful.

Akropolis Group places significant emphasis on sustainability and reducing its environmental impact. Akropolis centres are certified in accordance with international sustainability standard BREEAM. Certification of shopping centres is a part of the Akropolis Group ESG programme, which focuses on environmental protection, social responsibility and corporate governance. Following the recent certification in Vilnius, Klaipėda and Šiauliai, as of January 2025, all five shopping centres managed by the Group have BREEAM 'Very Good' certificates.

Since 2023, the Group has held international ISO environmental (ISO 14001) and occupational safety and health (ISO 45001) certificates for its activities in holding company operations, real estate development, management, and leasing. These ISO certificates confirm Akropolis Group's compliance with rigorous quality control and management, environmental, sustainability, and safe working environment standards, according to which it provides services to its business clients and partners.

S&P Global Ratings	Long-term rating: **BB+** Outlook: **Stable**
FitchRatings	Long-term rating: **BB+** Outlook: **Stable**

Map of Activities

Gross leasable area, sq. m

Akropolis Vilnius	96,661
Akropolis Klaipėda	60,442
Akropolis Šiauliai	36,145
Akropole Riga	71,144
Akropole Alfa	71,195

Fair value, k EUR

Akropolis Vilnius	339,300
Akropolis Klaipėda	213,100
Akropolis Šiauliai	78,800
Akropole Riga	201,990
Akropole Alfa	208,770

EBITDA*, k EUR

Akropolis Vilnius	27,764
Akropolis Klaipėda	18,122
Akropolis Šiauliai	7,861
Akropole Riga	17,936
Akropole Alfa	17,940

*before IFRS16 lease incentive impact

Letter of the CEO

Gabrielė Sapon
CEO of Akropolis Group

2024 was a year of stable and successful business for the shopping and entertainment centres managed by Akropolis Group. Five Akropolis centres managed by the Group in Lithuania and Latvia welcomed more than 44 million of visitors per year and the tenants' turnover exceeded EUR 1.2 billion.

Close cooperation with the tenants is the basis of our successful performance. We are pleased that Akropolis centres tend to be chosen both by brands entering the Baltic States for their first shops and by brands favoured by our visitors for their development and opening of their latest-concept stores. Seeking to foster long-term partnerships and start new ones, we have significantly expanded the range of shops, services and entertainment at Akropolis. In 2024, more than 130 new and revamped stores were opened. Both in 2025 and beyond, we are committed to further growing the Group 's results by adapting to market demands as well as initiating new trends in our sector.

In 2024, while striving to enhance the visitor experience and comfort for all family members, we placed significant focus on the refurbishment and expansion of our shopping centres. The interior design renovation project for the common areas at Akropolis Klaipėda, which lasted over a year, has been completed. During the project, over 11,000 sq. m of common space were renovated. Along with this project, the tenants have also implemented important changes and renovations: in September, after a major revamp, the largest Maxima supermarket in Western Lithuania reopened to the public; to enhance the entertainment options, the new trampoline and entertainment park Jumpland, along with new-concept entertainment operator Action! by Apollo began operations in the autumn. In the summer of 2024, a new building covering 480 sq. m was built at Akropolis Vilnius, integrating new premises with the existing facility. In August, the new building became home to an expanded, new-concept Sportland store, the largest in Lithuania. We are also focused on implementing further improvements - three out of five shopping centres now offer modern, secure and free-of-charge playgrounds for children, and we are continuing to renovate and expand childcare facilities. The renovation of the common areas of the second floor of Akropolis Vilnius is currently underway.

In 2024, Akropolis Group achieved record-high revenue, with the Group's consolidated EBITDA nearing EUR 88 million. We have maintained exceptionally low vacancy rates across all our shopping centres.

In 2025, we will continue to strengthen our leadership in the shopping centre market across Lithuania and Latvia. Our aim is to attract new brands to Akropolis, enhance the visitor experience, and create added value for both our visitors and tenants. We pay attention to community building – working closely with tenants and partners to actively expand the range of events organised across our shopping centres.

We will continue to develop new investment projects, including the multifunctional project Akropolis Vingis in Vilnius. In 2024, we obtained a document permitting construction for the complex itself, and we are currently awaiting approval and a document permitting construction for the final phase of the external traffic infrastructure improvement project. Upon receipt of this permit, the Group will prepare detailed project implementation plans and will select optimal financing solutions.

Last year, we placed special emphasis on implementing the Akropolis Group sustainability policy, developed and approved in 2023, with a strong focus on sustainable practices and reducing environmental impact. As of 2025, all five shopping centres within the Group have been awarded 'Very Good' certification under the international building sustainability standard BREEAM.

BB+ ratings with a stable outlook, granted to Akropolis Group by the international rating agencies S&P Global Ratings and Fitch Ratings last year, confirm the operational stability of the Group and assure about its future performance.

The Group is prepared to adapt to dynamic market conditions, making decisions that drive growth and increase the value of the managed shopping centres. We are confident that we will maintain our leadership status and continue to offer stores and services of the most relevant brands, as well as memorable shopping and leisure experiences to millions of visitors daily.

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Highlights

Q1 2024

On 15 January	Sanita Krīgere was appointed as the Manager of the shopping and entertainment centre Akropole Alfa.
On 16 January	Start of construction of a new 480 sq. m building near Akropolis Vilnius.
On 19 January	A trail at Neris riverbank, landscaped near Akropolis Group and Galio Group, was opened for the Vilnius citizens.
On 15 February	Matas Kasperavičius was appointed member of the Audit Committee of Akropolis Group.
On 8 March	The shopping and entertainment centres Akropolis became pet-friendly.

Q2 2024

On 27 May	S&P Global Ratings confirmed BB+ rating with a stable outlook granted to Akropolis Group.

Q3 2024

On 17 July	Fitch Ratings confirmed BB+ credit rating with a stable outlook granted to Akropolis Group.
On 26 August	Construction of a new building near Akropolis Vilnius was completed – now it is home for the expanded and revamped Sportland shop.
On 30 August	A document permitting construction was obtained for the multifunctional complex Akropolis Vingis.
On 5 September	Kaspars Beitiņš was appointed as the CEO of SIA Akropole Rīga.

Q4 2024

On 1 October	SIA Akropole Rīga was renamed as SIA Akropole Latvija.
On 9 October	Shopping and entertainment centres Akropolis were adapted for more convenient shopping experience for individuals with invisible disabilities.
On 22 November	A document permitting construction was issued for the infrastructure project at Eigulių street, adjacent to the complex Akropolis Vingis.
On 28 November	G. Sapon was appointed as the new CEO of Akropolis Group, N. Maknevičius continued as the Chairman of the Board.
On 20 December	The renovation of the interior design of the shopping and entertainment centre Akropolis Klaipėda has been completed.

After the reporting period

On 21 January	All the shopping and entertainment centres Akropolis in Lithuania were granted international BREEAM In-Use building sustainability certificates "Very Good".
On 10 February	Renovation of the common spaces on the second floor of Akropolis Vilnius has started.
On 28 February	Akropolis Group released a Green Finance Framework and received a positive Second Party Opinion (SPO).

Business environment

The economic indicators of Lithuania and Latvia in 2024 differed significantly. This can be attributed to the varying trends in inflation, unemployment and private consumption observed across the Baltic States.

At the end of 2024, Lithuania experienced 2.2% GDP growth. Projections indicate that the growth in 2025 and 2026 is expected to be even more robust, reaching 3.0%. Although Latvia's economy stagnated in 2024, with GDP growth nearing zero, the country's economy is expected to recover in the coming years. Latvia's GDP growth is forecast to be 1.0% in 2025, 2.1% in 2026. The decline in energy and food prices contributed to a decrease in inflation in both countries in 2024, which remained relatively low: 0.9% in Lithuania and 1.4% in Latvia. In 2025, inflation is expected to rise to 1.7% and 2.2%, respectively, driven by higher service prices due to increasing wages.

Despite differences in the economies, labour markets of Lithuania and Latvia exhibit similar trends. In 2024, Lithuania's unemployment rate stood at 7.5%, with expectations that it will decrease to 7.0% in 2025. Latvia anticipates that the unemployment rate, which reached 6.7% in 2024, will remain stable or decrease slightly.

In terms of private consumption trends, Lithuania exhibits more favourable indicators. While the savings rate in Lithuania increased in 2024, private consumption was supported by lower inflation and continued nominal wage growth. This trend is expected to persist in 2025 and 2026, with private consumption rising alongside wages. In contrast, a slightly slower recovery of private consumption is forecast for Latvia. This is attributed to relatively weak private consumption observed in the first half of 2024, despite the growth in real disposable income. Although further tensions in the Latvian labour market are anticipated, wages are expected to grow steadily, contributing to an increase in real income of the population, this, in turn, should positively impact on private consumption in the long term.

Compared to Lithuania, slower growth is forecast in Latvia, with more moderate trends being observed. In Lithuania, economists are predicting a more optimistic scenario. Stronger economic growth, driven by improved private consumption and exports, is expected, alongside a more favourable shift in inflation rates. In comparison, the Latvian economy is projected to experience slower growth in the coming years, following more moderate trends.

INDICATORS (%, PER YEAR)	2022	2023	2024*	2025*	2026*
Lithuania					
GDP growth	2.5	-0.3	2.2	3.0	3.0
Private consumption	2.0	-0.3	3.8	4.5	4.0
Saving rate of households	4.7	6.8	11.1	12.2	12.3
Real income of population	-5.8	2.7	7.0	4.7	3.7
Inflation	18.9	8.7	0.9	1.7	1.6
Unemployment rate	6.0	6.9	7.5	7.0	6.9
Latvia					
GDP growth	1.8	1.7	0.0	1.0	2.1
Private consumption	5.1	-1.0	-0.2	1.1	2.4
Saving rate of households	3.1	5.4	12.8	14.9	15.0
Real income of population	-0.6	6.0	7.9	2.3	1.8
Inflation	17.2	9.1	1.2	2.2	2.2
Unemployment rate	6.9	6.5	6.7	6.7	6.5

*Forecast / Sources: European Commission Economic Forecast, Autumn 2024.

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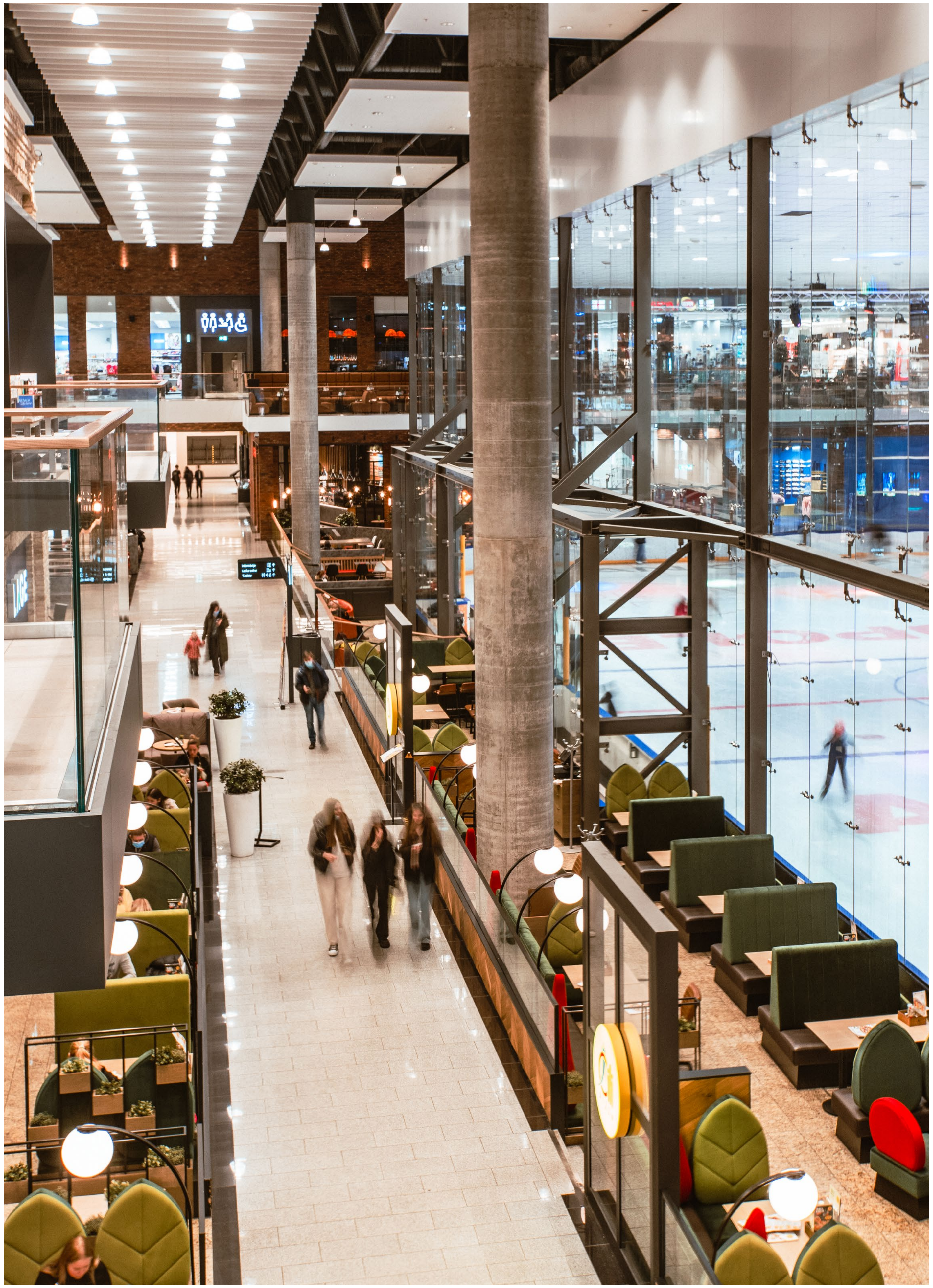
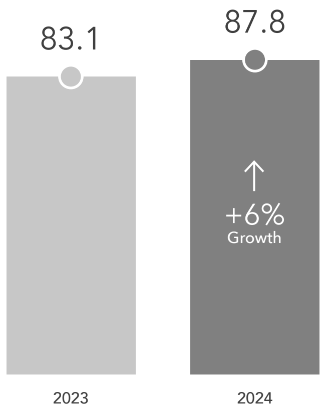
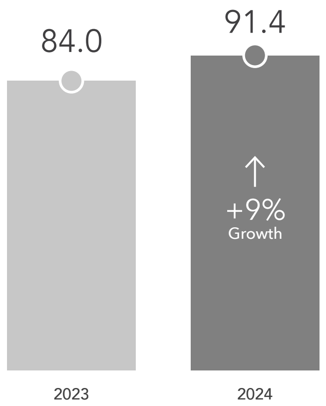


Performance Overview

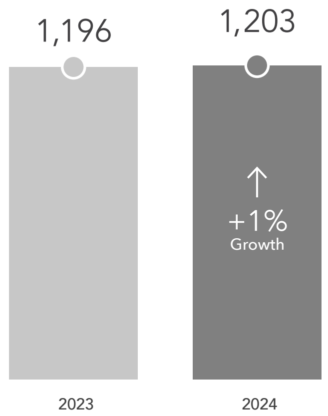
EBITDA, mln EUR



Rental Income, mln EUR

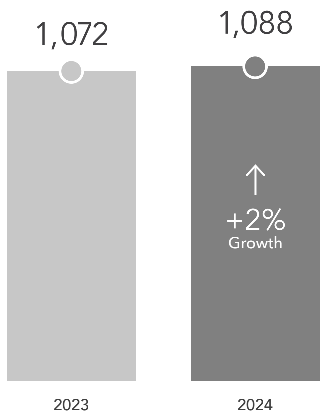


Tenant Turnover, mln EUR, incl. VAT

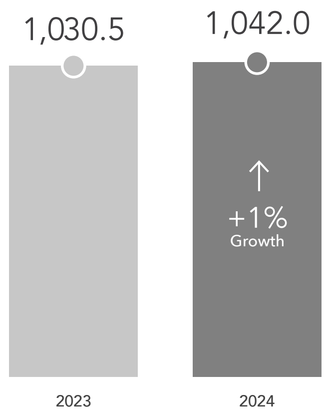


Footfall per Day, k

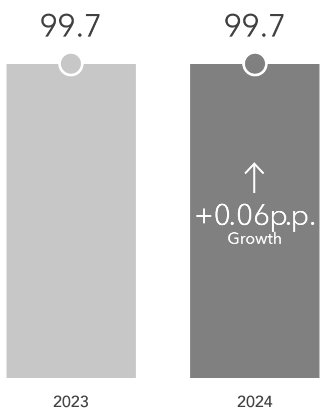
Portfolio Fair Value, mln EUR



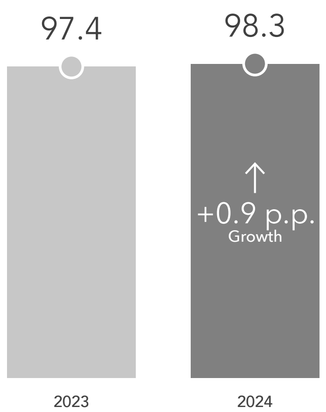
Fair Value of the Portfolio of Operating Objects, mln EUR



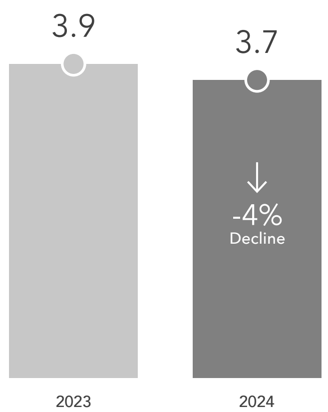
Rent Collection Rate, %



Occupancy Rate, %



WAULT by GLA



INCOME INDICATORS	UNITS	2020	2021	2022	2023	2024
Revenue	EUR '000	77,227	81,068	113,864	117,782	124,863
Rental Income	EUR '000	55,572	57,276	75,096	83,992	91,355
Net Rental Income	EUR '000	56,314	58,153	73,925	86,308	91,305
Investment Property Revaluation Profit (Loss)	EUR '000	1,378	50,461	10,585	29,425	6,112
EBITDA	EUR '000	53,839	57,204	71,907	83,075	87,849
EBITDA Margin	%	69.7	70.6	63.2	70.5	70.4
Net Profit	EUR '000	45,825	90,666	61,024	86,500	61,583
Net Profit Margin	%	59.3	111.8	53.6	73.4	49.3

FINANCIAL INDICATORS	UNITS	2020	2021	2022	2023	2024
Total Assets	EUR '000	861,806	1,112,148	1,214,168	1,303,066	1,300,395
ROA	%	5.3	8.2	5.0	6.6	4.7
Total Equity	EUR '000	480,679	571,345	632,369	718,869	710,452
ROE	%	9.5	15.9	9.7	12.0	8.7
Borrowings	EUR '000	267,447	423,171	459,562	452,426	445,317
Total Liabilities	EUR '000	381,127	540,803	581,799	584,197	589,943
LTV	%	33.4	41.4	44.5	42.2	40.9
Current Ratio	Times	1.1	2.6	4.8	5.7	5.0
Quick Ratio	Times	1.1	2.6	4.8	5.7	5.0
Cash Ratio	Times	1.0	2.3	4.5	5.4	4.8

PERFORMANCE INDICATORS	UNITS	2020	2021	2022	2023	2024
Portfolio Fair Value	EUR '000	800,620	1,022,900	1,031,860	1,071,821	1,088,379
Fair Value of the Portfolio[1]	EUR '000	771,000	995,200	995,200	1,030,470	1,041,960
Operating Objects	Number	4	5	5	5	5
Gross Leasable Area	Sq. m	262,348	333,495	333,946	335,574	335,586
Occupancy Rate	%	97.8	98.0	97.9	97.4	98.3
Rent Collection Rate*	%	97.1	99.5	99.6	99.7	99.7
Tenant Turnover, incl. VAT	EUR '000	624,063	667,297	1,113,972	1,195,677	1,203,298
Footfall per Day, k	Number	81.9	74.5	113.2	120.8	120.7

[1]of Operating Objects

*Figures for 2021 are exclusive of Akropole Alfa

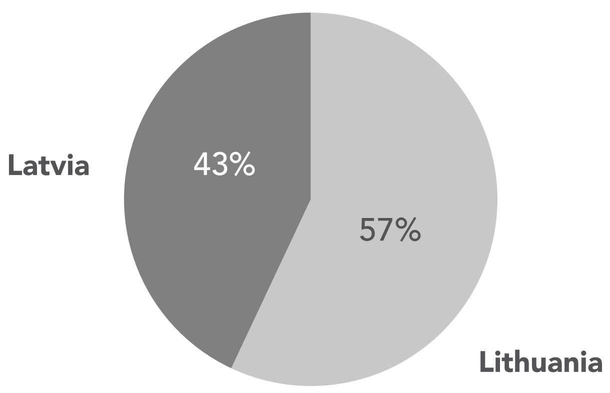
Unless otherwise specified, figures are inclusive of Akropole Alfa acquired on 30 November 2021.

Akropolis Group

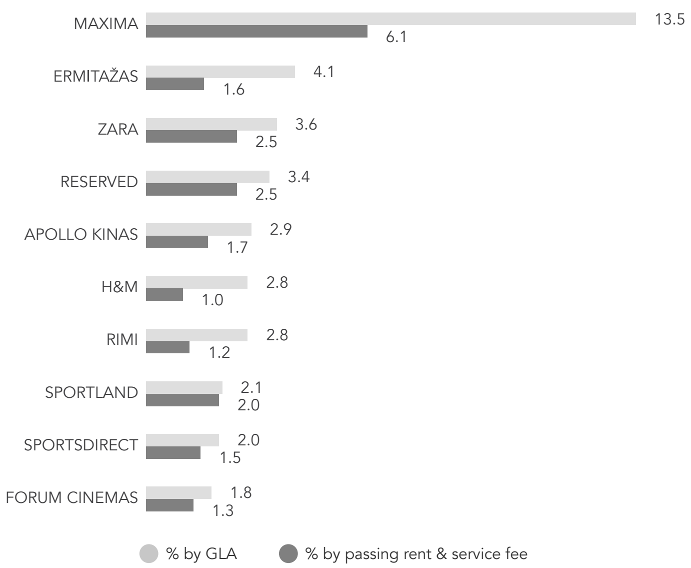
The Group controls 5 shopping and entertainment centres in total: 3 centres in Lithuania and 2 in Latvia. According to the gross leasable area, 57% of the area accounts for Lithuanian shopping centres and 43% – Latvian shopping centres.

For the year ended on 31 December 2024, the Group's top ten tenants by leasable area across all its shopping and entertainment centres accounted for 21.4% of the passing rent and service fee. The Group considers these tenants to be among its "anchor tenants", they typically are the dominant player in their respective retail category.

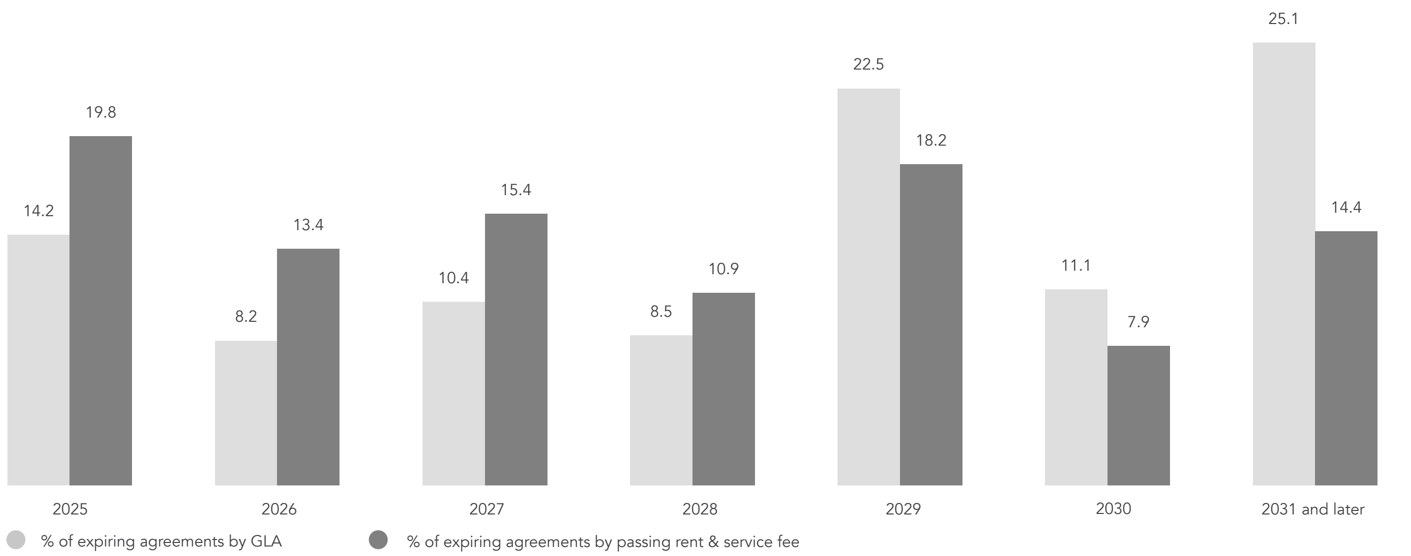
COUNTRY DISTRIBUTION BY GLA AS OF DECEMBER 31, 2024



TOP 10 RETAIL TENANTS



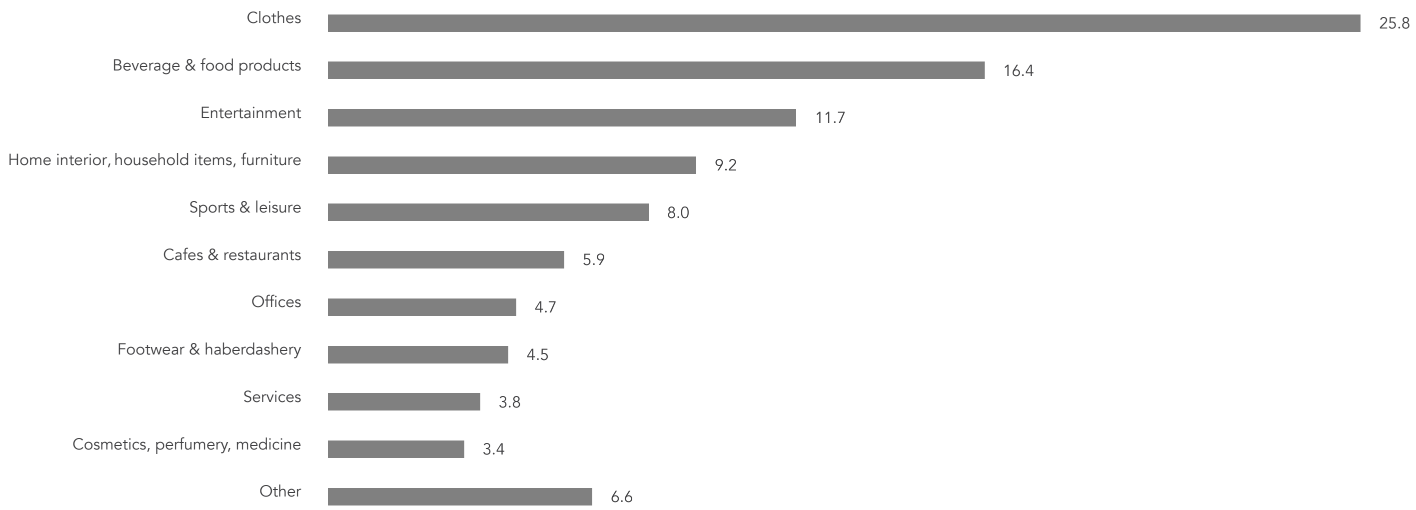
EXPIRY OF LEASE AGREEMENTS



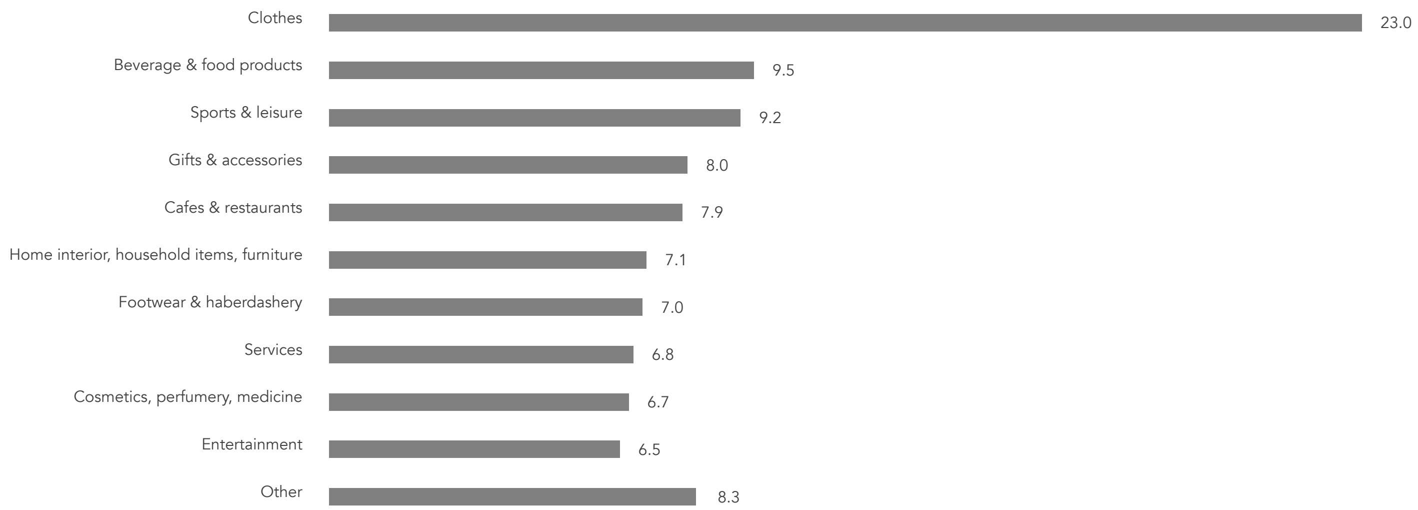
TENANTS BY CATEGORIES

The charts below present the Group's tenants on 31 December 2024 by categories in its shopping and entertainment centres. The distribution of tenants by category is presented based on the gross leasable area and passing rent and service fee. Although the Group's relationships with its "anchor tenants" are important for the success of its strategy, the graphs illustrate how the Group has actively managed its mix of tenants to mitigate the concentration risk.

TENANTS BY GLA, %



TENANTS BY PASSING RENT & SERVICE FEE, %



Lithuania

61%	3	193,247	
Of portfolio of operating objects	Operating objects	Gross leasable area, sq. m	
56.5	**99.0%**	**74.4**	**756**
Rental income EUR, mln	Occupancy rate December 2024	Footfall per day, k	Tenants' turnover EUR, mln, incl. VAT

The Group has been developing its activities in Lithuania since 2002, when the first shopping and entertainment centre Akropolis was opened in Vilnius. The first center was followed by centers projected and built in Klaipėda, Kaunas (sold in 2008), and Šiauliai. Currently, the Group holds three shopping centres in Lithuania – each of them with the leading position in their respective cities.

The total retail area of Vilnius, Klaipėda and Šiauliai Akropolis amounts to 193,247 sq. m., they house 571 shops and venues of entertainment. The occupancy of the shopping centres in Lithuania is 99.0%, which allows to manage shopping centres effectively and offer a wide range of goods and services to visitors. In 2024, the average daily footfall in the three Akropolis centres held by the Group in Lithuania was 74.4 thousand people. During last year, 90 new and revamped shops were opened – 55 new and 35 revamped, while the tenants' turnover reached EUR 756 million. The rental income amounted to EUR 56.5 million, the rate of rent collection by the Group in Lithuania was 99.8%.

NEW TENANTS IN 2024

AKROPOLIS VILNIUS | **AKROPOLIS KLAIPĖDA** | **AKROPOLIS ŠIAULIAI**

DANIJA, STENDERS, FORTAS RESTORANŲ GRUPĖ, WEST EXPRESS, FLEXISKINS, čikčik, knygos.lt | ACTION! by APOLLO, JUMPLAND, sinsay, 89 AROMATIC | art inn, BEST FOR Life Philosophy, 89 AROMATIC, KOLJĖ, FLEXISKINS

AKROPOLIS VILNIUS

Opened / expanded / renovated / expanded	2002 / 2005 / 2019 / 2024
BREEAM In-Use certificate	"Very Good" (confirmed 2025 January)
Fair value	EUR 339.3 mln
Retail GLA	90,359 sq. m
Office GLA	6,302 sq. m
Parking spaces	~2,948
Occupancy rate	98.6%
Number of shops	214

AKROPOLIS KLAIPĖDA

Opened / renovated	2005 / 2024
BREEAM In-Use certificate	"Very Good" (confirmed 2025 January)
Fair value	EUR 213.1 mln
Retail GLA	60,442 sq. m
Parking spaces	~2,171
Occupancy rate	99.7%
Number of shops	216

AKROPOLIS ŠIAULIAI

Opened	2009
BREEAM In-Use certificate	"Very Good"
Fair value	EUR 78.8 mln
Retail GLA	36,145 sq. m
Parking spaces	~1,195
Occupancy rate	98.8%
Number of shops	141

Latvia

39%	2	142,339	
Of portfolio of operating objects	Operating objects	Gross leasable area, sq. m	
34.9	**97.3%**	**46.3**	**447**
Rental income EUR, mln	Occupancy rate December 2024	Footfall per day, k	Tenants' sales EUR, mln, incl. VAT

In the Latvian capital city of Riga, the Group holds the portfolio of the two biggest shopping and entertainment centres. This portfolio consists of the shopping and entertainment centre Akropole Riga, the most modern in the country, that was opened in 2019, and the shopping centre Akropole Alfa acquired in November 2021 (renamed in March 2022, formerly named Alfa). Riga is the first city where the Group holds two shopping and entertainment centres.

The retail area of the two shopping and entertainment centres controlled by the Group in Latvia is 142,339 sq.m. These centres house 360 shops and service providers, the overall occupancy of the Latvian centres is 97.3%. In 2024, the average daily footfall in Akropolis shopping centres in Riga was 46.3 thousand people. In 2024, 45 new and revamped shops were opened in these centers, with 38 of them being new shops. The tenants' turnover saw moderate growth, amounting to EUR 447 million, including VAT. The rental income from the shopping centres operated in Latvia amounted to EUR 34.9 million, with the rent collection rate of 99.6%.

NEW TENANTS IN 2024

AKROPOLE RIGA	AKROPOLE ALFA
Fashion Zone, Weekend MaxMara, Timberland, Penti, ALANDEKO, case4you, animaji, JD, iSupport, JUMP Paris, INDEXO	Fashion Zone, DAN JOHN, cantata, JD, Latvijas Pērles, COVERME, mi

AKROPOLE RIGA

Opened	2019
BREEAM In-Use certificate	"Very Good"
Fair value	EUR 201.99 mln
Retail GLA	61,296 sq. m
Office GLA	9,848 sq. m
Parking spaces	~2,300
Occupancy rate	98.0%
Number of shops	164

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AKROPOLE ALFA

Opened / expanded / renovated	2001 / 2019 / 2019
BREEAM In-Use certificate	"Very Good"
Fair value	EUR 208.77 mln
Retail GLA	71,195 sq. m
Parking spaces	~1,750
Occupancy rate	96.6%
Number of shops	196

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Development and Renewal

AKROPOLIS VINGIS

Location	Vilnius, Lithuania
Conversion project	Development of a shopping, entertainment and business complex
Status	Obtaining infrastructure permits
Planned leasable area	~190,000 sq. m*

* GLA is based upon current permits and planning consents obtained by the Group

AKROPOLIS VILNIUS

Location	Vilnius, Lithuania
Conversion project	Refurbishment of SC common areas on the 2nd floor
Status	In progress
Area under renovation	~1,500 sq. m
Expected end of construction	Q3 2025

Plans and Forecasts

Akropolis Group's leading position in the Baltic market for developing and managing shopping centres drives us further towards ambitious goals. In 2025, we will continue to focus on ongoing development and refurbishment projects, implementation of innovations, establishing new partnerships and nurturing the existing ones.

The analysts of the European Commission and commercial banks forecast that 2025 with be a year of growth for both Lithuanian and Latvian economies – the GDP should grow faster than in 2024, about 3.0% and 1.0%, respectively, and the average annual inflation will be 1.7% and 2.2%, respectively. Falling interest rates are expected to stimulate domestic consumption and investment, while real household incomes are anticipated to grow much faster than inflation. These macroeconomic indicators forecasted for our home markets are favourable for business and reasonably allow to expect further growth in the Group's performance and financial results.

The concentration of relevant, exclusive points of sale and services in Akropolis centres reflects the excellent synergy of co-operation with tenants, which we will continue to actively develop. We are convinced that targeted activities will be fruitful, both due to the experience we already have and the continuous introduction of innovations. In 2025, not only will we seek to attract new brands to Akropolis centres and implement effective marketing projects, but we will also continue our efforts to further improve the shopping experience, organise new educational and entertainment events. By creating an attractive environment, we will strive to make Akropolis centres an even more inviting place for all visitors to spend their leisure time, regardless of age, including families.

Faith in business growth opportunities is also reflected by the ongoing development projects, including the multifunctional complex Akropolis Vingis, in Vilnius. In 2024, we obtained a document permitting construction of the complex, and currently, we are awaiting approval of the final external traffic infrastructure improvement project and the construction permit. Upon the receipt of this construction permit, the Group will prepare detailed project implementation plans and will select optimal financing solutions.

In 2024, we finalised the project of renovation of the common spaces of Akropolis in Klaipėda and the construction of the new building next to the shopping centre Akropolis in Vilnius, and this year we will continue our efforts to renovate and expand our shopping and entertainment centres. The plans for 2025 include the renovation of the common areas on the second floor of Akropolis Vilnius, which is already underway.

Akropolis Group team will continue to pay special attention to sustainability initiatives – although they are not always visible to the public, their importance remains crucial. With the aim of reducing impact on the environment and climate, we consistently implement improvements in our activities to achieve both short and long-term sustainability goals. Obtaining "Very Good" certificates for all our Akropolis according to the international BREEAM sustainability standard is a significant achievement, however, for us, it is yet another important milestone on our path towards sustainability.

Governance

Governance

Governance bodies of the Company are the general meeting of shareholders, the Board and the CEO. No Supervisory Board is formed in the Company.

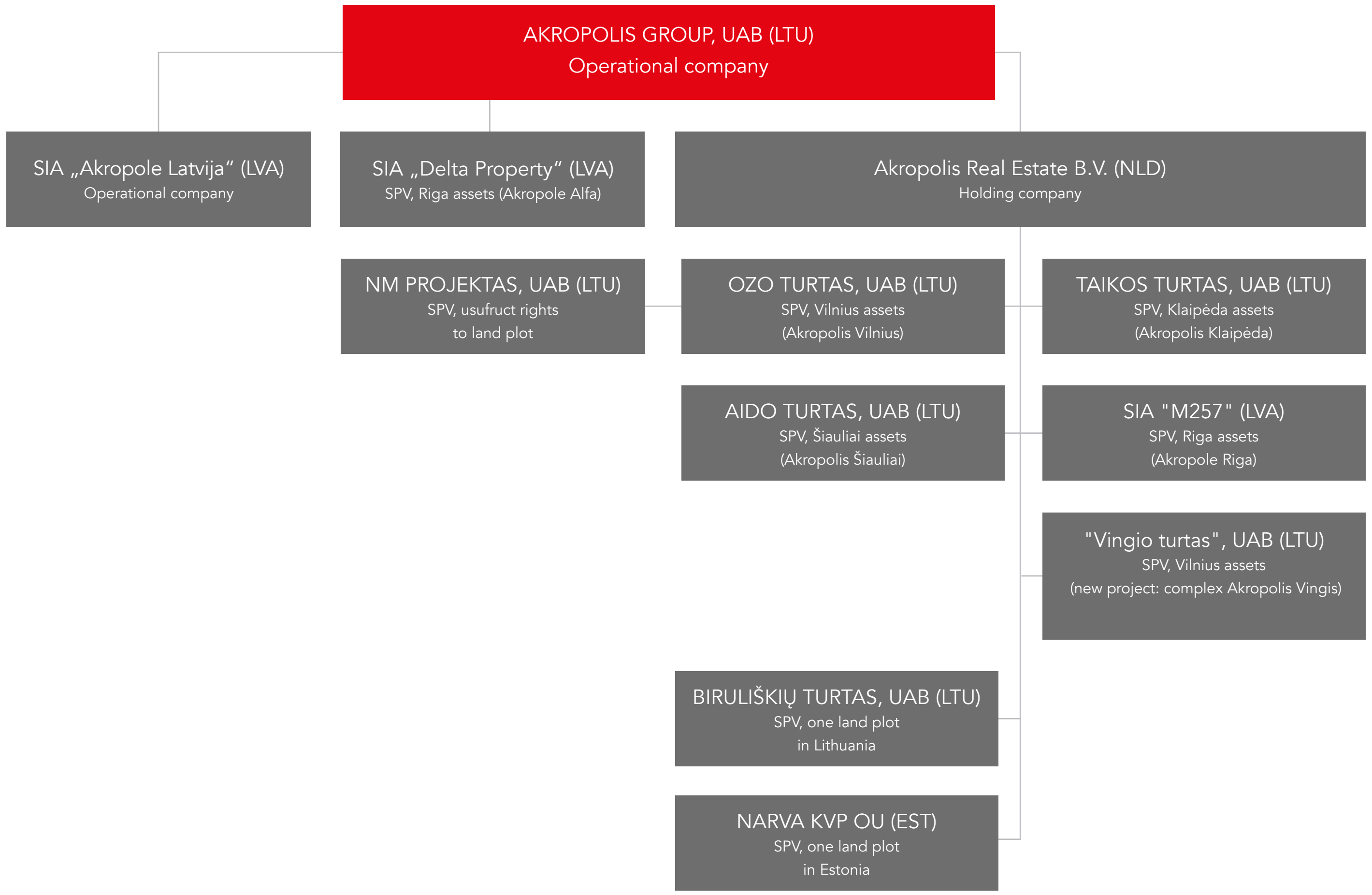
As at the date of this report, the Company's authorised share capital amounts to EUR 31,737,215.46 comprising 109,438,674 ordinary shares of nominal value of EUR 0.29. The Company's sole shareholder private limited liability company UAB Vilniaus prekyba (Vilniaus prekyba) holds the entire share capital of the Company.

Vilniaus prekyba is an international diversified investment management company, which manages, through other subsidiaries, investments in retail and pharmacy chains, as well as in real estate development and lease service companies in the Baltic States, Sweden, Poland, and Bulgaria.

The competence and the procedure of convocation of the general meeting of shareholders of the Company do not differ from the competence and the procedure of convocation of the general meeting of shareholders which are specified in the Law on Companies. The sole shareholder of the Company has the rights provided in the Law on Companies. There are no shareholders with special rights in the Company. There are no restrictions on voting rights.

Save for the exceptions established in the Law on Companies, the Articles of Association of the Company can be amended only by a decision of the general meeting of shareholders, adopted by a 2/3 majority of the votes carried by the shares held by the shareholders present in the meeting, following the procedure set in the Law on Companies.

The Group does not have branches or representative offices. Information on subsidiaries is disclosed in Note 1 to the **consolidated financial statements** of the Group.



[2-2] [2-9]

ECONOMIC PERFORMANCE

In 2024, Akropolis Group made EUR 125,863 k in revenue (2023: EUR 117,782 k). This significant revenue stream underscores the Group's strength in generating direct economic value. The economic value distribution in 2024 amounted to EUR 140,782 k (2023: EUR 59,903 k), encompassing operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments. In April 2024, the Company has distributed EUR 70 million in dividends for the first time since 2020, with the money coming from accumulated profits. The distribution was in line with the Group's long term financial policy. Over the two-year period, the Group effectively retained a substantial portion of its generated economic value, totalling EUR 52,849 k. This shows the Group's ability to manage its resources efficiently, ensuring sustainable growth and strategic investment while fulfilling its financial obligations and contributing positively to various stakeholders.

For more comprehensive financial and economic details, please refer to the **consolidated financial statements.**

	2023 EUR, k	2024 EUR, k
Revenue	117,782	124,863
Interest income on bank deposits/cash balance	4,785	6,104
i. Direct economic value generated: revenues;	122,567	130,967
Operating costs	26,900	26,397
Employee wages and benefits	5,625	6,101
Payments to providers of capital – dividends	0	70,000
Payments to providers of capital – interest	17,209	17,800
Payments to governments	10,131	20,457
Total community investments	38	27
ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;	59,903	140,782
iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.	62,664	-9,815

MANAGEMENT SYSTEM

The Company has a two-tier management system, comprised of the management board (the "Board") and the head (the "CEO"). The Board is responsible for the strategic management of the Company and adopts decisions on the core transactions to be conducted by the Company (as provided for in the Articles of Association of the Company). The CEO is a one-person management body that manages the Company's day-to-day operations and represents the Company in its dealings with third parties. The sole shareholder of the Company, Vilniaus prekyba, has the right to appoint and revoke the appointment of members of the Board. Once a month, the Board and the management team present the results of the Company to Vilniaus prekyba and discuss the most important issues, including issues related to the social responsibility of the Company. The Board elects the Chairman of the Board from among its members. Also, the Board, by its majority vote, which requires 2/3 quorum, can appoint or revoke the appointment of the CEO of the Company.

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THE BOARD

The Board is a collegial management body provided for in the Articles of Association of the Company, which consists of three members. The Board does not have executive powers and its main function is adopting the strategic decisions of the Company. The powers and responsibilities of the Board are set forth in the Law on Companies and the Articles of Association of the Company. In accordance with the Articles of Association of the Company, the Board takes decisions *inter alia* on:

i. investments, transfers and/or leases of fixed assets with a book value exceeding EUR 100,000 (calculated on an individual basis per transaction);

ii. approval of decisions of the Company's subsidiaries' management bodies (including social responsibility related issues) that require approval of the Company, acting in the capacity of the shareholder;

iii. amendment of the Articles of Association of the Company's subsidiaries;

iv. pledges or mortgages over fixed assets with a book value exceeding EUR 100,000 (calculated on an aggregate basis);

v. guaranteeing or standing surety for the fulfilment of obligations of other persons in the amount exceeding EUR 100,000;

vi. acquiring fixed assets for more than EUR 100,000; and

vii. issuing bonds (other than convertible bonds).

The Board of the Company must obtain approval of the general meeting of shareholders prior to making any decisions relating to the matters set out in (i), (ii), (iv), (v) and (vi) above if the amount of such transactions exceeds EUR 1,000,000 and decisions relating to acquisition of securities (regardless of value or type) and property and/or non-property rights carried by such securities by the right of ownership and/or any other right, as well as regarding transfer, pledge or other limitation or restriction of such securities and/or the property and/or non-property rights carried by such securities, as well as prior to any decision relating to the matters set out in (iii) above.

The Board makes decisions by a simple majority of the votes of all its members present at the meeting. In the event of a tie, the chairman of the Board has the casting vote. A quorum is present when at least two of three members of the Board are present at a meeting. Each member of the Board has one vote.

The Board is immediately notified about any concerns about a possible and actual negative impact of the organisation on stakeholders, where such concerns are raised by use of complaint filing mechanisms and other channels. The Group has developed a comprehensive risk management system that defines processes and methodologies how to establish, assess and manage risks, including critical issues. No such issues were reported in 2024.

The Board's term of office lasts for four years (however, not longer than until the annual general meeting of shareholders convened in the last year of the tenure of the Board).

All the Board members are impartial, no facts have been established allowing to state that they are affected by the external influence and/or any third parties, therefore, they can make impartial decisions. Current Board members also hold other positions in the Company and, historically, the CEO most often also used to be the Chairman of the Board, however, holding of such positions does not prevent Board members from performance of duties and obligations of a Board member. The CEO of the Company is not the Chairman of the Board since 28 November 2024. Each member of the Board devotes sufficient time and attention to perform the duties as a member of the Board. Also, the employment contract with the Company provides for an obligation to avoid conflicts of interest and the Articles of Association of the Company provide for cases when the Board must obtain the shareholder's approval for the conclusion of key transactions. Information about conflicts of interest of the Board members is disclosed to other Board members and the sole shareholder of the Company.

In addition, the Company has a whistleblowing mechanism that encourages persons to report a conflict of interest without fear of negative consequences. This ensures transparency and accountability in decision-making.

Board members actively seek to improve their knowledge of social responsibility and sustainable development – participate in conferences and are interested in the practices of other companies. Also, during regular meetings, the management team presents the latest trends and good practices.

NERIJUS MAKNEVIČIUS

Chairman of the Board / Business Consultant
since 05-06-2023 / since 28-11-2024

Work experience	Akropolis Group Jun 2023 – Nov 2024, CEO Galio Group Jan 2022 – now, CEO Vilniaus prekyba Oct 2021 – Dec 2021, Head of Legal Nov 2020 – Jun 2021, CEO Metodika B.V. Jun 2018 – Nov 2020, Executive Officer
Education	2007–2012, Master of Law, Vilnius University, Lithuania Nerijus Maknevičius is also a Board member of Vilniaus prekyba, Chairman of the Board of GALIO ASSET MANAGEMENT UAB, a Board member of Stichting Trivialis, a Board member of Stichting Novitus, Chairman of the Board of NDX Group, UAB, and until 09-2024 was a member of Supervisory Board of MAXIMA GRUPĖ, UAB.

GABRIELĖ SAPON

Board member / CEO
since 02-06-2023 / since 28-11-2024

Work experience	Akropolis Group Nov 2020 – Nov 2024, CFO Nov 2017 – Oct 2020, Financial Controller AB SEB bankas Mar 2017 – Nov 2017, Accountant Ernst & Young Baltic, UAB Apr 2015 – Mar 2017, Consultant
Education	2008 – 2012, Bachelor of Economics, ISM University of Management and Economics, Lithuania

AKVILĖ MACKAY

Board member / Head of Legal
since 02-12-2024 / since 21-11-2022

Work experience	WALLESS Mar 2020 – Nov 2022, Associate Partner Jan 2019 – Mar 2020, Senior Associate Ellex Valiūnas Apr 2015 – Dec 2018, Senior Associate Aug 2011 – Apr 2015, Lawyer
Education	2008–2010, Master of Law, Mykolas Romeris University, Lithuania 2004–2008, Bachelor of Law, Mykolas Romeris University, Lithuania

AUDIT COMMITTEE

In an effort to strengthen the management efficiency of the Company, an audit committee (the "Audit Committee") was established by the decision of the sole shareholder of the Company on 7 July 2021. Three persons – Eglė Čiužaitė and Šarūnas Radavičius, as two independent members, and Lukas Bendoraitis, who was the financial controller at Vilniaus prekyba then – were appointed members of the Audit Committee for a term of four years (starting from 7 July 2021). Members of the Audit Committee elected Šarūnas Radavičius as Chairman of the Audit Committee.

Since 14 February 2024, the Audit Committee is comprised of two independent members, referred to above, and Matas Kasperavičius, who is also the CFO of Vilniaus prekyba.

The Audit Committee must ensure an efficient and reliable process for the preparation and auditing of the financial statements of the Company, and must review and monitor the independence of the external auditor, as well as provide recommendations in the areas of internal controls and risk management.

AUDIT COMMITTEE MEMBERS:

ŠARŪNAS RADAVIČIUS

Member since 7 July 2021 (appointed for a four-year term of office). The Chairman of the Audit Committee since 12 July 2021.

Experience	Šarūnas Radavičius was the Head of the Audit Department at Rödl & Partner from 2004 to 2019, served as an independent member of the Audit Committee for Ignitis Group from 2018 to 2021, was a member of the Audit Committee of the Lithuanian Radio and Television Centre from 2019 to 2021.
Other current roles	CEO of MB Saluma (legal entity code 305293446, Dangaus g. 17, Gudeliai village, LT-14168 Vilnius district, Lithuania); Independent member of Audit Committee at AB Utenos trikotažas (legal entity code 183709468, J. Basanavičiaus g. 122, LT–28214, Utena, Lithuania); Independent member of Audit Committee at AB KN energies (legal entity code AB KN energies, Burių g. 19, LT-92276 Klaipėda, Lithuania); Auditor at UAB Nexia auditas (legal entity code 306181090, A. Jakšto g. 12, LT-01105 Vilnius, Lithuania); Auditor at UAB Rödl & Partner (legal entity code 111646144, Tilto g. 1, LT-01101 Vilnius, Lithuania); Presidium member at the Lithuanian Chamber of Auditors (legal entity code 125262221, Ukmergės g. 369A, LT-12142 Vilnius, Lithuania).

EGLĖ ČIUŽAITĖ

Member since 7 July 2021 (appointed for a four-year term of office)

Experience	Eglė Čiužaitė was the Head of Business Development and the Head of Finance and Administration at AB Lietuvos energijos gamyba (currently, AB Ignitis gamyba, a strategic power generation company) from 2011 to 2016; and from 2016 to 2019 she was the CEO and Chairwoman of the Board of this company.
Other current roles	Independent member of the Board and Chairwoman of Audit Committee at AB Vilniaus šilumos tinklai (legal entity code 124135580, Elektrinės g. 2, LT-03150, Vilnius, Lithuania); Independent member of the Board and Chairwoman of Audit and Risk Committee at VĮ Lietuvos oro uostai (Lithuanian Airports) (legal entity code 120864074, Rodūnios kel. 10A, LT-02189, Vilnius, Lithuania); Independent member of Audit Committee at MAXIMA GRUPĖ, UAB (legal entity code 301066547, Ozo g. 25, LT-07150 Vilnius, Lithuania); Board member at VšĮ Jaunimo linija (legal entity code 302594405, Vingrių g. 6, LT-01141 Vilnius, Lithuania).

MATAS KASPERAVIČIUS

Member since 14 February 2024 (appointed till the end of the current term of office of the Audit Committee)

Experience	Matas Kasperavičius worked for NDX Group, UAB from 2017 to 2024, where he held the positions of Project Manager, Head of Investment and, finally, the CEO. From 2020 to 2022, Matas was also a member of the Supervisory Board of Mispol S.A., and from 2015 to 2017, transaction consultant and senior transaction consultant at EY.
Other current roles	CFO at Vilniaus prekyba.

The Audit Committee held four meetings during 2024. Activities of the Audit Committee in 2024:

- Review of the independent auditor's programme of work and monitoring the financial statements auditing process performed by the independent auditor;
- Review of the effectiveness of the risk assessment and management system used in the Company and giving of recommendations;
- Review of changes in the accounting system used in the Company, as well as review of changes in related internal procedures;
- Review of changes in IT systems used in the Company, in risk management, cybersecurity and personal data protection areas, as well as review of changes in related internal procedures;
- Review of the transparency and ethical standards applied in the Company;
- The total attendance rate of the Audit Committee members in 2024 was 100%.

MANAGEMENT TEAM AND SUSTAINABILITY MANAGEMENT

Sustainability is ingrained within the Group's governance structure through the development of the sustainability policy that harmonizes with our values and strategic objectives. Given the direct impact of sustainability considerations on strategic decisions, such as the development of new shopping centres and the management of existing properties, both the CEO and the Board play main roles in overseeing sustainability-related management within the Group. They are actively engaged in crafting and endorsing sustainability policies, setting goals and targets, identifying and evaluating sustainability-related risks that could influence the Group's long-term viability, value creation and reputation.

At the helm of the Group's governance, the Board is responsible for steering the Group's strategic trajectory, with a keen focus on effective governance and sustainability. This encompasses setting sustainability-centric agendas for Board and shareholder meetings, ensuring alignment with strategic objectives, and collaborating with Senior Management to seamlessly integrate sustainability into core business strategies. The chairman diligently monitors progress toward sustainability targets, integrating these objectives into the fabric of the Group's identity and operations.

Moreover, the Sustainability Project Manager is empowered to assemble a dedicated sustainability team with cross-functional representation. The highest governance body ensures synchronization between sustainability reporting and overall business strategies by conducting materiality assessments to pinpoint and prioritize sustainability issues relevant to the business and its stakeholders. This alignment guarantees that sustainability reporting is seamlessly integrated into core business processes, including budgeting, risk management, and performance evaluation.

IMPACT MANAGEMENT

The Management diligently oversees the organization's due diligence and other processes aimed at identifying and managing its impacts on the economy, environment, and people. This responsibility is delegated during regular meetings, where specific functions or individuals are tasked with monitoring and managing these impacts. Depending on the situation, engagement with stakeholders may be delegated to Senior Management or facilitated by third-party consultants. These meetings also include the presentation and discussion of reports from third-party consultants, although no formal written reports are generated.

Sustainability management at the Group involves collaboration across all levels. Top management sets the overarching strategy and monitors performance, while Senior Management develops specific goals and plans. Operational teams then implement these plans in their daily activities, ensuring compliance. A designated Sustainability Project Manager oversees communication and data analysis, facilitating engagement with external stakeholders. Additionally, the communication team plays a vital role in publicizing the Group's sustainability efforts and informing employees, promoting a cohesive and comprehensive approach to sustainability across the organization.

The Group evaluates its performance by collecting sustainability data annually and comparing it to the Group's sustainability targets. While there are currently no specific key performance indicators (KPIs) in place for individuals, all employees are encouraged to contribute to achieving sustainability goals.

RISK MANAGEMENT

The Group's management considers that the main risks facing the Group relate to property and finance. The Group's overall approach to risk can be described as conservative. There are inherent risks in the real estate and property business, such as fluctuations in the value of assets, vacancies, volatility in market rents or risks associated with development activities. Key risks are assessed by ranking exposure on the basis of probability and magnitude. Risks of potential breaches of loan covenants are managed through a conservative financing policy and a close review of compliance indicators.

The Group believes that it has appropriate internal risk management and control systems. The Group is managed on an integrated basis, with centralized financial reporting and controls. Key elements of the internal control system are: a management structure designed to enable effective decision making; monthly review of key performance indicators, such as tenants' turnover, vacancies, rent collection, arrears and doubtful debtors; and review of performance against budgets. There are clearly defined guidelines and approval limits for capital and operating expenditure and other key business transactions and decisions. The internal management reporting system is designed to identify fluctuations in the value of investments, income and expenses. Capital projects, major contracts and business property acquisitions are reviewed in detail and approved by the Board within the limits of its competence set in the Articles of Association. The Group also maintains insurance against loss or damage to properties, business interruption insurance and third-party liability insurance at levels which the Board believes to be prudent and in line with good industry practice.

FINANCIAL RISKS

Risk	Main causes of risk	Risk mitigation measures
Credit risk	- Cash and cash equivalents - Loans granted - Trade debts and other accounts receivable	- Credit risk is controlled by the application of credit terms and monitoring procedures - The Group assesses the credit quality of the debtors and customers, taking into account their financial position, past experience with them and other factors - Risk diversification between multiple counterparties and customers - The credit risk of liquid funds (cash and time deposits) in banks is minimized by making agreements only with the most reputable banks with investment grade credit ratings of Baa2 and above assigned by Moody's, an international credit-rating agency
Foreign exchange risk	- The Group does not face the foreign exchange risk as most of the transactions are carried out in euro	- Companies of the Group do not use financial derivatives to hedge against foreign exchange fluctuations
Interest rate risk	- Cash flows exposed to interest rate fluctuations - Credits with a variable interest rate	- The Group's cash flow and fair value interest rate risk is periodically monitored by the management - The Group analyses its interest rate exposure on a dynamic basis taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for receivables and liabilities that represent the major interest-bearing positions - The Group does not use any derivative financial instruments to manage the interest rate risk
Funding and liquidity risk	- Different payment terms for payables and receivables - Adequate liquidity	- Adequate level of freely available cash and cash equivalents - Pre-obtaining of financing sources - The Group manages its cash flows and liquidity based on projected cash flows on a semi-annual basis
Restrictive covenants in long-term loan agreements	- Restrictions on financial indebtedness - Covenants regarding pledge or non-transfer of assets	- Continuous monitoring of debt indicators and covenant compliance

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BUSINESS RISKS

Risk	Main causes of risk	Risk mitigation measures
Strategic risk	- Income - EBITDA	- Focus of the Group managers - Business contingency plans
Reputational risk	- Income	- Continuous improvement of the internal control system - Employee training and development of a corporate culture where unethical behaviour is unacceptable
State risk	- Activities in countries where the political, financial, social or economic situation is unstable	- The Group operates in different countries with different specific risks - Knowledge of the countries in which the Group operates - Monitoring political, financial, social or economic changes in the countries where the Group operates
Geopolitical factors	- Political changes in neighbouring countries	- Knowledge and understanding of the countries in which the Group operates - Monitoring and review of political, financial, social or economic developments in the countries where the Group operates - Adding of leadership, action and communication plans to manage these risks
Regulatory risk	- Income - Environmental regulation	- Understanding the regulation in the countries where the Group operates - Monitoring and review of regulatory developments in the countries where the Group operates
Competitive and economic environment risks	- Group business - Performance - Financial conditions	- Monitoring of consumer behaviour - Analysis of economic development - Approved strategies - Continuous improvement of the internal control system - Active management of the tenant portfolio, which allows to meet the changing needs of customers and allows to limit the impact of major tenants on the Group - Active marketing communication
Real estate risk	- Changes in the portfolio market values - Damage, destruction	- Property valuation carried out once a year - Real estate insurance
Growth and development risks	- Number of shopping centres - Income - Performance - Financial conditions	- Research and monitoring of different regions - Maintaining of acquisition, asset development and management competencies - Approved strategies - Legal, technical, commercial and financial due diligence of activities - Prohibition of specific activities
Crime & security threat risk	-Big visitor traffic in the shopping and entertainment centres managed by the Group	- Continuous improvement of internal control procedures - Improvement of policies, procedures to ensure security - External security service providers
Human resources risk	- Labour expenses - Financial performance	- Labour market monitoring and benefits for employees in line with market conditions - Internal processes suitable for recruiting, training and self-improvement of employees - Creation and promotion of the corporate culture

Risk related to the functioning of information technologies, data protection and personal data protection	- Income - Operational costs	- Continuous improvement and maintenance of the internal control procedures - Cooperation with the best internal IT experts - Outsourcing with service level agreements and their compliance monitoring - Ensuring IT infrastructure reliability in the centralised manner - Introduction and improvement of policies and procedures to ensure cybersecurity - Use of the created command and information system to discover atypical behaviour in the corporate network and to report and respond to security breaches - Use of special hardware and software to protect against malware, external and internal cyberattacks, spam, data leakage - Training and communication to help prevent data security and privacy related incidents
Unexpected taxes, tax fines and sanctions	- Changes in taxes or in the application of tax legislation in the markets where the Group operates	- Monitoring of draft legal acts, initiation of internal projects in getting ready for legislative changes in time - Conservative approach to tax risk - Transactions in the Group are conducted on an arm's length basis

COMPLIANCE RISKS

Risk	Main causes of risk	Risk mitigation measures
Risk of compliance with applicable legal acts and internal procedures	- Internal management and business processes of the Company	- Continuous improvement of the internal control system - Continuous monitoring and improvement of internal procedures - Monitoring of draft legal acts, initiation of internal projects in getting ready for legislative changes in time - Legal assistance, preparation and use of contract templates
Environmental protection and sustainability risk	- Activities and reputation	- Use of new methods to improve energy efficiency in shopping centres - Setting of green criteria and pursuing related targets in procurement - Setting short and long-term environmental, social and sustainable governance targets
Occupational health and safety risk	- Financial condition, performance, reputation	- Safe and comfortable working environment - Following the schedule of employee working hours and vacations - Regular medical examinations and health checks

[2-25]

CORRUPTION RELATED RISKS

The Group is committed to maintaining the highest standards of integrity and ethical conduct, exemplified by its corruption prevention policy. This policy underscores the Group's dedication to identifying, assessing, and mitigating corruption risks across all its operations. All the Group employees are introduced to this policy by use of the document management system of the Company (each employee must have read it, putting a relevant mark in confirmation). The anti-corruption policy is also made public for the Group's stakeholders and the public. To educate employees about anti-corruption policies and procedures, the Group provides them with educational material prepared by respective authorities. New employees are familiarized with the anti-corruption policy during their onboarding process.

In the risk assessment process for corruption-related risks, the Group actively involves internal stakeholders through employee consultations, surveys, and training programs, while engaging external stakeholders, through external audits, and public reporting mechanisms, fostering a comprehensive and inclusive approach to corruption risk assessment and prevention.

In the evaluation process, the Group takes a multi-faceted approach, considering factors such as geographic location, industry-specific risks, interactions with authorities, third-party relationships, high-value transactions, due diligence results, employee roles, regulatory compliance history and internal control effectiveness. This comprehensive risk assessment framework enables the identification and prioritization of areas where corruption may occur, promoting a focused and proactive approach to risk mitigation aligned with the organization's operational context and industry standards. The below specifies corruption related risks.

Operations identified as risks related to corruption	**5 out of 93 (5%)**
Significant risks related to corruption, identified through the risk assessment	**Acquisition of goods and services.** This area is prone to corruption due to the potential for kickbacks, bribes, or favouritism in the selection of vendors or the negotiation of contracts.
	Lease pricing. It involves the risk of manipulation or unfair determination of lease prices, possibly to benefit certain parties at the expense of the Group.
	Management of lease agreements. This could include risks like under-the-table deals to secure leases or manipulating lease terms.
	Cash management. The execution of bank payments is particularly susceptible to corruption due to the ease of diverting funds or masking illicit transactions.
	Management of credit and loan agreements. This area can be susceptible to corruption in the form of biased credit decisions or altering loan terms in return for personal gain.

CONTROL FRAMEWORK FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS), approved for use in the European Union. Akropolis Group's Chief Financial Officer and Audit Committee oversee the preparation of the Company's consolidated financial statements, internal controls, financial risk management, and compliance with the legislation governing the preparation of the consolidated financial statements. The Group complies with all amendments to the IFRS. The Company evaluates potential impact on consolidated and stand-alone financial statements and ensures that new standards are appropriately implemented across the Group.

The Group is managed on an integrated basis, with centralized accounting, financial reporting and internal controls related to the preparation of consolidated financial statements. The Group sets accounting policies and reporting procedures that have to be followed by the Group entities. Financial results of the Group are analysed by the Company's employees on a monthly basis in order to detect any accounting or reporting errors.

All entities of the Group use Microsoft Dynamics NAV for financial accounting and reporting. The common system ensures consistent accounting and reporting and data comparability. Standardized data collection files prepared in Excel are used for preparation of consolidated financial statements.

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Sustainability Report 2024

Content

Message from the CEO

Gabrielė Sapon
Akropolis Group,
CEO, Board Member

For over 20 years, the Akropolis Group (AKROPOLIS GROUP, UAB) has been operating in Lithuania and Latvia, maintaining a leading position in the Baltic shopping and entertainment centre market. Throughout our operational period, we have developed five shopping and entertainment centres in Lithuania and Latvia. As the leader in our sector, we strive to drive change and set the example in sustainability standards.

We acknowledge our responsibility and consistently implement actions that create value for our visitors, partners, communities, and investors.

2024 marked significant progress in sustainability for the Akropolis Group. We set sustainability targets encompassing the reduction of greenhouse gas (GHG) emissions, improvement of energy efficiency, increased waste recycling rates, and promotion of biodiversity. We also maintained a continued focus on communities through various initiatives, on tenants through educational programs, and on employees through providing opportunities to enhance their skills.

A significant achievement that crowned our 2024 efforts was the recertification of Akropolis shopping and entertainment centres in Vilnius, Klaipėda, and Šiauliai in January 2025, attaining a higher “BREEAM In-Use” rating of “Very Good”. As of now, all five Akropolis Group shopping and entertainment centres in Lithuania and Latvia hold this “BREEAM” certification level, reaffirming our commitment to reducing environmental impact.

Throughout 2024, we continued strengthening our efforts in key areas relevant to our business. We conducted environmental awareness campaigns across all our shopping and entertainment centres, engaging both visitors and employees. Additionally, we completed a waste management study in one of our centres, which will serve as the foundation for implementing more targeted waste reduction measures in our operations.

In the coming years, we plan to increase the share of renewable energy used, expand electric vehicle (EV) charging infrastructure near our shopping and entertainment centres, place a strong emphasis on waste management, and focus on the well-being of employees, communities, and tenants. Not only do we uphold the highest responsible business standards, but we also encourage our partners and communities to contribute to the implementation of sustainable solutions.

Looking ahead, we recognise that sustainability is not a one-time project – it is a continuous process requiring long-term commitment, investment, and collaboration. We also understand the importance of a strategic focus on sustainability topics that are most relevant to our business activities.

We will continue to contribute to long-term value creation, striving to reduce negative environmental impacts, enhance positive contributions, and share our achievements with you.

SUSTAINABILITY REPORT 2024 / AKROPOLIS GROUP UAB

About this report

We present the third annual sustainability report of Akropolis Group and its subsidiaries (hereinafter collectively referred to as the Group), published alongside the Group's consolidated annual management report and financial statements.

This sustainability report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. In compliance with legal requirements, the Group is not yet obligated to disclose sustainability information; however, it has been doing so voluntarily since 2022.

The report covers the period from January 1, 2024, to December 31, 2024, and includes all companies within the Group. It provides an overview of how key sustainability topics, identified through the materiality assessment, are managed.

Although this report has not been externally assured by independent experts, it has been thoroughly reviewed and approved by the Group's Management Board.

The report is publicly available on our website www.akropolis.eu.

For any inquiries related to this report, please contact us via email at sustainability@akropolis.lt.

About Akropolis Group

Headquartered in Vilnius, Lithuania, Akropolis Group, a subsidiary of Vilniaus Prekyba UAB, has remained the largest shopping and entertainment centre (SC) development and management company in the Baltic states for over two decades. Operating directly and through its subsidiaries, Akropolis Group has pursued both business excellence and responsible, sustainable operations since its establishment in Vilnius.

As we begin a new reporting period, we maintain our strong commitment to shaping a sustainable future. These values – excellence and sustainability – continue to define our operations and ensure a long-term positive impact on the environment, communities, employees, and our partners.

KEY NUMBERS ABOUT AKROPOLIS GROUP

5 Owned and managed SCs	129 Employees	931 Tenants
44 mln Visitors annually	335,586 sq. m Total gross leasable area	

Overview of the Group's operations

The Group's portfolio consists of five modern shopping and entertainment centres, strategically located in the capitals and major cities of Lithuania and Latvia. Additionally, the Group manages two integrated office buildings, catering to business tenants in both countries.

Our SCs operate in rapidly growing, economically strong urban areas – Vilnius, Klaipėda, Šiauliai, and Riga.

A strategic focus on tenant composition ensures that Akropolis Group properties remain among the most attractive shopping and entertainment centres in the Baltic region. We prioritise strong anchor tenants, including large-format grocery stores and pharmacies. Alongside them, our SCs house a diverse mix of local and international brands in fashion, cosmetics, home appliances, and entertainment, as well as cinemas, ice-skating rinks, and a variety of restaurants and cafés. This balanced tenant mix guarantees high visitor footfall and further strengthens Akropolis' brand recognition.

The Group is also undertaking a major development project in Vilnius – Akropolis Vingis. This multifunctional retail, business, leisure, and cultural centre contributes to the revitalisation of the Vilkpėdė district, becoming an integral part of Vilnius' urban landscape.

Given that the Group's core business is the development and management of shopping and entertainment centres, we collaborate with a robust network of service providers. Our supplier ecosystem includes cleaning, security, utility services, technical maintenance, marketing agencies, and real estate construction companies. We aim for these partnerships to ensure high service quality, efficient operations, and the continuous modernisation of our properties.

SUSTAINABILITY REPORT 2024 / AKROPOLIS GROUP UAB

Our path to a sustainable future

The Group takes a responsible approach to assessing its impact on both the environment and society. Our goal is not only to reduce negative operational impacts but also to create long-term value for our communities, customers, and employees. As shopping and entertainment centre operators, we recognise our opportunity to promote responsible consumption and contribute to meaningful change in business practices and urban development.

Over the past few years, we have systematically integrated sustainability principles into our operations – ranging from enhancing energy efficiency and responsible waste management solutions to creating better conditions for employees and tenants. We also actively engage with communities, participate in social initiatives, and invest in environmental and social projects.

2024: A step forward

This year, we officially approved ambitious sustainability targets for 2030, focusing on reducing CO2 emissions, improving energy efficiency, improving waste recycling rates, preserving biodiversity, and fostering the well-being of employees, tenants and communities. These targets reflect our commitment to responsible business practices while ensuring that our business decisions contribute to long-term environmental goals.

We will continue to invest consistently in sustainability initiatives, ensuring that our operations create value not only for our company, but also for all stakeholders across the Group.

STAKEHOLDERS

Active dialogue and transparent communication with stakeholders are fundamental to our operations. We aim to ensure that each stakeholder group we engage with is well-informed, involved in decision-making processes, and has the opportunity to participate in shaping our activities.

Our stakeholder groups are categorised based on the nature of our impact and collaboration:

- **Internal stakeholders** – employees and shareholders, who ensure the smooth functioning and long-term stability of the Group;
- **External business stakeholders** – tenants, suppliers, and SC visitors, who directly contribute to the ecosystem of our shopping and entertainment centres;
- **External financial stakeholders** – investors and creditors, who support the Group's sustainable growth;
- **External societal stakeholders** – government authorities, non-governmental organisations (NGOs), and local communities, with whom we closely collaborate to ensure responsible business practices and long-term positive environmental and social impact.

A clearly defined approach to stakeholder engagement enables us to effectively address key issues while building long-term relationships based on mutual trust.

The main stakeholder groups have remained unchanged from previous years, and our engagement strategies continue to be based on principles that foster open dialogue and constructive collaboration.

Stakeholder engagement

Active stakeholder engagement is an essential part of our decision-making process, particularly in the development and implementation of our sustainability strategy.

To gain a better understanding of stakeholder expectations regarding environmental, social, and governance (ESG) topics, we conducted a comprehensive survey at the beginning of 2023. This survey included participation from more than 800 stakeholder representatives, ranging from tenants and visitors to employees, shareholders, service providers, financial partners, NGOs, and community members.

The survey results enabled us to clearly identify and prioritise key sustainability topics, which in turn shaped our strategic direction. This ensured that our business decisions align with the actual expectations of stakeholders and sector-specific developments.

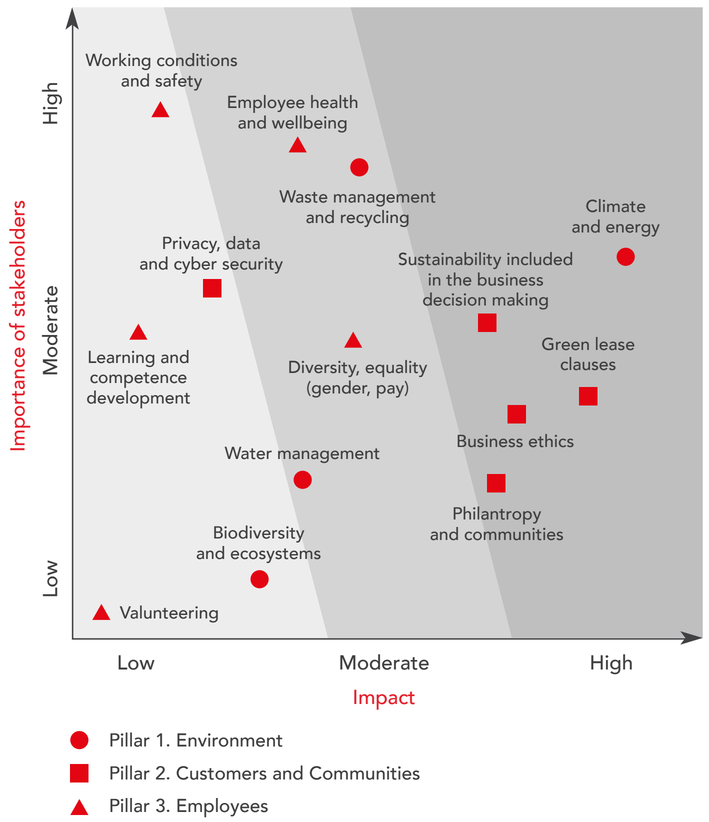
In 2024, we continued focusing on these priority topics, guided by the materiality assessment conducted in 2023.

MATERIALITY ASSESSMENT

In 2024, we did not identify any significant changes in our key sustainability themes compared to the materiality assessment conducted in 2023. Therefore, the materiality matrix introduced at the beginning of 2023 remains the foundation of our sustainability strategy. This matrix has helped us clearly define priority areas and systematically align our operations with both market practices and long-term sustainability goals.

To ensure that our sustainability strategy continues to meet market demands and stakeholder expectations, we have initiated preparations for the 2025 double materiality assessment. This approach will allow us to gain a more comprehensive understanding of our operational impacts and identify key focus areas that require attention.

Moving forward, we commit to regularly reviewing our priority areas and making adjustments as needed, ensuring that our sustainability strategy remains dynamic, continuously improving, and aligned with key environmental, social responsibility, and governance (ESG) topics.



SUSTAINABILITY REPORT 2024 / AKROPOLIS GROUP UAB

Through the materiality assessment, we have identified the following key sustainability themes and strategic directions:

PILLAR 1: ENVIRONMENT

Sub-topics:

- Climate and energy;
- Waste management and recycling;
- Water resource management;
- Biodiversity and ecosystems.

PILLAR 2: CUSTOMERS AND COMMUNITIES

Sub-topics:

- Customer and community relations (including green lease recommendations, business ethics, privacy, data, and cybersecurity);
- Philanthropy and support initiatives.

PILLAR 3: EMPLOYEES

Sub-topics:

- Diversity, equity, and inclusion;
- Employee health and well-being;
- Working conditions and safety;
- Learning and skills development;
- Volunteering.

Each of these topics and sub-topics, along with their management approaches, commitments, and achievements, are discussed in detail in the following sections of this report.

SUSTAINABLE BUSINESS POLICIES AND PRACTICES

To adhere to best business practices and strengthen our sustainability commitments, the Group has implemented a well-defined system of internal policies and procedures. This framework establishes clear standards of conduct and operational principles, ensures compliance with legal and regulatory requirements, and mitigates risks. Additionally, it serves as a foundation for effective process management, fosters a responsible business environment, and promotes continuous improvement.

The following policies outline key sustainability management principles and support the systematic achievement of the Group's long-term objectives.

Sustainability Policy
The Group takes responsibility for its impact on the environment and society and implements a Sustainability Policy, based on three core principles: **responsible real estate manager, responsible community participant and responsible employer.** Each of these areas includes clear commitments and long-term goals.

The Sustainability Policy aligns with international standards and guidelines, including:
- OECD Guidelines for Multinational Enterprises;
- UN Guiding Principles on Business and Human Rights;
- UN Global Compact.

Equal Opportunities and Diversity Policy
The Group applies the Equal Opportunities and Diversity Policy, ensuring gender equality and non-discrimination in all areas of its operations. This policy applies to all employees and emphasises respect for individual dignity while reinforcing a zero-tolerance approach to discrimination within the organisation.
The management team is committed to setting an example for appropriate behaviour, and employees are encouraged to report any violations.

The policy establishes:
- Procedures for investigations and disciplinary actions, ensuring fair and transparent handling of reported violations;
- Provisions ensuring confidentiality and protection of whistleblowers.

Anti-Corruption Policy
In 2023, the Group adopted the Anti-Corruption Policy, which defines a strict approach to corruption prevention across all business activities. The policy provides guidance on:
- Regulations governing gifts, donations, sponsorships, and financial contributions;
- Principles of transparent procurement;
- Prevention of conflicts of interest, nepotism, and cronyism;
- Ethical communication with foreign government officials.

By implementing this policy, the Group reinforces a culture of transparency and accountability, upholding the highest ethical standards, and promotes fair business practices.

Code of Business Ethics
The Vilniaus Prekyba Group's Code of Business Ethics sets out the standards of conduct that the Group follows in its relationships with employees, customers, partners, suppliers, government institutions, and society. Key principles:
- Respect for human rights;
- Ensuring healthy working conditions;
- Zero tolerance for corruption.

Violence and Harassment Prevention Policy
The Group has implemented the Violence and Harassment Prevention Policy to ensure a safe working environment for all employees. The policy defines:
- Mechanisms for identifying violence and harassment;
- Procedures for reporting and reviewing cases;
- Protection measures for whistleblowers.

This policy prohibits all forms of violence, harassment, and inappropriate behaviour, reinforcing employees' rights to a safe and respectful working environment.

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Ethical Communication Principles
The Akropolis Group's Ethical Communication Principles establish clear guidelines that are adhered to by both the Group and its communication partners:
- Political neutrality;
- Respect for government decisions;
- Respect for all social groups;
- Respect for the state and public sector;
- Respect for the media.

The Group's Head of Marketing and Communication is responsible for ensuring that all communication aligns with these principles.

Personal Data Management and Protection Policy
The Group enforces the Personal Data Management and Protection Policy, which includes:
- Principles governing the protection of stored and processed personal data;
- Regulations for document and data security;
- Procedures for handling data breaches and requests.

This policy ensures that personal data is processed in accordance with the highest security and privacy standards.

Governance achievements

This year, we further strengthened our governance system by integrating emergency and crisis management plans. These plans ensure the effectiveness of preventive measures and provide a coordinated response to unforeseen events, such as operational disruptions or emergency situations in our shopping and entertainment centres.

- A threat response plan was developed to identify the most vulnerable areas within our SCs, while defining specific preventive actions, assigning responsible persons, and establishing implementation deadlines.
- The crisis management plan provides employees with clear guidelines on how to act and communicate effectively within the organisation, ensuring a swift and coordinated response in the event of technical failures or emergencies at our SCs.

These new measures enhance the Group's ability to respond promptly to challenges, ensure business continuity, and uphold the highest safety and accountability standards for our visitors, tenants, and employees.

Implementation of internal policies and procedures

The Group's internal regulations and policies are consistently available to all employees via the internal document management system. All employees are required to confirm their acknowledgment of these documents, while responsible personnel ensure their clear understanding and proper application in practice. Employees are encouraged to actively consult with their direct managers regarding the implementation of policies and procedures to ensure their consistent adherence across the organisation.

To continuously enhance employee knowledge and competencies, the Group organises third-party-led training programs focusing on the application of policies, sustainability standards, ethical principles, and best practices. Additionally, internal policies and procedures are regularly reviewed to ensure their relevance and effectiveness, in line with evolving legal requirements and sustainability challenges.

The governance mechanisms described in this section support transparency, ethical business practices, and the integration of sustainability principles into our daily operations.

Violation prevention and ethical standards

The Group has implemented clearly defined policies and procedures to ensure transparent and ethical business practices:

- Our Whistleblowing and Incident Reporting Policy, ensures whistleblower anonymity and independent investigation of violations, in accordance with the Lithuanian Whistleblower Protection Law. This policy applies to all Group entities, reinforcing a culture of transparency;
- The Sanctions Compliance Policy, establishes internal procedures and measures to ensure effective compliance with international sanctions, including risk mitigation actions;
- Our Work Regulations, outline work organisation principles to ensure efficient and seamless operations.

In 2024, the Group did not record any incidents related to corruption.

Application of environmental and social responsibility standards in development

The Group's development projects comply with the European Bank for Reconstruction and Development (EBRD) environmental and social policy requirements, specifically Performance Requirements (PR) 1–8 and 10. The Group assigns dedicated personnel to continuously monitor compliance with these requirements. To the best of our knowledge, no significant violations were recorded during the reporting period.

KEY ACHIEVEMENTS AND PLANS

Below, we present the key achievements of 2024, reflecting our continuous progress toward sustainable operations:

- **Setting sustainability targets.** In 2024, the Group approved sustainability targets, including CO_2 reduction commitments to be achieved by 2030;
- **Green energy.** The Group increased its procurement of renewable electricity, leading to a reduction in overall GHG emissions;
- **Waste management strategy.** A waste management study was completed at Akropolis Vilnius, with studies at other shopping and entertainment centres scheduled for completion in 2025. At the same time, the Group initiated the development of a comprehensive waste management strategy;
- **Energy, resource, and water consumption audit.** A detailed audit of Akropolis Vilnius was conducted, identifying opportunities to improve resource efficiency;
- **Technical audits.** Technical audits were carried out at all Group-managed properties, enabling targeted improvements in the energy efficiency of existing buildings;
- **Enhanced GHG emissions assessment.** The scope of GHG evaluations was expanded, covering all sources of emissions and providing a more detailed assessment of tenant-related emissions;
- **Sustainability training.** The Group organised its first sustainability training sessions for employees. These sessions are planned to continue annually, with expanded topics each year where applicable;
- **Expansion of the "Akropolis Academy".** The lifelong learning program tailored for tenants' employees and successfully operating in Lithuania was expanded to Latvia;
- **Philanthropic activities and initiatives.** In collaboration with various NGOs, the Group actively supported and implemented 128 different initiatives;
- **Workplace improvements.** The Group focused on enhancing office spaces, renovating break and lunch areas, and creating a more comfortable and functional environment for employees;
- **Improvement of shopping and entertainment centre infrastructure.** The Group continued enhancing shopping and entertainment centre infrastructure, ensuring a more convenient and enjoyable shopping experience for visitors while improving working conditions for tenant employees.

In 2025, the Group will continue efforts to reduce environmental and social impacts, implementing strategic sustainability objectives.

- **Expansion of electric vehicle charging infrastructure.** Over the next few years, the Group plans to install nearly 100 new EV charging points across all five shopping and entertainment centres;
- **Increased use of renewable energy.** In 2024, Šiauliai and Klaipėda shopping and entertainment centres signed remote solar power plant lease agreements, with electricity production from these plants set to begin in 2025;
- **Completion of the waste management strategy.** The Group plans to complete waste management studies across all shopping and entertainment centres and develop a comprehensive Akropolis Group waste management strategy;
- **Modernisation of engineering systems.** In 2025, the Group plans to replace seven cooling units in Lithuania — one in Šiauliai SC, two in Klaipėda SC, and four in Vilnius SC. Additionally, two cooling units will be replaced at Akropole Alfa in Riga;
- **Employee skills development.** The Group will develop an employee upskilling policy, promoting professional growth and skill expansion.

SUSTAINABILITY TARGETS AND PROGRESS

In 2024, the Group set specific sustainability targets to systematically track and assess the implementation of its commitments. The table below presents initial results and progress during the reporting period. Regular progress monitoring will help ensure the strategic advancement toward achieving our 2030 objectives.

Table 1. Progress on sustainability targets

Sustainability target	2023	2024
Reduce Scope 1 and 2 GHG emissions per sq. m by 65% by 2030*	54 kg CO_2e/sq. m	27 kg CO_2e/sq. m Change -50%
Reduce Scope 3 GHG emissions (Categories 5 and 13) per sq. m* by 55% by 2030*	81 kg CO_2/sq. m	42 kg CO_2/sq. m Change: -48%
Reduce energy intensity in common areas** to 110 kWh per sq. m by 2030	119 kWh	126 kWh
Achieve and maintain at least "BREEAM In-Use" "Very Good" (or equivalent) certification for all existing buildings by 2030	Akropolis Vilnius – Good Akropolis Klaipėda – Good Akropolis Šiauliai – Very Good Akropole Riga – BREEAM New Construction – Very Good Akropole Alfa – Very Good	Akropolis Vilnius – Good Akropolis Klaipėda – Good Akropolis Šiauliai – Very Good Akropole Riga – BREEAM New Construction – Very Good Akropole Alfa – Very Good
Achieve a 55% waste recycling rate by 2030	47%	49%
Develop a biodiversity conservation and enhancement policy by the end of 2026, implement an action plan, and begin execution across all managed properties in 2027	N/A	In progress
Increase the number of initiatives supporting local communities and NGOs to at least 150 across the Group annually by 2030	82 initiatives	128 initiatives
Ensure at least 500 tenant employees participate in "Akropolis Academy" programs annually across the Group by 2030	227 tenant employees	226 tenant employees
Develop an employee skills development policy by the end of 2025 and ensure at least 95% of Group employees complete the designated annual training program by 2030	N/A	In progress

* Per square meter of the portfolio's average total leasable area (compared to 2023), CO_2e emissions are calculated using the market-based method.
** The indicator includes electricity and heating consumption in the common areas of operational SCs.

Environment

CLIMATE AND ENERGY

Akropolis Group's operations require significant energy resources to ensure the comfort of visitors, tenants and employees. Our operations have a significant impact on the environment, both through the refurbishment of existing shopping and entertainment centres and through new construction. In view of these impacts, we are actively seeking solutions to minimise our negative impact on the environment, in line with the principles set out in the Group's sustainability policy.

In 2024 we have set clear targets to reduce greenhouse gas (GHG) emissions and energy consumption. By 2030, we aim to:

- Have 65% lower Scope 1 and Scope 2 GHG emissions per sq. m[1];
- Have 55% lower Scope 3 (categories 5 and 13) GHG emissions per sq. m;
- Reduce the energy intensity in common areas to 110 kWh/sq. m[1];
- Achieve and maintain at least a “BREEAM In-Use” rating of “Very Good” or equivalent in all existing buildings.

GHG emissions

The table below summarises the GHG emissions from our activities in 2024. The largest share of GHG emissions comes from indirect emissions in the value chain (scope 3 emissions). This result reflects the specificities of our sector and the impact of the value chain, which accounts for a significant share of total GHG emissions.

Table 2. GHG emissions[2]

	2023				2024				
	GHG emissions (t CO_2e)			Share of total impact	GHG emissions (t CO_2e)			Share of total impact	Change
	Lithuania	Latvia	Total[3]		Lithuania	Latvia	Total[3]		
Calculated using the market-based method									
Scope 1	1,780	327	**2,106**	**4%**	1,485	401	**1,886**	**6%**	-10%
Scope 2	9,675	6,356	**16,031**	**31%**	4,295	2,882	**7,178**	**24%**	-55%
Scope 3[4]	21,523	11,843	**33,371**	**65%**	12,487	7,916	**20,414**	**69%**	-39%
Total	**32,978**	**18,525**	**51,508**	**100%**	**18,267**	**11,199**	**29,478**	**100%**	**-43%**
Calculated using the location-based method									
Scope 1	1,780	327	**2,106**	**9%**	1,485	401	**1,886**	**8%**	-10%
Scope 2	3,544	1,854	**5,399**	**24%**	3,841	1,902	**5,743**	**24%**	+6%
Scope 3[4]	10,879	4,398	**15,281**	**67%**	11,942	4,545	**16,498**	**68%**	+8%
Total	**16,203**	**6,579**	**22,786**	**100%**	**17,268**	**6,848**	**24,127**	**100%**	**+6%**

[1] Per square metre of total leasable area of the average property portfolio (compared to 2023).
[2] The activities did not generate any biogenic emissions in 2023 and 2024.
[3] The total GHG emissions also include the negligible GHG emissions from the operations of the office in the Netherlands.
[4] Scope 3 emissions also include emissions generated from investments in the construction and renovation of long-term real estate. In 2023, these amounted to 2,690 t CO_2e, and in 2024 – 2,226 t CO_2e.

[2-4] [2-24] [3-3] [305-1] [305-2] [305-3]

Lithuania and Latvia have different regulatory requirements, so GHG emissions are assessed separately in each country. This approach allows for a better understanding of local specificities and the implementation of sustainability strategies that most effectively meet the needs of each country and contribute to long-term environmental goals.

Electricity and heating remain the main sources of GHG emissions from our shopping and entertainment centres. In these areas, energy costs are significant due to the need to create a comfortable environment for visitors. The comfortable indoor microclimate and the diverse infrastructure of shopping and entertainment centres – from shops and restaurants to entertainment and ice rinks – result in high energy consumption. However, we have increased our Group-wide green electricity purchases in 2024, which has led to a significant reduction in our overall GHG emissions.

Construction and renovation works are a significant part of our impact, contributing to Scope 3 GHG emissions. In 2024, we completed the construction of a 480 sq. m a new building nearby Akropolis Vilnius, which houses an expanded Sportland store. We also completed the modernisation of Akropolis Klaipėda, which included major upgrades to the common areas.

The renovation works of Akropolis Klaipėda were carried out in order to create a modern and attractive environment for SC visitors. At the same time, the need for energy savings was also taken into account. Common areas, alleys, and sanitary facilities have been renovated, with four modern childcare rooms and two free themed playgrounds built for our little guests. Modern LED lighting has been installed in the alleys and other common areas of the shopping and entertainment centre, not only improving the aesthetics and comfort of the space, but also helping to reduce energy consumption.

GHG emissions intensity

The improvement in GHG emissions intensity is due to the increasing use of green energy in the overall energy mix. This has contributed to an overall reduction in GHG emissions. On the basis of the available data (we did not calculate the intensity indicator in previous years), we plan to further monitor and set future targets.

Table 3. GHG emissions intensity, t CO_2 eq. per unit metric

	2023	2024	Change
tCO_2e / EUR 1 million revenue (Scope 1 and Scope 2 emissions)	156	72	-54%
tCO_2e / EUR 1 million revenue (Scope 3 emissions)	287	162	-44%
tCO_2e / EUR 1 million revenue (Total emissions)	443	233	-47%
tCO_2e / 1 employee (Scope 1 and Scope 2 emissions)	150	70	-53%
tCO_2e / 1 employee (Scope 3 emissions)	276	158	-43%
tCO_2e / 1 employee (Total emissions)	426	229	-46%
tCO_2e / 1,000 sq. m (Scope 1 and Scope 2 emissions)	54	27	-50%
tCO_2e / 1,000 sq. m (Scope 3 emissions)	99	61	-39%
tCO_2e / 1,000 sq. m (Total scope emissions)	153	88	-43%

Note: For the calculation of the intensity ratio, emissions from all scopes are included: direct emissions (Scope 1), indirect energy emissions (Scope 2, market-based method) and other indirect emissions (Scope 3)

[3-3] [305-4]

Calculation of GHG emissions and methodology

The Group's GHG emissions for 2024 have been calculated in accordance with the GHG Protocol and ISO 14064-1:2018 (Greenhouse Gases) guidelines. These standards provide organisation-level specifications and guidance for the determination and reporting of GHG emissions and removals.

The calculation is based on the operational control principle – only emissions that arise from activities directly owned or controlled by the Group are included. Responsibility for emissions therefore lies with the party with the greatest ability to manage and reduce them, including the choice of suppliers and purchasing decisions for products and services.

The assessment shall include all relevant GHG emissions (including those of biogenic origin), with the result expressed in CO2 equivalent.

2023 has been chosen as the base year for the calculation. This is the earliest period for which we have carried out a full GHG calculation for all three assessment areas.

In 2024, we have expanded the boundaries of the assessment categories to cover all sources of direct and indirect emissions, and increased the granularity of the data to distinguish between the GHG footprint of tenants due to waste and water consumption. These changes have led to the decision to carry out a recalculation of the 2023 results to maintain comparability.

When assessing GHG emissions, priority shall be given to emission factors that are as close as possible to the geographical area in which the GHG-emitting activity takes place, taking into account the relevance of the factors to the activity in question and the novelty. For the 2023-2024 emissions, we have used the following factor sources: national GHG reports, AIB (Association of Issuing Bodies), IEA (International Energy Agency), DEFRA (Department for Environment Food and Rural Affairs), EcoAct, 2020, Glec v3.

Under the GHG Protocol, indirect emissions related to energy consumption are calculated using two methods:

- **Market-based method,** which calculates GHG emissions based on an organisation's choices on the electricity market (e.g. using renewable energy guarantees of origin);
- **Location-based method** that reflects the emissions from electricity generation in a specific geographical area, regardless of the origin of the energy consumed by the organisation.

The GHG emissions from an organisation's activities fall into three scopes:

- **Scope 1:** Direct GHG emissions from sources owned or controlled by the organisation (e.g. from vehicle fuels, stationary combustion equipment, leakage of refrigerants);
- **Scope 2:** Indirect GHG emissions from purchased energy (e.g. GHG emissions related to the production of purchased electricity and heat);
- **Scope 3:** Other indirect GHG emissions resulting from the activity. The assessment includes the following assessment categories: products and services purchased (category 1), fixed assets, investments (category 2), indirect Scope 1 and 2 GHG emissions (category 3), waste (category 5), business travel (category 6), employee mobility (category 7) and assets leased to the end-tenant (specificity of leasehold management) (category 13).

Managing GHG emissions and reducing impacts

In 2024, the Group continued to deliver on its commitment to mitigate its climate change impacts by continuing to monitor its GHG emissions and make decisions on their management accordingly. Our GHG calculations cover all three scopes and therefore provide a comprehensive picture of the direct environmental impact of the Group's activities and the impact of the wider ecosystem – including suppliers, customers, and community.

Our main objective is to calculate emissions accurately so that we can prioritise areas where effective solutions are needed to reduce impacts. Based on this data, we formulate an action plan and implement targeted measures to strengthen sustainability. The company regularly monitors changes in emissions and responds by ensuring that environmental impacts are continuously managed to reduce them.

To reduce energy consumption and emissions, we buy renewable energy and implement energy saving solutions. We also promote sustainable mobility infrastructure by installing charging stations for electric cars and parking spaces for electric scooters.

[305-1] [305-2] [305-3]

"BREEAM" certification

"BREEAM" (Building Research Establishment Environmental Assessment Method) is a global method for assessing the sustainability of buildings, taking a holistic approach and covering a wide range of aspects such as energy efficiency, water conservation, health and well-being, transport solutions, resource use, waste management, ecology and pollution reduction. Certificates are issued on the basis of an analysis of design, construction and operation by independent accredited assessors.

The Group uses "BREEAM" as a key tool that not only demonstrates the sustainability results achieved, but also promotes sustainable building practices, increases our competitiveness in the market and strengthens our reputation. This standard allows us to responsibly oversee resources in the buildings we manage by implementing innovative solutions.

In January 2025, Akropolis in Vilnius, Klaipėda and Šiauliai were successfully "BREEAM In-Use" recertified. As a result, the rating level of Vilnius and Klaipėda shopping and entertainment centres increased from "Good" to "Very Good". This means **the Group's entire portfolio in Lithuania and Latvia now meets the "BREEAM" "Very Good" rating standard.**

Shopping and entertainment centres install modern lighting systems, water-saving devices and upgraded building management systems to help use resources more efficiently and reduce costs. Dedicated water drinking stations reduce the use of single-use plastics, while spaces for people with disabilities and families with children are accessible to all visitors. Modern rest areas for employees contribute to improving the working environment.

Waste separation and recycling solutions, as well as comprehensive flood risk and technical assessments, help reduce environmental risks and long-term maintenance costs.

These measures reflect the Group's commitment to acting responsibly and sustainably to ensure that the buildings we manage contribute to conserving the environment and the well-being of visitors and employees.

Green lease conditions

The Group has included recommendations on green lease terms in its shopping centre internal rules. These have become an important step in promoting more sustainable tenant behaviour. These recommendations are designed to improve environmental performance by addressing areas such as energy and water consumption, waste management, GHG reduction, and other factors related to the operation of leased premises.

It has been noted that tenants are increasingly interested in sustainability issues and are asking how they can contribute to these principles. This shows that attitudes towards responsible use of premises are gradually changing.

This action encourages tenants to adopt sustainable practices and reinforces the Group's long-standing commitment to reducing its environmental impact throughout the value chain.

Energy consumption

The Group's premises use energy for a variety of purposes, including lighting, heating, air conditioning, refrigeration systems, and the operation of mechanical and electrical equipment.

The level of electricity consumption varies depending on the season and the outside temperature. This results in different needs for climate control systems.

To increase energy efficiency, we are installing modern LED lighting solutions, upgrading refrigeration systems, and recovering the heat that is generated by the ice rink's equipment. An energy audit of Akropolis Vilnius building carried out in 2024 identified priority areas for improvement and we have started to implement specific efficiency measures both at Akropolis Vilnius and at other SCs. These and other ongoing actions are helping to reduce energy consumption in our shopping and entertainment centres.

From autumn 2024 onwards, the Group will purposefully reuse the heat generated by tenants' operational processes, which is technologically recovered as waste heat. So far, such project has been implemented in Akropolis Klaipėda, but similar initiatives are being considered in other buildings managed by the Group.

All of our managed buildings are among the **top 15% most efficient buildings** in Lithuania and Latvia according to energy performance certificates. This achievement underlines the Group's commitment to responsible energy consumption and consistent reduction of environmental impact.

Table 4. Energy consumption in the Group, MWh

	2023			2024			Change
	Lithuania	Latvia	Total	Lithuania	Latvia	Total	
Consumption of fuel from non-renewable sources[5]							
Petrol	174	35	**209**	197	47	**243**	+16%
Diesel	112	14	**125**	78	0	**78**	-38%
Natural gas	737	286	**1,023**	692	329	**1,021**	-0.2%
Total	**1,023**	**334**	**1,357**	**966**	**375**	**1,342**	**-1%**
Consumption of renewable fuels – 0							
Electricity and heating energy consumption							
Electricity	20,943	13,367	**34,310**	22,874	14,328	**37,202**	+8%
Heating	3,259	2,471	**5,729**	3,280	1,791	**5,071**	-11%
Total	**24,201**	**15,838**	**40,039**	**26,154**	**16,119**	**42,272**	**+6%**
Total energy consumed	**25,224**	**16,173**	**41,396**	**27,120**	**16,494**	**43,614**	**+5%**

Note: The increase in electricity consumption in 2024 is due to higher average annual temperatures (more energy used for cooling due to the prolonged warm season) and to the construction works of the Vilnius Akropolis extension and the renovation of Klaipėda Akropolis.

Table 5. Energy consumption of tenants, MWh

	2023			2024			Change
	Lithuania	Latvia	Total	Lithuania	Latvia	Total	
Electricity	34,520	21,589	**56,108**	32,715	22,773	**55,488**	-1%
Heating	13,259	4,597	**17,856**	13,224	4,818	**18,043**	+1%
Natural gas	1,133	454	**1,587**	1,184	529	**1,712**	+8%
Total	**48,911**	**26,640**	**75,551**	**47,123**	**28,120**	**75,243**	**-0.4%**

Note: Tenants' natural gas consumption – restaurants' use for cooking and multi-tenant use for space heating.

[5]Fuel quantities in litres are converted into energy units based on the latest fuel calorific values specified in the national GHG reports of Lithuania and Latvia.

[2-4] [302-1] [302-4]

Energy intensity

Lithuanian SCs consume a higher amount of electricity and heating energy per square metre compared to Latvia. This difference is due to the installation of more energy-efficient equipment in the construction of new and renovated existing Latvian SCs, as well as the different outdoor temperatures in each location.

Table 6. Energy intensity, MWh/sq.m of leasable area

	2023			2024			Change
	Lithuania	Latvia	Total	Lithuania	Latvia	Total	
Energy intensity in the Group	0.13	0.11	**0.12**	0.14	0.12	**0.13**	+5%
Energy intensity of tenants	0.25	0.19	**0.23**	0.24	0.20	**0.22**	-1%
Total energy intensity	0.38	0.30	**0.35**	0.38	0.31	**0.35**	+2%

Note: Energy quantities from all sources in the SC are used to calculate the indicators

Energy consumption management and monitoring

The Group continues to make significant investments in energy efficiency to reduce costs and environmental impacts.

Energy audits

At the beginning of the year, an energy and water audit of Akropolis Vilnius building was completed. The aim of the audit was to provide a detailed assessment of the building's energy consumption and potential losses, and to propose measures to improve efficiency. One of the main recommendations is to install modernised BMS (Building Management Systems) and electricity monitoring systems. A significant part of this work has been carried out at Akropolis SCs in Lithuania and has also begun in Latvia. By upgrading these systems, we will be able to:

- Enable real-time monitoring of energy consumption;
- Prevent equipment failures by monitoring performance deviations;
- Analyse the data collected to identify the most effective resource management solutions.

The modernisation of the BMS system is an ongoing project involving software replacement and upgrades, the introduction of a monitoring function, and data analysis. We will continue works in 2025-2026.

Technical audit

All buildings managed by the Group have undergone a technical audit, assessing the condition of the buildings and their engineering systems.

Based on the findings of this audit, an improvement plan for the period 2024-2029 has been developed. Among the planned works are improving the airtightness of the buildings and renewing the roofing. This will help to improve energy performance and reduce the use of resources for comfort.

Continuing projects

In 2024, we continued airflow balancing work at Akropolis SCs in Vilnius, Klaipėda, and Šiauliai to reduce energy consumption and ensure tenant comfort.

We also replaced two air-conditioning units in Vilnius and Klaipėda during the reporting period, using less electricity to produce the same amount of cold air and more environmentally friendly freon.

Transition to renewable energy

The Group is making significant efforts to switch to renewable energy to contribute to climate change mitigation and reduce the use of fossil fuels. In 2024, electricity from renewable sources accounted for 65% of the Group's total electricity consumption. This achievement reflects rapid progress compared to previous years and reinforces our commitment to sustainability.

Going forward, the Group will continue to strive for a full transition to 100% renewable energy, while consistently meeting its long-term environmental targets.

[302-3]

Electric car charging infrastructure

In response to the widespread use of electric vehicles and the growing demand for charging, the Group is consistently expanding its electric vehicle charging infrastructure.

In 2024, a plan was drawn up and approved to install almost 100 new charging points in all five of the Group's Akropolis centres in the coming years.

These plans reflect our long-term commitment to improving the visitor experience and contributing to the promotion of sustainable transport.

WATER RESOURCES MANAGEMENT

Water consumption is mainly driven by visitor activities, as well as maintenance of the premises and surrounding areas. All of our shopping and entertainment centres are supplied with water by local municipal utility providers.

The Group has consistently pursued responsible water consumption by investing in technological solutions and encouraging sustainable practices by both tenants and visitors. This year, we have implemented technological improvements in both our Akropolis Vilnius and Šiauliai centres: we have installed faucet aerators and reduced the amount of water flushed down the toilets in line with sustainable building standards. While these measures have not led to a significant reduction in water consumption, they are a step towards more responsible water usage.

The Group continues to monitor water consumption and encourages tenants to cooperate by reporting possible plumbing faults. Our aim is to reduce water waste and continuously improve efficiency indicators.

Table 7. Water consumption, m^3, water intensity, m^3/sq.m

	2023			2024			Change
	Lithuania	**Latvia**	**Total**	**Lithuania**	**Latvia**	**Total**	
Consumption							
Water consumption in the Group	71,711	34,521	**106,232**	65,918	32,862	**98,780**	-7%
Tenants' water consumption	94,667	72,239	**166,906**	88,411	74,554	**162,965**	-2%
Intensity							
Water intensity	0.86	0.75	**0.81**	0.79	0.75	**0.78**	-5%

Note: The intensity calculation is based on the SC's water consumption (total) per square metre of leasable area.

Wastewater management

The Group strives to ensure that its activities are carried out in accordance with the strictest environmental standards and do not harm the environment through wastewater systems. We work with tenants to collect data on the chemicals in the cleaning products they use, which could enter the wastewater system. This information helps ensure compliance with local regulations and protect the environment. According to the data provided by the tenants, no hazardous chemicals are used in SC's daily operations.

However, in 2024, 18 cases were recorded in which wastewater tests showed exceedances of the limits for certain chemicals. Fines totalling EUR 40 k were imposed for these infringements. These results show the need for further education of tenants, reinforcement of controls and preventive measures in order to reduce the number of such cases and their environmental impact in the future.

The Group consistently meets its commitments to water quality and regulatory compliance. Laboratory testing of water samples is carried out on a quarterly basis and tenants provide annual lists of chemicals used in their operations. These measures help to effectively monitor and manage potential risks related to water pollution.

Key implemented measures:

- The water received from suppliers is filtered and softened in order to remove mechanical particles and iron;
- Regular inspections are carried out to prevent the contamination of drinking water;
- The water is filtered to separate grease before being discharged into the wastewater system. The grease is removed from the separators in accordance with legal requirements;
- Oil and sand traps with replaceable filter media are installed in car parks.

The Group also continues to invest in water-saving technologies and aims to provide visitors with convenient access to drinking water stations.

WASTE MANAGEMENT AND RECYCLING

Although the Group's activities do not directly generate significant amounts of waste, the shopping and entertainment centres we manage generate a significant amount of waste: food waste, visitor waste, tenant packaging materials, etc. In addition, construction waste is generated during the construction of buildings and the fitting-out of tenants' premises. Improper waste management could contribute to landscape and water pollution and loss of secondary raw materials.

The Group continuously strives to reduce waste-related impacts by providing tenants and visitors with adequate infrastructure and raising awareness on responsible waste management.

Actions and initiatives

The Group aims to raise awareness amongst tenants and visitors to our shopping and entertainment centres and to implement waste management objectives in all of its SCs. Our main initiatives include more efficient waste sorting, responsible waste management, and tenant education.

It is important to note that in 2024 we set a target of 55% recycling by 2030.

In 2024, we carried out the following educational initiatives at Akropolis Vilnius:

- **Sorting training** for the tenants of Akropolis Vilnius and the Group's administration employees, including an excursion to the landfill for administration employees;
- **Educational activities and interactive performances** at Akropolis Vilnius in October to encourage visitors (including our young visitors) to be waste conscious.

In 2025, these initiatives will be extended to other cities.

More importantly, in 2024 we completed a comprehensive waste management study at Akropolis Vilnius. The results of the study provided a clear understanding of how much and what types of waste are generated in the shopping and entertainment centre. Similar studies are currently being carried out in our other SCs in order to develop an overall waste management strategy for the Group. The study revealed that the main problem is the high volume of mixed municipal waste. Based on these insights, we have set a target to reduce the amount of waste going to landfill. To achieve this, we are expanding waste collection infrastructure, strengthening educational initiatives, promoting cooperation with waste managers, and carrying out regular waste monitoring.

Based on the findings of this study, we are developing the Group's waste management strategy to meet our long-term objective of increasing our recycling rate. This strategy will provide concrete actions to help us increase our waste sorting and recycling rates and strengthen our responsibilities in this area.

In 2024, we installed food waste collection bins in the premises of the tenants at the Akropolis Vilnius Business Centre, as well as in the administration premises, the premises used by security personnel, cleaning service providers, and in the kitchens of the tenants' employees.

We want tenants to manage their waste responsibly and have developed waste management guidelines alongside our shopping centre internal rules and green lease guidelines. This is to encourage sustainable practices by tenants, including waste sorting, avoidance of harmful materials, and the use of environmentally friendly materials.

Table 8. Waste generated by the Group's activities, tonnes

	2023			2024			Change
	Lithuania	Latvia	Total	Lithuania	Latvia	Total	
Mixed municipal	23.3	13.4	**36.8**	23.0	13.6	**36.6**	-0.6%
Paper	2.1	1.1	**3.1**	2.0	1.1	**3.1**	+0.3%
Plastics	0.1	0.1	**0.2**	0.1	0.1	**0.2**	-0.1%
Other secondary	0	0.2	**0.2**	0.3	0.2	**0.5**	+133%
Total	**25.5**	**14.8**	**40.3**	**25.4**	**15.0**	**40.4**	**+0.1%**

Table 9. Waste generated by tenants, tonnes

	2023			2024			Change
	Lithuania	Latvia	Total	Lithuania	Latvia	Total	
Mixed municipal	1,507	1,042	**2,549**	1,686	1,035	**2,721**	+7%
Paper	579	490	**1,069**	681	468	**1,149**	+7%
Plastics	5	66	**71**	16	101	**117**	+64%
Other secondary	0	23	**23**	5	21	**26**	+11%
Other non-recyclable (incinerated)	150	46	**196**	175	37	**211**	+8%
Total	**2,242**	**1,668**	**3,910**	**2,563**	**1,661**	**4,224**	**+8%**

Note: in Lithuania, the amount of mixed municipal waste in 2024 has increased due to changes in the accounting system of waste management companies.
Tenants' waste means waste collected only through Group-managed containers for tenants' use.

Waste sorting infringements and prevention

In 2024, 8 cases of improper waste sorting were recorded, for example when certain waste was not disposed of in its proper container. The total amount of fines imposed for these infringements was 150 EUR.

To reduce the risk of these cases recurring, the Group actively educates tenants' employees on proper waste separation. This helps to develop a responsible approach to waste management and reduce the potential environmental impact.

PRESERVING AND PROMOTING BIODIVERSITY

Construction projects inevitably have an impact on biodiversity, but proper planning and management can reduce these impacts and even contribute to ecosystem enhancement. The construction and operation of shopping and entertainment centres can have a wide range of impacts on local nature, from the disturbance of natural habitats to the disturbance to wildlife and the pollution of the local environment. For example, site preparation or infrastructure development often pose challenges to local ecosystems.

In line with "BREEAM" requirements, we endeavour to ensure that our construction projects not only minimise disturbances to the environment, but also contribute to enhancing biodiversity. These standards cover habitat creation, species protection, landscape planning, ecological enhancement and responsible water and waste management, ensuring that construction processes comply with sustainability principles. Our commitment is illustrated by Akropolis Vingis mixed-use complex construction project. At the start of the project, the ecological value of the site was low, but during construction, important solutions will be implemented, such as the creation of new green spaces, the use of indigenous plant species, and the creation of additional habitats. This will improve biodiversity and contribute to the creation of sustainable infrastructure and responsibility moving forward.

[2-4] [2-27] [3-3] [306-3] [306-4]

It is important to note that we have set ourselves the target of having a biodiversity policy and action plan in place by the end of 2026, with implementation starting in 2027 at all of our managed sites. This initiative will be yet another contribution to our sustainable operations and long-term environmental protection efforts.

Table 10. SCs adjacent to protected areas designated under national legislation

	Land area (sq. m)	Type of activity	**Biodiversity value** that is characteristic of a protected area or an area of high biodiversity value outside a protected area.
Akropolis Vilnius	162,547	SC, office building	**Terrestrial area.** The site is adjacent to the Šeškinė Slopes Geomorphological Reserve, which borders the south-eastern boundary of the site. The reserve was established to protect fragments of the slopes of the Neris valley formed by glaciers.
Akropole Alfa	97,223	SC	**Terrestrial area.**The site is located next to biotopes such as wooded coastal dunes (forest-like in appearance). There are several protected trees in the area. These biotopes are not adversely affected by SC activities.
Akropolis Vingis project	105,931	SC, office building, apartments for rent	**Terrestrial territory and freshwater bodies.** The territory is bordered on the west by the Neris River, and on the north by Vingis Park and the territory of the Vingis Park waterworks. In 2005, Vingis Park was declared an immovable cultural heritage site. Most of the territory is used for forestry (recreational purposes). The River Neris is registered as a protected area.

Preserving and enhancing biodiversity

The direct impact on biodiversity of the shopping and entertainment centres operated by the Group and located in urban areas is minimal. However, conscious of our environmental responsibility, we are constantly looking for ways to contribute to the conservation of biodiversity and the sustainable enhancement of urban ecosystems.

Key initiatives:

- **Environmentally friendly activities.** We continuously invest in solutions to reduce pollution and conserve natural resources, such as advanced water and air filtration systems, efficient waste sorting, and chemical control;
- **Sustainable transport.** To reduce air and noise pollution, we work with urban infrastructure developers to make our shopping and entertainment centres easily accessible by public transport, electric cars, bicycles, and scooters;
- **Implementing green solutions.** We are planning initiatives to promote biodiversity conservation, such as installing green roofs, placing beehives on buildings, and creating insect habitats in shopping and entertainment centres.

Cooperation and awareness-raising

The Group works closely with local conservation organisations to organise educational initiatives to raise awareness of the importance of biodiversity in communities. These activities help to strengthen the link between the city's inhabitants and nature.

Reducing indirect impacts

We understand that the activities of our facilities may have an indirect impact on the environment by causing traffic congestion or noise in the areas. That's why we design and manage our shopping and entertainment centres in a way that not only minimises these impacts, but also contributes to environmental solutions. Innovative sustainability initiatives ensure that our facilities create a positive impact on biodiversity and urban ecosystems.

[3-3] [304-1] [304-2]

INITIATIVES TO PROMOTE ENVIRONMENTAL AWARENESS AND SUSTAINABILITY

In 2024, Akropolis shopping and entertainment centres in Lithuania and Latvia implemented a number of environmentally friendly projects related to promoting sustainability and community education. These initiatives underline our commitment to reducing environmental impacts, promoting social responsibility, and raising sustainability awareness:

- **Interactive performances for children in Vilnius.** For three Sundays, the Green Planet performances took place, educating children about sustainability and protecting the planet;
- **Waste sorting education.** Interactive games were organised at Vilnius Akropolis, allowing visitors to learn how to sort waste in practice. Food waste sorting boxes were distributed in cooperation with Vilnius Waste Management Administrator (in Lithuanian VASA);
- **Textile and electronic waste collection.** Textile collection containers have been set up at Akropolis centres to promote a responsible attitude towards waste. Campaigns on recycling of electronic waste have also been implemented.

These and other initiatives demonstrate the contribution of Akropolis shopping and entertainment centres to environmental protection and sustainability, involving the community in significant changes.

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Social responsibility

RELATIONSHIPS WITH CUSTOMERS AND COMMUNITIES

Fostering relationships with our clients and communities and treating them responsibly is an integral part of what we do. This helps to maintain a lasting impact on the well-being of both clients and communities.

We distinguish between our two main customer segments – tenants and visitors. Tenants are business partners who rent premises in our shopping and entertainment centres and offices, while visitors are customers who visit our shopping and entertainment centres.

We also strive to build strong and vibrant communities in the areas where we operate, through a range of social initiatives, working with non-governmental organisations (NGOs) and supporting their programmes that contribute to society.

In 2024, we have prioritised the following objectives: improving visitor satisfaction, fostering the well-being of our tenants' employees, engaging in responsible urban development initiatives and transparency. At Group level, we are working towards our 2030 targets every year:

- To increase the number of initiatives supporting local communities and NGOs to 150;
- To attract 500 tenant employees to participate in "Akropolis Academy" training.

We actively seek to understand and respond to the needs of both clients and communities, building social capital and creating long-term mutual value.

Partnerships with tenants

Akropolis shopping and entertainment centres value tenant cooperation as an important key to successful operations. In response to tenants' needs, we have developed a guide that describes practical solutions to help ensure smooth day-to-day operations. Annual performance reviews provide an excellent opportunity to discuss results, gather feedback, and implement joint initiatives.

We also actively promote awareness of environmental initiatives among tenants' employees, highlighting how their daily actions can contribute to the success of these initiatives.

In 2024, training on waste sorting was organised for the employees of tenants of Vilnius SC. In 2025, we plan to organise similar training in other SCs.

In December, all Akropolis shopping and entertainment centres held their annual performance presentations, accompanied by festive winter events for tenant employees. Over the years, the celebrations have become an important collaborative highlight for tenant employees, encouraging engagement and community.

Key engagements:

- Akropolis Vilnius. On 5 December, a Christmas party was held at the O'Learys Sports Club, attended by around 550 tenant employees. The event featured the presentation of the face of this year's Akropolis Christmas campaign – Rikota the puppy, as well as various activities such as bowling, billiards, table tennis, a photo corner, and the game AKROLOTO;
- Akropolis Klaipėda. The Christmas event, held on 11 December in the central square of the shopping and entertainment centre, attracted around 200 participants. The programme consisted of a raffle with 30 prizes, a photo corner, a host, and the main attraction – two performances by Steponas Januška and the band Studija;
- Akropolis Šiauliai. A Christmas event was held at the Apollo Bowling on 10 December, attended by around 250 tenant employees. The programme included a host, a DJ, a photo corner with mirror characters, bowling tournaments, and an African drumming performance;
- Akropole centres in Latvia. For the first time, a joint Christmas event was organised for the tenants of both Akropole SCs. The event took place in Akropole Riga's event space and ice rink and was attended by around 700 tenant employees. The programme consisted of improvisations, performances, a live concert, artificial intelligence photo activities, ice skating, magician performances, master classes (Christmas card and decoration making) and a DJ performance.

In total, more than 1,700 tenant employees attended the 2024 events. This high level of engagement confirms our commitment to creating an inclusive and positive atmosphere for all, contributing to the strengthening of partnerships and long-term cooperation.

“Akropolis Academy” activities

As part of the Group's consistent expansion of socially responsible initiatives, in 2024 the Group continued its training programme "Akropolis Academy", which was launched in 2022. This programme, tailored to the needs of tenants, promotes lifelong learning, and has a particular focus on older employees, people with disabilities, and other tenant employees. The main objectives of the “Akropolis Academy” programme are:

- To contribute to strengthening the Group's performance by sharing practical and market-relevant skills;
- Improving the labour market opportunities of older tenant workers (over 50) and people with disabilities, and enabling them to undertake lifelong learning in order to enhance their economic security;
- To support Akropolis tenants hiring senior workers for the first time by providing tailored guidance and information and promoting good practice.

In 2024, “Akropolis Academy” expanded to Latvia, with two days of customer service training in two SCs, attended by 226 tenant employees.

In the future, the Group intends to further develop the “Akropolis Academy” programme to double the number of tenant employees participating, complementing it with new educational initiatives that contribute to the achievement of sustainability goals and strengthening the partnership with tenants.

Improving the environment for tenants

The Group continued to improve the infrastructure of shopping and entertainment centres to provide a more comfortable and pleasant environment for tenants' employees. For example, in Akropolis Vilnius, the lunch area for tenants' employees was expanded and a lounge area was added.

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Well-being of communities

Akropolis shopping and entertainment centres attract thousands of visitors every day, and our aim is to contribute to the well-being of local communities through a range of social activities.

Cooperation with NGOs and communities includes organising events and supporting activities relevant to our visitors. To ensure the effectiveness of these initiatives, we analyse the popularity of the events, feedback from participants, and assess their long-term impact, along with comments from NGOs. The most successful projects are repeated for consistent impact.

In 2024, we actively implemented and supported 128 different initiatives in partnership with various NGOs.

Infrastructure and mobility solutions

Our strategy is focused on creating a comfortable and modern environment that meets the needs of our diverse visitors. We want our shopping and entertainment centres to be not only functional, but also welcoming to everyone, including people with disabilities, and we pay particular attention to the highest health and safety standards.

As we develop our projects, we prioritise locations that are easily accessible by public transport. In this way, we contribute to more sustainable mobility. In addition, SC areas are equipped with electric car charging stations, and bicycle parking and storage facilities, which promote more sustainable visitor mobility. These initiatives contribute to reducing traffic congestion and creating a cleaner environment.

Significant infrastructure improvement projects have been implemented in 2024 to improve connectivity and enhance the quality of life for local communities. These decisions symbolise our commitment to sustainable urban development and enhancing conditions:

- **A new city street.** More than 600 metres of street in Vilkpėde, with pedestrian walkways, lighting and greenery was built. It is already being used by residents in the area and users of the surrounding plots;
- **Footpath.** A 650 metre-long pedestrian walkway was built next to the street, giving Vilkpėdė residents access to Vingis Park;
- **Rainwater harvesting network.** An 870 metre-long rainwater harvesting network has been installed and handed over to the city, collecting rainwater not only from our plot but also from neighbouring areas;
- **Water supply system.** The city's main water supply system has been rehabilitated, guaranteeing a more reliable supply of drinking water in Naujamiestis and Vilkpėdė. The length of the water supply pipeline is 840 metres;
- **Domestic wastewater networks.** 1,700 metres of new domestic wastewater network covering the entire area of the former factory conversion. Part of the old network was also relaid to ensure that the area can be developed;
- **Water tanks.** Two underground drinking water reservoirs with a capacity of 3,000 m³ have been installed at the “Vilniaus vandenys” waterworks. They regulate the hydraulic regime of the water supply system and store water supplies for the district and fire-fighting needs.

We encourage dialogue with local communities, incorporating their needs into the planning and development of our projects. In this way, we add value to both our clients and the community.

Visitor welfare

In 2024, the Group continued its efforts to improve the infrastructure of its shopping and entertainment centres to make shopping more convenient and enjoyable for visitors:

- **Renovation of Akropolis Klaipėda.** The EUR 8 million, large-scale renovation of more than 11,000 sq. m of common areas has been completed. The common areas, such as alleys and sanitary facilities, have been substantially renovated, and four modern childcare rooms have been added. The interiors have been modernised with brighter colours and energy-efficient LED lighting, which has not only made the spaces more cosy and engaging, but also contributes to environmental protection by reducing energy consumption. The interior renovation of Akropolis Klaipėda, which lasted more than a year, was carried out in stages and at night, so that the shopping and entertainment centre was not closed for a single day and was able to operate normally;
- **Children's play areas.** We aim to give parents with young children as many opportunities as possible to spend quality time at our SCs. Two new children's play areas were added to Akropolis Klaipėda in 2024. Akropolis Vilnius opened a children's play area in January 2025. In Latvia, Akropole Alfa opened one children's play area in 2024 and another will be opened in 2025;
- **Water stations.** Akropolis Vilnius currently has

[3-3] [413-1]

four water stations for all visitors, and we plan to install two more in the near future. We expect over 70,000 visitors a year to use this service at Akropolis Vilnius. At Akropolis Šiauliai six water stations were installed in the beginning of 2025. At Akropole Alfa, we plan to add more water stations in 2025;

- **Bins for visitors.** Following the good practice of Akropole Riga, Akropolis SCs in Vilnius and Klaipėda have installed new, larger-capacity indoor waste bins with clear waste separation signs. Visitors can now sort paper, glass, metal and mixed waste more conveniently. Additional outdoor sorting bins have also been purchased and were installed on the territory of Akropolis Vilnius in early 2025.

In addition to infrastructure upgrades, our commitment to customer satisfaction includes ensuring their health and safety, respect for privacy, and adherence to the principles of responsible and ethical communication. This comprehensive approach allows us to create a comfortable and enjoyable shopping experience and to make sure that every customer feels valued and respected from the first moment they arrive.

Health and safety

We want Akropolis shopping and entertainment centres to not only be places to shop, but also safe community spaces. We proactively address potential hazard situations, both meeting and exceeding regulatory requirements.

We deliver on our commitment to health and safety with daily cleaning and disinfecting common areas, introducing air quality improvement measures, and bacteria and virus reduction technologies. The safety of our SC visitors is always ensured by professional security personnel.

We follow local health guidelines to ensure that safety protocols are consistent and effective. Although incidents at SCs are mostly caused by negligent behaviour from visitors, each incident is carefully evaluated to further enhance customer safety.

The Group involves consumers and communities in health and safety assessments. This is done effectively by email and through the feedback section of our website. Their views are then integrated into our safety standards and practices.

In cases where the Group may be held liable for damages, we take swift action by contacting the insurers and launching a thorough investigation into possible compensation. It is important to note that no significant incidents were reported in 2024, which is testament to our continued focus on safety and creating a safe environment for our customers.

Health and social welfare initiatives

In 2024, we continued our practice of organising various events in Akropolis shopping and entertainment centres to promote healthy lifestyles and the well-being of visitors. The "Sports Festival", the "Planting Fair", the "Good Food Festival" and the "Health Fair" have become an integral part of our activities, attracting a great deal of visitor interest. We have also paid special attention to social initiatives that reflect our commitment to the health and safety of the community.

- **Invisible Disability Sunflower Project.** In cooperation with the Lithuanian Autism Association "Lietaus vaikai" (Eng. "Rain Children"), an initiative to raise awareness about social inclusion took place throughout the year in Akropolis Vilnius and Šiauliai SCs. Special sunflower ribbons were distributed and sensitising headphones were offered to visitors with invisible disabilities;
- **Road Safety Day.** On 5 April, together with the Klaipėda City Police Commissioner's Community Officers, we organised a traffic safety campaign at the central entrance. Officers handed out information leaflets and merchandise, while talking to visitors about safe behaviour on the road in order to encourage responsible behaviour among road users;
- **World Hearing Day.** On 3 March at Akropole Alfa in cooperation with the Latvian Medical Students Association (LaMSA), provided visitors with the opportunity to get a hearing test, learn about typical hearing problems, signs of hearing impairment, and modern hearing improvement and protection technologies;
- **Breast Cancer Prevention Day.** On 26 October an information event was organised at Akropole Alfa to provide visitors with information on early breast cancer diagnosis, publicly-funded screening and breast self-examination methods;
- **World Diabetes Day.** On 14 November, a mobile glucose testing van was parked outside SC Akropole Riga, where visitors could test their blood sugar levels and learn about diabetes risk factors and prevention;
- **Blood donation campaigns.** Together with the National Blood Centre, we organised regular blood donation drives in all five SCs. In 2024, there were more than 60 such initiatives. The blood collected during these campaigns has helped save many lives;
- **Promoting organ donation.** We ran information campaigns to encourage visitors to register as donors and raise awareness of the importance of organ donation.

Data protection

The Group collects personal data only for clearly defined and necessary purposes. Only minimal data, such as name and email address, are collected and only when necessary, for example, when registering for newsletters or participating in organised contests. All data collected is processed responsibly, in accordance with legal requirements and strict security standards.

The protection of personal data within the Group complies with the EU General Data Protection Regulation (GDPR) and other applicable legislation.

In accordance with this legislation, the Group consistently monitors and logs all complaints relating to breaches of customer privacy or loss of data. In 2024, there were no reports of customer privacy breaches, confirming our commitment to the highest level of data protection.

Our priority is the security and privacy of our clients' data, and we maintain strict standards in all areas of our business to ensure that our clients' information is protected in accordance with applicable legislation and best practices.

Guidelines for responsible communication

The Group, as a part of Vilniaus Prekyba UAB, adheres to the highest standards of ethical communication as set out in the Code of Business Ethics adopted by the parent company. Public communication is based on the principles set out in this Code and is closely linked to the commitments defined in our Sustainability Policy. Our information about the services we provide is of high quality, clear, and timely. We also ensure that our partners do not release false or misleading information about our services and provide them with communication guidelines.

Our media and public relations partners are thoroughly briefed on the requirements to ensure compliance with the principles of ethical communication.

The Group is also actively involved in the approval process for tenants' promotional material displayed in our shopping and entertainment centres. We encourage tenants to adhere to the principles of ethical communication and, where necessary, make recommendations for revisions to ensure that their communication material meets our standards.

PHILANTHROPIC ACTIVITIES AND SUPPORT INITIATIVES

Our activities enable us to have a significant positive impact on the communities we support through philanthropic initiatives, underlining our commitment to their well-being and growth. The Group continuously seeks to strengthen local communities and support NGOs by contributing to their activities and important initiatives.

In 2024, our contribution increased, with 128 projects implemented or supported and a total value of more than EUR 430 k in unpaid contributions. Some initiatives were repeated in the same year due to their significant impact. Such achievements underline our commitment to supporting communities by contributing to social, educational, health, cultural development, and wealth creation.

Donation and fundraising campaigns

The Group continues to actively support social and charitable initiatives, giving NGOs free access to our SC's common spaces to further their goals. The value of the gratuitously provided instruments for various fundraising campaigns accounted for half of the total value of the instruments provided and exceeded EUR 200 k. In 2024, the scope of such support projects has increased even further, involving more organisations and increasing engagement with local communities.

We have collaborated with "Raudonos nosys" (Eng. "Red Noses"), "Raudonasis kryžius" (Eng. "Red Cross"), "Caritas", "Gelbėkit vaikus" (Eng. "Save the Children"), "SOS vaikų kaimas" (Eng. "SOS Children's Village"), "Ankstukai" (Eng. "Pre-term Babies"), etc., enabling them to carry out fundraising activities. These initiatives were particularly significant in the Akropolis Vilnius space, as they became a reliable platform for the organisations to raise awareness and action.

Examples of other support initiatives:

- **Warm Clothes Days in Riga.** For the second year in a row, the campaign collected winter clothes for Ukrainian refugees and families in need in Latvia. This initiative not only addressed practical needs, but also promoted community solidarity;
- **Charity campaign "Let's help prepare for school together!".** During the four-week campaign, school supplies were collected for 317 children of disadvantaged Latvian families and Ukrainian refugees. Residents and businesses could donate to special donation boxes in shopping and entertainment centres, on virtual billboards, or by bank transfers.

Cultural and educational events

Since 2024, the Akropolis spaces have become an important platform for various cultural and educational initiatives. For example, Akropolis Vilnius hosted Sustainability Month events – interactive performances for children and waste sorting workshops, which attracted a lot of attention from our young visitors. Akropolis Klaipėda became a sponsor of the Klaipėda Jazz Festival, providing support for its organisation.

Sport initiatives

Akropolis Group actively contributes to the development of sport and promotes healthy lifestyles through its managed ice rinks. Akropolis rinks in Vilnius, Klaipėda, Šiauliai, and Riga host figure skating and ice hockey training sessions, as well as ice hockey competitions, thus contributing to the promotion of these sports in various communities.

In 2024, the following initiatives were implemented:

- **Free skating sessions for pupils.** As part of the "Vilnius is a School" project, free ice skating sessions were provided to pupils in Vilnius schools to promote active lifestyles;
- **Free ice skating for Ukrainian children.** Ukrainian children up to 12 years old could skate for free in all Akropolis SCs, encouraged activity while giving the children something fun and productive;

- **Free skating sessions for seniors.** Seniors can enjoy free skating sessions at ice rinks. In Akropolis Šiauliai alone, 1,000 seniors took advantage of this opportunity in 2024;
- **Supporting communities.** Over 2,000 vouchers for free skating sessions for various community initiatives were donated. For example, 154 vouchers were given to "SOS vaikų kaimas" (Eng. "SOS Children's Village") in Šiauliai, 70 vouchers to Julius Janonis Gymnasium in Šiauliai, 100 vouchers to "Veiklių mamų klubas" (Eng. "Active Moms Club") in Klaipėda, and 266 vouchers to Klaipėda J. Karosas Music School;
- **Akropolis Šiauliai hosted an Olympic Day event.** 285 vouchers were donated to participants to visit the ice rink and advertising space was used to inform people about the event;
- **Klaipėda Sports Festival.** We contributed to the dissemination of information about the event and donated 600 ice-skating session vouchers.

The group also actively contributes to various events and projects by providing free advertising and support to local NGOs. Such initiatives promote community and a sustainable approach to social well-being.

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EMPLOYEES

The Group invests in promoting the well-being and professional growth of its employees. In 2024, particular emphasis was placed on creating a positive and productive working environment and increasing employee engagement. Employees were asked to complete a questionnaire on their needs to improve the office environment. This survey helped us to better understand their needs and to improve the working environment based on the responses.

We have also set a target **to ensure that at least 95% of the Group's employees complete a skills development programme** by 2030. To achieve this target, the Group plans to develop a policy on skills development for employees by the end of 2025.

The Group, as part of the Vilniaus Prekyba UAB Group, adheres to the Code of Business Ethics, which defines the basic principles to be applied in dealing with colleagues, partners, and other entities. The Code emphasises respect for human rights, healthy working conditions, and zero tolerance of corruption. In addition, the Group's employees are subject to internal rules of procedure, which cover aspects such as remuneration systems, management of confidential information, training, and the promotion of equal opportunities.

These efforts underline the Group's aim to ensure that every employee feels valued and has the opportunity to contribute to the success of the organisation.

About our employees

At the end of 2024, we had 129 employees. The tables below show the breakdown of employees by gender, type of contract, age, and country. The tables also show the number of employees at the end of the reporting period.

Table 11. Number of employees by gender and type of contract

	2023			2024		
	Women	Men	Total	Women	Men	Total
Permanent contract	63	55	**118**	71	55	**126**
Fixed-term contract	2	1	**3**	2	1	**3**
Full-time	65	54	**119**	71	51	**122**
Part-time	0	2	**2**	2	5	**7**
Total	**65**	**56**	**121**	**73**	**56**	**129**

Table 12. Number of employees by location and type of contract

	2023			2024		
	Lithuania	Latvia	Netherlands	Lithuania	Latvia	Netherlands
Permanent contract	95	23	0	96	27	3
Fixed-term contract	2	0	1	3	0	0
Full time	96	23	0	97	24	1
Part-time	1	0	1	2	3	2
Total	**97**	**23**	**1**	**99**	**27**	**3**

The Group carries out part of its activities through the purchase of services, such as cleaning and security services. Information about partners' employees is not collected and they are not included in the Group's internal activities such as training or additional benefits. The only exception is the "Akropolis Academy" training for tenants' employees.

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Employees dynamics

In 2024, the Group's headcount increased by 7%, with 34 employees leaving the organisation, and 42 new colleagues joining. This growth reflects the Group's ability to attract new talent and its efforts to provide attractive working conditions.

Table 13. Employees turnover

	2023		2024	
	Number of leavers	**Change by category (%)***	**Number of leavers**	**Change by category (%)***
By gender				
Women	19	29	21	29
Men	8	14	13	23
By age				
up to 30	6	21	17	71
30-50	19	30	14	19
> 50	2	7	3	10
By location				
Lithuania	18	19	26	26
Latvia	9	39	5	19
Netherlands	0	0	3	100

* The share in a category is calculated using the following formula: the number of leavers in a given category divided by the total number of employees in that category. For example, the number of female leavers among the total number of female employees.

In 2024, the Group underwent significant changes in management. Gabrielė Sapon became the new CEO, Akvilė Mackay joined the Board, and Kaspars Beitinš became a member of the Management Board for the Latvian shopping and entertainment centre management company. These changes reflect the Group's strategic focus on strengthening management and further developing the organisation.

Long-term careers and employee loyalty

The aim of the Group is to create a working environment and culture that encourages employees to stay with the organisation for the long term. According to the data, 24% of employees have been with the Group for between 5 and 10 years and 20% for more than 10 years. These figures underline the Group's commitment to creating an environment that fosters loyalty and job satisfaction.

Table 14. Number of employees by year with the Group (by gender and age).

	2023								2024							
	Women			**Men**			**Total**	**Total, %**	**Women**			**Men**			**Total**	**Total, %**
	Up to 30	30-50	>50	Up to 30	30-50	>50			Up to 30	30-50	>50	Up to 30	30-50	>50		
< 1 year	8	2	0	2	3	2	**17**	**14**	4	15	0	2	6	3	**30**	**23**
1-5 years	9	14	3	5	12	6	**49**	**40**	12	10	1	3	11	5	**42**	**33**
5-10 years	1	14	1	3	7	3	**29**	**24**	1	15	2	2	7	4	**31**	**24**
> 10 years	0	7	6	0	5	8	**26**	**21**	0	6	7	0	5	8	**26**	**20**

Parental leave

The Group complies with all local legislation regarding parental leave. Information on employees entitled to this leave and their return to work rates are presented in the table below. The Group also tries to support employees during parental leave by inviting them to attend company events to help them stay connected to the organisation.

Table 15. Information on parental leave

	2023	2024
Percentage of employees entitled to parental leave by gender		
Men	100%	100%
Women	100%	100%
Total	**100%**	**100%**
Total number of employees on parental leave		
Men	0	0
Women	6	5
Total	**6**	**5**
Number of employees whose parental leave ended during the reference period, by gender		
Men	1	0
Women	4	2
Total	**5**	**2**
Return to work rate (the percentage of employees who return to work after parental leave)*		
Men	100%	0%
Women	50%	0%
Total	**60%**	**0%**

* In 2024 2 employees' leave ended – none returned. In 2023, 5 employees ended their leave and 3 of them returned to work.

Parenthood is an important part of life, but it can also be challenging, especially when returning to the workplace after a long break. The Group aims to support employees during this transition period by encouraging their engagement and bonding with the team. Employees on parental leave are invited to company events. This allows them to feel an important part of the team, even when they are away from daily work processes.

Equal opportunities and diversity

The Group has a strong commitment to equal opportunities, values diversity, and promotes inclusion. It does not discriminate on the basis of race, religion, gender, origin, age, disability, sexual orientation, or other factors.

The policy on the prevention of violence and harassment at work ensures respect and clearly defines procedures for identifying, reporting, and investigating cases of violence or harassment. **No cases or incidents of discrimination were reported in 2024.**

In 2024, 60% of the Group's C-level executives were women, underlining the commitment to promoting equality at management level. Although the gender pay gap ratio is not published, the overall gender distribution of employees reflects the efforts to maintain gender balance across the organisation.

Our policies and practices are regularly reviewed to ensure they meet the needs of all employees and avoid unconscious discrimination. The management team actively promotes diversity at the management level of the organisation, setting an example for the whole organisation.

Table 16. Distribution of employees by gender and age

Level	Age	2023 Group employees, number: Women	Men	Total	2023 Group employees, %	2024 Group employees, number: Women	Men	Total	2024 Group employees, %
Level C managers	Up to 30	0	0	**0**	0	1	0	**1**	1
	30-50	4	3	**7**	6	4	4	**8**	6
	Over 50	1	1	**2**	2	1	0	**1**	1
	Total	5	4	**9**	7	6	4	**10**	8
	Group employees, %	56	44	**100**		60	40	**100**	
Middle level managers	Up to 30	1	0	**1**	1	0	0	**0**	0
	30-50	1	2	**3**	2	2	2	**4**	3
	Over 50	2	0	**2**	2	2	0	**2**	2
	Total	4	2	**6**	5	4	2	**6**	5
	Group employees, %	67	33	**100**		67	33	**100**	
Specialists	Up to 30	17	10	**27**	22	16	7	**23**	18
	30-50	32	22	**54**	45	40	23	**63**	49
	Over 50	7	18	**25**	21	7	20	**27**	21
	Total	56	50	**106**	88	63	50	**113**	88
	Group employees, %	53	47	**100**		56	44	**100**	
Total		**65**	**56**	**121**	**100**	**73**	**56**	**129**	**100**

A transparent and inclusive recruitment system

The recruitment process for the group focuses on identifying the skills and qualifications needed to achieve the objective. Candidates are selected on the basis of skills rather than personal qualities. The Group uses a variety of methods to attract diverse candidates, ranging from job posting platforms to employee recommendations. All vacancy announcements are made publicly available to provide a fair opportunity for each candidate.

In 2024, the Group continued to improve its inclusive hiring practices by using a variety of platforms and by formulating advertisements in a way that is neutral and in line with diversity principles.

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Table 17. New recruits by gender, age and location

	2023 Number of new employees	2023 Share by category (%)*	2024 Number of new employees	2024 Share by category (%)*
By gender				
Women	13	20	30	41
Men	8	14	12	21
By age				
up to 30	13	46	16	67
30-50	6	9	23	31
> 50	2	7	3	10
By location				
Lithuania	17	18	29	29
Latvia	4	17	9	33
Netherlands	0	0	4	133

*The share per category is calculated as follows: the number of new entrants in a given category divided by the total number of employees in that category. For example, the number of female new entrants among all female employees.

Employee well-being and inclusion

The Group consistently strives to create a positive, productive and inclusive working environment where openness, trust and mutual listening prevail. We believe that safe, happy, and motivated employees not only work more productively, but also contribute to the success of the organisation as a whole.

Employee welfare-oriented benefits include private health insurance packages, flexible working hours, bonuses, among other incentives. For full details on social benefits, please refer to the text below.

The Group aims to foster an environment where openness, initiative, and positivity are at the heart of the work culture. We are committed to ensuring that every employee feels an important part of the team and that their contribution is properly valued and recognised.

Professional development

Every year, we encourage our employees to improve their skills through seminars, conferences, and training. This is to ensure that our employees are up-to-date with the latest market trends and are ready to tackle new challenges.

Last year, 94 employees, including 10% of C-level managers, 7% of middle managers, and 83% of employees in other functions, participated in 28 different professional development activities. Topics covered included real estate investment, marketing strategies, digital innovation, and analysis of regulatory changes. Highlights included LOGIN, LiMA DAY LITHUANIA 2024, the Baltic Real Estate Investment Forum, and IAAPA EUROPE EXPO. In addition, employees explored sustainability topics, waste sorting practices, and other topical issues. Information on the average number of training hours per employee per year is not available (and therefore not published).

Dialogue, feedback, and careers

The Group places great emphasis on understanding employees' needs and expectations and strengthening the feedback culture. Managers meet with each employee at least once a year to discuss performance, future goals, job satisfaction, and career development opportunities. These conversations help to ensure that every employee feels heard and valued.

In addition, quarterly meetings of the Group's management continued in 2024 to promote the sharing of experiences, the discussion of objectives, and the resolution of challenges. These meetings strengthen teamwork, improve mutual understanding, and maintain a positive organisational atmosphere.

[3-3] [401-1] [404-1] [404-2] [404-3]

Remuneration and incentives

In accordance with the Transparent and Equitable Remuneration Policy, each employee's remuneration is determined, taking into account the requirements of the position and the level of responsibility. The policy has been developed by management and approved by the CEO to be consistent with the values of the organisation and the principles of transparent remuneration. The Group also awards bonuses for exceptional performance.

Information on the annual salary ratio and the ratio between basic salary and remuneration for women and men is not published due to confidentiality restrictions.

Benefits package

The Group offers employees a competitive salary and benefits package that reflects a concern for their well-being and a commitment to maintaining a motivating working environment. The package includes the following benefits:

- **Private health insurance plans** that provide access to high quality medical services;
- **Psychological support** to maintain the emotional health of employees;
- **Lump sums** for special occasions, such as weddings or the loss of a family member;
- **Family support benefits** in the event of the death of an employee, providing financial support at difficult times in life;
- **Special discounts and offers** offered by the Vilniaus Prekyba Group companies such as Maxima and Euroapotheca;
- **Free qualification improvement courses** to help employees develop their skills;
- **Christmas gifts** that foster a sense of community;
- **Company cars and fuel cards** given to management and employees in certain functions, according to their tasks.

Sustainability training

In 2024, the first sustainability training session was held, attended by 63 employees. The initiative is planned to continue with annual training sessions covering a broader range of sustainability topics. We also provided training on waste sorting. This included practical experience with a visit to a landfill site.

Support in unexpected situations

Recognising the unpredictable nature of the world, the Group is contemplating to implement change assistance programmes. These programmes could be aimed at employees facing unexpected challenges such as economic downturns or other global changes. Such initiatives will support the well-being of employees even in difficult circumstances, while strengthening their confidence in the organisation.

Modern working environment

In 2024, the Group focused on the renovation of workspaces. Rest and lunch areas have been redesigned to make them more spacious, more comfortable for employees, and to help them relax during breaks. Ergonomic standing desks, new air quality systems, carpeting, and mineralised water taps create a comfortable, health-friendly environment that helps to increase employee productivity.

Strengthening the community

In 2024, the Group initiated several new activities that helped to foster community and well-being. The Steps Challenge motivated employees to move more, the Cake Day brought colleagues together to share home-baked products, while the Burger Day and bowling competition provided an opportunity to relax and socialise in an informal setting. The weekly Fruit Day has become a popular initiative, highlighting the importance of healthy lifestyles.

The organisation continues to look after its employees by organising events that strengthen team bonds and create a positive atmosphere. Christmas parties, summer events, and birthday celebrations provide opportunities for employees to socialise and feel valued outside of work.

[2-19] [2-20] [2-21] [2-24] [403-6] [405-2]

Occupational health and safety

Employee health and safety is one of the Group's core values. We continuously implement measures to ensure that the working environment is healthy, supportive, and that every employee feels safe. We do this by consistently implementing strict safety protocols and procedures. All new hires receive initial safety training, and existing employees receive regular refresher sessions covering the proper use of protective equipment, fire safety rules, crisis management plans, and emergency response. The Group uses visual aids to make the information easy to understand and remember too.

The ISO 45001 certification, obtained in 2023, demonstrates that the Group adheres to the highest health and safety standards. In 2024, initiatives continued and were complemented by new measures that further strengthened safety management in the organisation.

Assessment of working conditions and safety

Working conditions in the Group are regularly assessed in cooperation with an independent safety expert. This partner provides detailed recommendations for improving safety processes and helps identify potential hazards. Other partners carry out both initial and periodic health checks on employees. In addition, the Group appoints employee to take care of health and safety assessments, e.g. supervising first aid kits or monitoring the use of protective equipment. In 2024, for the first time, we organised first aid training to make employees more prepared to respond in emergency situations.

The Group maintains daily internal procedures in line with local legislation and best practice.

These procedures include:

- Rules of Procedure;
- Rules for Remote Work;
- Procedure on the Investigation and Recording of Incidents at Work;
- Instructions on Employees Safety and Health Training in the Workplace;
- Fire Safety Briefing;
- List of Personal Protective Equipment;
- List of Dangerous Works;
- Action plans and preventive measures related to COVID-19.

Employees are encouraged to report observed hazards to their manager or designated responsible person. The Group regularly evaluates the effectiveness of health promotion initiatives by giving employees the opportunity to provide suggestions and insights on how to improve measures through surveys and feedback sessions.

As a result of these consistent actions, no work-related injuries were reported in the Group in 2024.

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GRI INDEX

List of GRI indicators

SUSTAINABILITY REPORT 2024 / AKROPOLIS GROUP UAB

SUSTAINABILITY REPORT 2024 / AKROPOLIS GROUP UAB

List of GRI indicators

Akropolis Group, UAB

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024, PREPARED ACCORDING TO THE INTERNATIONAL FINANCIAL REPORTING STANDARDS, AS ADOPTED BY THE EUROPEAN UNION, PRESENTED TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT

AKROPOLIS

REAL ESTATE DEVELOPMENT & MANAGEMENT COMPANY

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GENERAL INFORMATION

Registration

AKROPOLIS GROUP UAB is registered in Lithuania as a limited liability company under the Law on Companies of the Republic of Lithuania.

The Company's registration number is 302533135.

Director

Ms. Gabrielė Sapon

pwc

Independent Auditor's Report

To the shareholder of AKROPOLIS GROUP UAB

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of AKROPOLIS GROUP UAB (the "Company") and its subsidiaries (together - the "Group") as at 31 December 2024, and the Group's consolidated financial performance 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 24 March 2025.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the 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 consolidated 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 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 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 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.

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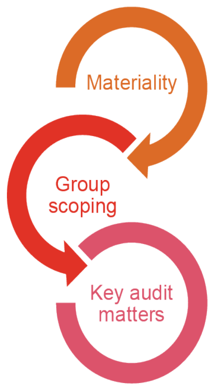
Company code 111473315, registered with the Legal Entities' Register of the Republic of Lithuania

We have not provided non-audit services to the Group in the period from 1 January 2024 – 31 December 2024.

Our audit approach

Overview



- Overall Group materiality: EUR 7, 000 thousand

- The full scope audit was performed for the Company. The Group engagement team performed audit work on the selected balances and transactions of subsidiaries, which were assessed as material from the Group audit perspective.
- Our audit scope covered all of the Group's revenues and all of the Group's total assets.

- Valuation of investment properties

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated 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 consolidated 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 consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated 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 consolidated financial statements as a whole.

Overall Group materiality	Overall materiality applied to the Group amounted to EUR 7, 000 thousand (2023: EUR 7,189 thousand)
How we determined it	1% of total equity of the Group
Rationale for the materiality benchmark applied	We chose the Group's equity as the benchmark because, in our view, it is an appropriate measure of underlying performance, and it is the benchmark against which the performance of the Group and other companies in this industry is most commonly measured by users, and it is a generally accepted benchmark. The key driver of the business and determinant of the Group's value is investments into various properties. For this reason, the key area of focus in the audit of the financial statements of the Group is the valuation of investment properties. Accordingly, an overall Group materiality was based on total equity. We chose 1%, which is within the range of acceptable quantitative materiality thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above EUR 700 thousand (2023: EUR 718 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 properties Refer to Note 6 to the financial statements on page 27. The Group's investment properties represent the most significant category of the Group's assets. Investment properties are accounted at fair value. Management estimated the fair value of the Group's investment properties to be EUR 1,081,542 thousand at 31 December 2024, as compared to EUR 1,062,965 thousand at 31 December 2023. Revaluation net gain of EUR 6,112 thousand (2023: EUR 29.425 thousand) was recorded as valuation gain from investment property in the consolidated statement of profit or loss and other comprehensive income. The valuation of investment properties was based on the values determined by independent valuers as at 31 December 2024. In determining the value of leased-out properties, the external valuers take into account property-specific current information such as current tenancy agreements and rental income earned by the asset. Subsequently, they apply assumptions in relation to capitalisation rates and current	Our procedures in relation to management's valuation of investment properties included the following: • evaluation of the independent external valuers' competence, capabilities and objectivity; • assessment of the methodologies applied, and appropriateness of key assumptions based on our knowledge of real estate industry; • testing, on a sample basis, whether specific information supplied to the valuers reflected the underlying property records held by the Group; • testing the data inputs underpinning the valuation, including rental income, capital expenditure, by agreeing them back to the supporting documentation. Because of the subjectivity involved in determining the value of investment properties and existence of alternative assumptions and valuation methods, we have reviewed the sensitivity analyses of the fair value of investment properties to changes in key assumptions, which was prepared by the Group's management.

market rental prices and their growth, based on available market data and transactions, to arrive at a range of valuation outcomes, from which they derive a point estimate.

Given the materiality of investment properties, the revaluation to fair value had a significant impact on the consolidated financial statements. We also focused on this area as the conclusions are dependent upon significant estimates involved in performing the valuation, and they are most sensitive to the assumptions underlying those valuations. In particular, the most significant estimates relate to capitalisation, discount rates and fair market rental prices as well as risk premium assumptions.

For the above-mentioned reasons, due to existence of significant estimation uncertainty, we gave specific audit focus and attention to this area.

How we tailored our 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 consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group consists of 12 entities: the Company and its subsidiaries. Six subsidiaries are located in Lithuania, three subsidiaries are located in Latvia, one subsidiary is located in Estonia and one in Netherlands. A full scope audit was performed by us or, under our instructions, by PwC Latvia covering all the Group's revenues and total assets. The remaining entities of the Group were immaterial, therefore, we performed selected audit procedures on these components relating to specified account balances or disclosures.

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 requirements for the information on corporate governance matters, remuneration and sustainability report (but does not include the consolidated financial statements and our auditor's report thereon).

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

In connection with our audit of the consolidated 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 consolidated 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 requirements for the information on corporate governance matters and remuneration, we considered whether it includes the disclosures required by the Law of the Republic of Lithuania on Reporting of Undertakings and by 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 consolidated financial statements are prepared, is consistent with the consolidated financial statements; and
- the consolidated management report, including the requirements for the information on corporate governance matters and remuneration, has been prepared in accordance with the Law of the Republic of Lithuania on Reporting of Undertakings and by Groups of Undertakings.

In addition, in light of the knowledge and understanding of the Group and its 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 consolidated financial statements

Management is responsible for the preparation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing 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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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

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report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

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

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 consolidated 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

Appointment

We were first appointed as auditors of the Group on 2 May 2019 and reappointed on 9 June 2022 and had an uninterrupted engagement appointment of 6 years.

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
24 March 2025

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	At 31 December 2024 EUR'000	2023 EUR'000
ASSETS			
Non-current assets		**1 087 049**	**1 069 455**
Property, plant and equipment	**5**	2 210	2 035
Investment property	**6**	1 081 542	1 062 965
Intangible assets		80	71
Right-of-use assets	**7**	102	118
Non-current amounts receivable	**8**	3 115	4 266
Current assets		**213 346**	**233 611**
Inventories		29	43
Amounts receivable and prepayments	**8**	5 630	5 958
Other current assets	**8**	1 625	2 708
Cash and cash equivalents	**9**	206 062	224 902
TOTAL ASSETS		**1 300 395**	**1 303 066**

The accompanying notes form an integral part of these consolidated financial statements.

The consolidated financial statements were approved and signed on 24 March 2025 by:

Gabrielė Sapon
CEO of AKROPOLIS GROUP UAB

Ernesta Grikinaitė - Bartkevičė
CFO of AKROPOLIS GROUP UAB

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Notes	At 31 December 2024 EUR'000	2023 EUR'000
EQUITY AND LIABILITIES			
Share capital	**10**	31 737	31 737
Legal reserve	**10**	3 174	752
Share premium	**10**	448 096	448 096
Retained earnings		227 445	238 284
Total equity		**710 452**	**718 869**
Non-current liabilities		**546 886**	**542 868**
Borrowings	**11**	432 311	439 420
Lease liabilities	**7**	50	59
Deferred income tax liabilities	**17**	103 639	95 074
Other non-current amounts payable	**12**	10 886	8 315
Current liabilities		**43 057**	**41 329**
Borrowings	**11**	13 006	13 006
Lease liabilities	**7**	53	58
Income tax liabilities		1 137	981
Trade and other payables	**12**	28 861	27 284
Total liabilities		**589 943**	**584 197**
TOTAL EQUITY AND LIABILITIES		**1 300 395**	**1 303 066**

The accompanying notes form an integral part of these consolidated financial statements.
The consolidated financial statements were approved and signed on 24 March 2025 by:

Gabrielė Sapon CEO of AKROPOLIS GROUP UAB	Ernesta Grikinaitė - Bartkevičė CFO of AKROPOLIS GROUP UAB

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended 31 December 2024 EUR'000	2023 EUR'000
Rental income	**4**	91 355	83 992
Service charge income		32 426	32 728
Service charge expenses	**13**	(32 476)	(30 412)
RENTAL INCOME, NET		**91 305**	**86 308**
Administrative expenses	**14**	(5 471)	(5 384)
Other income, net		1 082	1 062
Gain on revaluation of investment property	**6**	6 112	29 425
OPERATING PROFIT		**93 028**	**111 411**
Interest income	**15**	6 106	4 785
Interest expenses	**15**	(17 736)	(17 209)
PROFIT BEFORE INCOME TAX		**81 398**	**98 987**
Income tax expense	**16**	(19 815)	(12 487)
NET PROFIT FOR THE YEAR		**61 583**	**86 500**
TOTAL COMPREHENSIVE INCOME		**61 583**	**86 500**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the parent		61 583	86 500

The accompanying notes form an integral part of these consolidated financial statements.
The consolidated financial statements were approved and signed on 24 March 2025 by:

Gabrielė Sapon CEO of AKROPOLIS GROUP UAB	Ernesta Grikinaitė - Bartkevičė CFO of AKROPOLIS GROUP UAB

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Legal reserve	Retained earnings	Total
		EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance at 31.12.2022		**31 737**	**448 096**	**4**	**152 532**	**632 369**
Transactions with owners:						
Transfers to reserves	**10**	-	-	748	(748)	-
Total transactions with owners		**-**	**-**	**748**	**(748)**	**-**
Net profit for the year		-	-	-	86 500	86 500
Total comprehensive income		**-**	**-**	**-**	**86 500**	**86 500**
Balance at 31.12.2023		**31 737**	**448 096**	**752**	**238 284**	**718 869**
Transactions with owners:						
Transfers to reserves	**10**	-	-	2 422	(2 422)	-
Dividends paid	**10**	-	-	-	(70 000)	(70 000)
Total transactions with owners		**-**	**-**	**2 422**	**(72 422)**	**(70 000)**
Net profit for the year		-	-	-	61 583	61 583
Total comprehensive income		**-**	**-**	**-**	**61 583**	**61 583**
Balance at 31.12.2024		**31 737**	**448 096**	**3 174**	**227 445**	**710 452**

The accompanying notes form an integral part of these consolidated financial statements.

The consolidated financial statements were approved and signed on 24 March 2025 by:

Gabrielė Sapon CEO of AKROPOLIS GROUP UAB	Ernesta Grikinaitė - Bartkevičė CFO of AKROPOLIS GROUP UAB

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December 2024	2023
		EUR'000	EUR'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the year		61 583	86 500
Adjustments for:			
Income tax expense	**16**	19 815	12 487
Depreciation and amortization	**13, 14**	929	817
Write off and loss on disposal of PP&E	**5,6**	532	278
Gain on revaluation of investment property	**6**	(6 112)	(29 425)
Interest expense	**15**	16 651	15 734
Interest income	**15**	(6 106)	(4 785)
Operating cash flows before movements in working capital		**87 292**	**81 606**
Decrease in amounts receivable, prepayments and other non-current and current assets		2 770	4 152
Decrease in inventories		14	20
Increase in amounts payable and other non-current and current liabilities		4 827	3 615
Cash flows generated from operating activities		**94 903**	**89 393**
Interest paid		(16 618)	(15 696)
Income tax paid		(11 094)	(5 892)
Net cash generated from operating activities		**67 191**	**67 805**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of PP&E, investment property	**5,6**	(13 957)	(14 837)
Interest received		5 899	4 146
Net cash flows used in investing activities		**(8 058)**	**(10 691)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	**10**	(70 000)	-
Repayments of borrowings		(7 973)	(7 973)
Net cash flows used in financing activities		**(77 973)**	**(7 973)**
Net increase/(decrease) in cash and cash equivalents		**(18 840)**	**49 141**
Cash and cash equivalents in the beginning of the year		224 902	175 761
Cash and cash equivalents at the end of the year		**206 062**	**224 902**

The accompanying notes form an integral part of these consolidated financial statements.

The consolidated financial statements were approved and signed on 24 March 2025 by:

Gabrielė Sapon CEO of AKROPOLIS GROUP UAB	Ernesta Grikinaitė - Bartkevičė CFO of AKROPOLIS GROUP UAB

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

AKROPOLIS GROUP UAB (hereafter "the Company") was incorporated on 30 July 2011 in Lithuania as a limited liability company under the Law on Companies of the Republic of Lithuania. The address of the Company's head office is Ozo g. 25, Vilnius, Lithuania.

The sole shareholder of the Company owning 100% of shares was Vilniaus Prekyba UAB, company code 302608755, address: Ozo g. 25, Vilnius. Metodika B.V., address: Parnassusweg 819, 1082 LZ., Amsterdam, operating in the Kingdom of the Netherlands, is the ultimate parent company and Mr Nerijus Numa is the ultimate controlling party.

The Group is comprised of the Company and its subsidiary undertakings (hereafter collectively referred as "the Group").

The Group's bonds are traded on Euronext Dublin (Ireland) and Nasdaq Vilnius (Lithuania) stock exchanges.

Consolidated Group composition

The details of subsidiaries owned by the Company are provided in the table below. The Group's main business activity is the development and lease of real estate owned by the Group to tenants in Lithuania and Latvia. The Group consists of the Company and its directly and indirectly controlled subsidiaries.

As at 31 December 2024 and 2023 the Group had no branches and representative offices.

As at 31 December 2024 and 2023 the Group had 129 and 121 employees, respectively.

As at 31 December 2024 and 2023, the Company directly or indirectly controlled the following subsidiaries:

Name	Country	Registered office address	Profile of activities	Controlled	Ownership interest	
					31.12.2024	31.12.2023
OZO TURTAS, UAB	Lithuania	Ozo str. 25, Vilnius	Real estate management and development	Indirectly	100%	100%
TAIKOS TURTAS, UAB	Lithuania	Ozo str. 25, Vilnius	Real estate management and development	Indirectly	100%	100%
AIDO TURTAS, UAB	Lithuania	Ozo str. 25, Vilnius	Real estate management and development	Indirectly	100%	100%
„M257", SIA	Latvia	Latgales iela 257, Riga	Real estate management and development	Indirectly	100%	100%
„Delta Property", SIA	Latvia	Brīvības gatve 372, Rīga	Real estate management and development	Directly	100%	100%
„Akropole Latvija", SIA	Latvia	Latgales iela 257, Riga	Real estate management and development	Directly	100%	100%
„Vingio turtas", UAB	Lithuania	Ozo str. 25, Vilnius	Property under construction	Indirectly	100%	100%
NARVA KVP, OU	Estonia	Sõpruse 145, Tallinn	Land plots for future developments	Indirectly	100%	100%
BIRULIŠKIŲ TURTAS, UAB	Lithuania	Ozo str. 25, Vilnius	Land plots for future developments	Indirectly	100%	100%
Akropolis Real Estate B.V.	Nether-lands	Parnassusweg 819, 1082LZ Amsterdam	Real estate management and development	Directly	100%	100%
NM Projektas, UAB	Lithuania	Ozo str. 25, Vilnius	Land plot	Indirectly	100%	100%

AKROPOLIS GROUP UAB
Company code 302533135, Ozas St. 25, Vilnius

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (the "EU"). These Consolidated financial statements have been prepared on a historical cost basis, except for investment property that have been measured at fair value.

Presentation currency

The consolidated financial statements are presented in a common currency of the European Union – the euro.

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as those of the parent company, using consistent accounting policies.

Revenue recognition

The Group generates revenue mostly from lease of investment property, as disclosed in Note 1. In addition to lease, the Group provides utility, repair and similar services, and other services relating to the activities of the shopping centres.

Rental income

Rental income is recognised in a manner that is described in section 'Leases' below. When a lease contract includes elements of service, the Group assesses whether the individual elements of service are separate services promised to a customer in a contract (performance obligations), and revenue from such services is recognised as described below.

Service charge income

Service charge income is recognised when a customer obtains control of service or good at the amount of consideration that the Group expects to receive in exchange for that service or good. The Group has determined that it acts as a principal in the revenue transactions because:

- the Group controls the specified good or service before that good or service is transferred to a customer;
- the Group is responsible for fulfilling the promise to provide the services and is exposed to non-performance risk;
- the Group has discretion, direct or indirect, in establishing the price for the specified good or service.

The Group's management has also determined that generally the control of the specified services is transferred to a customer over time, and accordingly, the Group satisfies the performance obligation and recognises revenue over time, because the customer simultaneously receives and consumes all of the benefits provided by the Group as the Group performs under a contract. Such revenue is recognised by measuring progress towards complete satisfaction of the performance obligation or by directly measuring the value of services transferred to a customer to date.

Revenue from unused Akropolis gift cards

The Group has signed the agreement with the suppliers on the distribution and administration of Akropolis gift cards. At the distribution locations of gift cards customers can acquire gift cards of different denominations which can be used instead to pay for goods at any store of the Akropolis shopping centres. Gift cards have a limited period of validity, i.e. they are valid for 12 months from the date of acquisition. Based on the Group's management judgement, unused gift cards that have already expired and that were acquired earlier than during the previous year are recognised as revenue earned by the Group. Such revenue is recognised using the agent accounting policies because:

- the Company is not primarily responsible for the services rendered;
- the Company has no discretion, direct or indirect, in establishing the prices.

Balances under the contracts

Trade receivables

A trade receivable represents the Group's right to the earned consideration that is unconditional (i.e. consideration becomes payable, without any exceptions, upon the agreed deadline). See the accounting policy for financial assets.

Contract liabilities - advance amounts received

A contract liability is the obligation to provide services to a customer in exchange for consideration received (receivable) by the Group from a customer. If a customer pays consideration before the Group provides the services, a contract liability is recognised when the payment is received. A contract liability is recognised as revenue when the Group satisfies the performance obligation contained in a contract.

In case of other income from unused Akropolis gift vouchers, a contract liability, i.e. the funds to be transferred to the distributor of the gift vouchers on sale of the gift vouchers, is accounted for as other amounts payable in the statement of financial position.

In view of the Group's business model, the management has not made any other significant accounting judgements, estimates or assumptions related to revenue from contracts with customers other than those described in this note, because there were no complex multicomponent goods or services, variable consideration, financing components, contract costs or amounts payable to customers.

Interest income

Interest income is accrued on a time proportion basis over the entire period to maturity by reference to the principal outstanding and the effective interest rate.

Leases

Lease is recognised as finance lease when substantially all the risks and rewards of ownership of the assets are transferred under the lease terms and conditions. An operating lease is a lease other than a finance lease.

The Group as a lessor

Operating lease

Operating lease income is recognised on a straight-line basis over the lease period. Initial direct costs incurred in negotiating and arranging a lease are added to the carrying amount of the leased asset and recognised over the lease period.

Discounts/temporary rent reductions are treated as the Group's incentives used to retain the tenants at the shopping centre. The Group recognises accumulated incentive costs on a straight-line basis as a reduction of rental income over the remainder operating lease period.

Deposits from tenants

Liabilities for the deposits from tenants are initially recognised at fair value and subsequently measured at amortised cost, if material.

Depending on the lease contract term, the deposits from tenants are classified as either non-current or current. Advance amounts received under indefinite term contracts or contracts with validity term less than 12 months are classified as current liabilities, whereas advance amounts received under the rest contracts are classified as non-current liabilities. Advance amounts paid by customers under the lease contracts are refunded upon expiry of validity of the contract.

The Group as a lessee

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Recognised right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the carrying amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is remeasured if there is a change in the variable lease payments that depend on an index or a rate or there is a change in the lease term.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. leases with the lease term of 12 months or less from the commencement date and without a purchase option). The exemption is also applied to leases of office space and other equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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AKROPOLIS GROUP UAB
Company code 302533135, Ozas St. 25, Vilnius

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Income tax

Income tax expense represents the sum of the current tax and deferred income tax expenses.

Current income tax

Current year income tax expenses are calculated on current year profit, as adjusted for certain non-deductible expenses/non-taxable income. The tax rate used to calculate the income tax expenses is a tax rate effective at the date of preparation of the financial statements.

Effective income tax rates that have been applied in calculation of current income tax:

	2024	**2023**
Lithuania	15%	15%
Latvia*	20/80 (20% CIT on distribution)	20/80 (20% CIT on distribution)
Estonia*	20/80 (20% CIT on distribution)	20/80 (20% CIT on distribution)
The Netherlands	20%	20%

*CIT rate of 20 % is applied to the gross amount, or 20/80 of the net cost, i.e., the taxable base of the CIT should be divided by a coefficient of 0.8. In Latvia and Estonia, the taxation of profit with income tax is postponed until that profit is distributed as dividends. Any undistributed profit is not subject to taxation, and accordingly, the effective income tax rate is 0%.

In Lithuania, a 16% income tax rate will be applied starting from the 1st of January 2025. Therefore, the impact of a 1% change on deferred income tax has already been assessed and recognized in consolidated financial statements for the financial year 2024. In Estonia, from the 1st of January 2025, the applicable tax rate on dividends paid out is 22/78.

Deferred income tax

Deferred income tax assets and deferred income tax liabilities are recognised to reflect differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding tax base. Deferred income tax liabilities are recognised for all temporary differences that will subsequently increase taxable profit, and deferred income tax assets are recognised only to the extent to which they are expected to reduce taxable profit in the future. Such deferred income tax assets and liabilities are not recognised if temporary differences arise from the initial recognition of goodwill or from the initial recognition of assets and liabilities (other than in a business combination) in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred income tax liabilities are recognised for temporary taxable differences, except where the timing of the reversal of the temporary differences associated with investments in subsidiaries, entities under common control and associates is controlled by the Group, and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax assets are recognised for deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised and that the temporary differences will reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred income tax liabilities and deferred income tax assets reflects the tax consequences that follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they are related to income taxes levied by the same taxing authority, and when the Group intends to settle the amounts of current tax assets and current tax liabilities on a net basis.

Current and deferred income tax for the period

Current and deferred income tax is included in profit or loss for the period.

Property, plant and equipment

Property, plant and equipment (hereafter - PP&E) is stated at acquisition cost less subsequent accumulated depreciation and accumulated impairment loss. The acquisition cost includes replacement costs of a part of PP&E when incurred and when these costs meet the recognition criteria. When a significant part of non-current assets needs to be replaced at regular intervals, the Group depreciates this PP&E separately in view of its useful life. Accordingly, when major repairs are carried out, their cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss of the period as incurred.

Depreciation is calculated monthly on a straight-line basis over the entire useful life of the asset using the average estimated useful lives of PP&E, as follows:

Equipment and other assets	3 - 15 years

All items of assets with the useful life longer than one year are capitalised. Otherwise, all items of assets with the useful life shorter than one year are recognised in profit or loss.

Gains or losses on disposal or write-off of PP&E are determined by reference to the proceeds from disposal less the carrying amount of the asset concerned, and the result is recognised in profit or loss.

Investment property

Investment property is property held to earn rentals and/or for capital appreciation and property under construction which will be held to earn rentals and/or for capital appreciation. Property held under an operating lease is classified as investment property when the definition of an investment property is met. Investment property comprises principally retail property and offices that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.

Such property is initially measured at cost including any transaction costs and subsequently carried at fair value. The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions. Fair value of investment property is reviewed at each reporting date, gains or losses arising from changes in the fair value of investment property are included in the statement of comprehensive income for the period in which they arise. For the purpose of the consolidated financial statements, in order to avoid double counting, the fair value reported in the consolidated financial statements is reduced by the carrying amount of any accrued income resulting from the distribution of lease incentives and/or minimum lease payments. Repair costs related to investment property reported at fair value are recognised as expenses in the period in which they are incurred.

Investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of comprehensive income in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with view to sale. For a transfer from investment property to owner occupied property or inventories, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If an asset used by the Group for its own purposes as owner-occupied property becomes an investment property, until the date of the change in use the Group accounts for such an asset in accordance with the PP&E policy.

For evaluation of the Group's real estate, the following methods were used: the income approach (income capitalisation or discounted cash flow) for evaluation of income-generating investment property, and the sales comparison approach for evaluation of investment property under construction and vacant land plots.

The income approach (income capitalisation or discounted cash flow) is normally used for valuation of income-generating properties that are available for acquisition to an investor. This approach also relies on market data that are used to determine the current economical volumes of rent rates and expenses that form the basis of the estimated net income. Depending on the purpose of the property, the specifics of its operation and the character of cash flow as well as the typical expectations of buyers and sellers on the market, the appraiser may adopt the capitalisation approach to value. Under the direct capitalisation approach, the value of assets is calculated as net income (gain) divided by the capitalisation rate. When the discounted cash flow approach is applied, the value of the property is calculated as the sum of the present values of future cash flows, discounted at a discount rate. Both the direct capitalisation and the discounted cash flow approach are used to determine the market value. Under the income approach (income capitalisation or discounted cash flow), first of all, one must consider the overall income, from which the respective amounts are subtracted considering the losses for vacancies and levies, expenses and provisions. The resulting net income is capitalised or discounted at a specific rate, which is proportional to the risks arising from ownership of property under valuation. According to the direct capitalisation approach, one-year income and costs are stabilised, and the resulting net operating income is capitalised using a factor or rate of return, which is proportionate to the risk arising from ownership of the property under valuation. Such income capitalisation takes into account the competitive rate of return, which is delivered by alternative instruments of investment in real estate or other assets. The underlying assumption of the method is based on the assumption that the forecast cash flow will be generated for a unlimited period of time, however, this statement normally does not apply in case of compound investment into real estate. Group's income-generating properties for financial statements preparation purposes were valued using the discounted cash flow method.

Investment property under construction and vacant land plots are valued using sales comparison approach. Sales comparison approach relies on search for recent sales transactions involving comparable property and analysis of data related to the subject property. This approach is based on the price paid in actual market transactions over comparable properties to derive the market price of the subject property. This property valuation approach relies on data on fully comparable sales transactions concluded over a relatively long period of time that reflect the market conditions related to the subject property. Applying the sales comparison approach to value, the data interrelation allows determining the value of the subject property considering certain adjustments in view of the physical and economical characteristics of the property.

Cash and cash equivalents

For the purpose of the statement of financial position and the statement of cash flows, the Group's cash and cash equivalents comprise cash on hand, balances incurrent bank accounts and cash equivalents which include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Investments normally qualify as cash equivalents only if they have a short maturity of three months or less from the date of acquisition and they are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Financial instruments held with the purpose of meeting short-term cash commitments are included in cash equivalents only if they are in substance cash equivalents, e.g. debt investments with fixed redemption dates that are acquired within three months of their maturity, highly liquid money market instruments and money market funds (MMFs).

Cash and bank deposits are measured at amortised cost and the carrying amount approximates their fair value. MMFs are measured at fair value.

Financial assets

Initial recognition and measurement

On initial recognition, financial assets are classified as subsequently measured at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial assets and the Group's business model for managing the financial assets. Except for trade receivables that do not contain a significant financing component, the Group initially recognises financial assets at fair value, plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined in accordance with IFRS 15.

For a financial asset to be designated and measured at amortised cost or fair value through other comprehensive income as opposed to fair value through profit or loss (FVTPL), cash flows arising from the financial asset should comprise solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is called the SPPI test and is performed individually for each financial instrument.

The Group's business model for managing financial assets indicates how the Group manages its financial assets in order to generate cash flows. The business model determines whether cash flows will be generated by collecting contractual cash flows, by selling the financial asset or by using both options.

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the financial asset.

Subsequent measurement

After initial recognition, the Group measures its financial assets at amortised cost (debt financial instruments).

Financial assets measured at amortised cost (debt financial instruments)

The Group classifies its financial assets as measured at amortised cost only if both of the following criteria are met:

i) the financial asset is held within a business model whose objective is to collect the contractual cash flows; and

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

Financial assets measured at amortised cost are subsequently recorded using the effective interest rate (EIR) method less impairment losses. Gains or losses are recognised in the statement of comprehensive income when the asset is derecognised, replaced or impaired.

The Group's financial assets measured at amortised cost include trade receivables, other current and non-current receivables, loans granted and assets from contracts with customers (if any).

Impairment of financial assets

According to IFRS 9, the Group generally recognises expected credit losses (ECLs) for all debt financial instruments that are not measured at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

(a) Assessment of impairment of trade receivables

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

The expected loss rates are based on the historical information about the delayed payments by customers. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the tenants to settle the receivable. Such forward-looking information would include: (1) changes in economic, regulatory, technological and environmental factors, (such as industry outlook, GDP, employment and politics), (2) external market indicators, (3) customers' base.

Trade receivables are written off when they meet both of the following criteria: (1) receivables are past due more than a year and (2) the recovery is impossible.

Financial liabilities

Initial recognition and measurement

On initial recognition, financial liabilities are classified into the following categories: financial liabilities at fair value through profit or loss, borrowings, and amounts payable. All financial liabilities are initially recognised at fair value, less directly attributable transactions costs in case of borrowings and amounts payable. The Group's financial liabilities include trade and other payables, borrowings, including lease liabilities.

Subsequent measurement of borrowings and other amounts payable

After initial recognition, borrowings and other amounts payable are accounted for at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of comprehensive income when liabilities are derecognised, as well as through the amortisation process. Amortised cost is calculated by reference to the discount or premium on acquisition, as well as costs that are an integral part of the EIR. EIR amortisation is included in other finance costs in the statement of comprehensive income.

Off-setting of financial instruments

Financial assets and financial liabilities are off-set and the net amount is presented in the statement of financial position when there is an enforceable right to set off the recognised amounts and when there is intention to settle on a net basis, i.e. to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

Financial assets

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

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risk and rewards of the asset but has transferred the control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset or has entered into a "pass-through" arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised 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) 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.

The Group's Finance Department includes a team that organizes the process of valuation of land and buildings required for financial reporting purposes, including fair value measurements in levels 2 and 3. On an annual basis, the Group engages external independent and qualified valuers to determine the fair value of the Group's land and buildings. As at 31 December 2024, the fair values of the land and buildings were determined by the independent valuers Colliers International Advisors UAB and Colliers International Advisors SIA.

The external valuations of the level 3 land and buildings have been performed using the income approach, while relying partially on unobservable inputs. The external valuer, after discussion with the Group's internal valuation team, identified these inputs based on the size, age and condition of the land and buildings, the state of the local economy and real estate market in the corresponding national economy. The external valuations of the level 2 land and construction in progress were performed under the sales comparison approach, using the data from recent sales transactions involving comparable properties.

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

The Group's management performs the valuations at each reporting date. For the purpose of fair value disclosures, the Group has determined the categories of assets and liabilities on the basis of their nature, characteristics and specific risks, and the level of the fair value hierarchy as explained above.

Rounding

Due to rounding effect, the numbers in the consolidated financial statements may not add up.

Critical accounting estimates and judgements

In applying accounting policies, the management is required to make estimates, judgements and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and the related assumptions are based on past experience and other directly related factors. Actual results may differ from estimates made.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of a change in an accounting estimate is recognised in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both current and future periods. The areas of these financial statements that involve the use of accounting estimates are fair values of investment property (Note 6).

3. ADOPTION OF NEW AND/OR AMENDED IFRS AND INTERPRETATIONS OF THE INTERNATIONAL FINANCIAL REPORTING INTERPRETATIONS COMMITTEE (IFRIC)

1) Standards and amendments to existing standards effective on 1 January 2024.

Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024). The Group did not have a material impact of the amendments on its consolidated financial statements.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2024 that could have a material effect on the consolidated financial statements of the Group.

2) New standards, amendments and interpretations that are effective after 1 January 2025 and have not been early adopted.

IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The Group expects that these amendments will have no material impact on its consolidated financial statements as amendments of standards have not yet endorsed by EU.

There are number of other new standards, amendments to standards and interpretations that are effective for annual periods beginning after 1 January 2025, and that have not been early adopted in preparing these consolidated financial statements. None of them are expected to have a material effect on the consolidated financial statements of the Group.

4. SEGMENT INFORMATION

The CEO of AKROPOLIS GROUP UAB and the Board of Directors of the AKROPOLIS GROUP UAB, acting in accordance with their authorizations established in the Articles of Association, are the Chief Operating Decision Maker in the Group. Segments are defined based on how the Board monitors operating results of the Group's business units for the purpose of making decisions about resource allocation and performance assessment. The Group's operations are organised and monitored by the Board by five segments, which represent each income-generating investment property:
- OZO TURTAS, UAB (Akropolis Vilnius)
- TAIKOS TURTAS, UAB (Akropolis Klaipėda)
- AIDO TURTAS, UAB (Akropolis Šiauliai)
- „M257", SIA (Akropole Riga)
- „Delta Property", SIA (Akropole Alfa)

The performance by country and property is assessed with reference to revenue, EBITDA and net profit. EBITDA is one of the key indicators used by the chief operating decision maker in making the financing, investment and other decisions. EBITDA is a non-IFRS measure, which is calculated as net profit - adjusted for (i.e. by adding or deducting the amount of) income tax expenses and income tax benefit, depreciation and amortisation, finance income and costs, impairment and write-off of PPE, investment properties and intangible assets, gain or loss from revaluation of investment property and profit from disposal of subsidiaries. Same measure was applied for both years. The chief operating decision maker does not analyse assets (except investment property) and liabilities by operating segment.

Net rental income represents the rental and service charge income earned from investment properties less service charge expenses. It is one of the indicators used in evaluating operational efficiency and cash flow generation.

Net operating income (NOI) is a calculation of revenue before IFRS 16 lease incentives impact adjustment less property operating expenses.

The accounting policies applied to operating segments are the same as the accounting policies applied in the preparation of the consolidated financial statements. "Adjustments" column reflects eliminations of intercompany transactions upon consolidation, together with the results of all other Group companies that are deemed insignificant to show as a separated operating segment. This also includes land (other than income-generating investment properties) revaluation effect of EUR (294) thousand as of 31 December 2024 (EUR (5 389) thousand as of 31 December 2023). IFRS 16 lease modification adjustments are reflected in "Lease incentive impact" column:

Year ended 31 December 2024 (EUR'000)	**Akropolis Vilnius Lithuania**	**Akropolis Klaipėda Lithuania**	**Akropolis Šiauliai Lithuania**	**Akropole Riga Latvia**	**Akropole Alfa Latvia**	**Adjust-ments**	**Total before IFRS 16**	**Lease incentive impact**	**The Group**
Gross Leasable Area	**96 661**	**60 442**	**36 145**	**71 144**	**71 195**				
Revenue	**38 232**	**26 105**	**12 682**	**24 445**	**24 788**	**814**	**127 066**	**(2 203)**	**124 863**
Rental income	28 888	19 566	8 673	18 159	18 488	(216)	93 558	(2 203)	91 355
Additional fees income	8 009	5 839	3 586	5 245	5 749	(83)	28 345	-	28 345
Other income	1 335	700	423	1 041	551	1 113	5 163	-	5 163
Property operating expenses	(10 468)	(7 983)	(4 821)	(6 509)	(6 848)	(385)	(37 014)	-	(37 014)
Net Operating Income	**27 764**	**18 122**	**7 861**	**17 936**	**17 940**	**429**	**90 052**		**90 052**
EBITDA	**27 764**	**18 122**	**7 861**	**17 936**	**17 940**	**429**	**90 052**	**(2 203)**	**87 849**
NET PROFIT (LOSS)	**13 921**	**14 294**	**5 884**	**15 839**	**13 579**	**(1 934)**	**61 583**	**-**	**61 583**

Year ended 31 December 2023 (EUR'000)	Akropolis Vilnius Lithuania	Akropolis Klaipėda Lithuania	Akropolis Šiauliai Lithuania	Akropole Riga Latvia	Akropole Alfa Latvia	Adjust-ments	Total before IFRS 16	Lease incentive impact	The Group
Gross Leasable Area	**96 289**	**60 621**	**36 108**	**71 126**	**71 430**				
Revenue	**36 044**	**25 290**	**11 928**	**22 973**	**23 271**	**1 592**	**121 098**	**(3 316)**	**117 782**
Rental income	26 974	18 482	8 000	16 883	17 175	(206)	87 308	(3 316)	83 992
Additional fees income	7 812	6 112	3 551	5 197	5 777	(77)	28 372	-	28 372
Other income	1 258	696	377	893	319	1 875	5 418	-	5 418
Property operating expenses	(9 545)	(7 601)	(4 531)	(6 008)	(6 714)	(308)	(34 707)	-	(34 707)
Net Operating Income	**26 499**	**17 689**	**7 397**	**16 965**	**16 557**	**1 284**	**86 391**		**86 391**
EBITDA	**26 499**	**17 689**	**7 397**	**16 965**	**16 557**	**1 284**	**86 391**	**(3 316)**	**83 075**
NET PROFIT (LOSS)	**32 055**	**15 819**	**6 275**	**17 378**	**23 524**	**(8 551)**	**86 500**	**-**	**86 500**

Tables below present reconciliation of EBITDA to the net profit for the years ended 31 December 2024 and 31 December 2023:

Year ended 31 December 2024 (EUR'000)	Akropolis Vilnius Lithuania	Akropolis Klaipėda Lithuania	Akropolis Šiauliai Lithuania	Akropole Riga Latvia	Akropole Alfa Latvia	Adjust-ments	Total before IFRS 16	Lease incentive impact	The Group
EBITDA	**27 764**	**18 122**	**7 861**	**17 936**	**17 940**	**429**	**90 052**	**(2 203)**	**87 849**
Gain (loss) on revaluation of investment property	148	1 119	181	1 842	913	(294)	3 909	2 203	6 112
Interest income	520	570	279	1 109	543	3 085	6 106	-	6 106
Depreciation and amortization	(204)	(185)	(112)	(35)	(256)	(137)	(929)	-	(929)
Interest expense	(7 992)	(538)	(402)	(2 761)	(2 787)	(3 256)	(17 736)	-	(17 736)
Other financial costs	-	-	-	-	-	-	-	-	-
Income tax expense	(6 315)	(4 795)	(1 922)	(2 252)	(2 772)	(1 759)	(19 815)	-	(19 815)
Non-current assets write-off	-	-	-	-	(1)	-	(1)	-	(1)
Other	-	1	(1)	-	(1)	(2)	(3)	-	(3)
NET PROFIT (LOSS)	**13 921**	**14 294**	**5 884**	**15 839**	**13 579**	**(1 934)**	**61 583**	**-**	**61 583**

Year ended 31 December 2023 (EUR'000)	Akropolis Vilnius Lithuania	Akropolis Klaipėda Lithuania	Akropolis Šiauliai Lithuania	Akropole Riga Latvia	Akropole Alfa Latvia	Adjust-ments	Total before IFRS 16	Lease incentive impact	The Group
EBITDA	**26 499**	**17 689**	**7 397**	**16 965**	**16 557**	**1 284**	**86 391**	**(3 316)**	**83 075**
Gain (loss) on revaluation of investment property	18 072	491	269	2 773	9 893	(5 389)	26 109	3 316	29 425
Interest income	687	502	161	754	374	2 307	4 785	-	4 785
Depreciation and amortization	(186)	(121)	(41)	(61)	(260)	(148)	(817)	-	(817)
Interest expense	(7 071)	(538)	(402)	(2 884)	(3 033)	(1 806)	(15 734)	-	(15 734)
Other financial costs	(357)	-	-	-	-	(1 118)	(1 475)	-	(1 475)
Income tax expense	(5 489)	(2 204)	(1 105)	(1)	(7)	(3 681)	(12 487)	-	(12 487)
Non-current assets write-off	(105)	-	(4)	(168)	-	(1)	(278)	-	(278)
Other	5	-	-	-	-	1	6	-	6
NET PROFIT (LOSS)	**32 055**	**15 819**	**6 275**	**17 378**	**23 524**	**(8 551)**	**86 500**	**-**	**86 500**

5. PROPERTY, PLANT AND EQUIPMENT

PP&E comprised the following as at 31 December:

	Property, plant and equipment
	EUR'000
Carrying amount at 31 December 2022	**1 974**
Additions	490
Reclassifications (to) from investment property	254
Disposals and write offs	(5)
Depreciation	(678)
Carrying amount at 31 December 2023	**2 035**
Acquisition cost	7 653
Accumulated amortization and impairment	(5 618)
Carrying amount at 31 December 2023	**2 035**
Carrying amount at 31 December 2023	**2 035**
Additions	986
Disposals and write offs	(26)
Depreciation	(785)
Carrying amount at 31 December 2024	**2 210**
Acquisition cost	8 370
Accumulated amortization and impairment	(6 160)
Carrying amount at 31 December 2024	**2 210**

As at 31 December 2024 and 2023, PP&E comprised mainly of fixtures, tools and equipment.

6. INVESTMENT PROPERTY

Investment property comprised the following as at 31 December:

	Land	Buildings	Total
	EUR'000	EUR'000	EUR'000
At 31 December 2022	**61 675**	**958 045**	**1 019 720**
Additions	5	14 342	14 347
Disposal of investment property	-	(273)	(273)
Reclassifications (to) from PP&E	-	(254)	(254)
Fair value gain (loss)	(5 389)	31 498	26 109
Lease incentive impact for all previous periods	-	10 211	10 211
Property, plant and equipment at 31 December 2023	-	1 961	1 961
Market value per external valuation report	**56 291**	**1 015 530**	**1 071 821**
Property, plant and equipment at 31 December 2023	-	(1 961)	(1 961)
Lease incentive impact for 2023	-	3 316	3 316
Lease incentive impact for all previous periods	-	(10 211)	(10 211)
Fair value at 31 December 2023	**56 291**	**1 006 674**	**1 062 965**
Additions	-	12 971	12 971
Disposal of investment property	-	(506)	(506)
Fair value gain (loss)	(294)	4 203	3 909
Lease incentive impact for all previous periods	-	6 895	6 895
Property, plant and equipment at 31 December 2024	-	2 145	2 145
Market value per external valuation report	**55 997**	**1 032 382**	**1 088 379**
Property, plant and equipment at 31 December 2024	-	(2 145)	(2 145)
Lease incentive impact for 2024	-	2 203	2 203
Lease incentive impact for all previous periods	-	(6 895)	(6 895)
Fair value at 31 December 2024	**55 997**	**1 025 545**	**1 081 542**

As at 31 December 2024 and 2023, investment property comprised five operating commercial properties, two land plots and a property under construction held for capital appreciation or future rental income. The consolidated Group's investment properties are measured at fair value.

In 2024 and in 2023 the valuations of the investment property were carried out by independent property appraiser Colliers International Advisors UAB and Colliers International Advisors SIA. The valuations were prepared in accordance with the RICS Valuation – Professional Standards, approved by Royal Institution of Chartered Surveyors (RICS), Lithuanian Law on Valuation, as well as International Valuation Standards (IVS 2022, 2025), European Valuation Standards (EVS 2022, 2025) and IFRS.

For evaluation of the Group's real estate, the following methods were used: the income approach (income capitalisation or discounted cash flow) for evaluation of income-generating investment property, and the sales comparison approach for evaluation of investment property under construction and vacant land plots.

Income-generating investment properties	2024	2023
Exit yields, %	7,3-8	7,3-8
Discount rates, %	9,7-10,90	9,8-11,2

Significant increase (decrease) in the discount rate and/or exit yield would lead to a significant decrease (increase) in the fair value of investment property.

In 2024 substantial change in fair value resulted from the revaluation of shopping centre Akropolis Klaipėda following refurbishment work there, complemented by gains at the Group's other shopping centres reflecting (among other factors) the impact of annual rental income indexation (Note 4).

As at 31 December 2024, the investment property deemed as income-generating investment property of the Group with the carrying amount of EUR 339 900 thousand (31 December 2023: EUR 337 400 thousand) was pledged to the banks under the effective loan agreements (Note 11).

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets and liabilities into the three levels prescribed under the accounting standards.

There were no transfers between Levels 1, 2 or 3 during 2024 and 2023.

	Level 1	Level 2	Level 3	Total
31 December 2024	EUR'000	EUR'000	EUR'000	EUR'000
Shopping centre Akropolis Vilnius	-	-	339 300	339 300
Shopping centre Akropolis Klaipėda	-	-	213 100	213 100
Shopping centre Akropolis Šiauliai	-	-	78 800	78 800
Shopping centre Akropole Riga	-	-	201 990	201 990
Shopping centre Akropole Alfa	-	-	208 770	208 770
Property under construction in Vilnius	-	44 580	-	44 580
Land plot Šiauliai	-	689	-	689
Land plot Narva	-	1 150	-	1 150
Market value per external valuation report	**-**	**46 419**	**1 041 960**	**1 088 379**
Lease incentive impact of 2024	-	-	2 203	2 203
Lease incentive impact of all previous periods	-	-	(6 895)	(6 895)
PP&E elimination	-	-	(2 145)	(2 145)
Total	**-**	**46 419**	**1 035 123**	**1 081 542**

31 December 2023	Level 1 EUR'000	Level 2 EUR'000	Level 3 EUR'000	Total EUR'000
Shopping centre Akropolis Vilnius	-	-	337 400	337 400
Shopping centre Akropolis Klaipėda	-	-	206 400	206 400
Shopping centre Akropolis Šiauliai	-	-	78 700	78 700
Shopping centre Akropole Riga	-	-	200 020	200 020
Shopping centre Akropole Alfa	-	-	207 950	207 950
Property under construction in Vilnius	-	39 530	-	39 530
Land plot Šiauliai	-	671	-	671
Land plot Narva	-	1 150	-	1 150
Market value per external valuation report	**-**	**41 351**	**1 030 470**	**1 071 821**
Lease incentive impact of 2023	-	-	3 316	3 316
Lease incentive impact of all previous periods	-	-	(10 211)	(10 211)
PP&E elimination	-	-	(1 961)	(1 961)
Total	**-**	**41 351**	**1 021 614**	**1 062 965**

For valuation of all Level 3 investment properties amounting to EUR 1 041 960 thousand as at 31 December 2024 (31 December 2023: EUR 1 030 470 thousand), the discounted cash flow forecasts were used, based on significant unobservable inputs. These inputs included:

• Future rental cash inflows based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties;

• Discount rates reflecting current market assessments of the uncertainty in the amount and timing of cash flows;

• Estimated vacancy rates based on current and expected future market conditions after expiry of any current lease;

• Maintenance costs including necessary investments to maintain functionality of the property for its expected useful life;

• Capitalisation rates based on actual location, size and quality of the properties and taking into account market data at the valuation date; and

• Terminal value taking into account assumptions regarding maintenance costs, vacancy rates and market rents.

Sensitivity analysis

Presented below is the sensitivity analysis of the market value of Level 3 investment property and associated PP&E, as per external valuation report, to changes in the exit yield and discount rate.

31 December 2024. EUR'000		**Change in exit yield**		
		-0,25%	**0,00%**	**+0,25%**
	-0,25%	1 077 560	1 061 470	1 046 070
Change in discount rate	**0,00%**	1 057 850	1 041 960	1 026 880
	+0,25%	1 039 100	1 023 620	1 008 720

31 December 2023. EUR'000		**Change in exit yield**		
		-0,25%	**0,00%**	**+0,25%**
	-0,25%	1 065 720	1 040 750	1 017 460
Change in discount rate	**0,00%**	1 055 140	1 030 470	1 007 490
	+0,25%	1 044 700	1 020 340	997 570

All rental income earned and all direct operating expenses incurred by the Group are attributed to the investment property. 13% of net rental income is expected to be generated from related parties, as this was the consolidated ratio for all five operating commercial properties as of 31 December 2024 (Note 19). Future fixed minimum undiscounted lease receivable under operating leases are as follows as at 31 December:

	2024 EUR'000	2023 EUR'000
No later than 1 year	84 484	78 961
Between 1-2 years	70 306	65 791
Between 2-3 years	57 465	52 660
Between 3-4 years	44 208	42 376
Between 4-5 years	28 452	32 359
Later than 5 years	51 965	60 500
Total	**336 880**	**332 647**

7. RIGHT-OF-USE ASSETS

The Group leases a land plot and vehicles under operating lease contracts. Following the adoption of the provisions of IFRS 16, land lease expenses are recognised in the statement of financial position as right-of-use assets and lease liabilities. Lease payments for low-value office equipment are recognised as expenses on a straight-line basis over the lease term.

Statement of Financial Position shows the following amounts relating to leases:

Right-of-use assets	2024 EUR'000	2023 EUR'000
Land	-	1
Motor vehicles	102	117
Total	**102**	**118**

Lease liabilities	2024 EUR'000	2023 EUR'000
Current portion of lease liabilities	53	58
Non-current portion of lease liabilities	50	59
Total	**103**	**117**
Impact on equity as of 31 December	**(1)**	**1**

Lease-related amounts presented in the statement of comprehensive income comprised depreciation of right-of-use assets of EUR 71 thousand as at 31 December 2024 (31 December 2023: EUR 66 thousand).

8. AMOUNTS RECEIVABLE, PREPAYMENTS AND OTHER CURRENT ASSETS

Amounts receivable, prepayments and other current assets comprised the following as at 31 December:

	2024 EUR'000	2023 EUR'000
Non-current lease incentive receivables	2 726	3 983
Non-current lease incentive receivables from related parties (Note 19)	371	269
Other non-current receivables	18	14
Non-current receivables	**3 115**	**4 266**

	2024	2023
	EUR'000	EUR'000
Trade receivables	4 358	4 530
Trade receivables from related parties (Note 19)	505	416
Less: allowance for impairment of trade receivables	(249)	(307)
Trade receivables, net	**4 614**	**4 639**
Prepayments	309	770
Deferred expenses, accrued income and other accounts	707	549
Amount receivables and prepayments	**5 630**	**5 958**
Current lease incentive receivables	1 499	2 571
Current lease incentive receivables from related parties (Note 19)	96	72
Other current assets	30	65
Total other current assets	**1 625**	**2 708**
Current receivables, prepayments and other current assets	**7 255**	**8 666**

The Group's trade receivables comprise lease and service charge receivables that are non-interest bearing and are typically due within 30 days.

During 2024, the Group provided tenants with EUR 548 thousand rental discounts, of which EUR 104 thousand was recognized in the statement of comprehensive income and EUR 444 thousand was included within lease incentive receivables. During 2023, the Group provided tenants with EUR 273 thousand rental discounts, of which EUR 48 thousand was recognized in the statement of comprehensive income and EUR 225 thousand was included within lease incentive receivables.

As at 31 December 2024, expected credit losses of EUR 249 thousand were recognised in relation to lease receivables. As at 31 December 2023, expected credit losses of EUR 307 thousand were recognised in relation to lease receivables.

Provisions for impairment of receivables were determined as follows as at 31 December 2024:

	Not past due	<31 days	31-90 days	91-180 days	181-365 days	>365 days	Total
Expected credit loss rate, %	0,02	0,05	0,05	44,00	50,00	48,13	**5,12**
Carrying amount (EUR'000)	4 099	196	51	25	12	480	**4 863**
Expected credit loss (EUR'000)	1	-	-	11	6	231	**249**
Net amount (EUR'000)	**4 098**	**196**	**51**	**14**	**6**	**249**	**4 614**

Provisions for impairment of receivables were determined as follows as at 31 December 2023:

	Not past due	<31 days	31-90 days	91-180 days	181-365 days	>365 days	Total
Expected credit loss rate, %	0,05	0,05	0,05	14,81	50,00	50,79	**6,21**
Carrying amount (EUR'000)	4 084	159	64	54	14	571	**4 946**
Expected credit loss (EUR'000)	2	-	-	8	7	290	**307**
Net amount (EUR'000)	**4 082**	**159**	**64**	**46**	**7**	**281**	**4 639**

See Note 20 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following as at 31 December:

	2024	2023
	EUR'000	EUR'000
Cash at bank	127 742	212 853
Time deposits (less than 3 months)	41 116	11 894
Money market funds	37 066	-
Cash on hand	31	75
Cash in transit	107	80
Total	**206 062**	**224 902**

Money Market Funds are readily convertible to a known amount of cash, are subject to an insignificant risk of changes in value and has a short maturity of three months or less from the date of acquisition. The money market fund units were acquired and are held solely for the purpose of covering the Group's short-term liabilities.

As at 31 December 2024, cash balances in certain bank accounts and future cash inflows into these accounts with the carrying amount of EUR 14 326 thousand (31 December 2023: EUR 19 001 thousand) were pledged to the banks as collateral under the loan agreements (Note 11). Credit risk exposure is disclosed in Note 20.

10. SHARE CAPITAL, SHARE PREMIUM AND LEGAL RESERVE

As at 31 December 2024 and 2023 the Group's authorised share capital consisted of 109 438 674 ordinary registered shares of AKROPOLIS GROUP UAB with a par value of EUR 0.29 each (issue price EUR 4.39). The shares have voting rights at the general meeting of AKROPOLIS GROUP UAB and grant the right to make cash payments to the shareholder. All the shares were fully paid. The share premium is recognized as the difference between the proceeds received from the issue of shares and the nominal value of the shares issued.

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of 5 per cent of net profit calculated in accordance with the Lithuanian regulatory legislation on accounting are required until the reserve reaches 10 per cent of the authorised share capital. The legal reserve is formed to cover possible losses of the Company and cannot be used for the payment of dividends or for any other purpose. As for 31th of December 2024, the legal reserve is fully formed.

In 2024 AKROPOLIS GROUP, UAB paid EUR 70 million dividends to its shareholder. In 2023 no dividends were paid by the Group to its shareholder.

11. BORROWINGS

In 2024 and 2023, all borrowings comprised bank borrowings and bonds.

The Company's 5-year Eurobond issue worth EUR 300 000 thousand was distributed on 3 June 2021. The bonds are listed on the Nasdaq Vilnius and Dublin Euronext stock exchanges. The issue of Eurobonds of AKROPOLIS GROUP UAB was distributed with an annual coupon rate of 2.875%, an annual yield of 3.00% and the final offer price of 99.428%. The bonds have been rated BB+ Fitch and BB+ S&P. The bonds mature on 2 June 2026.

In the above transaction, AKROPOLIS GROUP UAB was the Issuer, whereas AIDO TURTAS UAB, OZO TURTAS UAB, TAIKOS TURTAS UAB and M257 SIA, subsidiaries of Akropolis Real Estate B.V., were the Guarantors. On 21 June 2022, Delta Property SIA has acceded to the Trust Deed dated 2 June 2021 as an Additional Guarantor in respect of the bonds.

The market price of EUR 300 000 thousand bonds issued in 2021 was EUR 293 286 thousand as at 31 December 2024 (31 December 2023: EUR 273 966 thousand).

As at 31 December 2024 and 2023, the Group's bank borrowings were secured by the following assets pledged as collaterals:

- the Group's investment property with value of EUR 339 300 thousand as at 31 December 2024 (EUR 337 400 thousand as at 31 December 2023) (Note 6);
-The Group's cash balances in certain bank accounts and future cash inflows into these accounts with the carrying amount of EUR 14 326 thousand as at 31 December 2024 (EUR 19 001 thousand as at 31 December 2023) (Note 9);

As at 31 December 2024 and 2023, all bank borrowings and other borrowings of the Group were denominated in the euros.

As at 31 December 2024 and 2023, the Group's bank borrowings had a variable interest rate (linked to EURIBOR) with a margin meeting market conditions. The Group complied with the covenants (performance indicators) specified in the loan agreements as at 31 December 2024 and 2023.

The Group's borrowings were as follows as at 31 December 2024 and 2023:

	2024	2023
	EUR'000	EUR'000
Non- current		
Bank borrowings	133 578	141 551
Bonds	298 733	297 869
Total	**432 311**	**439 420**
Current		
Bank borrowings	7 973	7 973
Bonds	5 033	5 033
Total	**13 006**	**13 006**

The Company's borrowings were as follows as at 31 December:

	2024	2023
	EUR'000	EUR'000
At the beginning of the year	**452 426**	**459 562**
Repayments of borrowings	(7 973)	(7 972)
Interest charged on bonds	8 625	8 625
Interest charged on bank borrowings	7 993	7 071
Interest paid on bonds	(8 625)	(8 625)
Interest paid on bank borrowings	(7 993)	(7 071)
Amortization of bonds related costs	864	836
Administrative fees charged on bank borrowings	340	357
Administrative fees paid on bank borrowings	(340)	(357)
At the end of the year	**445 317**	**452 426**

The Group's net debt was as follows at 31 December 2024 and 2023:

	2024	2023
	EUR'000	EUR'000
Non-current borrowings	432 311	439 420
Current borrowings	13 006	13 006
(Less) Cash and cash equivalents	(206 062)	(224 902)
Net debt	**239 255**	**227 524**

Net debt is a non-IFRS measure, which is calculated as the sum of short-term bank borrowings and long-term bank borrowings less cash and cash equivalents.

12. TRADE AND OTHER AMOUNTS PAYABLE

Trade and other amounts payable comprised as follows as at 31 December:

	2024	2023
	EUR'000	EUR'000
Non-current advance amounts received	10 843	8 278
Other non-current amounts payable	43	37
Non-current amounts payable	**10 886**	**8 315**
Current advance amounts received	3 488	3 485
Trade payables	4 306	5 748
VAT payable	1 854	1 392
Real estate tax payable	100	101
Trade and other amounts payable to related parties (Note 19)	171	51
Other amounts payable and accrued expenses	18 942	16 507
Current amounts payable	**28 861**	**27 284**
Total	**39 747**	**35 599**

Other payables and accrued expenses of the Group as at 31 December 2024 and 2023 mainly comprise liability for Akropolis gift cards issued.

Advance amounts paid by customers under the lease contracts are refunded upon expiry of validity of the contract. Classification into current and non-current depends on the validity term of the contract. As at 31 December 2024, non-current portion of advance amounts received was EUR 10 843 thousand and it was recorded within non-current advance amounts received (31 December 2023: EUR 8 278 thousand). As at 31 December 2024, current portion of advance amounts received was EUR 3 488 thousand and it was recorded within current advance amounts received (31 December 2023: EUR 3 485 thousand).

Trade payables are interest free and they are usually due within 20 days. The same term is set for amounts payable to related parties. Other payables are interest free and they are usually due within 20 days.

13. SERVICE CHARGE EXPENSES

Service charge expenses comprised as follows for the year ended 31 December:

	2024	2023
	EUR'000	EUR'000
Expenses of directly and indirectly sold utilities	**12 414**	**12 381**
Other indirect service charge expenses:		
Buildings repair and maintenance expenses	9 170	8 310
Advertising and marketing expenses	5 360	4 660
Wages and salaries of employees and related expenses	2 068	1 840
Taxes (other than income tax)	1 737	1 724
Depreciation and amortization	792	668
Consulting fees	156	159
Telecommunication expenses	49	48
Transport expenses	32	31
Other expenses	698	591
Total other indirect service charge expenses	**20 062**	**18 031**
Total	**32 476**	**30 412**

14. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses comprised as follows for the year ended 31 December:

	2024	2023
	EUR'000	EUR'000
Wages and salaries of employees and related expenses	4 033	3 785
Consulting fees	361	384
Taxes (other than income tax)	154	161
Depreciation and amortization	137	149
Audit services	162	111
Short-term lease of low value assets	58	29
Utilities	23	28
Transport expenses	20	23
Telecommunication expenses	16	15
Advertising and marketing expenses	29	13
Write-offs of non-current assets	1	278
Other expenses	477	408
Total	**5 471**	**5 384**

In 2024 and 2023, the Group's auditors did not provide non-audit services to the Group.

Information on compensation to Directors is disclosed in Note 19.

15. INTEREST INCOME AND EXPENSES

	2024	2023
INTEREST INCOME	EUR'000	EUR'000
Bank interest	6 106	4 785
Total	**6 106**	**4 785**

	2024	2023
INTEREST EXPENSES	EUR'000	EUR'000
Interest on bank borrowings	7 993	7 071
Interest on bonds	8 625	8 625
Other finance costs	1 085	1 475
Lease liabilities - interest expense	33	38
Total	**17 736**	**17 209**

16. INCOME TAX EXPENSE

The following table presents calculation of income tax expense using local tax rate of 15% effective in reporting period:

	2024	2023
	EUR'000	EUR'000
Profit before income tax	81 398	98 987
Income tax at the 15% tax rate applicable to the Group in Lithuania	12 210	14 848
Impact of the changed corporate tax rate on deferred corporate tax (2025 - 16%)	6 087	-
Effect of income tax rate difference between countries	1 597	(1 663)
Tax effect of non-taxable income	(170)	(457)
Tax effect of non-deductible expenses	92	36
Utilisation of previously unrecognised tax losses	-	(278)
Other	(1)	1
Income tax expense	**19 815**	**12 487**
Effective income tax rate, %	**24,34**	**12,61**

Income tax expense comprised the following for the year ended 31 December:

	2024	2023
	EUR'000	EUR'000
Current income tax expense	11 250	5 638
Deferred income tax expense	8 565	6 849
Income tax expense	**19 815**	**12 487**

May 2023, the IASB issued narrow-scope amendments to IAS 12, 'Income Taxes'. The amendments provide a temporary exception from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules. These amendments were introduced in response to the imminent implementation of the Pillar Two model rules released in December 2021 by the Organisation for Economic Co-operation and Development's (OECD) as a result of international tax reform. The primary objective of these regulations is to guarantee that large multinational enterprises, specifically those with global revenues surpassing EUR 750 million, are subject to a minimum effective tax rate (hereinafter ETR) of 15%. These rules need to be incorporated into the national laws of the countries that choose to adopt them. In accordance with IASB effective date, the companies may apply the exception immediately, but disclosure requirements are required for annual periods commencing on or after 1 January 2023.

The Group operates in jurisdictions where the implementation of the Pillar Two model rules has either been delayed or recently enacted. Within all jurisdictions where the Group operates, only the Netherlands adopted a new law on 31 December 2023, implementing the Global Minimum Tax, which came into effect on 1 January 2024. During the transitional period, the Group intends to apply the Transitional Country-by-Country (CbCR) Safe Harbour (hereinafter TCSH), which allows for simplified compliance measures under the Pillar Two framework. The transitional period refers to the initial years following the implementation of these rules, during which TCSH is available to reduce the administrative burden for multinational enterprises (MNEs).
As a lower-tier parent company, the Group acknowledges the applicability of the Pillar Two rules and their associated compliance requirements. The Group submits the necessary assessments and relevant data to its ultimate parent company, which evaluates the Group's potential exposure to top-up-tax tax obligations for all jurisdictions, where the Group operates, respectively. The ultimate parent company is responsible for assessing the Group's ETR and, where applicable, for settling any top-up tax liabilities that may arise at the consolidated level.
As a result, the Group is not required to perform top-up tax calculations in these jurisdictions. Consequently, no top-up-up tax liabilities or deferred tax assets or liabilities arising from the Pillar Two model rules have been recognized in the Group's consolidated financial statements.

17. DEFERRED TAX (ASSET) LIABILITIES

For the year ended 31 December the changes in deferred tax liabilities were as follows:

	Depreciation and amortization	Revaluation of investment property	Other	Total
	EUR'000	EUR'000	EUR'000	EUR'000
At 31 December 2022	**35 954**	**52 234**	**37**	**88 225**
Recognized in profit or loss	(291)	2 639	4 501	6 849
At 31 December 2023	**35 663**	**54 873**	**4 538**	**95 074**
Recognized in profit or loss	500	228	1 750	2 478
Impact of the changed corporate tax rate on deferred corporate tax (2025 - 16%)	2 451	3 642	(6)	6 087
At 31 December 2024	**38 614**	**58 743**	**6 282**	**103 639**

As at 31 December the balance of the deferred tax consisted of:

	2024	2023
	EUR'000	EUR'000
Deferred tax liability	(103 639)	(95 074)
Deferred tax liability, net	**(103 639)**	**(95 074)**

The change in deferred tax liability occurred from revaluation of investment property, increase in income tax rate by 1% from 2025 and taxable temporary differences on investments in subsidiaries. The deferred tax liability was recognized for amounts that the subsidiaries in Latvia are planning to distribute as dividends in the near future.

18. COMMITMENTS AND CONTINGENCIES

Since 2020, the Group has participated in legal proceedings (two cases) related to the plot of land purchased by "Vingio turtas" UAB on November 4, 2005 and owned by the state, intended for the construction of "Akropolis Vingis". The validity of the contract for the purchase and sale of part of the state land was contested due to the alleged violation of the claimants' right to the restoration of ownership rights.

The legal proceedings in which "Vingio turtas" UAB participated are essentially completed: (i) the administrative case was completed after the Supreme Administrative Court of Lithuania adopted a final and non-appealable ruling on 8th of May 2024, which left unchanged the decision of the first instance court of 2024 February 22 in favour of "Vingio Turtas" UAB, which rejected the applicants' complaint; (ii) the renewed civil case was terminated after the Vilnius District Court adopted the ruling on June 20, 2024, by which it was decided to satisfy the request submitted by the plaintiffs regarding the abandonment of the claim. Termination of the civil case means that in the future the claimants will not be able to apply to the court repeatedly for a dispute between the same parties, for the same subject and on the same basis.

By the decision of the Vilnius District Court on June 20, 2024, which entered into force on June 27, 2024, all legal disputes of "Vingio Turtas" UAB regarding the plot of land, where it is planned to develop the multi-functional complex "Akropolis Vingis", were finally concluded.

At the end of 2023, the Group was included in a new judicial process (administrative case) according to the complaint of the applicant UAB Circle K Lietuva on September 7, 2023 to the defendant Vilnius City Municipality Administration. The complainant requests to cancel the conditions of connection to communication communications issued by "Vingio turtas" UAB, on the basis of which external infrastructures are carried out, Geležinio Vilko st. design works. "Vingio turtas", UAB is included in this case as a third interested party. The Regional Administrative Court examined the case and terminated it by a decision (ruling) of 2024-12-09, having recognized that the request of the applicant UAB Circle K Lietuva to cancel a part of the terms of connection, which in itself does not entail any legal consequences for the applicant, cannot be the object (subject) of the dispute in the administrative court.

19. RELATED-PARTY TRANSACTIONS

Related-party transactions were as follows during the year ended 31 December:

	2024	2023
	EUR'000	EUR'000
Sales to:		
Shareholders	48	68
Related companies	15 651	15 697
Total	**15 699**	**15 765**
Purchases (from):		
Shareholders	90	91
Related companies	1 092	672
Total	**1 182**	**763**
Prepayments to and amounts receivable from:		
Shareholders	1	1
Related companies	504	415
Lease incentives to related companies	467	341
Total	**972**	**757**
Advance amounts received from and amounts payable to:		
Shareholders	15	16
Related companies	156	35
Total	**171**	**51**

Sales to related parties mostly comprise lease income and other services. Purchases from related parties include utility, consultation services and other general and administrative expenses.

Terms and conditions of transactions with related parties

Average term of rent agreements with related parties operating in the shopping centres is 13 years or with indefinite term, while average term of rent agreements with related parties operating in the office buildings is 10 years or with indefinite term. All transactions with related parties were made on terms equivalent to those that prevail in arm's length transactions.

Compensation to key management personnel

The Group treats directors, head of departments and Board of Directors as the key management (the “Directors”).

For the years ended 31 December 2024 and 2023, compensation to the Group’s Directors amounted to EUR 2 049 thousand and EUR 1 858 thousand, respectively.

20. FINANCIAL RISK MANAGEMENT

Credit risk. Credit risk is a risk of counterparty defaulting on its contractual obligations, thereby resulting in a financial loss to the Group. The Group’s credit risk is attributable to its loans granted and trade and other receivables. The Group assesses the credit quality of the debtors and customers, taking into account their financial position, past experience and other factors. The amounts presented in the statement of financial position are net of allowances for doubtful loans and receivables estimated on prior experience and present economic situation. The Group has no significant concentration of credit risk with exposure spread over a number of counterparties and customers.

The credit risk arising from liquid cash balances (cash and time deposits) at banks is limited because the Group conducts transactions with the banks that have the investment grade credit ratings of Baa1 and above assigned by Moody’s, an international credit-rating agency.

Foreign currency exchange risk. There are no significant portions of foreign currency exchange risk for the Group as the majority of its transactions are carried out in the Euro. At present the Group companies do not use derivative financial instruments to hedge its risks associated with foreign currency fluctuations.

Interest rate risk. The Group's cash flows are exposed to interest rate fluctuations.

The Group's bank borrowings bear variable interest rates linked to variable base rate. Trade and other payables are interest free and their settlement term is one year.

The Group's cash flow and fair value interest rate risk is periodically monitored by the management. It analyses its interest rate exposure on a dynamic basis taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for receivables and liabilities that represent the major interest-bearing positions. The Group does not use any derivative financial instruments to manage the interest rate risk.

Based on the Group's estimate, an increase/decrease in variable interest rates by 100 basis points, given the Group's current debt level as at 31 December 2024 and with all other variables held constant, would result in an increase/decrease in the Group's interest expenses and decrease/increase in profit before income tax by EUR 1.4 million (31 December 2023: EUR 1.5 million).

Liquidity risk. Liquidity risk is managed according to the principles of prudence. The Group manages its cash flows and liquidity based on projected cash flows over periods of six months. According to the management, liquidity ratios for the Group are sufficient and prevalent for this type of business activity. Moreover, cash flows generated from operating activities are sufficient to continue business activities and to maintain liquidity.

The Group's current assets exceeded its current liabilities, which demonstrates the Group's ability to meet its obligations to the creditors. In addition, the Group's generated cash flows are sufficient to cover its current liabilities, a significant proportion of which are borrowings from credit institutions repayable on a monthly basis, as well as advance amounts received from the tenants, which become repayable only after termination of lease agreements under certain terms and conditions.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (including interest payments) with variable interest rate effective as at 31 December 2024:

31 December 2024	**Less than 6 months**	**Between 6-12 months**	**Between 1-2 years**	**Between 2-5 years**	**Over 5 years**	**Total**
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Bank borrowings	7 253	7 160	14 041	130 577	-	159 031
Lease liabilities	26	27	25	25	-	103
Trade payables	4 306	-	-	-	-	4 306
Bonds	8 625	-	308 625	-	-	317 250
Total	**20 210**	**7 187**	**322 691**	**130 602**	**-**	**480 690**

31 December 2023	**Less than 6 months**	**Between 6-12 months**	**Between 1-2 years**	**Between 2-5 years**	**Over 5 years**	**Total**
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Bank borrowings	8 131	8 019	15 703	146 696	-	178 549
Lease liabilities	30	28	34	25	-	117
Trade payables	5 748	-	-	-	-	5 748
Bonds	8 625	-	8 625	308 625	-	325 875
Total	**22 534**	**8 047**	**24 362**	**455 346**	**-**	**510 289**

21. CAPITAL MANAGEMENT

For capital management purposes, the Group defines its capital as share capital, share premium, legal reserve and retained earnings. The capital components were as follows as at 31 December:

	2024	**2023**
	EUR'000	EUR'000
Equity	710 452	718 869

The primary objective of the Group's capital management is to ensure that each of the Group entities complies with the externally imposed capital requirements and meets the respective capital ratios in order to preserve its business and maximise return to the shareholders. The Group has an adequate capital level to further maintain its business development.

The Group manages its capital structure and makes adjustments thereto in light of changes in economic conditions and risk characteristics of its activities. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to the shareholders or issue new shares. No changes were made concerning the purpose, policies or processes of capital management during the periods ended 31 December 2024 and 2023.

According to the Law on Companies of the Republic of Lithuania, the equity of a private limited liability company shall be not less than 50% of the share capital. AKROPOLIS GROUP UAB complied with this requirement as of 31 December 2024.

22. FINANCIAL INSTRUMENTS

Financial instruments comprised as follows as at 31 December:

	2024	**2023**
	EUR'000	EUR'000
Financial assets		
Trade receivables	4 614	4 639
Cash and cash equivalents	206 062	224 902
Financial liabilities		
Bank borrowings	141 551	149 524
Bonds	303 766	302 902
Trade payables	4 306	5 748
Accrued expenses	488	517

According to the management's best estimate, the carrying amount of receivables, cash and cash equivalents and trade and other current payables approximates their fair value due to short contractual maturity terms.

Non-current payables are carried at amortized cost (calculated using the effective interest rate that approximates the market interest rate), and therefore, their carrying amount approximates the fair value.

23. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the end of the reporting period that might have significant impact on the consolidated financial statements.

Other Information

Other Information

INFORMATION ON SECURITIES

In June 2021, Akropolis Group successfully placed a EUR 300 million issue of 5-year bonds. The bonds were listed on the Euronext Dublin and Nasdaq Vilnius stock exchanges.

Name	Nominal value	Issue value	ISIN code	Buy-out date
AKROPOLIS GROUP, UAB	100 000 EUR	EUR 300 million	XS2346869097	2026-06-02

INFORMATION ON CREDIT RATINGS

As Akropolis Group placed a five-year Eurobond issue of EUR 300 million in 2021, the ratings of the Group are regularly reviewed by international rating agencies. On 27 May 2024, S&P Global Ratings confirmed BB+ rating with a stable outlook granted to Akropolis Group, and on 17 July 2024, Fitch Ratings confirmed BB+ credit rating with a stable outlook.

INFORMATION ON COVENANTS

On 31 December 2024, Akropolis Group complied with all covenants under the bond issue terms and conditions set on 31 May 2021.

INFORMATION ON ENVIRONMENTAL ISSUES

Information on environmental issues is disclosed in the **Sustainability Report.**

INFORMATION ON SALARY

Information on the salary is disclosed in **note 19 of the notes to the consolidated financial statements.**

Nasdaq Structured Table of Disclosure

The Company, acting in compliance with paragraph 24.5 of the Listing Rules of AB Nasdaq Vilnius, hereby discloses how it complies with the Corporate Governance Code for the Companies listed on Nasdaq Vilnius (the Code), as well as its specific provisions or recommendations. In case of non-compliance with the Code or some of its provisions or recommendations, we specify it along with the reasons for such non-compliance. In addition, we provide other explanatory information in this form.

SUMMARY OF THE CORPORATE GOVERNANCE REPORT

The Company's bodies, as per its Articles of Association, are the general meeting of shareholders, the management board (the Board) and the CEO as a single-person management body. The Board is a collegial management body with three members who are elected by the general meeting of shareholders for a four-year term of office.

An audit committee (the Audit Committee) is also formed in the Company. It is composed of three members who are elected by the general meeting of shareholders for a term of office of four years. There are two independent members of the Audit Committee, including the chairman. The Audit Committee's functions are established by legal acts of the Republic of Lithuania and regulations of the Bank of Lithuania as well as the Audit Committee regulations approved by the sole shareholder of the Company.

Additional information about the Company's governance, activities and composition of the Company's management bodies and the Audit Committee, and other essential matters related to the Company's governance is provided in the Company's annual management report for the financial year ended 31 December 2024.

PRINCIPLES / RECOMMENDATIONS	YES/NO/NOT APPLICABLE	COMMENTS
Principle 1: General meeting of shareholders, equitable treatment of shareholders, and shareholders' rights The corporate governance framework should ensure the equitable treatment of all shareholders. The corporate governance framework should protect the rights of shareholders.		
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.	Not applicable	The Company has a sole shareholder.
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	All the Company's shares are ordinary registered shares and carry the same voting, ownership, dividend and other rights.
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.	Not applicable	The Company's shares are not offered publicly (i.e. only the Company's bonds are publicly traded).
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.	Yes	The Company's Articles of Association provide that the Board must obtain approval of the shareholder of the Company prior to making any decisions relating to (among other matters): investments, transfers and/or leases of fixed assets, pledges or mortgages over fixed assets, guaranteeing or standing surety for the fulfilment of obligations of other persons, acquiring fixed assets, if the amount of such transactions exceeds EUR 1,000,000, also prior to making any decisions relating to acquisition of securities (regardless of value or type) and property and/or non-property rights carried by such securities by the right of ownership and/or any other right, as well as regarding transfer, pledge or other limitation or restriction of such securities and/or the property and/or non-property rights carried by such securities.
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.	Not applicable	The Company has a sole shareholder.
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.	Not applicable	The Company has a sole shareholder (a legal entity established in the Republic of Lithuania). In any case, all information to investors is published in Lithuanian and English.
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 has a sole shareholder who is able to exercise the right to vote at the general meeting of shareholders both in person and in writing.
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.	Not applicable	The Company has a sole shareholder.

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.	Yes	Every candidate to a collegial body must declare what positions they hold and how their activities are related to the Company and other persons associated with the Company, as it is required by Article 19(9) of the Law on Companies of the Republic of Lithuania. Information about educational background and work experience is also usually provided to the general meeting of shareholders (when needed). Information on proposed audit company is provided to the shareholder prior to adoption of the decision. In addition, before deciding on the appointment of audit company, the shareholder is given the Audit Committee's recommendation which of the audit companies having participated in the tender procedure to choose.
1.10. Members of the company's collegial management body, heads of the administration 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	When needed, members of the Company's collegial body, heads of the administration and other competent persons related to the Company who can provide information related to the agenda participate in the general meeting of shareholders. Proposed candidates to members of the collegial body participate in the general meeting of the shareholders if it is requested.

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.

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	The Company does not have the 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.	Not applicable	The Company does not have the Supervisory Board.
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.	Not applicable	The Company does not have the Supervisory Board.
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 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.	Not applicable	The Company does not have the Supervisory Board.

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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.	Not applicable	The Company does not have the Supervisory Board.
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.	Not applicable	The Company does not have the Supervisory Board.

2.2. Formation of the supervisory board
The procedure of the formation of the supervisory board should ensure proper resolution of conflicts of interest and effective and fair corporate governance.

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	The Company does not have the 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.	Not applicable	The Company does not have the Supervisory Board.
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.	Not applicable	The Company does not have the Supervisory Board.
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.	Not applicable	The Company does not have the Supervisory Board.
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.	Not applicable	The Company does not have the Supervisory Board.
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.	Not applicable	The Company does not have the Supervisory Board.
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	The Company does not have the 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.

3.1.1. The management board should ensure the implementation of the company's strategy approved by the supervisory board if the latter has been formed at the company. In such cases where the supervisory board is not formed, the management board is also responsible for the approval of the company's strategy.	Yes	The Company's strategy is approved by the Board and the Board follows its implementation.
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.	Yes	The Board performs the functions assigned to it by the Law on Companies and by the Company's Articles of Association. The Board takes into account the needs of the Company's sole shareholder, employees and other interest groups, striving to achieve sustainable business development.
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.	Yes	The Board ensures compliance with the applicable laws and internal policies of the Company. The Board also establishes risk management and control measures to ensure the regular and direct accountability of managers, within the limits of its competence.
3.1.4. Moreover, the management board should ensure that the measures included into the OECD Good Practice Guidance on Internal Controls, Ethics and Compliance are applied at the company in order to ensure adherence to the applicable laws, rules and standards.	Yes	The Board ensures that indicated measures would apply in the Company, within the limits of its competence. The Company has an approved Corruption Prevention Policy in place, it is also guided by the Code of Business Ethics, which is common and mandatory for the companies of Vilniaus prekyba group.
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.	Yes	When appointing the CEO of the Company, the balance of the person's qualifications, experience and competence is taken into account.

3.2. Formation of the management board

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.	Yes	The members of the Board collectively have broad experience, qualifications, knowledge and competencies. The representation of both sexes is ensured as much as possible. More information about the experience and qualification of members of the Board is provided in the Company's annual management report.
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 management report.	Yes	The indicated information about the candidates to become members of the Board is provided to the general meeting of shareholders without violating personal data protection requirements. Information about the members of the Board is provided in the Company's annual management report.
3.2.3. All new members of the management board should be familiarized with their duties and the structure and operations of the company.	Yes	All new members of the Board are 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.	Yes	The Company's Articles of Association provide that members of the Board are elected for a specific term, i.e. for four years, and new members are appointed until the end of the current term of office; members of the Board can be re-elected.
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. Where the company decides to depart from these recommendations, it should provide information on the measures taken to ensure impartiality of the supervision.	Yes/No	Historically, the CEO of the Company also used to be the chair of the Board. However, in the Company's view, the current and past positions of the chair of the Board do not constitute obstacles for the chair of the Board to impartially carry out his duties as the chair of the Board. The chair of the Board is elected after evaluation of his experience and qualifications. Each member of the Board has the duties assigned by the Law on Companies of the Republic of Lithuania and must ensure their impartial execution. It is noteworthy that the CEO of the Company is not the chair of the Board since 28 November 2024.
3.2.6. Each member should devote sufficient time and attention to perform his duties as a member of the management board. Should a member of the management board attend less than a half of the meetings of the management board throughout the financial year of the company, the supervisory board of the company or, if the supervisory board is not formed at the company, the general meeting of shareholders should be notified thereof.	Yes	Each member of the Board devotes sufficient time and attention to perform the duties as a member of the Board. All meetings of the Board have been attended by all members so far.
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, 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	The Company's Articles of Association do not provide that the Board is to perform functions of the Supervisory Board, therefore the members of the Board are not subject to the requirement of independence.
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.	Yes	The general meeting of shareholders elects the members of the Board, therefore the general meeting of shareholders can approve the amount of remuneration to the members of the Board within the capacity prescribed by legal acts.
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.	Yes	To the Company's knowledge, all members of the Board act in good faith, with care and responsibility for the benefit and the interest of the Company and its shareholders. The members of the Board are subject to confidentiality and other relevant obligations, that is also provided for in the Rules of Procedure of the Board of the Company.
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.	Yes	The Rules of Procedure of the Board of the Company provide that the Board shall carry out an assessment of its activities every year, which should include evaluation whether the Board has achieved its objectives.

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.

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	The Company does not have the Supervisory Board.
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.	Yes	According to the Rules of Procedure of the Board of the Company, Board meetings must be convened at such intervals that uninterruptable resolution of essential corporate governance issues would be ensured, however, in any case, meetings must be convened at least once per quarter.
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.	Yes	Members of the Board are informed about meetings in advance and have sufficient time to prepare and familiarize with the provided information.
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.	Not applicable	The Company has only one collegial body, i.e. the Board.

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.

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 committees.	Not applicable	The Company does not have committees within the collegial body; however, the Audit Committee is formed in the Company by a decision of its sole shareholder.
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.	Yes	These functions are performed by the existing bodies of the Company within their competence prescribed by applicable legal acts.
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	When necessary, the Board performs these functions within its capacity prescribed by applicable legal acts.
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.	Yes	The Audit Committee formed by the sole shareholder has three members. These members were selected based on their competences and experience. The chair of the Board is neither the chair, nor a member of the Audit Committee.
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.	Yes/No	The Audit Committee's regulations are approved by the sole shareholder of the Company. The Audit Committee submits its activity reports to the sole shareholder of the Company. Information about the composition, activities and functions of the Audit Committee is published in the Company's annual management report.
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.	Yes	The Audit Committee may invite selected persons to its meetings. The chair of the Audit Committee has the possibility to directly communicate with the shareholder, if necessary.
5.2. Nomination committee		
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	This committee is not formed in the Company.
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	This committee is not formed in the Company.

5.3. Remuneration committee

5.3.1. 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	This committee is not formed in the Company.

5.4. Audit committee

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 Audit Committee performs functions defined in legal acts regulating the activities of the Audit Committee.
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.	Yes	The representatives of the Company's administration, including external auditors, provide the Audit Committee with all relevant information.
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.	Yes	The Audit Committee, when necessary, can invite any representative of the Company and external auditors to its meetings.
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.	Yes	The Company does not have an internal auditor, however these functions are performed by the Company's finance function, which provides the Audit Committee with necessary information. The Audit Committee also holds meetings with external auditors and receives information about audit status and results and about all relationships between the independent audit firm, 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.	Yes	The Audit Committee examines whether the Company complies with applicable provisions regulating the possibility of lodging a complaint or reporting suspicions of potential violations committed at the Company, acting within the limits of its competence. It should be noted that in order to implement the Law of the Republic of Lithuania on the Protection of Whistleblowers, the Company has arranged a special channel by which stakeholders can report any suspicions of potential violations.
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.	No	The regulations of the Audit Committee provide that the Audit Committee shall provide its activity report once a year to the body that elects the Audit Committee. In addition, the Audit Committee shall provide such report under the request of the relevant body or whenever the Audit Committee deems necessary.

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.

6.1. 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	Members of the Company's bodies have the duty to avoid conflicts of interests and declare them. The Rules of Procedure of the Board of the Company establish that each member of the Board must avoid a situation where his/her personal interests are or may be in conflict with the Company's interests, and in case such a situation does occur, a member of the Board must notify other members of the Board and the body that elected him/her.

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.

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.	Not applicable	The Company does not currently have an approved remuneration policy determining the remuneration of members of the collegial bodies. The Company considers that legal acts do not impose such an obligation, since only the Company's bonds are traded publicly. However, as far as the employees (including heads of the administration) of the Company are concerned, the Company has an approved remuneration policy, which is not public.
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.	Not applicable	The remuneration policy for the employees of the Company includes such work remuneration forms, which are present in the Company.
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	No Supervisory Board, performing the supervisory functions, is formed in 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	In all cases, termination payments are made according to the provisions of the Labour Code and concluded employment agreements. The Company follows the principles indicated in paragraph 7.4 in respect of termination payments.

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	No financial incentive scheme is applied in the Company.
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 Company does not publish such information. The Company considers that legal acts do not impose such an obligation, since only the Company's bonds are traded publicly.
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 schemes under which members of a collegial body and employees receive remuneration in shares or share options do not apply in the Company.

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.

8.1. The corporate governance framework should ensure that the rights and lawful interests of stakeholders are protected.	Yes	The Company ensures that the rights and lawful interests of stakeholders are protected.
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.	Yes	Stakeholders participate in the corporate governance of the Company in the manner established by applicable legal acts.
8.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.	Yes	Relevant information is made available in compliance with applicable legal acts.
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.	No	The Company does not have a collegial body performing the supervisory function, but the stakeholders have a possibility of reporting any illegal or unethical practices by other channels available in the Company.

Principle 9: 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.

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:		
9.1.1. operating and financial results of the company;	Yes	This information is published in the Company's financial statements.
9.1.2. objectives and non-financial information of the company;	Yes	This information is published in the Company's annual management report.
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;	Yes	This information is published in the Company's financial statements and annual management report to the extent the Company deems necessary.
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	This information is published in the Company's annual management report to the extent the Company deems necessary according to applicable legal acts.
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;	Yes	Information about the Audit Committee is provided in the Company's annual management report.
9.1.6. potential key risk factors, the company's risk management and supervision policy;	Yes	This information is published in the Company's annual management report.
9.1.7. the company's transactions with related parties;	Yes	This information is published in the Company's financial statements.
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	The relevant information to the extent the Company deems necessary is published in the Company's annual management report.
9.1.9. structure and strategy of corporate governance;	Yes	This information is published in the Company's annual management report.
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	This information is disclosed in the Company's annual management report.
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.	Yes	Consolidated information is disclosed.
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	Information about the professional experience and qualifications of members of the Company's bodies is disclosed. As legal acts do not require to disclose the remuneration, this information is not disclosed.
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	Information is disclosed through securities exchanges in Lithuania and Ireland. Information is disclosed in Lithuanian and English languages.

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.

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	Annual financial statements of the Company and its group are audited by an independent audit firm.
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 Company's external auditor was selected from tender applications and after the evaluation of all recommendations provided by the Company's bodies. In addition, the Audit Committee shall provide recommendation regarding appointment of external auditor, therefore such recommendation will be provided for future appointments of the external auditor.
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.	Yes	The Company discloses information about amounts it has paid the auditor for non-audit services in its financial statements. It should be mentioned that the Company has policy, which establishes principles how the Audit Committee shall approve the purchase of non-audit services from the appointed auditor in advance.

24 March 2025

Responsibility statement of responsible persons

We hereby confirm that, to the best of our knowledge and belief, the consolidated financial statements of Akropolis Group, UAB and its subsidiaries (collectively, the "Group") for the year ended 31 December 2024, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the financial position of the Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended.

In addition, we confirm that the consolidated annual management report gives a fair view of the Group's business development and operations, the Group's financial position together with a description of the key risks and uncertainties the Group faces.

Gabrielė Sapon

Chief Executive Officer

Ernesta Grikinaitė-Bartkevičė

Chief Financial Officer

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