

STATE-OWNED ENTERPRISES IN LITHUANIA

2024/2025



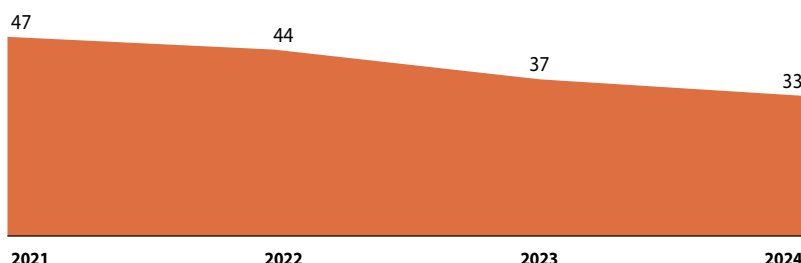
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Brief overview of the SOE portfolio

33
COMPANIES

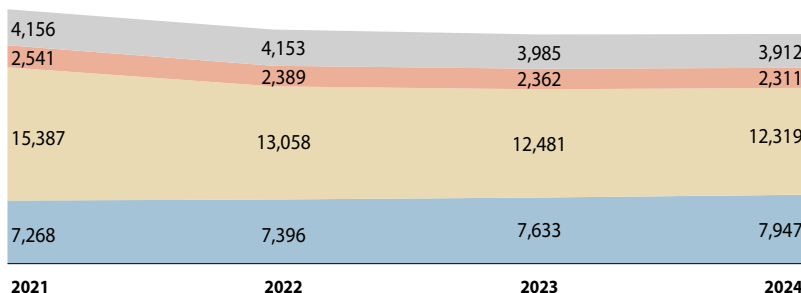
THE SOE RESTRUCTURING PLAN IS BEING IMPLEMENTED CONSISTENTLY – THE NUMBER OF COMPANIES IN THE SOE PORTFOLIO IS STEADILY DECREASING



Number of companies

26,489
EMPLOYEES

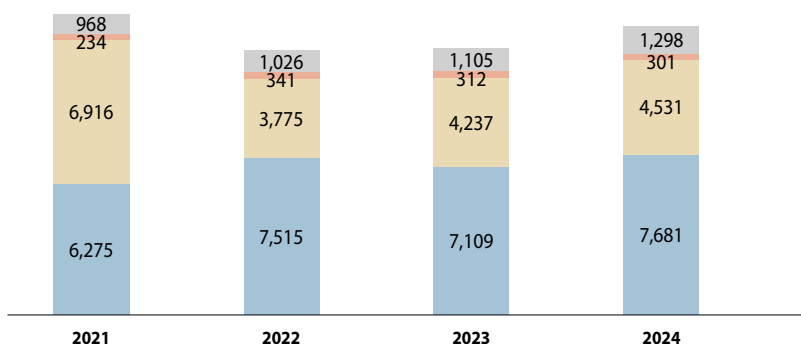
THE NUMBER OF EMPLOYEES HAS REMAINED VIRTUALLY UNCHANGED



Number of employees

13.8
EUR billion
ASSETS

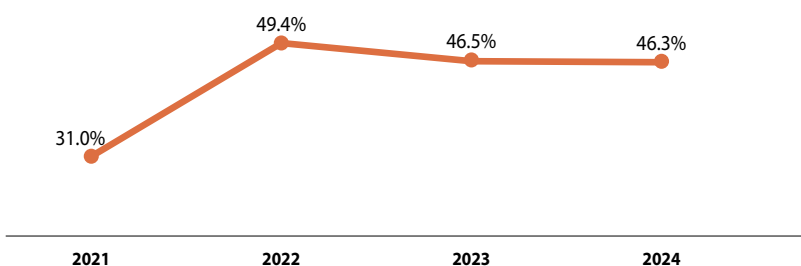
THE VALUE OF THE SOE PORTFOLIO ASSETS INCREASED BY 8.2 %



Assets (EUR million)

46,3 %
D/E

THE RATIO OF DEBT TO EQUITY CAPITAL REMAINED STABLE



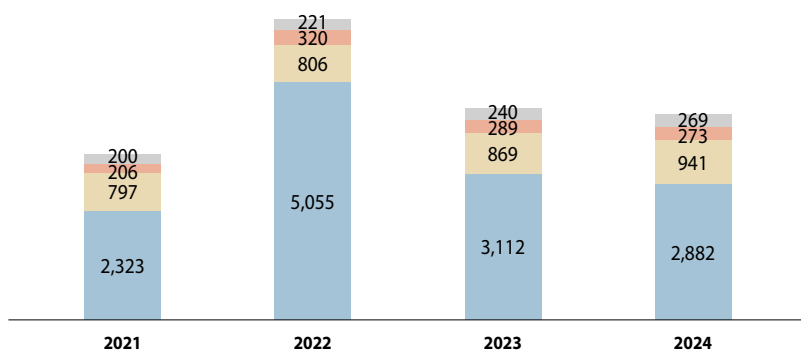
SOE portfolio D/E

Energy Contact Forestry Other

2024

PORTFOLIO SALES REVENUE DECREASED BY 3.2 %

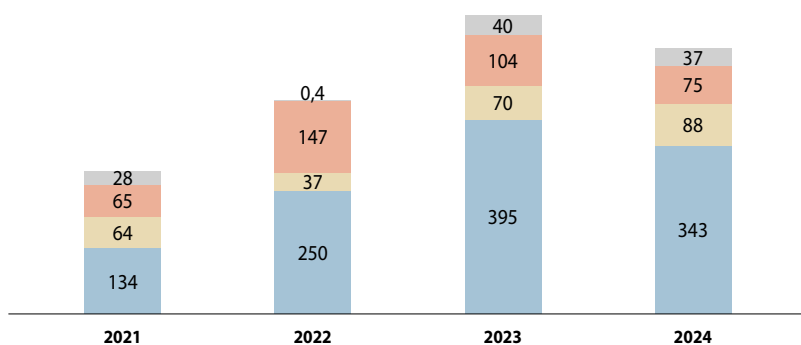
Sales revenue (EUR million)



4.4
EUR billion
IN REVENUE

SOEs EARNED 10.9% LESS NET PROFIT

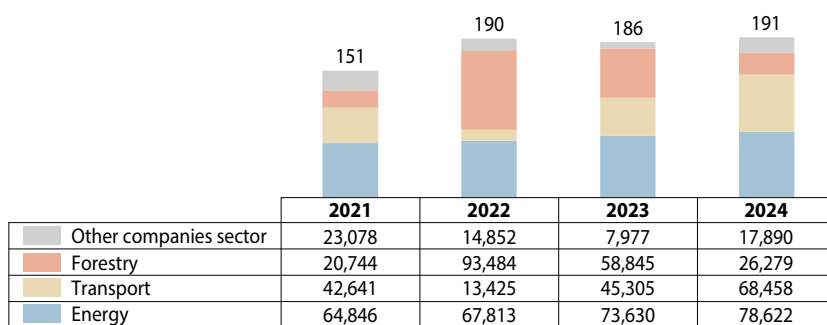
Net profit (EUR million)



542.5
EUR million
IN NET
PROFIT

3.0% MORE DIVIDENDS AND PROFIT CONTRIBUTIONS ALLOCATED

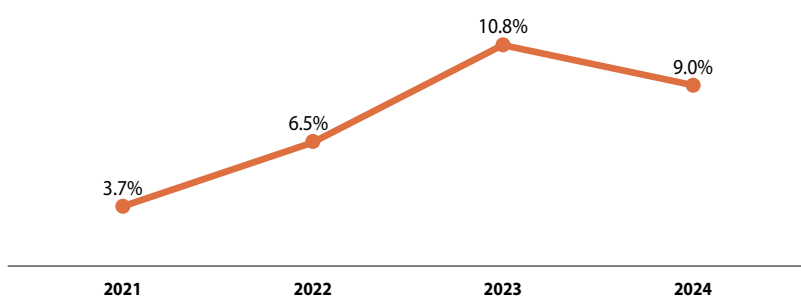
Dividends and profit contributions



191.3
EUR million
IN DIVIDENDS
AND PROFIT
CONTRIBUTIONS

SOEs' RETURN ON EQUITY DECREASED BY 1.8 PERCENTAGE POINTS

ROE of the SOE portfolio



9%
ROE

Energy Contact Forestry Other



State-owned enterprises today form an integral part of our society's security, stability, and identity. They are responsible not only for generating profit or paying dividends, but also for providing quality services, maintaining critical infrastructure, fostering innovation, and promoting regional development.

We are living in a time when geopolitical challenges, climate change, technological transformations, and the growing public demand for transparency compel us to rethink the purpose, value, and responsibility of public sector enterprises—and accordingly, to improve their efficiency and contribution to society.

The Ministry of the Economy and Innovation is consistently working to ensure that state-owned enterprises are managed transparently and professionally. This is not merely a declarative vision—it is a targeted policy grounded in facts, indicators, and assessments, both within Lithuania and beyond.

From the profits earned in 2024, state-owned enterprises allocated a record amount—over EUR 191 million—in dividends and profit contributions to the state budget. This represents a direct financial contribution to the creation of national prosperity. However, for some time now, the value of state-owned enterprises has not been measured by profit lines alone. Looking deeper, we see that these enterprises also generate value for society through innovation, sustainability initiatives, and by strengthening energy, economic, and social resilience.

Therefore, our common goal is not only to ensure financial sustainability. More than ever before, it is essential that enterprises create clear, long-term value for the people of Lithuania—that their activities are guided by transparency, accountability, and a long-term vision.

At this stage, as we strategically examine corporate governance, one of our priorities is preparing for new economic challenges. In the coming period, we will therefore systematically assess the governance characteristics of state-owned enterprises and plan to develop a management model that will further enhance their operational efficiency.

Alongside the progress achieved in good governance, state-owned enterprises have both the power and the duty not only to be efficient, but also meaningful—to strengthen public trust in the state and to build a solid foundation for future generations.

Yours sincerely

Lukas Savickas

Minister of the Economy and Innovation
of the Republic of Lithuania

State-Owned Enterprises (SOEs) play a crucial role in the country's economy and the well-being of society, as they perform strategic, economic, and social functions. These enterprises often operate in key sectors such as energy, transport, communications, and defense, where it is essential to ensure national security, uninterrupted supply, and stable pricing. In addition, SOEs are significant economic players: they generate a substantial share of the national gross domestic product, pay dividends to the state budget, create thousands of jobs, and contribute to the development of investment and innovation.



In times of crisis, SOEs become an especially important tool of the state—their involvement helps to respond more quickly and effectively to market fluctuations, direct all efforts toward maintaining social stability, and implement social measures. Moreover, these enterprises should serve as an example to the entire business sector by demonstrating high standards of transparency, sustainability, and accountability.

In 2024, all SOEs together earned **EUR 542.5 million in net profit**, which is **10.9% (EUR 66.7 million)** less than in 2023. However, assessing the true efficiency of SOEs solely on the basis of net profit would be misleading—the companies have significantly improved other strategic indicators in recent years. During the period **2022–2024**, nearly **two-thirds of Lithuania's SOEs successfully achieved all long-term financial goals** set by the Government, while the total amount of dividends and profit contributions to the state budget has remained stable since 2022. This demonstrates the consistent and focused efforts of SOEs to achieve higher performance standards—they are capable of managing state-owned capital responsibly, making professional decisions, and becoming increasingly sustainable, flexible, and oriented toward long-term national benefit.

We are pleased to see that in recent years, there have been many positive developments in the SOE sector: boards are becoming more professional, transparency standards are improving, and the strategic directions set by the state are becoming clearer. Nevertheless, there remain areas where we can further improve—optimizing capital structure, harmonizing dividend distribution practices, and ensuring more sustainable investment.

The Governance Coordination Centre's mission is not only to monitor but also to assist. By analyzing data, evaluating results, and providing recommendations, we aim to ensure that state-owned enterprises are managed in line with the best global practices—professionally, transparently, and responsibly—and we will continue moving firmly in this direction.

Yours sincerely
Jurgita Bagdonienė
Acting director of the
Governance Coordination Centre

Key events and news for SOEs

On 1 January 2024, a new version of Government Resolution No. 1341 "On the Remuneration of Managers of State-Owned Enterprises" came into force, with significant changes relating to the remuneration structure for top-level managers – the proportion of variable remuneration has changed significantly – from now on, **the variable part may not exceed 30% of the annual official remuneration** and is paid once a year for the achievement of objectives, after the approval of the company's financial statements.



In 2024, the plan for the restructuring and centralisation of state-owned enterprises was completed. The results of this process are as follows: 33 companies remain in the SOE portfolio – 28 public limited companies or private limited companies and 5 companies with the legal status of state-owned enterprises (SOEs).



In order to respond to the latest global governance trends, in autumn 2024 the Organisation for Economic Co-operation and Development (OECD) updated its guidelines on the governance of state-owned enterprises (SOEs), which will be followed by all countries that adhere to OECD best practices. The updates focus on the role of the state as a professional and active SOE manager, ensuring a level playing field, SOE accountability, transparency and disclosure, and introduce a new section on sustainability.

According to data for the first quarter of 2025, seven companies from the SOE sector are among the 50 companies in Lithuania that paid the most taxes and other contributions to the State Tax Inspectorate: AB KN Energijos (5th place), UAB Ignitis (8th place), VĮ State Forest Enterprise (15th place), AB Via Lietuva (38th place), AB Energijos skirstymo operatorius (43rd place), AB Kelių priežiūra (45th place), AB Ignitis gamyba (46th place). These seven companies paid a total of €155.0 million in taxes during the first three months of 2025.



On 15 April 2025, the SOE community forest planting took place for the fourth year in a row. A record number of participants joined the traditional initiative – as many as 22 different SOEs and 4 subsidiaries' top-level managers and board members. During the forest planting, 20,000 seedlings were planted.



On 1 December 2024, amendments to national law transposing the provisions of the European Parliament and Council Directive on improving the gender balance among directors of listed companies and related measures entered into force. They aim to ensure that persons of the under-represented sex occupy at least one third of the seats on the management and supervisory bodies (in the positions of chief executive, board members and supervisory board members) of large companies. Companies should achieve these targets by 30 June 2026 at the latest.

The State-Owned Enterprises Good Governance Index published on 26 September 2024 shows an increase in the number of companies receiving the highest ratings

The latest SOE Good Governance Index compiled by the Management Coordination Centre shows that 84% of state-owned enterprises are currently rated positively in terms of governance. This is almost a third better than two years ago and almost 10% better than a year ago. The overall SOE governance indicator has been positive for the second year in a row. This time, SOE collegial bodies received the most positive ratings, while the weakest area of governance was the application of international sanctions.

A total of nineteen state-owned enterprises received the highest good governance rating this year, three of which received the highest good governance rating for the first time. Among those receiving the highest governance rating for the first time were large companies such as **the State Forest Enterprise** and **KN Energijos AB**. The state-owned company **Turto bankas** was also included in the medium-sized company category.

When assessing the achievements of companies in specific areas of good governance, **Lietuvos Geležinkeliai AB** was awarded for its progress in governance this year, having made the most progress in the areas of transparency and collegial bodies. **AB Smiltynės Perkėla** was recognised for the best strategic planning, having received the highest ratings for the quality of its strategic business plan for several years running. The nomination for governance leader went to **AB Ignitis Group**, which has also remained the leader in governance for several years.

The increase in the number of companies rated as having the highest good governance indicators in the SOE Good Governance Index is clear evidence that changes in corporate governance are moving in the right direction. An assessment of data from several years shows that the main reasons for the improvement in SOE governance in recent years are primarily related to corporate awareness – the maturity of governance achieved allows companies to understand the real benefits of implementing good practices. Efforts to continue striving for professionalism in governance result in a significantly higher level of SOE accountability to both shareholders and the public, while competent members of collegial bodies are able to strategically guide the company to set and achieve ambitious goals that best suit the specifics of the company's activities, goals that best suit the specifics of the company's activities. However, despite the annual improvement in SOE governance, as in last year's SOE governance assessment, this year's assessment also shows a significant gap between large and small companies.

The weakest area of governance was the application of international sanctions, but it is worth noting that the index assessed the application of



international sanctions by SOEs for the first time. The assessment revealed that only some companies have effective internal control systems and processes for implementing sanctions, which poses a risk of violations of international sanctions. Meanwhile, although more and more companies are recognising the importance of sustainability, implementing measures to achieve this goal and applying international standards, SOEs operating in Lithuania still lag behind the best global practices. As a result, SOE sustainability reports have remained among the weakest areas of governance for several years in a row.

The SOE Good Governance Index, compiled annually, is designed to assess and measure how each state-owned enterprise and state-representative institution implements key good governance practices, which include the recommendations of the Organisation for Economic Co-operation and Development (OECD), Ownership Guidelines, Transparency Guidelines and Selection Guidelines, as well as other documents regulating SOE activities and global best practices. Currently, the SOE Good Governance Index is the most comprehensive tool for assessing the quality of governance in all SOEs. The SOE Index assessment is extremely important and is often included in shareholder expectation letters. Later, it is included in strategic goal and task maps. Therefore, the comments and recommendations of the Management Coordination Centre, which are provided to all SOEs together with individual assessments, help SOEs to better understand governance gaps and improve them. More detailed information on the latest SOE good governance index results is available on the Management Coordination Centre website <https://governance.lt/valdysenos-indeksas/#indekso-rezultatai>.



SOE management policy



Examples from many foreign countries show that SOEs can operate efficiently, provide benefits to consumers and compete successfully in the market, and their performance can match or even exceed that of private companies. Modern, efficiently operating SOEs can make a significant contribution to national budgets, and the additional funds can be redistributed to a wide range of areas, from pensions, teachers' and doctors' salaries to nationally important investment projects. In addition, by implementing advanced management models, these companies become examples of transparent and responsible business, thereby promoting sustainable economic development. In order for SOEs to be modern and efficient, it is necessary to ensure the implementation of good governance principles and to systematically carry out professional supervision of SOEs. It is important for the state to have a clear ownership policy, set high transparency requirements and formulate ambitious performance expectations for these companies.

The activities of the *Organisation for Economic Co-operation and Development* (OECD) are of great importance for improving the governance of public sector enterprises. The OECD is a multilateral forum for discussion, experience sharing and the development of new economic

and social policy guidelines. The organisation offers support to its members and partner countries in implementing good global practices and standards in the field of public policy. Lithuania became a full member of the OECD on 5 July 2018.

Despite joining the OECD, Lithuania continues to make significant efforts to improve the efficiency of SOEs.

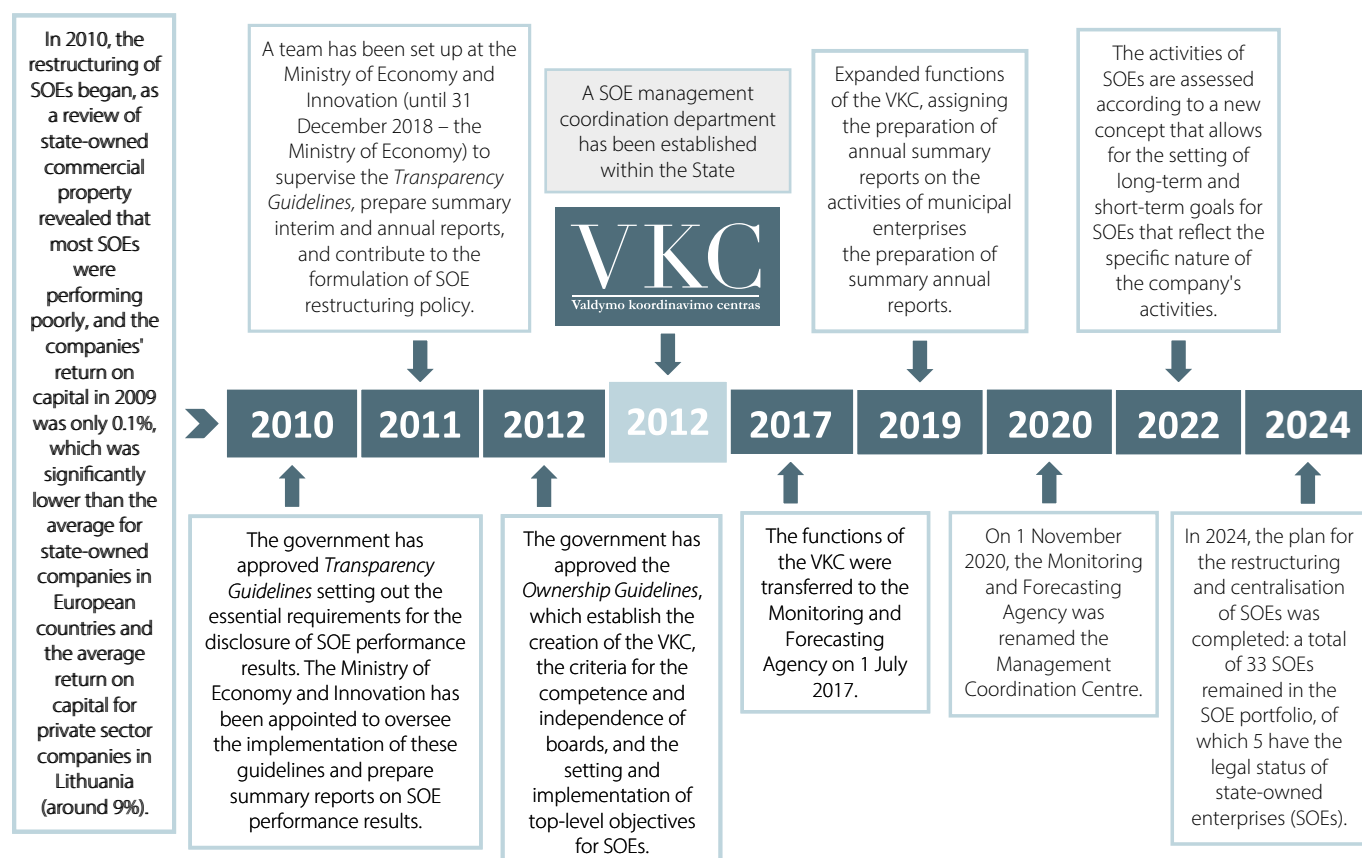
In October 2024, the OECD presented updated guidelines on SOE governance. Although the new recommendations are based on the principles established in 2015, they highlight important changes and additions. A new section has been added – SOEs and sustainability, which emphasises the commitment of the state and SOEs to contribute to the creation of a sustainable environment. The updates also emphasise the role of the state as an active owner of companies, high standards of transparency, accountability and integrity in SOEs, and rules on accounting, auditing, disclosure and compliance. Significant changes include a focus on the composition, responsibility and accountability of SOE boards. The new OECD guidelines reaffirm the commitment to promoting high standards of SOE governance and their role in achieving broader economic objectives.

Management Coordination Centre

In order to ensure consistent and professional management of SOEs, the Government decided to establish a Management Coordination Centre, an institution that monitors and analyses the implementation of state policy in state-owned enterprises. Since 1 July 2017, the functions of the MCC have been performed by the public institution Monitoring and Forecasting Agency, which was renamed the Management Coordination Centre on 1 November 2020. The rights and obligations of the owner of the institution are exercised by the Ministry of Economy and Innovation. The successful implementation of good management practices in SOEs has led to the introduction of similar good management practices in municipal enterprises since January 2019, when the new version of the Law on the Management, Use and Disposal of State and Municipal Property of the Republic of Lithuania came into force. Similar good management practices began to be implemented in municipal

enterprises. The functions performed by the VKC cover an increasingly broad range of coordination of the activities of SOEs and SMEs: selection of independent board and supervisory board members, supervision of the implementation of strategic plans, preparation of analytical reports, publicity of SOE and SME activities, assistance in shaping SOE and SME sector policy, and consultations on the implementation of good governance. In addition to its main objective of promoting the implementation of good governance principles in state- and municipality-owned enterprises, the VKC seeks to improve the following key areas:

- increasing the transparency and accountability of SOEs and SMEs;
- increasing the independence and competence of independent collegial supervisory and management bodies of SOEs and SMEs;
- promote the centralisation and effective management of SOEs and SMEs.



The main areas of activity and functions of the VKC are:

- Transparency (preparation of summary reports, assessment of companies' financial results and performance, analysis of SOE executives' salaries);
- Setting objectives (assessment of long-term key financial indicators to be achieved by SOEs, coordination and publication of specialised indicators, assessment of the ambition of companies' strategic objectives and monitoring of their implementation);
- Work of collegial bodies (creation of a database of potential members of collegial bodies, assessment of the competences of collegial bodies, consultation with company boards and supervisory

boards, participation in the nomination committee for members of SOE boards and supervisory boards);

- Policy-making initiatives (preparation of methodological recommendations, new legislative initiatives, consultation with the Government and the Ministry of Economy and Innovation of the Republic of Lithuania on related policy-making); Consultations (consulting the Government and state institutions on SOE management and key shareholder decisions, on expectations and desired outcomes, consulting SOEs on the implementation of activities and good management practices, organising experience exchange events and seminars, consulting the Government and the Ministry of Finance on the payment of dividends and profit contributions).

Regulatory environment for SOEs

Experience in other countries shows that implementing good governance principles in SOEs is an important but complex initiative. The main challenge is to strike a balance between the state's obligation to actively exercise its ownership functions (such as setting and monitoring financial and other objectives) and the impartial regulation of the sector in which the company operates. For these reasons, various countries adopt ownership policy legislation that clearly defines the rights and obligations of all stakeholders involved in the management of SOEs. Ownership policy documents also define the procedure for determining the remuneration of members of collegial management or supervisory bodies, formalise the principles for their selection, establish the principles for the composition and independence of these

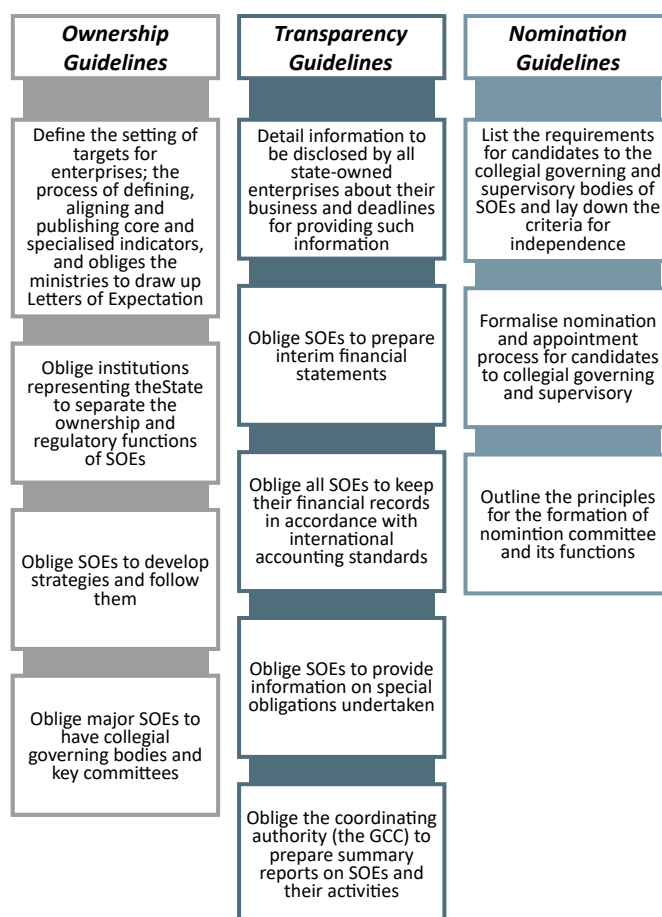
bodies, and specify the expected results of SOEs. The aim of establishing ownership functions is to ensure that the state is an active owner of assets – setting targets for companies, raising expectations regarding the assurance of effective operations and good results, and establishing rules for mutual communication and responsibilities.

The Lithuanian state performs its functions as the owner of SOEs through ministries and other institutions. The role of the government is to establish a strategy and basic guidelines for the performance of state ownership functions. It is the main decision-maker on the most important issues of SOE management. The general SOE management policy is formulated by the Ministry of Economy and Innovation, which prepares the relevant legislation and submits it to the government.

Key legislation regulating the activities of state-owned enterprises in Lithuania

The country's legal framework has a significant impact on the activities and effectiveness of SOEs. In their activities, companies must comply with the legislation in force, taking into account their legal form, sector and other aspects of their activities. The Law on the Management, Use and Disposal of State and Municipal Property of the Republic of Lithuania establishes the procedure and conditions for the management, use and disposal of state and municipal property, as well as the powers of state and municipal institutions in this area.

Based on OECD recommendations and international best practices, in 2010 the Government adopted a Resolution "On the Approval of Guidelines for Ensuring Transparency in the Activities of State-Owned Enterprises and the Appointment of a Coordinating Authority" (known as the *Transparency Guidelines*, latest version dated 30 April 2021), which set high transparency and accountability requirements for all SOEs, and in 2012 – the Resolution "On the Approval of the Procedure for the Exercise of State Property and Non-Property Rights in State-Owned Enterprises" (known as the *Ownership Guidelines*, latest version dated 19 September 2023), which defined the Government's ownership policy with regard to SOEs. *The Ownership Guidelines* set out the principles to be followed when defining strategic objectives and setting financial indicators, separating regulatory and ownership functions, forming SOE boards and supervisory boards, and so on. *The ownership guidelines* establish three key measures for strengthening the management of SOEs: a strong shareholder, strong company management and clear objectives. In order to strengthen the principles of independence and selection of boards and supervisory boards, a resolution was adopted "On the approval of the description of the selection of candidates for the board of a state-owned or municipal enterprise and candidates for the collegial supervisory or management body elected by the general meeting of shareholders of a state-owned or municipal company" (referred to as the *Selection Guidelines*, latest version dated 1 June 2023). *The Selection Guidelines* are a unique piece of legislation within the OECD and other global best practices, which clearly and publicly formalises the selection process, establishes the composition of collegial bodies of SOEs, requirements for candidates, and more.



Implementation of Lithuania's ownership policy

APPLICATION OF THE OWNERSHIP GUIDELINES

The provisions of the *ownership guidelines* are mandatory and must be complied with by all state institutions involved in the management of SOEs. The provisions of the *Property Guidelines* are subject to the "comply or explain" rule, which allows for deviations from these provisions only in objectively necessary cases, which must be rationally justified and explained in the SOE's annual activity report or annual report.

CLEAR OBJECTIVES

In order for SOEs to operate as efficiently as possible and have clear information about what the state expects of them, the SOE must clearly specify the financial targets and expectations for the companies' activities. As stated in the *Ownership Guidelines*, "the state, by participating in the management of state-owned enterprises, seeks to increase business value, dividend or profit yield, ensure national security interests, implement strategic projects or achieve other objectives," therefore, in its letters of expectations, the VAI presents to each SOE individually its main expectations regarding commercial objectives, the fulfilment of special obligations, etc. This shows that, in addition to regulated general state objectives for SOEs, such as the requirement for financial returns, there is an increasing tendency to set individualised objectives related to the specific activities of the company.

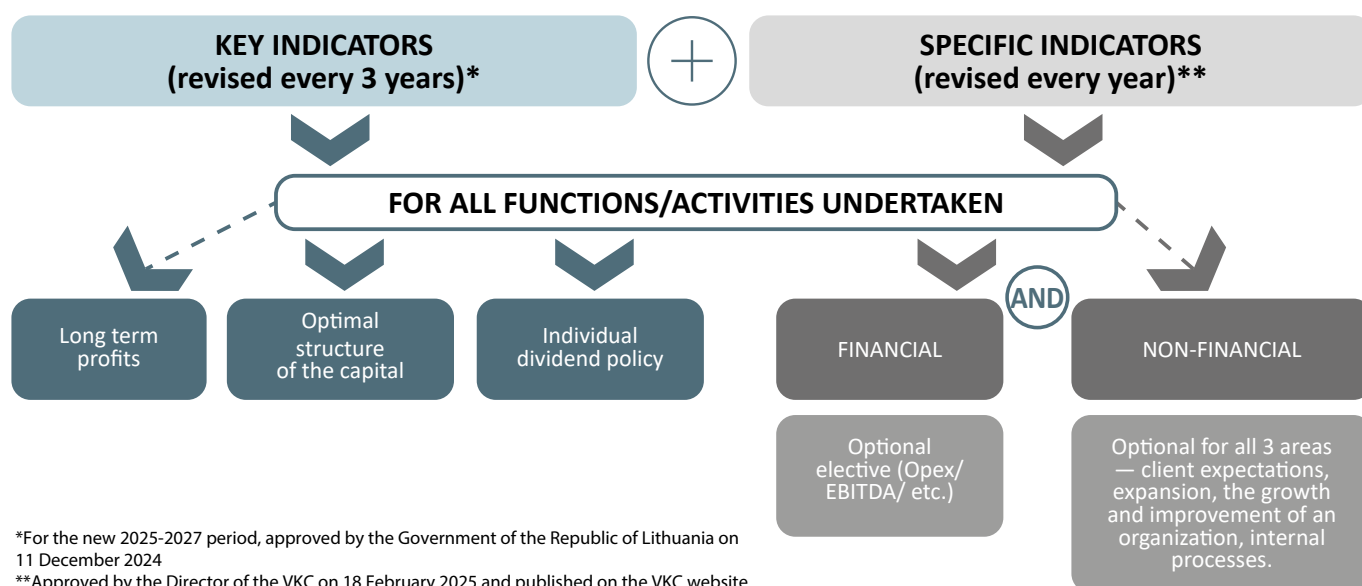
Essential recommendations for letters of expectations prepared by the VAI are set out in the requirements for the content of letters from state-representing institutions regarding the objectives pursued by the state in state-owned enterprises and the expectations set for state-owned enterprises, approved by Order No. 4-721 of the Minister of Economy and Innovation on 18 May 2022 "On the approval of the description of the content requirements and preparation procedure for a letter from a state-representing institution regarding the objectives pursued by the state in a state-owned company and the expectations set for a state-owned company" (hereinafter referred to as the *Expectations Guidelines*). These guidelines define the principles for formulating financial and non-financial expectations, set out communication requirements

for coordinating and setting targets and their significance, specify the obligation to set basic requirements for specific obligations to be fulfilled, and define accountability requirements.

The *letters of expectations* must be an integral part of corporate strategies. The financial and non-financial performance expectations set should be ambitious and measurable, so that they can be quantified. In order to monitor the achievement of objectives, companies should be regularly assessed on how they are progressing towards the set objectives. All this information, as stipulated in the Ownership Guidelines, is publicly available, so these letters must be published on the websites of SOEs, SOLs and SOCCs.

1. State objectives for SOEs

1.1. As an active manager of state assets represented by SOE shares, the government seeks to increase the value of those assets and their financial return while maintaining a balanced level of risk and ensuring the proper fulfilment of special obligations. Setting targets and indicators to measure them, and regularly analysing their achievement, are important tools for assessing the relevance of continued ownership of SOEs and formulating future directions for their activities. Performance evaluation is one of the most useful management tools due to its ability to combine strategic planning and implementation control into a single whole. One of the stages in strategy development is the establishment of *key performance indicators* (KPIs), which are used by both the government and the SOEs themselves to monitor and evaluate their activities: assess progress and success or shortcomings in relation to the desired results, which allows for better business decisions to be made in order to achieve the objectives. In order to ensure that SOEs have clear information about what is expected of them by their main shareholder, the State, and taking into account the best practices of EPBO member countries, whereby financial and non-financial objectives and the KPIs reflecting them are formulated in accordance with a uniform concept of performance measurement, in December 2021, the Government approved the KPI concept proposed by the VKC, which will be applied from 2022:



1.2. Payment of dividends for shares in companies owned by the state and profit contributions from state-owned enterprises

Depending on their legal form, SOEs pay either dividends or profit contributions to the state budget: companies pay dividends, while state-owned enterprises pay profit contributions. The procedure for the payment of dividends and profit contributions by SOEs is regulated by the Law on State and Municipal Enterprises of the Republic of Lithuania and Resolution No. 665 of the Government of the Republic of Lithuania

of 6 June 2012 (consolidated version as of 19 September 2023) "On the Approval of the Procedure for the Exercise of State Property and Non-Property Rights in State-Owned Enterprises" (hereinafter referred to as the *Ownership Guidelines*). Based on these legal acts, SOEs pay dividends or profit contributions from the distributable profit for the reporting year. The specific amounts of dividends or profit contributions to be paid are set out in Resolution No. 509 of the Government of the Republic of Lithuania of 18 May 2022 "On the Approval of the Key Financial Perfor-

mance Indicators for State-Owned Enterprises for the Period 2022-2024". In addition, new indicators and their values have already been approved for the subsequent period by Resolution No. 1074 of 11 December 2024 "On the approval of the main financial performance indicators to be achieved by state-owned enterprises for the period 2025-2027".

2. SOE strategy

SOEs must have clear strategic plans that serve as a means of communication between the government, the institution exercising shareholder or owner rights, and the boards and managers of companies. The government has obliged all SOEs to prepare strategic business plans. Since autumn 2019, this obligation has also applied to SOE subsidiaries, and from 2022 onwards, it will apply to subsequent generations, i.e. "grandchildren" companies. Companies should prepare strategic business plans for at least three years, and state-owned companies for four years, updating them annually. These plans must specify the strategic directions in which the company will develop its activities, long-term and short-term goals and objectives with specific target indicators, which will be used to measure the achievement of goals and objectives. The plans must also include detailed financial forecasts, investments, their sources of financing and payback assessments, an analysis of the company's environmental factors and risks, available resources, etc.

SOEs and their subsidiaries are required to submit their draft strategies to the VKC by 15 November each year, which provides recommendations and suggestions for their improvement. The VKC also evaluates the indicators set out in these strategic plans and provides recommendations and suggestions for improvement. Approved strategic activity plans are submitted to the VKC by 15 January of the same year in which they are approved.

COLLEGIAL MANAGEMENT BODIES

One of the key factors in ensuring profitable and effective business operations is a competent, motivated and independent board of directors or supervisory board, if one is established. The board of direc-



tors is the main management body that sets the company's strategic priorities, evaluates the performance of the company's managers and ensures their accountability.

Following changes to the Ownership Guidelines, SOEs are no longer divided into five categories, but are now classified as public interest companies (i.e. SOEs that are considered large under the Law on Financial Reporting of Companies) and companies that are classified as important for ensuring national security. These public interest and national security companies must have functioning collegial bodies. The decision on the composition of boards (or supervisory boards) in other SOEs is taken by the institution representing the state.

*In terms of legal form, all state-owned enterprises (SOEs) are divided into **state-owned companies** (VĮ) and **state-controlled companies** – public limited companies (AB) and private limited companies (UAB).*

SOEs are companies established from state property or transferred to the state in accordance with the procedure laid down by law, which are owned by the state and manage, use and dispose of the property transferred to them and acquired by them on a trust basis. On 31 December 2024, there were five SOEs in Lithuania, including the State Forest Enterprise, the Ignalina Nuclear Power Plant, and others.

State-owned public limited companies and private limited companies are private legal entities with limited civil liability, all or part of whose shares are owned by the state. At the end of 2024, 18 state-owned enterprises in Lithuania had the legal form of a public limited company (several of them – Ignitis Group, Lietuvos Paštas, Lietuvos Geležinkeliai AB), while 10 SOEs had the legal form of UAB (UAB ILTE, UAB EPSO-G, UAB Lietuvos parodų ir kongresų centras LITEXPO, etc.).

COMMITTEES

SOEs that are considered public interest entities under the Law on Audit of Financial Statements of the Republic of Lithuania are required to form audit committees to strengthen internal control within the company – to monitor the process of preparing the company's financial statements, the effectiveness of various internal control systems, the audit process, etc. The audit committee must consist of at least three members, more than half of whom must be independent. An independent member is elected as the chair of the audit committee.

Each state-owned company that is considered large under the Law on Financial Reporting of Companies of the Republic of Lithuania must also have a remuneration committee that prepares proposals on the remuneration systems for the company's senior management.

REMUNERATION

In order to attract as many experienced independent professionals as possible to serve on collegial bodies, they shall be remunerated for their work. The remuneration of members of collegial bodies must be discussed at each company's general meeting of shareholders, and the share manager must ensure that members of the boards and supervisory boards of state-owned companies are paid a fixed remuneration which is not less than 1/4 of the average monthly salary of the company's CEO and not more than the average monthly salary of the company's CEO, and for the chairpersons of the boards and supervisory boards, it is recommended that the remuneration be no less than 1/3 of the average monthly salary of the company's CEO. Members of collegial bodies who are civil servants shall be paid remuneration of not less than 1/8 and not more than 1/4 of the remuneration paid to the head of the company. The remuneration paid to a member of the board of a state-owned enterprise may not exceed 1/5 of the average monthly salary of the head of the company.

Selection of members of collegial bodies

The *selection guidelines* set out the principles for forming the composition of collegial management and supervisory bodies, the selection and nomination procedures, and the composition of the selection committee. The *selection guidelines* apply only to the collegial body selected by the entity directly initiating the selection (an institution representing the state or a state-owned company whose subsidiary's collegial body is being selected, hereinafter referred to as VAI) for the collegial body to be selected, regardless of the legal form or size of the SOE (or its subsidiary).

COMPOSITION OF COLLEGIAL BODIES

In order to ensure greater independence of collegial bodies, at least half of the members of the collegial bodies of SOEs must meet the independence criteria set out in the *Disposal Act*, and in the case of a subsidiary of a state-owned company, independent members must constitute at least one-third of the number of members of the collegial body specified in the articles of association. It is also established that civil servants in positions of political trust or persons responsible for policy-making in the economic sector in which the company operates may not be elected as members of the collegial body. This principle separates the functions of policy-making in the economic sector from the functions of exercising ownership.

REQUIREMENTS FOR CANDIDATES

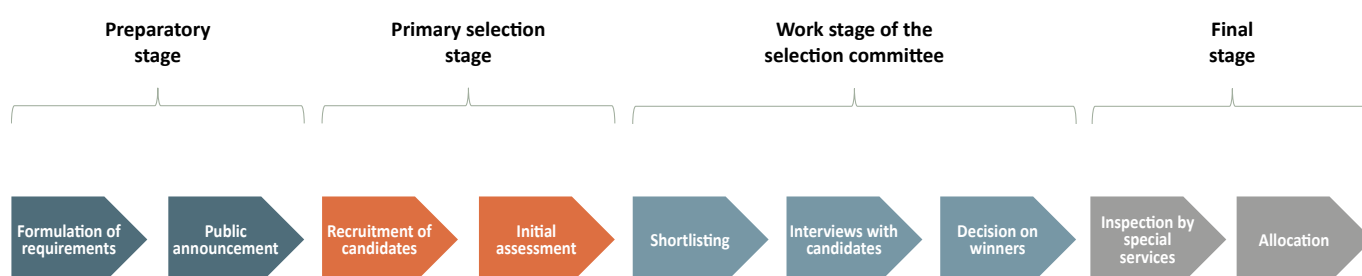
The *Disposal Act* establishes general, specific and independence requirements. Every candidate for membership of a collegial body must meet the general requirements, i.e. every candidate must have a higher education, be of impeccable reputation and not be a shareholder or representative of the state-owned company or its subsidiary or related company to which they are applying. Special requirements for candidates are set by the entity initiating the selection (AIS), taking into account the specific needs of the company and the missing or desired competencies of the collegial management body.

The *selection guidelines* set out the competencies that the company's collegial body must have. The collegial body directly elected by the AIS for each SOE or its subsidiary would include members with various competencies, including, but not limited to, competencies in finance, strategic planning and management, and the economic sector in which the company operates.

SELECTION OF CANDIDATES

In order to increase the added value created by members of collegial bodies of SOEs, they should be appointed or elected in accordance with the provisions of the *Disposal Act*, *Selection Guidelines* and other legal acts. This helps to depoliticise corporate governance, attract the necessary governance competencies and ensure that the interests of the state and society are implemented in companies. The provisions of the *Selection Guidelines* stipulate that if the AIS decides to select an independent member for a position on the collegial body of a state-owned enterprise, it is mandatory to inform the enterprise, the VKC and the selection agency. Within seven days, the latter must submit proposals to the AIS on the areas of competence in which specialists could best contribute to the implementation of the company's strategic objectives and the establishment of specific requirements for candidates. The selection procedure for independent members begins with the formulation of requirements for candidates and the publication of a selection announcement. Simplified requirements apply to the selection of other members of the collegial body, but the selection procedure is also public and carried out in accordance with approved rules.

Procedure for selection of independent members of the Collegial Body of SE



After completing the procedures for assessing compliance with general and specific requirements and independence criteria, the selection agency submits a list of potential candidates to the selection committee. The selection committee is authorised to select independent members of collegiate bodies by drawing up a final list of candidates invited for interview and to conduct interviews with the selected candidates. The winner of the selection is determined on the basis of the voting and winner announcement procedures set out in the *Selection Guidelines*. The selection committee submits the selected best candidate to the entity that initiated the selection, which in turn decides to appoint the candidate as a member of the collegial body or to propose him/her for voting at the general meeting of shareholders.

The selection committee for the selection of independent members of the company's collegial body is formed by decision of the AIS from:

- five members – one representative proposed by the Prime Minister, one representative proposed by the head of the VAI, one representative proposed by the Minister of Economy and Innovation,

one representative proposed by the Minister of Finance and one representative of the VKC, when selecting members of the collegial body of the VVJ;

- five members – one representative proposed by the head of the VAI, three representatives of the parent state-owned company and one representative of the VKC, when selecting members of the collegial body of a subsidiary of a state-owned company.

Experts from various institutions, agencies or organisations who have the right to advise the members of the commission may also be invited to the selection interviews by decision of the VAI. When forming the selection commission, the AIS must appoint a responsible secretary who is not a member of the selection commission but organises the work of the entire selection commission. At the first meeting of the selection committee, a chairperson of the selection committee must be elected, who is responsible for ensuring proper compliance with the procedures set out in the *Selection Guidelines* and for communication with the AIS. All members of the committee shall have one vote each. Independent SOE members shall be sought through personnel search (selection) agencies.

Transparency of SOEs

Transparency of SOE activities is particularly important because every Lithuanian citizen is a shareholder in SOEs. In order to ensure good corporate governance, it is necessary not only to set clear objectives for SOEs and their management, but also to periodically assess how these objectives have been achieved.

Based on international best practice and *OECD guidelines*, *Transparency Guidelines* have been adopted, which stipulate that SOEs must comply with similar transparency requirements as companies listed on the stock exchange. It is also recommended that both the accounting of SOEs and the audit of their annual financial statements be carried out in accordance with international standards. *The Transparency Guidelines* also require SOEs to provide information on their special obligations together with their annual financial statements.

APPLICATION OF THE TRANSPARENCY GUIDELINES

All Lithuanian SOEs must comply with *the Transparency Guidelines*. The latest version of this legal act expands the scope of application (including subsequent subsidiaries) and more clearly defines the mandatory requirements for both state-owned enterprises and their subsidiaries. All SOEs, regardless of whether they are listed on the stock exchange or not, are required to comply with the NASDAQ OMX Vilnius Corporate Governance Code for listed companies regarding the disclosure of information – in order to assess how SOEs comply with *the Transparency Guidelines* and other principles of good governance, the VKC prepares an SOE good governance index, the results of which are published on the VKC website.

PROVISION OF INFORMATION

State-owned companies must prepare annual and semi-annual financial statements, while state-owned enterprises must prepare annual and quarterly financial statements. All SOEs must also prepare management reports, formerly known as annual reports (in the case of public limited companies and private limited companies) or annual activity reports (in the case of state-owned enterprises). These documents must include a brief description of the company's business model, key events and the results of the implementation of the objectives set out in the company's business strategy, profitability, liquidity, asset turnover and debt ratios, information on the fulfilment of special obligations, the total annual wage fund, the average monthly wage, ongoing and planned investment projects and investments during the reporting year. Information must also be provided on the implementation of the company's risk management, dividend, remuneration and investment policies, compliance with the provisions of *the Transparency Guidelines*, etc. Large Lithuanian SOEs must also prepare six-monthly interim reports or interim activity reports.

These documents must be submitted in accordance with the deadlines specified in *the Transparency Guidelines* and published on the internet, where they can be easily accessed by the public.

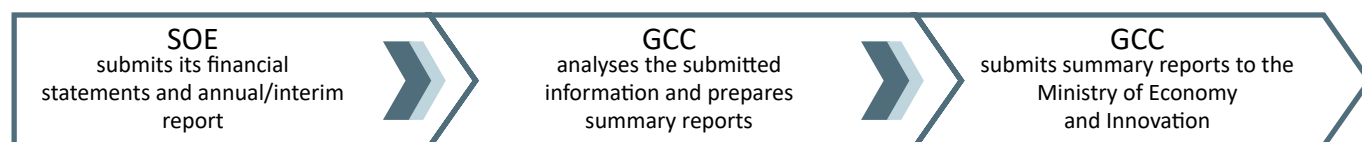
SUMMARY REPORTS

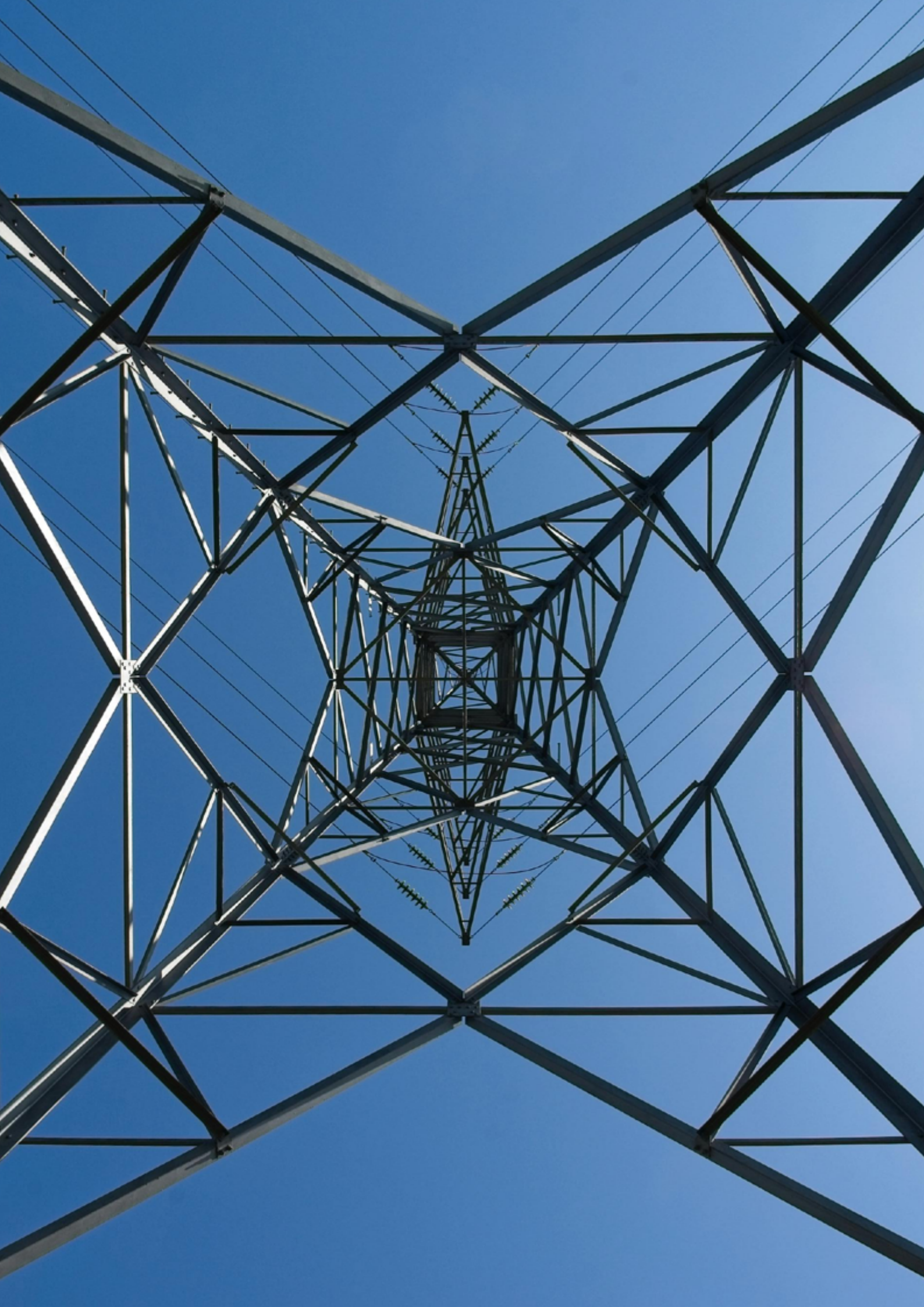
The documents specified in *the Transparency Guidelines* are submitted to the VKC, which aggregates the data and prepares summary annual and six-monthly interim SOE activity reports.

The summary annual reports on the activities of SOEs provide general information about the companies (number and legal form of companies, changes in the state's share in the authorised capital of state-owned companies), an overview of SOE management policy, the total value of SOEs, an overview of financial and non-financial performance, information on the fulfilment of special obligations assigned to companies, support provided by companies, an overview of the implementation of the SOE remuneration policy, as well as other information related to SOE activities. Summary reports and the conclusions and proposals set out therein are submitted to the Ministry of Economy and Innovation and the VAI and presented to the Government in accordance with the deadlines set out in *the Transparency Guidelines*. The reports are also published on the VKC website (<http://governance.lt>), which also publishes the financial statements, annual and semi-annual reports or activity reports of all SOEs, as well as other relevant information.

DISCLOSURE OF INFORMATION ON SPECIAL OBLIGATIONS

Based on *the OECD guidelines* and in order to increase transparency and facilitate financial analysis, SOEs are required to provide information on their non-commercial functions (special obligations) together with their annual financial reports. This means that SOEs must disclose all social obligations or costs incurred in providing public services, various subsidies received, financial assistance, capital used, and so on. The separation and disclosure of special obligations is particularly important in order to assess the results of commercial activities and to establish clear and transparent financing mechanisms for non-commercial functions that do not distort the market – when carrying out commercial activities, SOEs must operate under conditions of fair competition.





The role of state institutions in the activities of SOEs

Eight institutions represented the state in the activities of SOEs

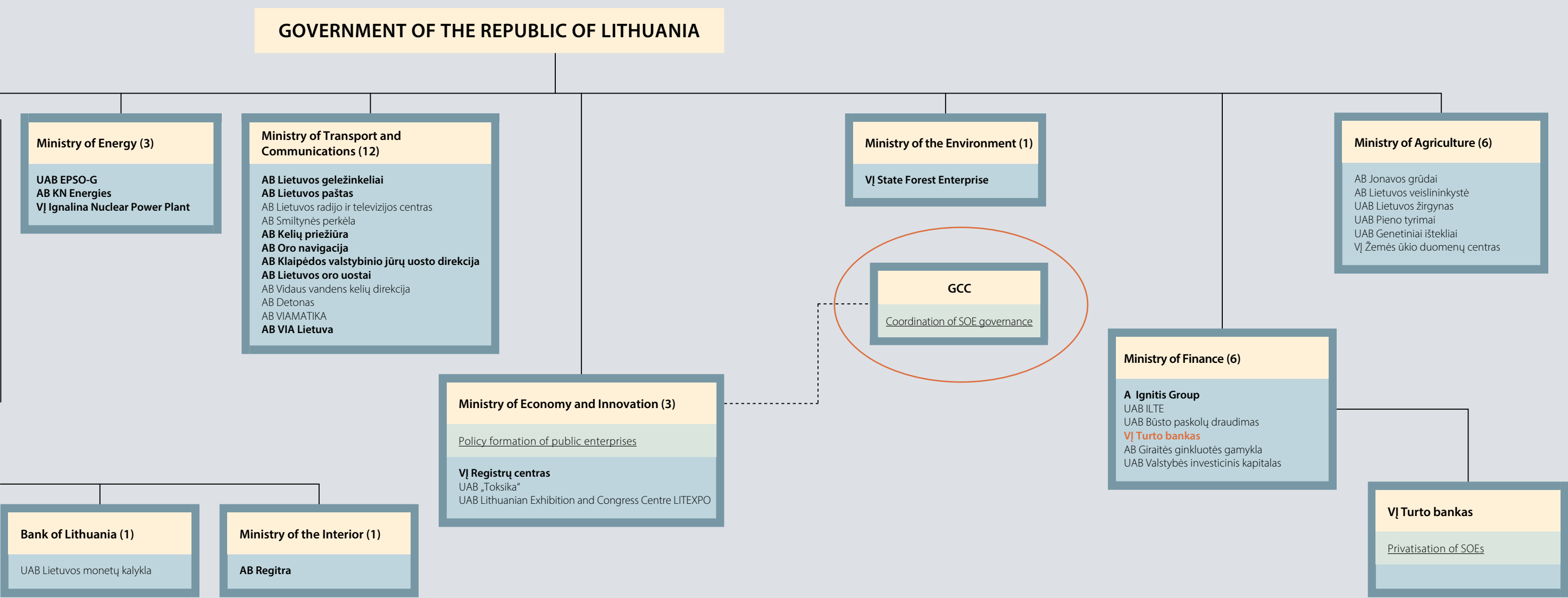
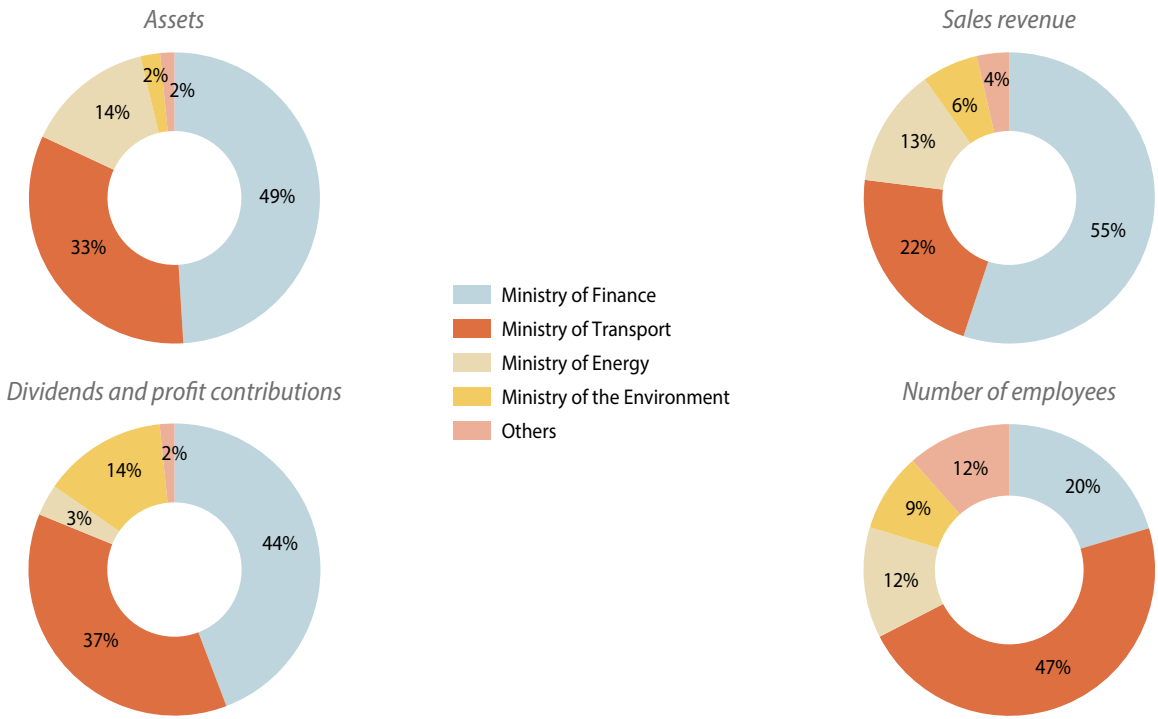
In Lithuania, the state performs its functions as the owner of SOEs through ministries or other institutions. When controlling SOEs, the state often finds itself in an ambiguous situation where it has to reconcile different positions – the roles of SOE shareholder and policy maker in certain market sectors where SOEs operate. This is resolved by separating the management functions of companies from policy-making within institutions or by transferring the management of SOEs to institutions other than the policy-maker for the relevant sector.

The state-representing institution (hereinafter referred to as SRI), which is the institution exercising the rights and obligations of the owner of the company or the manager of the shares, sets performance expectations for SOEs, which include commercial objectives, expectations for the fulfilment of special obligations and other objectives related to the activities of the companies. The SRB is also responsible for ensuring the implementation of good governance practices, the adoption of decisions related to the activities of SOEs and the resolution of other issues related to the

activities and management of SOEs. In turn, Lithuanian SOEs must operate in accordance with the same transparency principles as companies whose shares are traded on the stock exchange.

According to data from 7 April 2025, 8 institutions exercised the rights and obligations of owners or the functions of share managers in 33 SOEs operating in Lithuania, three of which managed one company each. Compared to the end of the 2023 reporting year, the total number of SOEs decreased by four companies as of 31 December 2024. It should be noted that the Ministry of Economy and Innovation of the Republic of Lithuania, which had three SOEs under its authority at the end of 2024, also formulates the general SOE management policy, prepares and submits relevant legislation and reports prepared by the Management Coordination Centre (MCC) to the Government of the Republic of Lithuania, manages companies, and exercises the rights and obligations of the MCC owner, thus participating in all stages of SOE policy formation and implementation.

Data for the end of 2024 according to VAI:





Activities Of SOEs

Overview of SOE portfolio results

The number of SOEs decreased by 4 companies during the year – at the end of 2024, the state owned 33 companies

The SOE portfolio for 2024 includes 33 companies under analysis, 4 fewer than a year ago. The change in the number of SOEs was determined by the following events:

- On 2 January 2024, the **VĮ Indėlių ir investicijų draudimas** was reorganised into a public institution (under the judicial status viešoji įstaiga (VŠĮ)).
- On 7 March 2024, UAB Toksika completed its consolidation with another state-owned company, **UAB GVT LT**. After increasing the authorised capital of Toksika, the state contributed 100% of GVT LT shares to the company, for which it acquired more Toksika shares. The state's shareholding increased from 92.51% to 94.56%. These shares are held in trust by the Ministry of Economy and Innovation.
- On 12 March 2024, a contract was signed for the sale and purchase of 96.50% of the state-owned shares in **UAB Šilutės veislininkystė**.
- On 21 June 2024, a contract was signed for the sale and purchase of the state-owned shares (81.02% stake) in **Šilutės polderiai**. Company Polder Invest acquired these shares at a public auction held by the VĮ Turto bankas for nearly EUR 700,000.

All SOEs are divided into four sectors: transport, energy, forestry and other enterprises. The other enterprises sector includes companies that do not belong to any of the first three sectors. The energy sector consists of four SOEs, which manage 55.6% (EUR 7.7 billion) of

the portfolio's assets. Sales revenue in this sector accounted for 66.0% (EUR 2.9 billion) of total portfolio revenue in 2024. The transport sector comprises 10 companies, which for a long time accounted for the largest share of assets managed by the SOE sector, but for the third year in a row they have been overtaken by companies in the energy sector, and currently the share of assets managed by the transport sector accounts for 32.8% (EUR 4.5 billion) of the portfolio's assets, which generated just over a fifth (EUR 940.9 million) of the total portfolio income in 2024. The forestry sector includes the only **state-owned enterprise** remaining after the reorganisation, **VĮ Valstybinių miškų urėdija**. This company's assets account for 2.2% (EUR 0.3 billion) of the assets of the SOEs analysed, while its income accounts for 6.3% (EUR 272.9 million) of the total portfolio turnover. The other companies sector includes 18 companies, whose sales revenue accounted for 6.2% (EUR 268.8 million) of the portfolio's revenue, and whose assets accounted for 9.4% (EUR 1.3 billion) of the total assets of the SOE portfolio. The chart below compares the number of companies in the sector, the volume of assets and revenue.

The chart below compares the number of companies in each sector, their assets and revenues. The size of the circles corresponds to the sales revenue (in EUR million) indicated in the circles themselves.



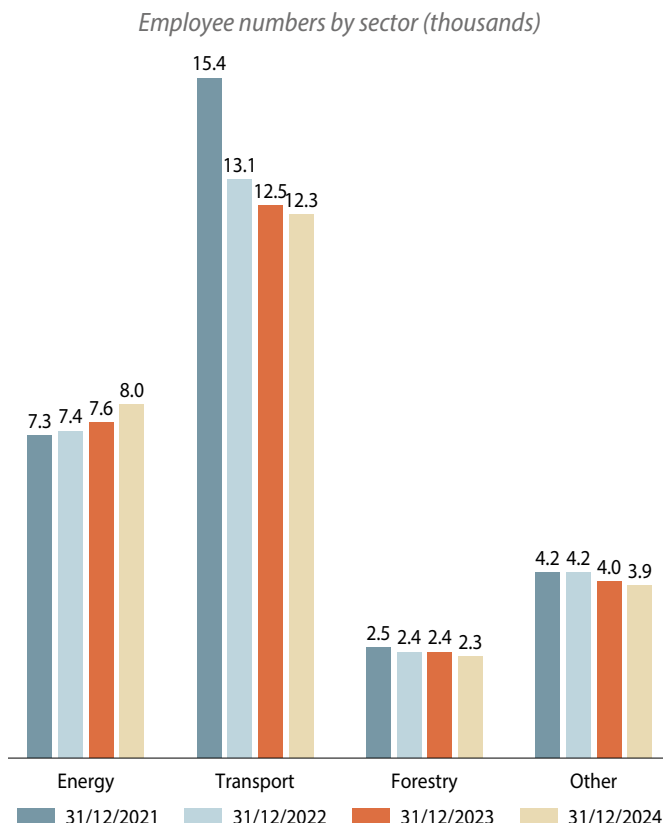
The number of SOE employees remained stable

At the end of 2024, 26,489 employees worked in public enterprises, which is 28 more than a year ago. As in previous years, almost half (46.5%) of employees worked in the transport sector, and the five largest employers were **AB Ignitis Group**, **AB Lietuvos Geležinkeliai group** together with **AB Lietuvos Paštas group**, **VĮ Valstybinių miškų urėdija** and **AB Kelių priežiūra** – together employed 65.7% (17,407) of all SOE employees.

At the end of 2024, 7,947 people were employed in energy sector companies – the number of people working in this sector has been growing for the fifth year in a row (compared to 2023 data, the number of employees in energy sector companies increased by 4.1% in 2024). In 2024, the following groups of companies operating in the energy sector hired the most new employees across the entire SOE portfolio: **AB Ignitis Group** (+284 employees) and **UAB EPSO-G group** (+92 employees).

At the end of 2024, 12,319 people were employed in 12 transport sector companies, i.e. 1.3% less than a year ago. The decline in the number of employees in this sector was mainly due to changes in the number of employees in the **AB Lietuvos Paštas group** and **AB Lietuvos Geležinkeliai group** – at the end of the period under review, these groups of companies employed 2,491 employees (-192 persons) and 5,703 employees (-122 employees) were employed in these groups of companies at the end of the period under review. However, the demand for employees increased in other transport sector companies. For example, at the end of 2024, **AB Lietuvos oro uostai** had 84 more employees than a year ago, and **AB Kelių priežiūra** and **AB Via Lietuva** also hired more than twenty people.

The number of employees in the forestry sector decreased insignificantly, by only 2.2%. At the end of 2024, 2,311 employees worked in this sector. In 22 other companies that do not belong to any of the main sectors, the number of employees decreased by 1.8 per cent to 3,912 employees.



Summary of financial information of the SOE

The table below presents summary financial information for all SOEs, prepared on the basis of data from the 2024 financial statements.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	4,508,909	4,364,209	-3.2%
Cost of goods sold	2,910,813	2,641,005	-9.3%
Gross profit (loss)	1,598,096	1,723,204	+7.8%
Selling expenses	599,325	694,026	+15.8%
General and administrative expenses	423,807	449,225	+6.0%
Other operating results	27,915	18,570	-33.5%
Financial and investment activities	20,104	-40,984	-
Profit (loss) before tax	622,982	557,538	-10.5%
Income tax	52,522	50,100	-4.6%
Net profit (loss)	570,460	507,438	-11.0%
Adjusted net profit (loss)	609,166	542,500	-10.9%
BALANCE SHEET (EUR THOUSAND)	31/12/2023	31/12/2024	CHANGE
Non-current assets	10,127,999	11,068,554	+9.3%
Current assets	2,566,647	2,674,191	+4.2%
Cash and cash equivalents	935,393	861,734	-7.9%
Prepaid expenses and accrued income	68,676	67,687	-1.4%
Total assets	12,763,322	13,810,432	+8.2%
Equity	5,784,201	6,239,691	+7.9%
Grants, subsidies	1,858,656	1,999,336	+7.6%
Provisions	219,623	270,858	+23.3%
Payables and other liabilities	4,523,846	4,911,560	+8.6%
Amounts payable after one year and other long-term liabilities	2,894,842	3,227,962	+11.5%
<i>Financial liabilities</i>	<i>2,335,176</i>	<i>2,639,522</i>	<i>+13.0%</i>
Amounts payable within one year and other short-term liabilities	1,629,004	1,683,598	+3.4%
<i>Financial liabilities</i>	<i>353,476</i>	<i>248,300</i>	<i>-29.8%</i>
Accrued expenses and deferred income	376,997	388,987	+3.2%
Total equity and liabilities	12,763,322	13,810,432	+8.2%
RATIOS	31/12/2023	31/12/2024	CHANGE
ROA	4.8%	4.1%	-0.7 p.p.
ROE	10.8%	9.0%	-1.8 p.p.
D/E	46.5%	46.3%	-0.2 p.p.
EBITDA	1,078,377	1,072,504	-0.5%
EBITDA margin	23.9%	24.6%	+0.7 p.p.
Net profit margin	13.5%	12.4%	-1.1 p.p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Dividends allocated (state share)	123,088	158,732	+29.0%
Profit contributions allocated	62,669	32,517	-48.1%
Dividends and profit contributions to the state:	185,757	191,249	+3.0%
Property and raw materials tax	45,536	41,248	-9.4%
Total	231,293	232,497	+0.5%
INFORMATION ABOUT EMPLOYEES	31/12/2023	31/12/2024	CHANGE
Number of employees	26,461	26,489	+0.1%

Market value of SOEs on the NASDAQ OMX Vilnius stock exchange

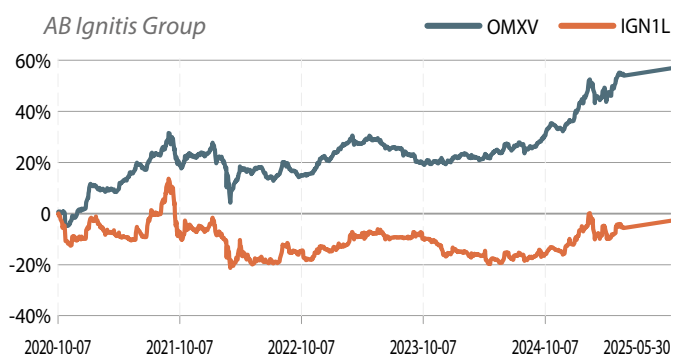
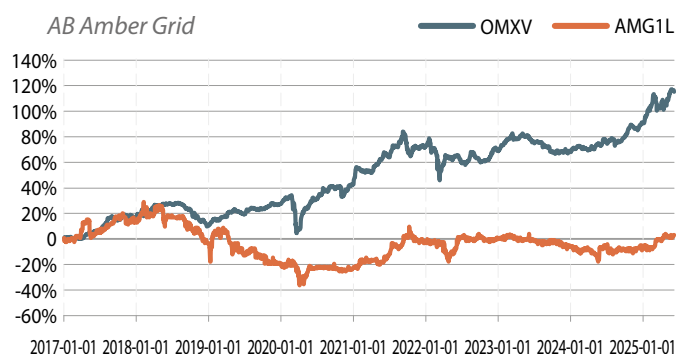
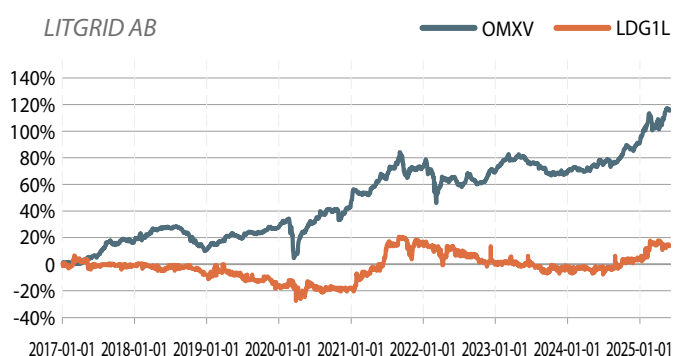
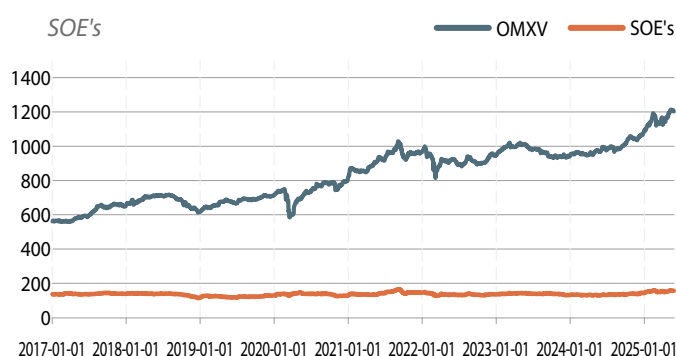
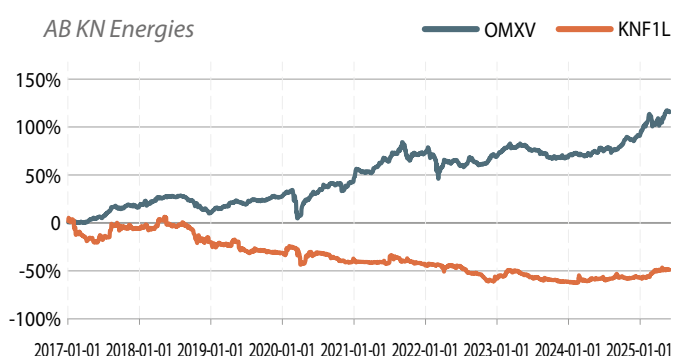
The market value of listed SOEs grew by 3.0%.

In 2024, four state-owned companies and their subsidiaries were included in the NASDAQ OMX Vilnius stock exchange trading list. The market value of all these companies owned by the state amounted to EUR 1,711.6 million at the end of 2024, which was 6.6% higher than at the end of 2023.

Company	Share value 31/12/2024 (EUR Thousand)	State share*		Value of the State Share 31/12/2024		Annual Change in Share Value	Annual Change in State's Share Value
		31/12/2023	31/12/2024	Nominal value (EUR Thousand)	Part of the total value		
AB Ignitis group	1,417,376	74.99%	74.99%	1,062,890	62.1%	+3.9%	+3.9%
Litgrid AB	393,378	97.50%	97.50%	383,544	22.4%	+13.9%	+13.9%
AB KN Energies	90,154	72.47%	72.47%	65,335	3.8%	+17.3%	+17.3%
AB Amber Grid	206,923	96.58%	96.58%	199,844	11.7%	+5.5%	+5.5%
Total SOEs	2,107,831	-	-	1,711,613	100.0%	-	+3.0%
OMXV Index (all shares)							+12.54%

*Percentages are rounded to the nearest hundredth.

The largest share (62.1%) of the market value of state-owned SOE shares at the end of 2024 was made up of **AB Ignitis Grupė**, whose nominal value of the state-owned share amounted to EUR 1,062.9 million. The value of this company's shares grew by 3.9 percent during 2024. The share of **Litgrid AB**, whose nominal value of the state's share amounted to EUR 383.5 million, grew by 13.9 percent during 2024. The value of the shares of the gas pipeline operator **AB Amber Grid** grew by 5.5 percent, and the value of the shares of **AB KN Energies** grew by 17.3 percent. This was the largest growth among all SOEs whose shares are traded on the stock exchange. The index, composed of state-owned SOE shares, shows changes in the value of state-owned assets since the end of 2017. The overall SOE index grew by 3.0 percent from the end of 2023 to the end of 2024, while the NASDAQ OMX Vilnius stock index grew by 12.5 percent during the same period. For comparison, the NASDAQ OMX Baltic Benchmark stock index grew by 1.5 percent.



Remuneration of members of the management and supervisory boards of state-owned enterprises

SUMMARY

Remuneration of SOE CEO's

- The average remuneration of SOE CEO's increased by 16.9% in 2024, reaching EUR 10,491 (the average gross remuneration in the country increased by 10.5%). The lowest monthly salary of SOE CEO's was EUR 4,160, while the highest was EUR 23,493.
- The variable part of the remuneration paid to SOE CEO's accounts for an average of 13.8% of their total remuneration.

Remuneration of members of collegial supervisory and management bodies of SOEs

- The remuneration systems applied vary among SOEs. SOE supervisory board members are subject to remuneration systems where a fixed remuneration or a fixed portion depending on the manager's average monthly salary is paid. In Western European countries, the fixed remuneration model is commonly used.
- The remuneration of SOE board chairpersons increased by 11.1% over the year. At the same time, the actual remuneration of independent members of SOE supervisory boards increased by 11.3%. The average remuneration of a board chair was EUR 2,586 per month, and that of a board member was EUR 1,956 per month. During the reporting year, all SOE board members who

were civil servants received an average remuneration of EUR 1,223 per month. The lowest remuneration of independent members of SOEs amounted to only EUR 886 per month, while the highest was EUR 3,352 per month.

- On average, the remuneration of the chair of the board is only about 1.3 times higher than that of other independent board members, whereas in global practice the chair's remuneration is about 2 times higher or more.

Remuneration of SOE committee members

- The principles of remuneration for members of SOE committees are not regulated by law. Committees are mainly formed in SOEs classified as large enterprises.
- Independent committee members are usually subject to the same remuneration system as the body that formed the committee. The most commonly used system is fixed remuneration. However, civil servants who worked on committees were not paid remuneration in 2024.
- On average, the remuneration of a committee member in 2024 amounted to 64.9% of the remuneration of a CB member, or EUR 1,270 per month. The remuneration of the committee chairperson averaged 69.2% of the remuneration of the CB chairperson, or EUR 1,790 per month.

Remuneration of state-owned enterprise CEO's

The activities of CEOs of state-owned enterprises are often particularly complex, consisting of both commercial objectives (as in private sector companies) and social objectives set by the state in the form of special obligations. For these reasons, managing state-owned enterprises is no less challenging than managing a private business. With state-owned enterprises applying the highest standards of corporate governance, the remuneration of SOE CEOs becomes one of the most important elements of governance and is therefore regulated by government resolutions.

REMUNERATION POLICY FOR SOE CEO's

The remuneration policy for SOE CEO's is regulated by Resolution No. 1341 of the Government of the Republic of Lithuania of 23 August 2002 "On the Remuneration of CEOs of State-Owned Enterprises" (hereinafter referred to as *the Remuneration Resolution*). This *Remuneration Resolution* regulates only the remuneration of CEOs (except for the Ignalina Nuclear Power Plant) and their deputies of state-owned enterprises (SOEs). For

companies controlled by the State, the provisions of *the Remuneration Resolution* are of a recommendatory nature, i.e. they apply if the institution representing the state takes a reasoned decision to follow the provisions of *the Remuneration Resolution*.

In accordance with the provisions of *the Remuneration Resolution*, the monthly salary of SOE CEOs consists of a fixed and a variable part. The amount of the fixed part of the monthly salary is determined by the category of the company and the corresponding coefficient assigned to the company. The category of the company is determined according to the company's sales revenue and average number of employees or assets under management in the previous year, and the coefficient is assigned according to the established category (the decision on the specific coefficient is taken by the body that determines the remuneration of the company's CEO). The coefficients are calculated on the basis of the base amounts of the official salaries (remuneration) of Lithuanian politicians, judges, civil servants and public officials, as determined by the Seimas of the Republic of Lithuania.

Category	Sales revenue	Average number of employees or assets under management	Coefficients*
I	> EUR 50.0 million	>250 employees or >EUR 25.0 million	4.9
II	Revenue > EUR 15.0 million and ≤ EUR 50.0 million or employees >50 and ≤250 or assets under management > EUR 7.5 million and ≤ EUR 25.0 million		2.5
III	≤ EUR 15.0 million	≤50 employees and ≤EUR 7.5 million	1.9 – 4.3

*Base amounts of official salaries (remuneration) of politicians, judges, civil servants and public officials of the Republic of Lithuania, as established by the Seimas of the Republic of Lithuania

In 2024, the base amount of the official salary (remuneration) of Lithuanian politicians, judges, civil servants and public officials, as established by the Seimas of the Republic of Lithuania, was EUR 1,785.4.

Based on the Remuneration Resolution, a variable part of the monthly salary may be set for the head of the company, not exceeding 50% of the fixed part. The variable part is linked to and paid according to the results

achieved by the company (the targets set for the head of the company). In addition, the company director may be awarded an annual bonus, the amount of which may not exceed four times the fixed part of his monthly salary (if the bonus is paid from the company's profits) or one month's fixed salary (if the bonus is paid from savings allocated for salaries).

On 1 January 2024, a new version of the Remuneration Resolution came into force, according to which the remuneration of SOE CEOs consists of: a fixed salary, a variable part and a bonus. This breakdown has not changed, but the proportions have changed significantly, with the greatest emphasis now being placed on the official salary. The base salary

is determined by coefficients, depending on the category of the state-owned enterprise (see table). Enterprises are divided into three categories: large, medium, small and very small, according to the indicators specified in the Law on Enterprise Accounting. The specific coefficient (within the relevant range) is determined by the institution exercising the rights and obligations of the owner of the state-owned enterprise (in the case of state-owned enterprises) or the board of directors (in the case of companies), and the specific official salary is calculated by multiplying the established coefficient by the base amount of the official salary (remuneration).

Categories of state-owned enterprises	Coefficients (Base amounts of official salaries (remuneration) established by the Law of the Republic of Lithuania on the Establishment of Base Amounts of Official Salaries (Remuneration) and the Conversion of Appropriations for Remuneration)
Large	4.9
Medium	2.5
Low and very low	1.9–4.3

The variable part depends on the performance indicators set for the company's CEO in relation to the achievement of the company's objectives and/or the fulfilment of the tasks assigned to the company's CEO in relation to the internal administration of the company. Specific performance indicators for the company's CEO are set by the institution exercising the rights and obligations of the owner or, depending on its competence, by the board of the state-owned company. The amount of the variable part for the achievement of performance indicators is also set for the company's CEO by the institution exercising the rights and obligations of the owner of the state-owned company. The variable part is paid once at the end of the financial year and after the approval of the financial statements, taking into account the performance of the performance indicators for the previous financial year. The variable part may not exceed 30 per cent (before the amendment, it was 50 per cent) of the official salary paid to the head of the company in the previous financial year. The institution exercising the rights and obligations of the owner may, for the exceptional contribution of the head of the state-owned company to the achievement of objectives or exceptional results, at the end of the financial year and after the approval of the financial statements, may award the CEO a bonus from the company's profits or from savings in the funds allocated for salaries, the amount of which may not exceed four times his or her official salary. It should be noted that the new version of the *Remuneration Resolution*, although in principle regulating the remuneration policy for heads of state-owned enterprises, is more strictly recommended to be applied to state-owned companies, i.e. this procedure applies in principle to all state-owned enterprises, unless a shareholder of a public limited company or private limited company decides not to apply it for justified reasons.

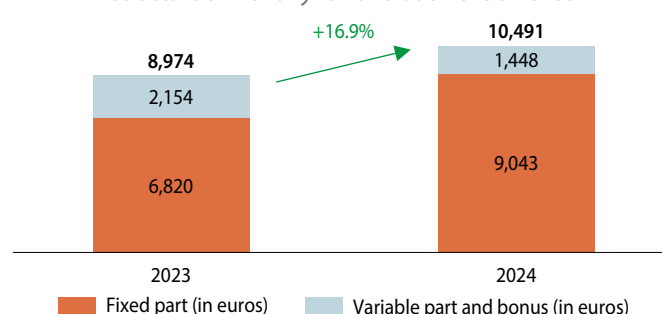
The data presented in the report below covers the remuneration of 33 SOE CEOs who were in office on the last day of 2024. Remuneration amounts are presented as average monthly gross salaries.

Although the remuneration of CEOs of state-owned companies is not regulated by law, a significant number of companies comply with the provisions of the *Remuneration Resolution* and, in order to ensure comparability of data, information on the remuneration of CEOs of state-owned companies is presented in the same way as for CEOs of state-owned enterprises.

REMUNERATION LEVELS AND STRUCTURE FOR CEOs OF STATE-OWNED COMPANIES

In 2024, the monthly remuneration of SOE CEOs, including variable pay and annual bonuses, ranged from €4,160 to €23,493 (the average was €10,491 and the median was €10,342). The average base salary was €9,043 (86.2% of total remuneration), and the median was €9,106. The average variable component (including bonuses) and the median were €1,448 (13.8% of total remuneration). The remuneration structure of company CEOs varied significantly in individual cases: from 67.4% (**UAB Toksika**)

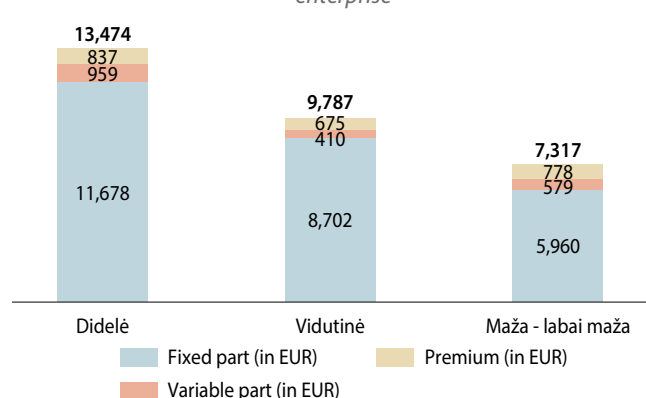
Structure of monthly remuneration of SOE CEOs



to 100% (**AB Kelių priežiūra, VĮ Žemės ūkio duomenų centras, VĮ Turto bankas, UAB Lietuvos parodų ir kongresų centras "LITEXPO", UAB "Lietuvos monetų kalykla", UAB "Lietuvos žirgynas"**). It should be noted that the differences in the remuneration of company CEOs are determined both by the very significant differences in the scope of the companies' activities (the companies' turnover ranges from EUR 91,000 to more than EUR 2 billion) and by the specificity of their activities (for example, a company manages significant assets through funds that are not reflected in the company's financial statements) and the actual results of operations, which determine the amount of the variable part of the company CEO's remuneration.

The average salary of SOE CEOs increased by 16.9% in 2024. Salaries increased more significantly in SOEs classified as small and very small enterprises – 36.2%. Meanwhile, in large SOEs, the average salary of CEOs increased by only 9.8%, and in medium-sized enterprises – by 4.0%. In 2024, the share of fixed remuneration increased by 32.6%, while variable remuneration (including bonuses) decreased by almost the same amount – 32.8%. This change was due to the fact that some companies

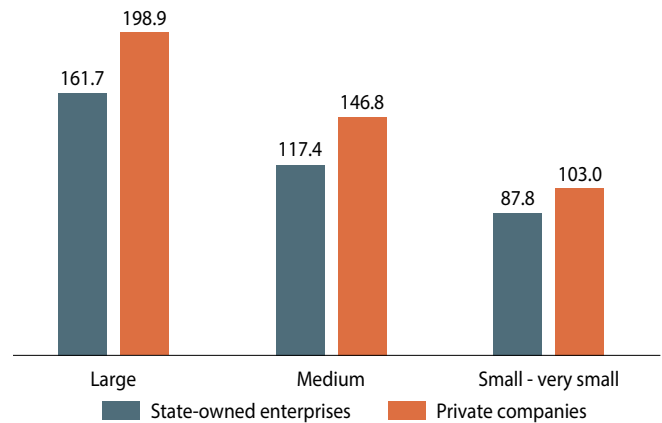
Structure of monthly remuneration of SOE CEOs by category of enterprise



changed their remuneration system and abolished the variable part of remuneration, replacing it with an increase in the basic part of remuneration. In 2024, CEOs' salaries increased in 26 SOEs (by an average of 22.8 per cent) and decreased in only 6 SOEs (by an average of 10.2 per cent). The decrease in remuneration was due to the non-allocation of bonuses or a lower bonus amount. In 2023, **the State Enterprise Agricultural Data Centre** was headed by an interim CEO, who was only paid an additional supplement to his salary, so no change is presented for this reason. When comparing the growth in the salaries of SOE CEOs with the average wage growth in the country, the growth in the salaries of SOE CEOs was 6.4 percentage points higher. According to data from the State Data Agency, the average wage in the country increased by 10.5% in 2024, while the wages of SOE CEOs increased by 16.9%. However, even after the obvious jump in SOE CEOs' salaries observed in recent years, the average salaries of SOE CEOs are 81-85 per cent of the market average.

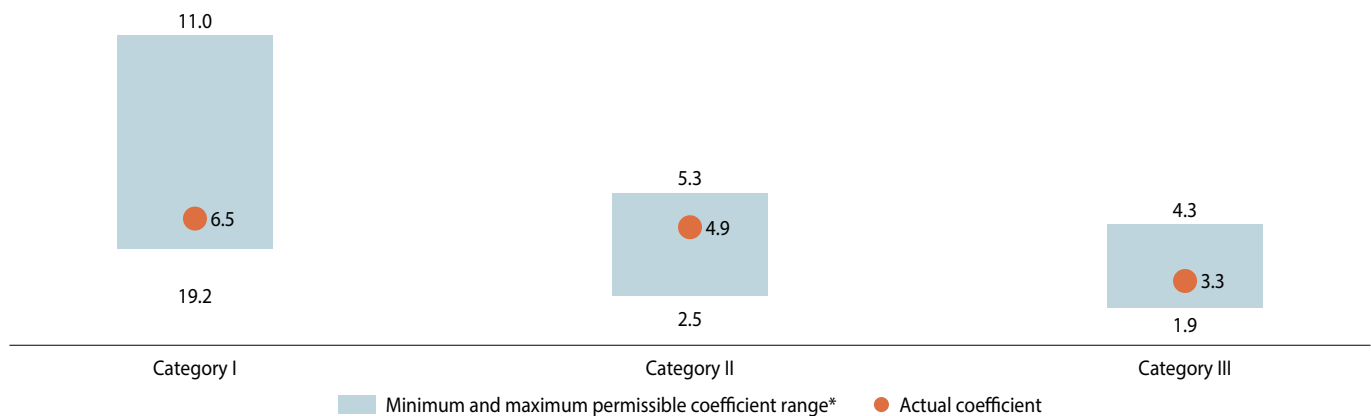
In order to systematically assess the level of remuneration of SOE CEOs in the market context, a comparative analysis of the Lithuanian market for 2024 was carried out in cooperation with external consultants (Figure Baltic Advisory UAB), which included remuneration data from 217 comparable companies. The sample included both Lithuanian and foreign-owned companies operating in the Lithuanian market. The market analysis data show that the annual remuneration of SOE CEOs (including variable remuneration components) remains lower than that of comparable market companies, but there has been a significant change over the last four years.

Average annual remuneration of managers in 2024 (EUR thousand)



If we compare the remuneration data for SOE CEOs in 2020, when the average annual salary was only about 50-70% of the market average, the gap is significantly smaller in the 2024 data, with CEOs of medium and large SOEs receiving around 80% of the market average, and CEOs of small and very small companies receiving as much as 85% of the average top CEO's salary in the market. It is currently forecast that the market share of CEOs base remuneration should increase by around 5.4% in 2025.

Coefficients for the fixed part of the remuneration of CEOs of public enterprises



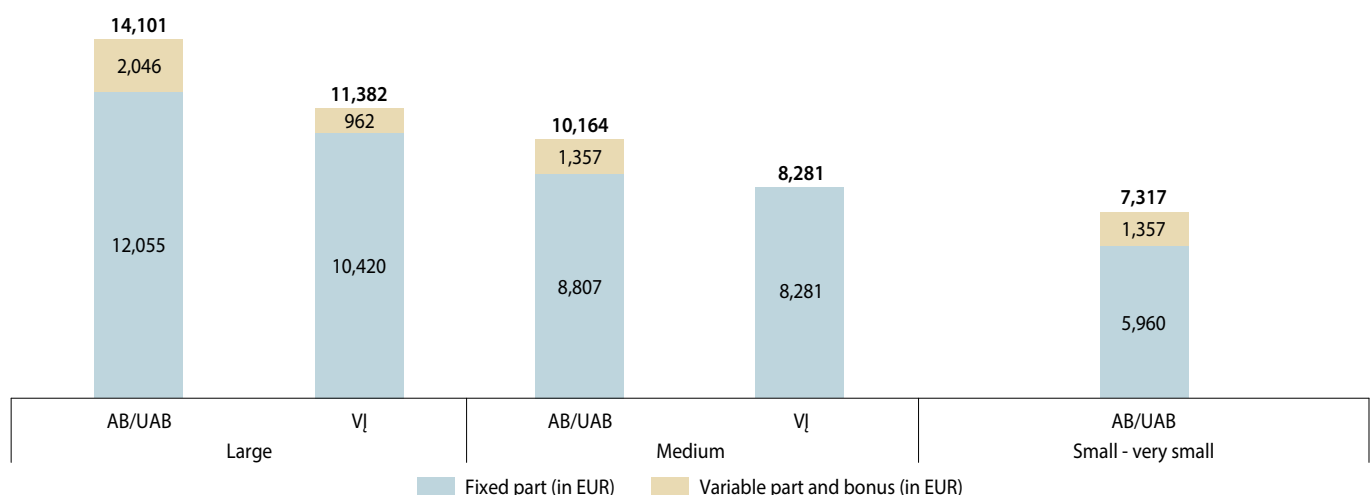
*Base amounts of official salaries (remuneration) of Lithuanian politicians, judges, civil servants and public officials established by the Seimas of the Republic of Lithuania.

IMPLEMENTATION OF THE REMUNERATION POLICY FOR SOEs

When the new version of the Remuneration Resolution came into force on 1 January 2024, not all SOEs had set their base salary coefficients. Therefore, based on the available information, the Management Coordination Centre calculated the actual coefficients for some of the companies itself. The actual base salary coefficients for CEOs in all three

categories were in line with the ranges permitted in the Remuneration Resolution. It should be noted that in the category of large companies, the actual salary coefficient was closer to the lower limit, in the category of medium-sized companies – closer to the upper limit, and in the category of small and very small companies – in the middle between the minimum and maximum permissible coefficients.

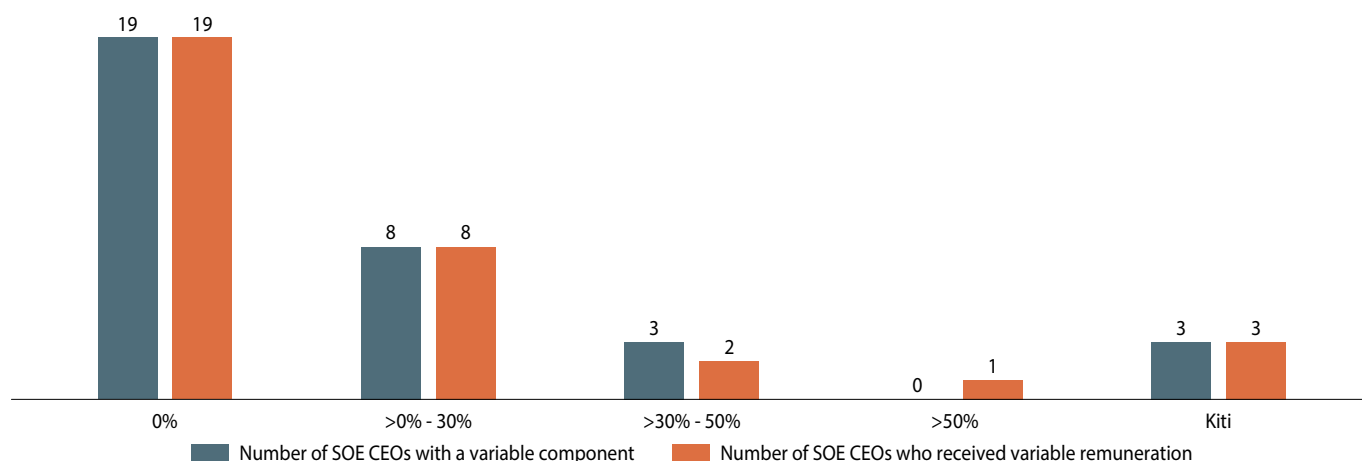
Salary structure of CEOs of state-owned enterprises and state-controlled companies by category, in EUR



The impact of the provisions of *the remuneration resolution* is noticeable when comparing state-owned enterprises (SOEs) and state-controlled companies (AB/UAB). The salaries of CEOs of companies classified as large enterprises are higher than those of large state-owned enterprises. The variable part of remuneration differs particularly significantly – the variable part of remuneration in companies was approximately 2.1 times higher than in SOEs. During the reporting year, CEOs of large

companies were also paid bonuses, which resulted in higher remuneration compared to state-owned enterprises, which did not pay bonuses. These differences are mainly due to the fact that large companies are more guided by market practices, while state-owned enterprises are required to comply with the provisions of *the Remuneration Resolution*. This trend is also noticeable in companies classified as medium-sized, as the majority of them follow the provisions of *the Remuneration Resolution*.

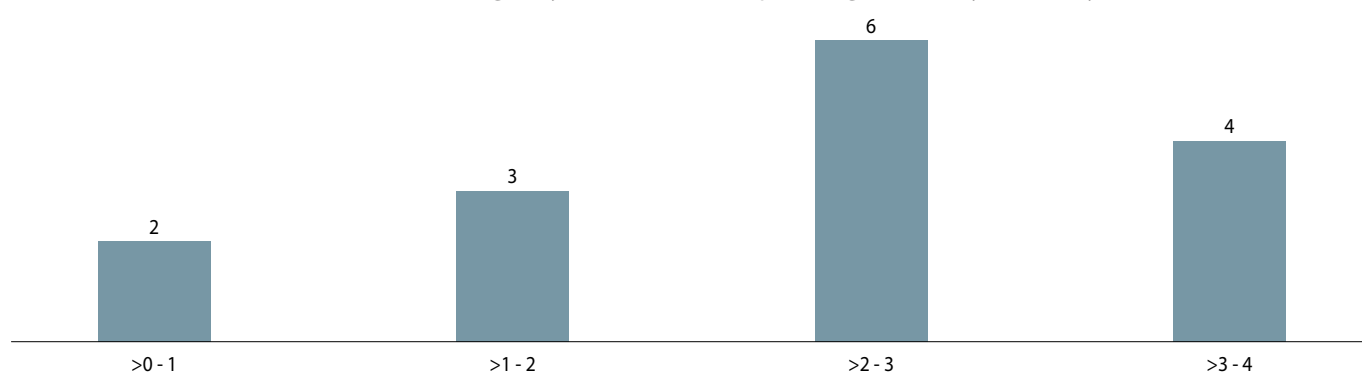
Number of SOE CEOs by variable remuneration component as a percentage of fixed remuneration



In 2024, state-owned enterprises applied different regulations of *the Remuneration Resolution*. During the reporting year, a total of 11 SOEs paid a variable remuneration component for the 2023 results, with the planned amount reaching 30.9% and the actual amount reaching 31.3%. Some SOE CEOs based their remuneration policy on the version of *the Remuneration Resolution* that was in force before the new one came into effect, which allowed for a variable remuneration component of up to 50% of the fixed remuneration component. **UAB Būsto paskolų draudimas** and **VĮ Registrų centras** followed this version of the resolution. In January and February of the reporting year, the variable remuneration was also paid to the head of **AB Giraitės ginkluotės gamykla** in accordance with the aforementioned resolution. However, one of the companies, **UAB Pieno tyrimai**, paid as much as 75% of the variable remuneration

part of the fixed remuneration part for 2023 in 2024. No variable remuneration was set for the head of **UAB ILTE** in 2024, but the Supervisory Board decided to pay a 10% bonus for increased workload and achieved performance results. The head of **Ignalina Nuclear Power Plant** paid 16.9% of variable remuneration for the results of the fourth quarter of 2023 in the reporting year, calculated as a percentage of the fixed remuneration for the corresponding period. The other SOEs (8 companies) have already applied the new version of *the Remuneration Resolution*, which limits the variable part to 30% of the previous year's official salary. At the same time, ten companies pay the variable part of remuneration, which is linked to the targets set, to CEOs in the form of annual bonuses, and therefore do not set a variable part of remuneration. Six companies did not pay CEOs either a variable part of remuneration or bonuses in 2024.

Number of SOE managers by bonus amount as a percentage of monthly fixed salary

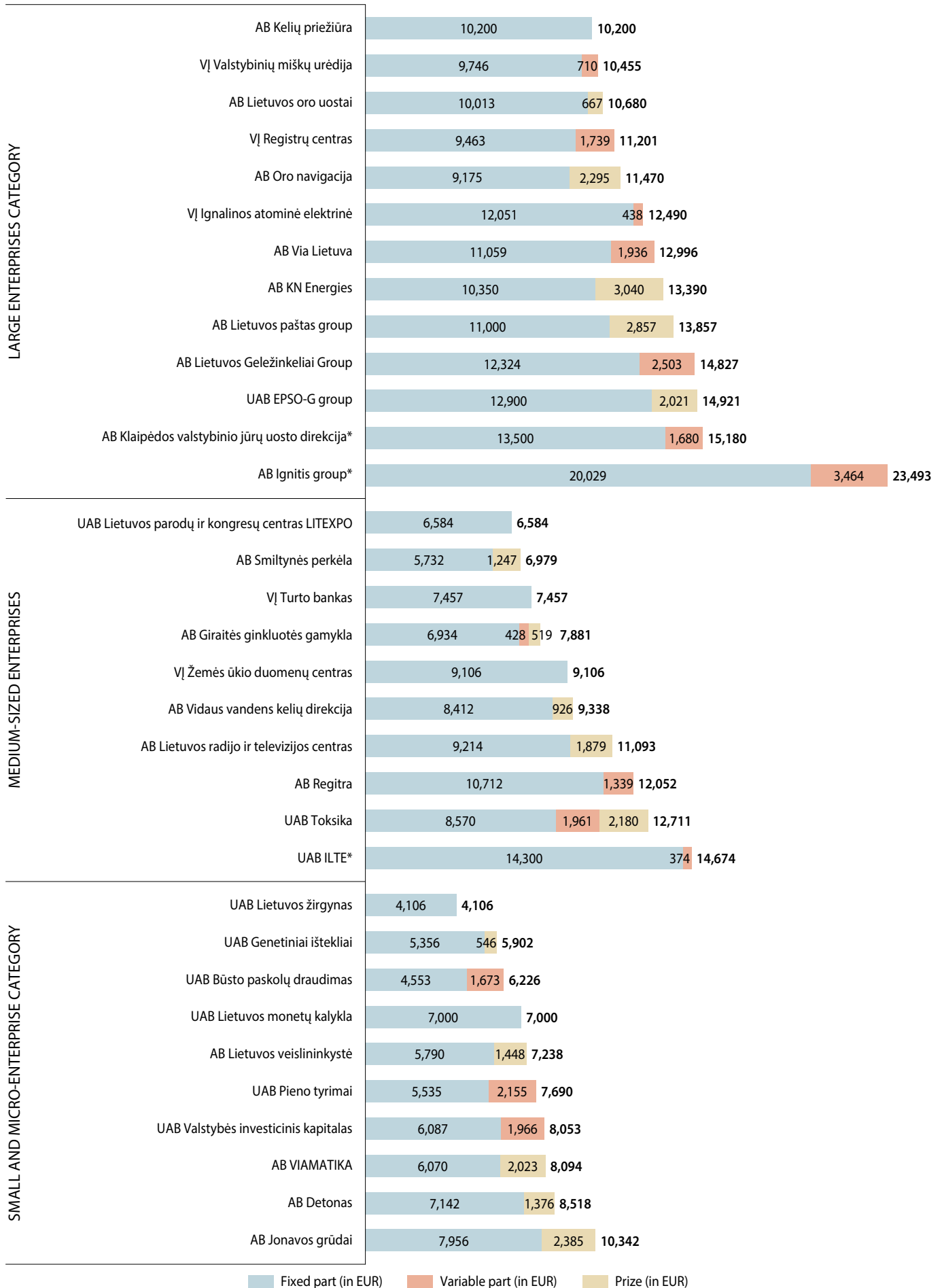


In addition to the monthly variable part of their remuneration, SOE CEOs may also be awarded an annual bonus. In 2024, bonuses were awarded to 15 out of 33 SOE CEOs. On average, the annual bonus amounted to approximately 2.4 times the fixed part of the monthly salary. The remuneration resolution stipulates that the annual bonus awarded for good performance from the company's profits may not exceed 4 times the fixed part of the monthly salary. In accordance with this resolution, in 2024, in companies where bonuses were paid, the average fixed remuneration amounted to EUR 33,232, while the average bonus amounted to EUR 19,948. In most cases, bonuses were paid for good performance from the company's annual profit or in lieu of a variable salary component (where the company's CEO is not paid a variable salary component). In 2024, the average share of the company's net

profit allocated to the bonus of a SOE CEO was 6.4%. (Only companies where CEOs were paid bonuses were evaluated). It should be noted that the amount of the annual bonus is not directly linked to the company's performance indicators or net profit margins (unless the bonus is paid in lieu of the monthly variable remuneration component), i.e. the decision-maker does not always set specific targets or indicators in advance on the basis of which the decision to award a bonus would be made.

In addition to their official remuneration, variable remuneration and bonuses, the 13 heads of SOEs also received other types of payments ranging from EUR 168 to EUR 9,787 throughout 2024. The largest and most common of these additional payments were for work on rest days and public holidays, for time spent travelling on business trips, and compensation for the use of personal vehicles.

Salary structure for SOE CEOs in 2024



*In 2024, company CEOs served as chairmen of the boards and were paid the corresponding remuneration, which is included in the amount of fixed remuneration.

Remuneration of members of collegial supervisory and management bodies

The issue of remuneration for members of collegial supervisory and management bodies (hereinafter referred to as boards in this section of the report on remuneration) is one of the most important areas of SOE governance, as boards play a special role in the overall SOE governance structure. Global practice shows that the remuneration paid to independent members of SOE boards should motivate and encourage competent and motivated professionals to join SOE boards. In 2024, the remuneration system for board members representing shareholders (mostly civil servants) was the same as for independent members, with only a few differences in the amount of remuneration. The remuneration policy for members of the boards of Lithuanian SOEs is regulated by government resolutions.

REMUNERATION POLICY FOR MEMBERS OF COLLEGIAL SUPERVISORY AND MANAGEMENT BODIES OF SOES

The remuneration policy for board members, depending on the legal form of the company, is regulated by two government resolutions: for state-owned companies – Resolution No. 665 of the Government of the Republic of Lithuania of 6 June 2012 "On the Approval of the Procedure for the Exercise of State Property and Non-Property Rights in State-Owned Companies", and for state-owned companies – Resolution No. 1092 of the Government of the Republic of Lithuania of 14 October 2015 "On the Approval of the Procedure for Remuneration of Members of the Boards of State-Owned and Municipal Enterprises and Civil Liability Insurance for Board Members".

In previous years (until 2022), the remuneration policy for members of the boards of state-owned enterprises stipulated that board members were subject to an hourly payment system, i.e. board members complete activity reports and are remunerated for the hours worked according to an hourly rate set by the institutions exercising the rights and obligations of the owner. Under the updated version of the legislation, members of collegial bodies are paid a fixed monthly remuneration. In addition, it is stipulated that the remuneration of a member of a collegial body in a state-owned enterprise may not exceed 1/5 of the remuneration of the head of the enterprise. With the new version of the Civil Service Law coming into force on 1 May 2022, civil servants are entitled to receive remuneration for their activities as members of a collegial body of a state-owned enterprise. Board members may also be compensated for travel expenses incurred.

It is recommended that members of collegial bodies of state-owned companies receive the following remuneration: the chair of the collegial body should receive no less than 1/3 of the average monthly salary of the company's CEO; for an independent member of the collegial body and a member of the collegial body who is another person selected by the entity initiating the selection, no less than 1/4 of the average monthly salary of the company's manager and no more than the average monthly salary of the company's manager; for a civil servant – not less than 1/8 and not more than 1/4 of the average monthly salary of the head of the company. The decision on the payment and amount of remuneration for members of the board is taken by the institution exercising the rights and obligations of the owner of the company.

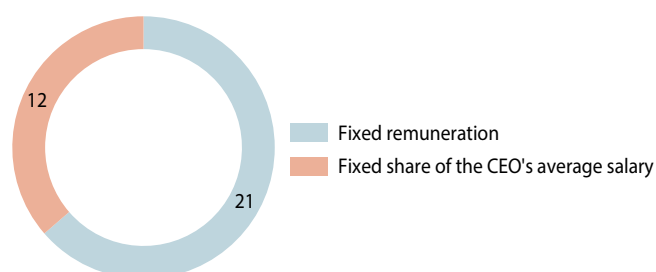
The data presented in the report below only includes information on the remuneration of independent members of collegial bodies elected by institutions directly representing the state. The data includes 33 SOEs in which an elected collegial body was formed in 2024. The analysis includes independent members of collegial bodies and civil servants; other members are not examined in detail, as they constituted a very small proportion of the members of these collegial bodies.

Due to different practices of remuneration for activities on boards, the remuneration of all members has been recalculated and presented as the average monthly remuneration (monthly). The remuneration is recalculated based on the number of months worked by the member in 2024, calculated to the nearest day. The report provides data on the latest remuneration system applied by state-owned enterprises. Remuneration amounts are presented with all applicable taxes and contributions.

REMUNERATION SYSTEMS

The remuneration systems applied to members of collegial bodies vary. In most cases, a fixed remuneration was paid; at the end of 2024, 21 SOEs applied this practice. The other 12 SOEs paid a fixed remuneration amount based on the average salary of the manager, a practice that began in 2022. Fixed remuneration systems were applied by all companies subordinate to the Ministry of Transport and Communications in 2024 (12 companies), all companies subordinate to the Ministry of Energy (3), and all companies subordinate to the Ministry of Economy and Innovation (2 companies and 1 SOE). The fixed remuneration system was also applied by 2 companies subordinate to the Ministry of Finance and one company subordinate to the Bank of Lithuania. A remuneration system where a fixed part depended on the average salary of the manager was applied in 4 companies subordinate to the Ministry of Finance and 4 companies subordinate to the Ministry of Agriculture, as well as in 2 companies subordinate to the State Enterprise Turto bankas, and one company each subordinate to the Ministry of the Environment and the Ministry of the Interior.

Number of SOEs by remuneration systems



It should be noted that when determining the remuneration of board members, additional restrictions limiting the amount of remuneration are also provided for. For example, some companies that pay fixed remuneration stipulate that remuneration must be reduced if a board member does not attend meetings, does not express an opinion on agenda items, etc. In addition to these restrictions, the remuneration actually paid to members of the boards of SOEs may also be reduced due to the requirements set out in the legislation discussed above.

It should be noted that in developed countries, it is common practice to pay board members a fixed annual remuneration, in some cases supplemented by a variable component depending on the number of meetings attended. The fixed remuneration system is recognised as the most convenient and appropriate way to remunerate board members. In 2024, this practice was also followed by SOEs operating in Lithuania.

CONTRACTUAL REMUNERATION AMOUNTS

The remuneration of board members of state-owned enterprises in their activity contracts may be specified both with all taxes included (gross) and after taxes (net). In the reporting year, all 33 companies specified gross remuneration in their contracts.

In 2024, the remuneration amounts specified in the contracts varied significantly. In the case of fixed remuneration, the remunera-

tion of independent members ranged from EUR 1,374 per month to EUR 3,466 per month (chairpersons from EUR 1,700 to EUR 4,614 per month), and civil servants from €687 per month to €2,621 per month. When setting the fixed remuneration, the scope of the company's activities was taken into account, with higher remuneration being paid to members of the boards of larger companies. When the fixed part of the remuneration depended on the average monthly salary of the

manager, the remuneration for independent members ranged from €886 per month to €2,750 per month (chairman from €1,160 per month to €3,667 per month), and for civil servants from €443 per month to €2,169 per month.

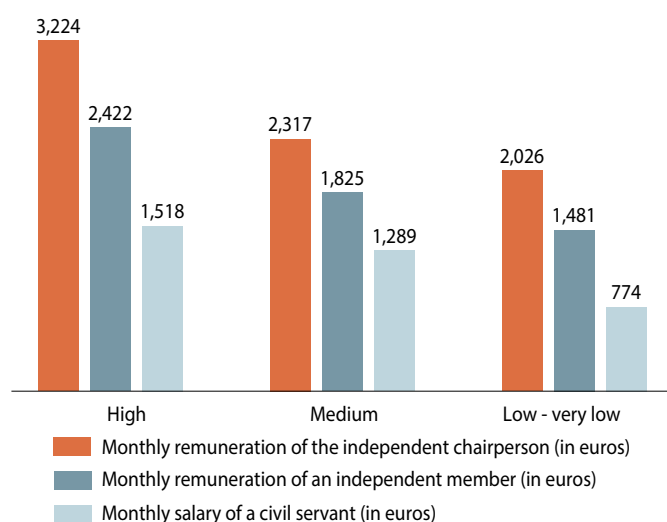
The remuneration specified in the contract for the independent chair of the board was on average 1.3 times higher than that of other independent board members.

	Contractual remuneration (independent chairperson)	Contractual remuneration (independent member)	Contractual remuneration (civil servant)
Fixed portion of the head's average monthly salary			
UAB ILTE	3,667 EUR/month	2,750 EUR/month	1,375 EUR/month
AB Regitra	3,350 EUR/month	2,412 EUR/month	2,169 EUR/month
AB Jonavos grūdai	2,773 EUR/month	1,981 EUR/month	991 EUR/month
UAB Valstybės investicinis kapitalas	2,581 EUR/month	1,935 EUR/month	968 EUR/month
AB Giraitės ginkluotės gamykla	2,168 EUR/month	1,626 EUR/month	813 EUR/month
AB Lietuvos veislininkystė	2,027 EUR/month	1,448 EUR/month	724 EUR/month
UAB Pieno tyrimai	1,937 EUR/month	1,878 EUR/month	939 EUR/month
UAB Lietuvos monetų kalykla	1,901 EUR/month	1,426 EUR/month	951 EUR/month
UAB Genetiniai išteklių	1,875 EUR/month	1,339 EUR/month	670 EUR/month
VĮ Valstybinių miškų urėdija	1,757 EUR/month	1,255 EUR/month	1,255 EUR/month
UAB Lietuvos žirgynas	1,437 EUR/month	1,027 EUR/month	513 EUR/month
VĮ Žemės ūkio duomenų centras	1,200 EUR/month	1,000 EUR/month	1,000 EUR/month
UAB Būsto paskolų draudimas	1,181 EUR/month	886 EUR/month	443 EUR/month
VĮ Turto bankas	1,160 EUR/month	1,160 EUR/month	1,160 EUR/month
Fixed remuneration system			
AB Ignitis Group	4,614 EUR/month	3,466 EUR/month	1,733 EUR/month
UAB EPSO-G group	4,400 EUR/month	3,300 EUR/month	2,600 EUR/month
AB KN Energies	4,369 EUR/month	3,277 EUR/month	2,621 EUR/month
AB Lietuvos paštas group	3,352 EUR/month	3,264 EUR/month	1,632 EUR/month
AB Klaipėdos valstybinio jūrų uosto direkcija	3,974 EUR/month	2,981 EUR/month	1,490 EUR/month
AB Lietuvos geležinkeliai group	3,742 EUR/month	2,807 EUR/month	1,403 EUR/month
AB Lietuvos oro uostai	3,368 EUR/month	2,526 EUR/month	1,263 EUR/month
AB Kelių priežiūra	3,255 EUR/month	2,441 EUR/month	1,221 EUR/month
AB Lietuvos radijo ir televizijos centras	3,043 EUR/month	2,283 EUR/month	1,141 EUR/month
AB Via Lietuva	3,019 EUR/month	2,265 EUR/month	1,132 EUR/month
UAB Toksika	2,900 EUR/month	2,175 EUR/month	2,175 EUR/month
VĮ Ignalinos atominė elektrinė	2,823 EUR/month	2,016 EUR/month	2,016 EUR/month
AB Oro navigacija	2,791 EUR/month	2,093 EUR/month	1,047 EUR/month
AB Detonas	2,307 EUR/month	1,731 EUR/month	865 EUR/month
AB VIAMATIKA	2,089 EUR/month	1,566 EUR/month	783 EUR/month
AB Vidaus vandens kelių direkcija	1,966 EUR/month	1,475 EUR/month	737 EUR/month
UAB Lithuanian Exhibition and Congress Centre LITEXPO	1,900 EUR/month	1,500 EUR/month	1,500 EUR/month
AB Smiltynės perkėla	1,832 EUR/month	1,374 EUR/month	687 EUR/month
VĮ Registrų centras	1,700 EUR/month	1,500 EUR/month	1,500 EUR/month

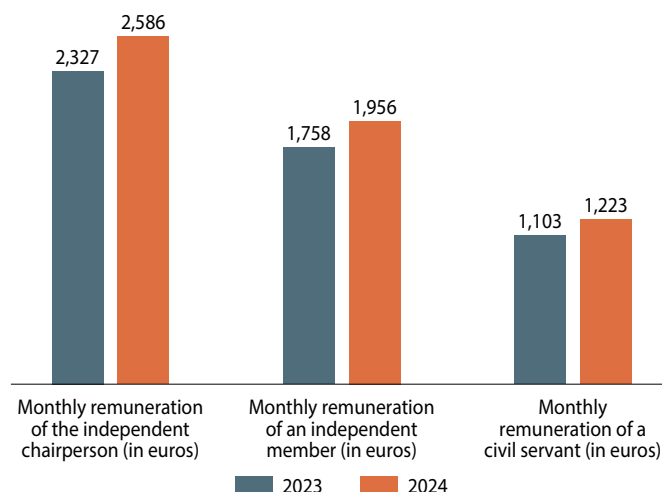
Comparing practices in Lithuania with those in Western European countries, it can be seen that the chairpersons of Lithuanian SOEs receive lower remuneration. In Western European countries, the chairperson of the board is usually paid at least twice as much as other board members. Similar practices are applied in the boards of SOEs in neighbouring countries (Sweden, Norway, Estonia) – the chair is paid about twice as much. Proper policy formulation is important not only to adequately compensate the chairman of the board for his or her contribution, but also to highlight the role of the chairman, which is particularly important for organising the activities of the board and maintaining communication with the company's shareholders.

CALCULATED REMUNERATION

In 2024, the calculated remuneration for independent board members varied significantly, from an average of €886 per month at **UAB Būsto paskolų draudimas** to €3,352 per month at **AB Ignitis grupė**. Remuneration also varied significantly between companies in the same category: the actual remuneration of independent board members of companies classified as large companies varied by up to 2.7 times, those of medium-sized companies differed by up to 2.4 times, and those of small companies differed by up to 2.2 times. Differences in remuneration are also noticeable among civil servants, ranging from an average of €443 per month at **UAB Būsto paskolų draudimas** to €2,366 per month at **AB KN Energijos**. The actual remuneration of civil servants in companies classified as large companies varied by up to 2.3 times, in medium-sized companies by up to 3.2 times, and in small companies by up to 2.2 times.



Although the remuneration of board members of SOEs classified in the same category may vary significantly, when assessing the overall remuneration amounts by company category, it is clear that remuneration depends on the volume of the company's activities – board members of larger companies receive higher remuneration. In 2024, the average remuneration of independent board members of SOEs classified as large companies was €2,422, while that of civil servants was €1,518. While for independent members of medium-sized companies it was €1,825 and for civil servants €1,289; and the average remuneration of independent members of small enterprises was EUR 1,481, while that of civil servants was EUR 774. This is primarily due to the government's policy of linking the remuneration of board members to that of company managers, which is higher in larger companies. The more intensive involvement of board members of larger companies in the supervision and control of companies also has an impact. The decisions taken by some state institutions regarding the companies under their authority also have a significant impact on the result. The Ministry of Agriculture, the Ministry of Finance and the Ministry of Transport and Communications have 22 out of 33 SOEs under their control, which have collegial bodies, so the remuneration policies applied by these ministries alone have a significant impact on the overall situation of the SOE portfolio.

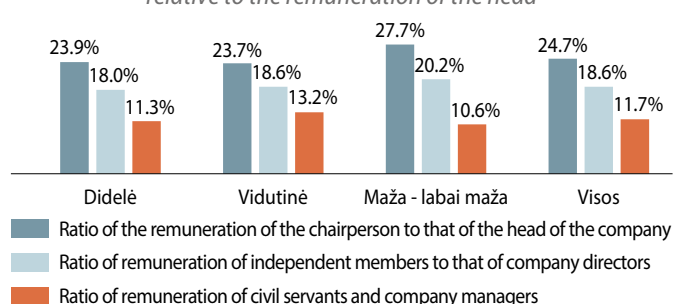


In 2024, the actual remuneration of independent chairpersons of SOEs increased by 11.1%, independent members by 11.3% and civil servants by 10.9% (EUR 259, 198 and 120 respectively). The change was mainly due to changes in contractual remuneration amounts. The remuneration increased the most for members of collegial bodies belonging to the category of small and very small enterprises. An assessment of changes over the last three years shows that the remuneration of members of collegial bodies is increasing. During the period under review, this increase was mainly influenced by the fact that several companies formed new boards and set higher remuneration for their members in order to maintain the ratio to the average salary of the manager.

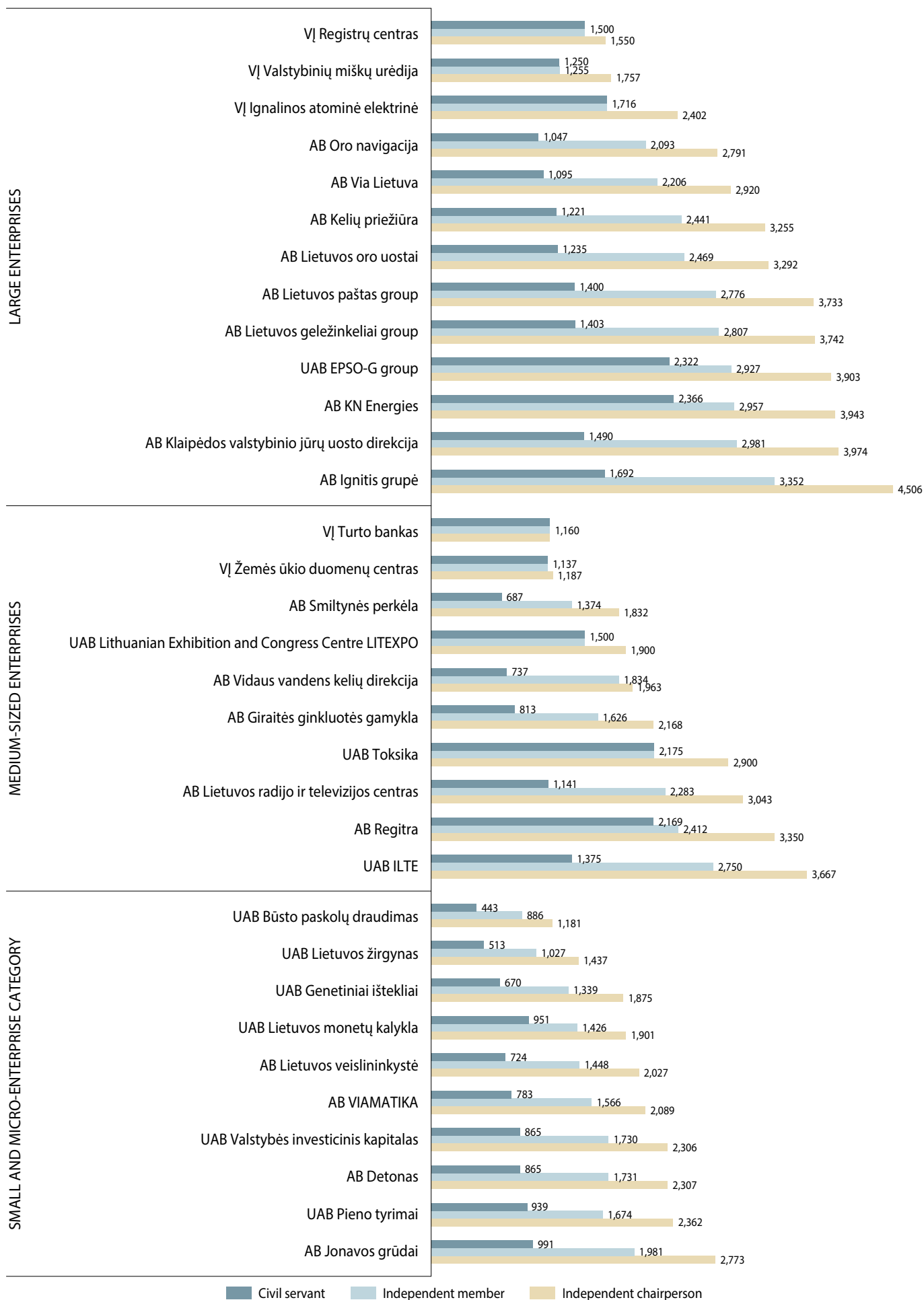
When comparing the actual remuneration of independent board members in the relevant categories according to the legal form of the companies, it can be seen that the remuneration paid to board members of companies in 2024 was higher than that paid to board members of state-owned companies. Among other reasons, the existing differences are due to the fact that the functions of state-owned enterprise boards are very limited and more closely resemble those of a collegial supervisory body. These differences usually require less involvement from the members of state-owned enterprise boards.

The government regulates the remuneration of all SOE board members through the remuneration of the company's CEO, so the ratio between the remuneration of a board member and that of the CEO is one of the key indicators for assessing compliance with government policy. In 2024, the remuneration of independent chairpersons of SOEs averaged 24.7% of the remuneration of the company's CEO, while that of independent members averaged 18.6% and that of civil servants averaged 11.7%. Assessing the changes in 2024, it can be seen that the remuneration of board members accounted for a smaller proportion of the remuneration of the company's CEO than in 2023, with the ratio of members' remuneration decreasing by 1.0 percentage point and that of chairpersons by 1.2 percentage points. The main reason for this change was that the remuneration of managers grew faster than that of KO members. It should be noted that the information presented in the adjacent chart includes a comparison with the remuneration set (not paid) for the company's CEO, including variable components (variable remuneration and annual bonuses).

Proportion of remuneration of members of collegial bodies of SOEs relative to the remuneration of the head



Remuneration paid to members of the KO (euros/month)



■ Civil servant ■ Independent member ■ Independent chairperson

REMUNERATION OF COMMITTEE MEMBERS

Committees are only formed in SOEs classified as being of public interest or large companies. Most often, only audit committees are formed, with remuneration (appointment) or other committees sometimes being formed in addition. All SOEs of public interest are required to form an audit committee. The definition of public interest applies to those SOEs whose securities are traded on a regulated market in the Republic of Lithuania and/or a Member State and/or which are classified as large companies under the Law on Financial Reporting of Companies of the Republic of Lithuania. Only state-owned companies classified as large companies that have at least one subsidiary or have both a board of directors and a supervisory board are required to establish a remuneration (appointment) committee. For large SOEs that have neither subsidiaries nor two-tier collegial supervisory or management bodies, the requirement to establish a remuneration committee applies in accordance with the "comply or explain" rule. Other committees are established as needed, and the principles for their establishment are not regulated.

The Government does not regulate the principles of remuneration for committee work by law. The institution representing the state may decide for itself how committee work will be remunerated.

The data presented in the report below only includes information on the remuneration of independent committee members. As civil servants were not usually paid remuneration, these members were only paid **at the Ignalina Nuclear Power Plant**.

Due to different practices of remuneration for activities in committees, the remuneration of all members has been recalculated and presented as the average monthly remuneration. The remuneration is recalculated based on the number of months worked by the member in 2024, calculated

to the nearest day. The amount of remuneration includes all amounts accrued for committee activities in 2024, regardless of their payment date. Remuneration amounts are presented with all applicable taxes and contributions.

In 2024, audit committees had been established by all SOEs classified as large enterprises, as well as by two enterprises classified as medium-sized enterprises: **AB Lietuvos radijo ir televizijos centras** and **AB Regitra**. Remuneration (appointment) committees had been established by six companies: **AB Ignitis grupė**, **UAB EPSO-G**, **AB KN Energijos**, **VĮ Ignalinos atominė elektrinė**, **AB Lietuvos geležinkeliai** and **AB Klaipėdos valstybinio jūrų uosto direkcija**. Another committee was established by **AB Ignitis Group** – risk management and sustainability.

In most cases, committee activities are remunerated in accordance with the same remuneration policy as that applied to independent board members, i.e. if a fixed remuneration practice is applied to the company's board members, a fixed remuneration is also paid to committee members. Only one company (**VĮ Valstybinių miškų urėdija**) paid committee members remuneration that was not in line with the remuneration paid to board members. At the end of 2024, 14 SOEs applied fixed remuneration systems, while one company paid for hours worked. As in the case of KO activities, in some cases, when determining fixed remuneration, the remuneration was reduced if the committee member did not attend meetings, did not express an opinion on agenda items, etc. **Ignitis Group AB** also had additional provisions stipulating that committee members who also serve as members of the company's collegial bodies receive remuneration for their work on the committee as part of their remuneration for work on the collegial body, and no additional remuneration is paid for work on committees.

	Contractual remuneration amount (Independent Chair)	Contractual remuneration (independent members)
Fixed remuneration system		
Ignitis Group AB*	2,208 EUR/month	1,987 EUR/month
UAB EPSO-G Group of Companies (Audit Committee)	3,100 EUR/month	2,200 EUR/month
UAB EPSO-G group of companies (Remuneration and Appointment Committee)	3,100 EUR/month	2,155 EUR/month
AB KN Energijos**	2,184 EUR/month	1,638 EUR/month
Ignalina Nuclear Power Plant**	1,970 EUR/month	710 EUR/month
Lithuanian Railways Group**	2,105 EUR/month	1,403 EUR/month
AB Lietuvos Paštas group of companies	2,448 EUR/month	1,632 EUR/month
AB Oro navigacija	1,571 EUR/month	1,047 EUR/month
Klaipėda State Seaport Authority***	2,235 EUR/month	1,490 EUR/month
Lithuanian Airports	1,895 EUR/month	1,263 EUR/month
Lithuanian Radio and Television Centre	1,712 EUR/month	1,141 EUR/month
AB Road Maintenance	1,832 EUR/month	1,221 EUR/month
State Enterprise Centre of Registers	650 EUR/month	480 EUR/month
Regitra	650 EUR/month	480 EUR/month
Remuneration system for hours worked		
State Forest Enterprise	30 EUR/hour	30 EUR/hour

*Remuneration is specified only for the Chair of the Audit Committee; the chairs of other committees are members of the Supervisory Board and receive no additional remuneration for their activities on the committees. The remuneration of independent members is presented for the Audit Committee and the Risk Management and Sustainability Committee. Members of the Remuneration Committee are also members of the Supervisory Board and are not paid for their work on the committee.

**The company has established Audit and Remuneration Committees, whose members receive the same remuneration.

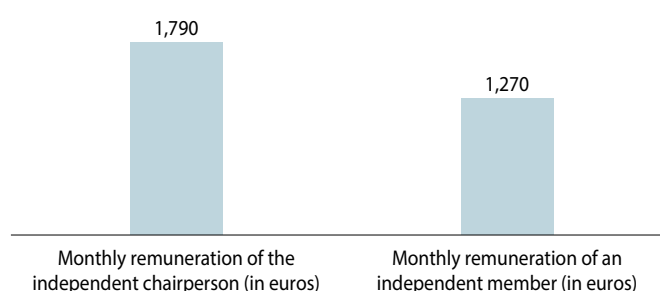
***The independent chairpersons of the Audit and Remuneration Committees of Klaipėda State Seaport Authority AB were paid the same remuneration; independent members worked only in the Audit Committee and were paid EUR 1,490 per month. The Remuneration Committee consisted of civil servants who were not paid remuneration.

In most cases, committee members were paid less than KO members, but practices varied significantly among SOEs. The remuneration of independent committee members was significantly lower than that of KO members, with the lowest contractual remuneration of a committee member amounting to 11.6% of the average remuneration of an independent KO member.

The remuneration amounts were the same regardless of the type of committee. The remuneration amounts were the same regardless of the type of committee. However, the remuneration for independent committee members varied significantly between SOEs, ranging from €227 per month **at the State Forest Enterprise** to €2,177 per month **at the EPSO-G group of companies**. Nevertheless, in most cases, remuneration ranged from €1,000 to €1,500 per month.

An analysis of the remuneration ratios of committee members and board members showed that, on average, the remuneration of a committee member in 2024 amounted to 64.9% of the remuneration of a member of

the board. The remuneration of the committee chairperson averaged 69.2% of the remuneration of the chairperson of the board. The remuneration of the chairperson of the audit committee was 66.5% of the remuneration of the chairperson of the board.



Overview of collegial supervisory or management bodies of SOEs

The highest supervisory or management bodies of state-owned enterprises, also known as collegial bodies, play a very important role in ensuring the profitability and efficiency of state-owned enterprises. A professional, motivated and independent board of directors or supervisory board (if established) has a significant influence on setting the company's strategic priorities, evaluates the performance of the company's managers and ensures their accountability. The legislation in force stipulates that companies of public interest and importance to national security must have functioning collegial bodies. The decision on the formation of boards (or supervisory boards) in other SOEs is taken by the institution representing the state.

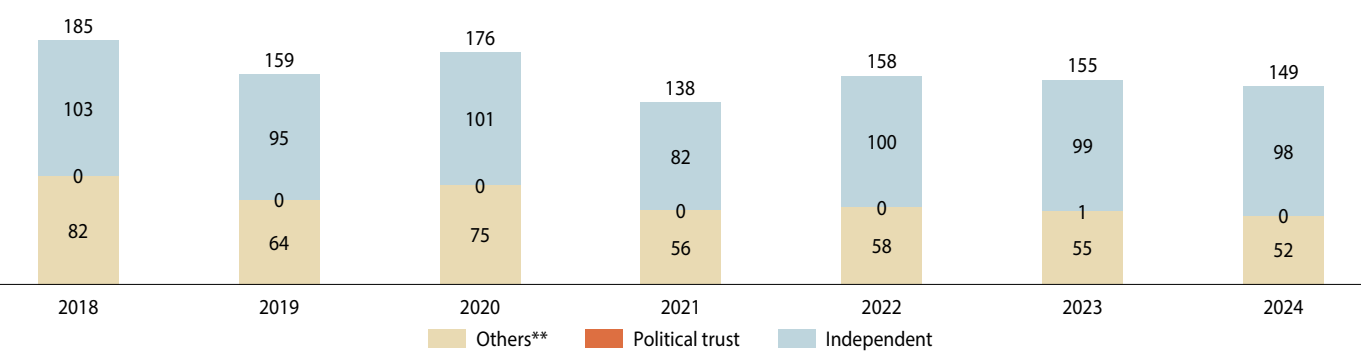
In order to ensure the transparency and efficiency of SOEs and to implement good governance principles, collegial bodies of state-owned public limited companies and private limited companies and, since 1 March 2015, to the boards of state-owned enterprises (SOEs), independent members are elected. Since 1 January 2018, the independence of the collegial bodies of SOEs has been further strengthened by legislation requiring that, by this date, at least half of all board members (regardless of their size or other indicators) in the collegial bodies of all SOEs (regardless of their size or other indicators) must have at least half of all board members (if there is no

supervisory board) meet the independence criteria.

Under current legislation, supervisory boards may only be appointed in public limited companies and private limited companies. Supervisory boards cannot be formed in state-owned enterprises (SOEs), and at least 1/5 of all members of the board of SOEs must be employee representatives.

Since 2018, there have been significant changes in the formation of collegial bodies in SOEs. In order to achieve professional and depoliticised management, by the end of 2018 there were no longer any political appointees on collegial bodies, whereas in 2017 they accounted for almost 19% of all members. At the end of 2024, there were no political appointees in the collegial bodies. In the previous collegial bodies formed in 2016, civil servants (shareholder/owner representatives), company employees and other appointed persons, who accounted for nearly 70% of all members, and only 17% of members met the independence criteria. Starting in 2018, we can see a significant change in the situation, with the majority of members of collegial bodies elected by institutions directly representing the state being independent professionals, and by the end of 2024, the number of independent members selected by the selection committee reached well over half, i.e. as much as 66 %.

Composition of CB members

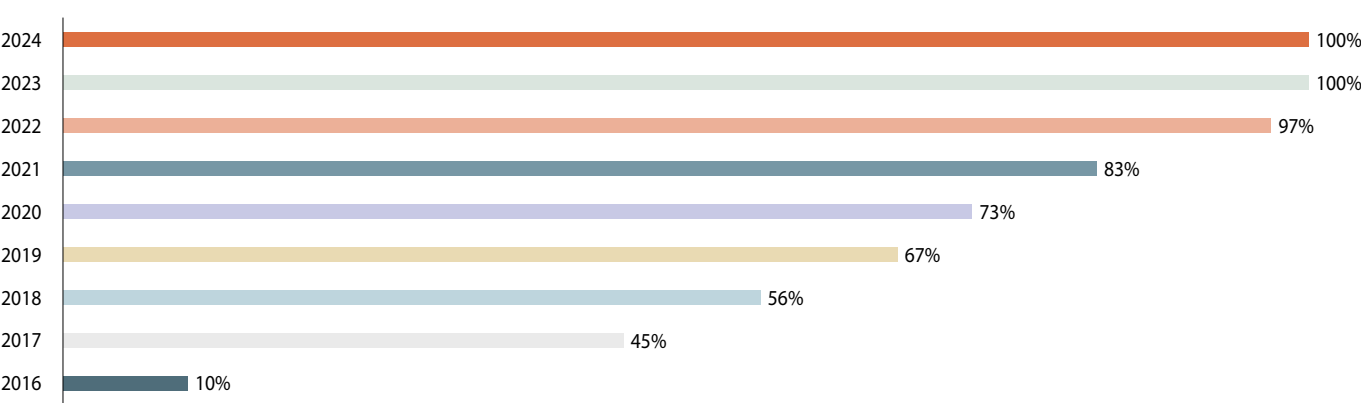


**civil servants (shareholder/owner representatives), company employees, etc.

In 2023, a new level of quality was achieved in the governance of SOEs – all chairpersons of collegial bodies elected by SOEs were independent. In 2024, this trend remained unchanged – all SOE collegial bodies are chaired by independent

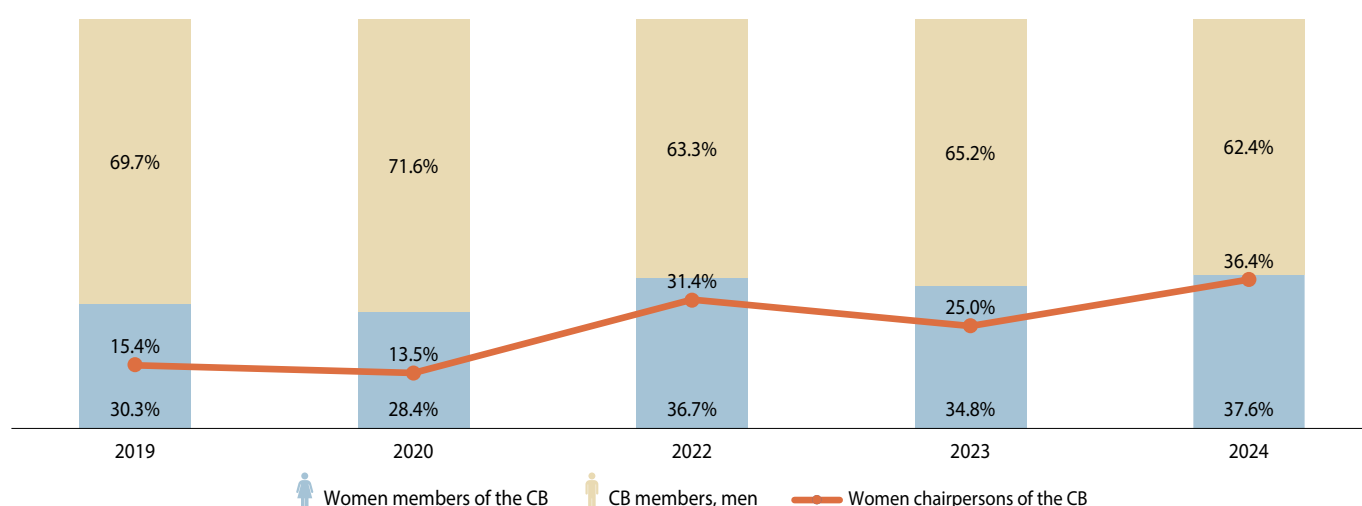
persons. At the end of 2024, all chairpersons of collegial bodies met the established independence criteria – there were 33 such chairpersons (). One chairperson of a collegial body elected by institutions directly representing the state was a foreign citizen.

Independent chairpersons of SOE collegial supervisory or management bodies



An analysis of the gender distribution of members of the boards and supervisory boards of Lithuanian SOEs shows that, overall, there are 1.6 times more men than women in collegial bodies. Looking at the trend since 2018, in 2024 the proportion of men in collegial bodies was the

lowest – 62.4%. Accordingly, women already account for more than a third of the people holding the position of chair of a collegial body. Compared to 2023, the number of women appointed as chairpersons increased to 12 in 2024, representing an 11.4 percentage point increase.



It should be noted that some countries have set a minimum number of women on the boards of SOEs. For example, in Finland, Germany, Iceland, Slovenia, France and Italy, women must make up more than 40% of the board of directors of SOEs. In Norway, each gender must be represented by at least 40%. **On 1 December 2024, amendments to national law transposing the provisions of the European Parliament and Council Directive on improving the gender balance among directors of listed companies and related measures came into**

force in Lithuania. These amendments aim to ensure that persons of the under-represented sex occupy at least one-third of the seats on the management and supervisory bodies (in the positions of CEO, board members, and supervisory board members) of large companies. Companies should achieve these targets by 30 June 2026 at the latest.

In May 2025, 10 out of 16 companies (13 large SOEs and three others that are likely to become large companies in the near future) already met the gender balance requirement.

Company	Head		Board		Supervisory Board		Total		%	Vacant positions
	M	W	M	W	M	W	M	W		
Ignitis Group AB	1	0	4	1	2	5	7	6	46	1 vacancy
VĮ Registrų centras	1	0	3	3			4	3	43	
VĮ Ignalinos Atominė elektrinė	1	0	2	2			3	2	40	
AB Regitra	1	0	2	2			3	2	40	1 vacancy
UAB ILTE	1	0	2	3	5	2	8	5	38	
AB Via Lietuva	1	0	3	2			4	2	33	
AB Lietuvos paštas	1	0	3	2			4	2	33	1 vacancy
VĮ Valstybinių miškų urėdija	1	0	3	2			4	2	33	
VĮ Turto Bankas	1	0	3	2			4	2	33	
UAB EPSO-G group	1	0	3	2			4	2	33	1 vacancy
AB Lietuvos geležinkeliai group	1	0	5	2			6	2	25	
AB KN Energies	1	0	4	1	2	1	7	2	22	
AB Kelių priežiūra	1	0	3	1			4	1	20	1 vacancy
AB Oro navigacija	1	0	4	1			5	1	17	
AB Lietuvos oro uostai	1	0	4	1			5	1	17	
AB Klaipėdos valstybinio jūrų uostų direkcija	1	0	4	0	3	1	8	1	11	2 vacancies

At the end of 2024, a total of nine foreign experts shared their international experience and worked on the boards of three companies subordinate to the Ministry of Transport and Communications and on the supervisory boards of two companies subordinate to the Ministry of Finance. Also, in accordance with good governance practices and in order to achieve high-quality results, it is recommended that one person should not serve on more than three collegial bodies. At the end of 2024, only one person served on three collegial bodies, while 14 other persons served on two collegial bodies at the same time, with the remaining members serving in one position.

At the beginning of May 2024, boards of directors had been

formed in 31 companies (out of 33 SOEs), and supervisory boards in four companies, where both a board of directors and a supervisory board had been formed. In April 2024, there were a total of 136 board member positions in Lithuanian SOEs, which were filled by 125 people. There were 21 member positions on the supervisory boards of SOEs, which were filled by the same number of members. Members of supervisory boards who met the independence criteria occupied 13 positions.

Up-to-date lists of members of collegial supervisory or management bodies, updated monthly, can be found on the VKC website www.governance.lt

Special obligations

Summary

- In 2024, 15 out of 33 SOEs performed 55 special obligations. Five SOEs performed only special obligations, i.e. they did not engage in commercial activities. The number of special obligations per company ranged from 1 to 11.
- The costs of special obligations amounted to EUR 522.0 million and were 11.5% higher than in 2023. This figure does not eliminate the impact of internal transactions within the Lietuvos geležinkeliai group of companies.
- The net profit from special obligations amounted to EUR 4.4 million, as the majority (8 out of 15 SOEs) of these functions were profitable. However, when assessing return indicators, the return on assets for special obligations was only 0.1%, while for commercial activities it was 5.2%.
- Not all SOEs performing special obligations have had their costs fully compensated (5 SOEs had a negative result from special obligations in 2024).
- In 2024, the performance of special obligations cost the state budget €275.5 million directly. A further €97.8 million was allocated from EU or other foreign partner funds. The remainder was financed from revenue received from service users.
- A significant part of the costs incurred in fulfilling special obligations is not reflected in the financial statements of companies. This is because part of the costs are compensated by subsidies, i.e. subsidies reduce the share of costs incurred. In 2024, such costs amounted to EUR 114.2 million.

SOE special obligations policy

The activities carried out by SOEs, in accordance with *the Recommendations on Special Obligations*¹, are divided into three categories: special obligations, commercial functions assigned by the state, and commercial activities.

Special obligations are functions that SOEs would not undertake on a commercial basis (or would do so at a higher price than that set) and which these companies are entrusted to perform by a state decision. A function performed by a SOE is considered a special obligation if the obligation to perform it is established by the laws of the Republic of Lithuania or resolutions of the Government of the Republic of Lithuania and meets at least one of the following criteria:

1. state budget appropriations are allocated for the performance of the function;
2. the performance of the function is financed by the European Union and/or other funds;
3. the costs of performing the function are covered by the income from other activities carried out by the SOE;
4. the pricing related to the performance of the function is regulated by laws, the Government or its authorised institution, and the profit margin is not included in the price of the goods or services or is limited in such a way that it does not cover alternative costs;
5. the function is performed in the areas of public administration specified in the Law on Public Administration of the Republic of Lithuania.

To summarise the above criteria, a function will be considered a special obligation if it does not generate sufficient revenue to cover its costs (or if such revenue does not ensure a sufficient profit margin) or if it is classified as public administration. It should be noted that a function can only be classified as a special obligation after receiving written confirmation from the Governance Coordination Centre. Under the applicable regulations, a company or state-representative institution must submit a request to the Governance Coordination Centre to review and include the function in the list of special obligations. After examining the request, the Governance Coordination Centre decides whether the function meets the criteria for a special obligation and, if the decision is positive, informs the Ministry of Economy and Innovation of the Republic of Lithuania of the need to update *the list of special obligations*². This list is approved by order of the Minister of Economy and Innovation. It is important to note that a function will only be considered a special obligation if it is included in *the list of special obligations*. In cases where a function meets the above criteria but is not included in the list, for example, because no request has been made to the Governance Coordination Centre, it will not be considered a special obligation.

In 2024, 55 special obligations were included in *the List of Special*

Obligations, which were performed by 15 SOEs. **VĮ Valstybinių miškų urėdija** had the most special obligations – 11, followed by **VĮ Turto bankas** – 10, and **VĮ Registrų centras** – 8. The number of special obligations performed by other companies ranged from 1 to 5. It is important to note that in most cases the number of special obligations depends on the decision of the company itself or the institution representing the state. This means that a company can divide its functions into smaller units and have more separate special obligations, or, like **VĮ Ignalinos atominė elektrinė** or **VĮ Žemės ūkio duomenų centras**, define all of its functions as a single special obligation. When analysing special obligations, it is not their number in the company that is important, but whether the company carries out combined activities (commercial and special obligations) or only special obligations, or only commercial activities. In 2024, there were 33 SOEs in total, 18 of which only carried out commercial activities and had no specific obligations. Meanwhile, out of the 15 SOEs performing special obligations, 10 companies performed combined activities and only 5 were considered to perform only special obligations (: **AB VIA Lietuva**, **UAB ILTE**, **VĮ Turto bankas**, **VĮ Ignalinos atominė elektrinė**, **AB Regitra**).

55

Functions considered to be special obligations

15

SOEs performing special obligations

5

SOEs that performed only special obligations and did not engage in commercial activities

1

SOEs whose entire activity consisted of a single special obligation (irrelevant separation of functions)

When analysing special obligations, it is important to note that the granting of special obligation status does not constitute grounds for assigning a specific function to an enterprise. The function is assigned by a decision of the state, and the special obligation status only indicates that the function must be accounted for and disclosed separately. In accordance with *the Recommendations on Specific Obligations* and *the Transparency Guidelines*, SOEs must separate the accounting of specific obligations from their commercial functions. The purpose of this separation is to increase the transparency of SOEs' activities by disclosing how much the performance of special obligations costs companies and the state. Of the 15 SOEs performing special obligations, only **VĮ Ignalinos atominė**

1. Order No. 4-1100 of the Minister of Economy of the Republic of Lithuania of 20 December 2013 "On the Establishment of Special Obligations for State-Owned Enterprises and the Approval of Recommendations for the Provision of Information"

2. Order No. 4-193 of the Minister of Economy and Innovation of the Republic of Lithuania of 27 April 2023 "On the Approval of the List of Special Obligations Performed by State-Owned Enterprises and Their Subsidiaries"

elektrinė is not affected by the separation of functions, as all of its activities constitute a single special obligation, while the other 14 companies have either commercial activities or more than one special obligation, which makes the separation of functions and accounting policies relevant to them.

Commercial functions assigned by the state are functions which SOEs have exclusive rights to perform in accordance with laws or resolutions of the Government of the Republic of Lithuania and for which income is received directly from service users. The rates for these activities are set

by an independent regulator, including a profit margin that covers the company's alternative costs. In performing these functions, SOEs generate sufficient returns, which is why such activities are considered commercially attractive. In 2024, two companies, **AB Smiltynės perkėla** and **AB Oro navigacija**, performed commercial functions assigned by the state.

Commercial functions are considered to be all other activities of SOEs that are not assigned by law: laws or government resolutions and/or do not meet the criteria for other special obligations or are not included in *the list of special obligations*.

Financial results of SOEs' special obligations

In 2024, 15 out of 33 SOEs performed special obligations. Below is a summary of the SOE portfolio information, broken down into segments of special obligations, commercial activities and undistributed share. Commercial functions assigned by the state are classified as commercial functions because their nature is similar to commercial

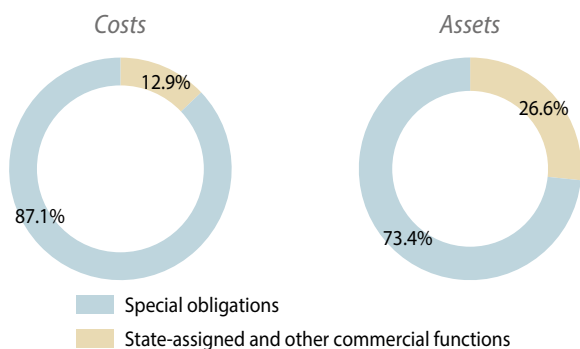
activities. As it is not possible to properly eliminate the impact of internal transactions due to the special obligations performed by **AB Lietuvos geležinkeliai group**, the financial data presented below does not eliminate internal transactions, but provides data on their volume.

PROFIT (LOSS) STATEMENT (EUR Thousand)	SPECIAL OBLIGATIONS	COMMERCIAL FUNCTIONS	UNDISTRIBUTED PORTION
Sales revenue	517,748.8	4,081,425.4	5,130.3
<i>Of which - sales revenue from internal transactions</i>	93,428.2	146,667.1	0
Cost of goods sold	383,826.6	2,505,438.1	1,516.1
<i>Of which - cost of sales of internal transactions</i>	155,428.2	94,346.2	0
Gross profit	133,922.2	1,575,987.3	3,614.2
Cost of sales	35,925.9	658,100.5	0
General and administrative expenses	102,198.3	342,668.4	4,359.0
Operating profit (loss)	-	575,218.4	-744.8
Profit (loss) before tax	3,657.8	553,822.4	57
Net profit (loss)	4,402.3	504,654.2	-1,618.3
BALANCE SHEET (EUR Thousand)			
Assets	3,679,669.7	10,116,706.4	14,754.0
Equity	1,550,288.4	4,683,592.3	5,810.5
Grants, subsidies	1,303,928.2	693,291.6	2,116.9
Commitments	825,453.1	4,739,822.5	6,826.6

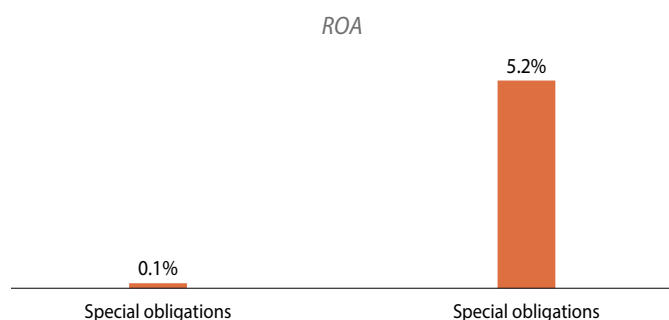
In 2024, revenue from special obligations amounted to EUR 517.7 million, which was EUR 54 million more than in 2023. The largest positive change was a €10 million increase in the special obligations revenue of **AB Lietuvos Geležinkeliai group** (due to growth in activity volumes), while the revenue from special obligations of **VĮ Turto bankas** increased by EUR 19 million (due to increased revenue from changed pricing and the transfer of part of the results from the undistributed part to special obligations) and the revenue from special obligations of **UAB ILTE** increased by EUR 14 million (due to an increase in the amount allocated for financing measures and the introduction of a management fee instead of a cost compensation mechanism). Meanwhile, costs increased at a similar rate to income and were EUR 54 million higher than in 2023. The most significant increase in costs was recorded by the following companies: **VĮ Ignalinos atominė elektrinė** (€14 million due to a change in the value of provisions), **Lietuvos Geležinkeliai Group** (€12 million due to an increase in the volume of operations), **VĮ Turto bankas** (€8 million due to the transfer of part of the results from the undistributed portion to special obligations) and **UAB ILTE** (€17 million due to an increase in provisions for guarantee payments). At the level of the entire SOE portfolio, the operating costs of special obligations accounted for about 13% of total costs and amounted to EUR 522 million. It should be noted that this figure does not eliminate the internal transactions of **AB Lietuvos geležinkeliai group**. In 2024, the profit from special obligations amounted to EUR 4.4

million, compared to a loss of EUR 2.2 million in 2023. The change was largely determined by the growth in the operating results of **VĮ Turto bankas** due to the reasons already mentioned – increased income due to changes in pricing and the transfer of the result from the undistributed portion to special obligations.

While special obligations account for a relatively insignificant portion of the total SOE portfolio in terms of costs, their impact is greater at the asset level. In 2024, assets allocated to specific obligations amounted to EUR 3.7 billion, accounting for 26.6% of the total SOE portfolio assets. Over the year, the share of assets allocated to special obligations increased significantly, by 11.1 per cent or EUR 366.6 million. The largest increase was in assets allocated to special obligations of **AB Lietuvos Geležinkeliai group** – EUR 165 million (due to large-scale projects such as the construction of Rail Baltica and the electrification of railway lines) and **UAB ILTE** – EUR 160 million (due to a significant increase in authorised capital). Equity capital amounted to EUR 1.6 billion (up 17 per cent), while subsidies increased to EUR 1.3 billion. As special obligations are subsidised to a significant extent, accounting for 65% of the total subsidies in the SOE portfolio, the share of liabilities is relatively insignificant, amounting to EUR 825.5 million, or only 14.8% of the total liabilities in the SOE portfolio. The largest share of subsidies allocated to the fulfilment of special obligations was recorded by **the Lietuvos geležinkeliai group** of companies – EUR 1.1 billion or 82% of all subsidies allocated to special obligations.



When assessing the results of special obligations, it is also important to distinguish between commercial activities and special obligations and to compare the return indicators for these activities. When assessing the return on assets (ROA) for special obligations only, it amounted to only 0.1%, while the return on assets from commercial activities amounted to 5.2%. The difference in the return on equity (ROE) indicator is even greater: the return on equity for special obligations was 0.3%, while for commercial activities it was 11.1%. When assessing the results of the entire portfolio, ROA reached 3.8% and ROE – 8.4%. An analysis of these indicators shows that commercial activities are sufficiently profitable, while the overall results of the companies are significantly affected by special obligations, the results of which are close to zero every year. Eliminating the impact of special obligations reveals a clearer result for commercial activities.

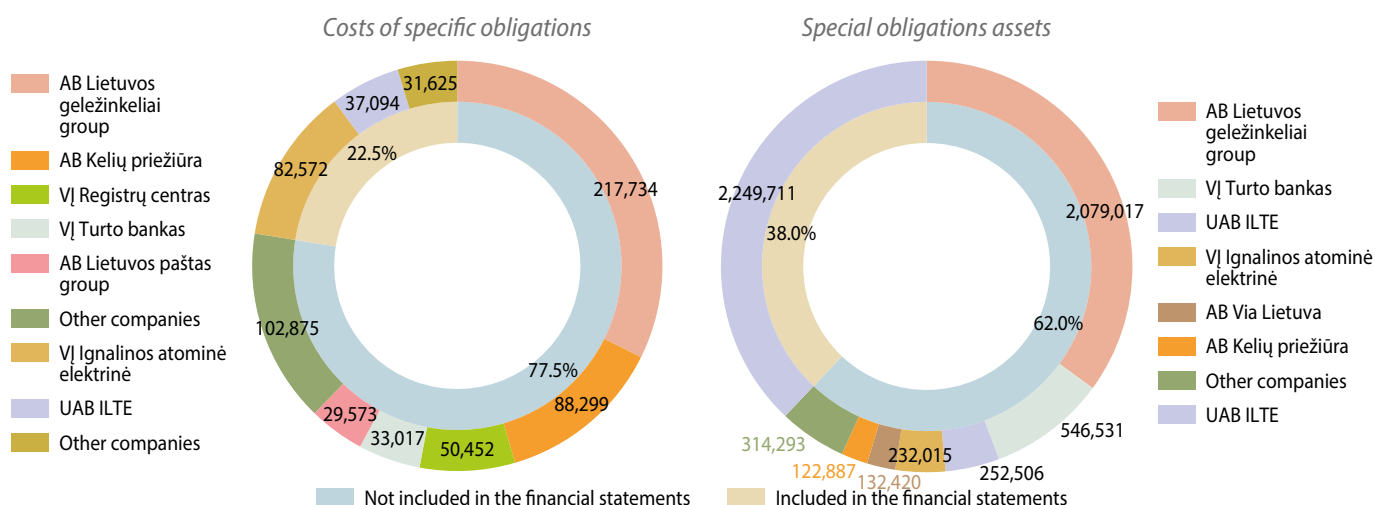


When assessing the scope and result of special obligations, it is important to take into account income, expenses and assets that are not directly included in the companies' financial statements. The latter arise when a special obligation – the management of controlling funds – is

performed by through funds and separate accounting units established for this purpose – public sector entities whose accounts are kept separately from those of SOEs. However, in order to assess the scope of SOEs' activities more accurately, they are included in the analysis. Income from special obligations not included in the SOEs' financial statements amounted to EUR 33.4 million in the reporting period (EUR 19.3 million in 2023). This income is the result of the activities of **UAB ILTE** funds. Meanwhile, expenses not reflected in the financial statements amounted to EUR 151.3 million in 2024. Most of these are expenses that were offset by subsidies received in relation to income. These subsidies reduce the amount of costs incurred, so the financial statements show lower costs than the company actually incurs. In 2024, the largest amount of such subsidies was received by **VĮ Ignalinos atominė elektrinė** – EUR 82.6 million (EUR 89.3 million in 2022), while the amount of costs reflected in the financial statements amounted to EUR 3.3 million (i.e. the part of the costs that was not compensated by the subsidies received). Subsidies related to income for other companies amounted to EUR 31.6 million.

AB Lietuvos geležinkeliai group incurred the highest costs in fulfilling its special obligations, amounting to EUR 217.7 million (it should be noted that this amount does not eliminate the impact of internal transactions, so the actual result would be lower). Significant costs incurred in performing special obligations were also incurred by **AB Kelių priežiūra** – EUR 88.3 million, **VĮ Registrų centras** – EUR 50.5 million, **VĮ Turto bankas** – EUR 33.0 million, and **AB Lietuvos paštas group** – EUR 29.6 million. However, this does not mean that the above-mentioned functions directly cost the state budget, as companies receive part of their income to cover costs from service users, and part is financed from EU or other foreign partner funds.

The assets of fund managers, which are not directly included in the financial statements of the SOEs themselves, accounted for 38.0% of the total assets used to perform special obligations, i.e. EUR 2.2 billion. All of these assets belonged to funds managed by **UAB ILTE**. As mentioned above, the results of the funds are accounted for separately from the manager's financial statements. Excluding the funds managed by **UAB ILTE**, the largest amount of assets used to fulfil special obligations was accounted for by **AB Lietuvos geležinkeliai group** – EUR 2.1 billion. Significant assets allocated for the fulfilment of special obligations were also recorded by **VĮ Turto bankas** – EUR 546.5 million, **UAB ILTE** – EUR 252 million (included in the company's financial statements), **VĮ Ignalinos atominė elektrinė** – EUR 232.0 million, and **VIA Lietuva** – EUR 132 million. It should be noted that all activities of these four companies are considered special obligations, i.e. these companies do not engage in commercial activities, therefore all balance sheet assets are classified as special obligations.

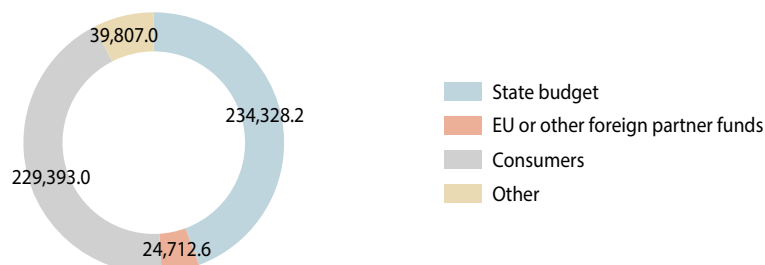


he financing mechanisms for special obligations vary greatly. Some companies, such as **AB Regitra**, are provided with profit margins, while some SOEs are not even fully compensated for the special obligations they perform, such as **VĮ Valstybinių miškų urėdija**. Some companies also receive part of their income from service users, while others are financed from the state budget or EU or other foreign

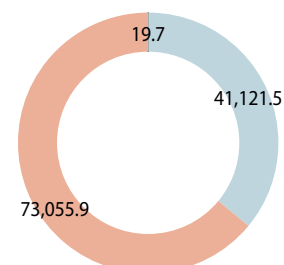
partner funds. When assessing the overall source of income for the special obligations portfolio, three main financing groups can be identified: the state budget, which provided €234.3 million in funding in 2024; EU or other foreign partner funds, which provided €24.7 million; and service users, which provided €229.4 million. In addition, income not attributable to any of these groups amounted to EUR 39.8 million.

This is largely income of **VĮ Turto bankas**, which the company did not attribute to any of the three groups mentioned above. As mentioned earlier, companies also receive subsidies related to income that is not reflected in the financial statements, i.e. their amount reduces the expenses incurred. In terms of the origin of these subsidies, most of them come from EU or other foreign partner funds – EUR 73.1 million.

Source of revenue from special obligations



Origin of subsidies compensating for the costs of special obligations



The table below presents the main financial information on all special obligations performed by SOEs. The table shows in bold font all income, expenses or accrued assets that are not included (not reflected) in the companies' financial statements. In most cases, these are subsidies related to income, which reduce the expenses incurred. In the case of **UAB ILTE**, this is the result of the activities of the funds, which is accounted for separately. As can be seen from the

information provided, the performance of special obligations was profitable for the majority of companies, while the most significant loss due to the performance of special obligations was incurred by **VĮ Valstybinių miškų urėdija** (-18.6 million euros loss). It should be noted that **AB Jonavos grūdai** has a special obligation to store the state's food reserves, but in fact did not fulfil this special obligation because the state did not assign it to store any reserves in 2024.

Company	Special obligation income (thousand euros)	Costs of special obligation (thousand euros)	Profit from special obligation before tax (thousand euros)	Assets allocated to the specific obligation (thousand euros)
UAB EPSO-G group	245.0	245.0	0.0	39,393.0
VĮ Ignalinos atominė elektrinė	91.4	3,319.8 <i>82,571.8</i>	-3,396.6	232,015.2
AB Lietuvos geležinkeliai Group*	224,944.0	217,734.4 <i>4,857.7</i>	84.2	2,079,016.7
AB Lietuvos paštas group	15,338.5	29,572.9	-3,742.5	34,885.1
AB Kelių priežiūra	91,374.3	88,299.3	2,680.8	122,887.4 <i>1,795.7</i>
AB Klaipėdos valstybinio jūrų uosto direkcija	2,937.5	3,230.0	-444.3	55,943.7
AB Vidaus vandens kelių direkcija	0.0	724.9 <i>3,520.5</i>	-724.9	38,208.2
AB Via Lietuva	22,247.7	20,981.2	2,074.1	132,420.2
VĮ Valstybinių miškų urėdija	473.9	18,635.5 <i>4,553.2</i>	-18,635.5	34,217.6
VĮ Turto Bankas	39,807.0	33,017.3 <i>2,800.0</i>	7,568.7	546,531.0
UAB ILTE	32,530.2 <i>33,391.5</i>	26,835.1 <i>37,093.6</i>	9,413.3	252,506.0 <i>2,249,711.3</i>
VĮ Registrų centras	53,046.5	50,451.7 <i>8,762.3</i>	2,594.8	84,375.9
AB Regitra	33,625.7	28,004.3	5,998.0	26,104.2
Jonavos Grūdai AB	0.0	0.0	0.0	0.0
VĮ Žemės ūkio duomenų centras	1,087.1	899.4 <i>7,131.6</i>	187.7	1,165.5

The data in *italics* in the table is not directly included (reflected) in the companies' financial statements

*The impact of internal transactions has not been eliminated in the Lietuvos Geležinkeliai group

List of special obligations of SOEs

The table below provides a complete list of special obligations for 2024. In 2024, two new functions related to the implementation of military counter-mobility measures on roads were added to the list.

These special obligations were assigned to **AB Via Lietuva** and **AB Kelių priežiūra**.

No.	Special obligation	Company performing the special obligation
1.	Establishment, maintenance and protection of seed tree plantations and experimental plantings	VĮ Valstybinių miškų urėdija
2.	Formation of land plots taken over from the Free State Land Fund for the establishment of new forests, as well as forest plots transferred for use, compilation of cadastral data files, registration, forest establishment, maintenance and management activities until the forest reaches 20 years of age	VĮ Valstybinių miškų urėdija
3.	Forest fire protection in forests of all forms of ownership	VĮ Valstybinių miškų urėdija
4.	Construction, reconstruction, repair and maintenance of forest roads, administration of works	VĮ Valstybinių miškų urėdija
5.	Implementation of nature management measures in forests, administration of works	VĮ Valstybinių miškų urėdija
6.	Maintenance, protection and management of forests belonging to other users (including those reserved for the restoration of property rights)	VĮ Valstybinių miškų urėdija
7.	Installation, maintenance and management of recreational facilities in forests, administration of works	VĮ Valstybinių miškų urėdija
8.	Maintenance, protection and management of urban forests, administration of works	VĮ Valstybinių miškų urėdija
9.	Sale of uncut state forest firewood to residents, sale of uncut state forest at a discount to persons affected by natural disasters	VĮ Valstybinių miškų urėdija
10.	Activities of state forest officials in the areas of forest violation investigation, prevention and forest resource protection	VĮ Valstybinių miškų urėdija
11.	Installation and maintenance of forest research and training facilities, work administration costs	VĮ Valstybinių miškų urėdija
12.	Maintenance of the Real Estate Register and Real Estate Cadastre	VĮ Registrų centras
13.	Maintenance of the Register of Legal Entities	VĮ Registrų centras
14.	Maintenance of the Register of Addresses	VĮ Registrų centras
15.	Maintenance of the Population Register	VĮ Registrų centras
16.	Maintenance of the Register of Property Seizure Acts, Register of Wills, Register of Powers of Attorney, Register of Contracts and Restrictions on Rights, Register of Marriage Contracts, Register of Incapacitated and Limited Capacity Persons	VĮ Registrų centras
17.	Maintenance of the State Forest Cadastre	VĮ Registrų centras
18.	Management of the e-health services and cooperation infrastructure information system	VĮ Registrų centras
19.	Management of the national information system for electronic delivery using the postal network (e-delivery system)	VĮ Registrų centras
20.	Decommissioning of nuclear energy facilities and management of radioactive waste (including the installation and operation of the necessary infrastructure)	VĮ Ignalinos atominė elektrinė
21.	Administration of funds for services in the public interest	UAB EPSO-G group
22.	Recovery of debts to the state and administration of loans, state guarantees and other financial obligations transferred under assignment agreements with the Ministry of Finance of the Republic of Lithuania other activities specified in legal acts related to the recovery of debts to the state and the administration of loans, state guarantees and other financial obligations	VĮ Turto bankas
23.	Privatisation of shares owned by the state and municipalities, other activities specified in legal acts related to the privatisation of shares owned by the state and municipalities	VĮ Turto bankas
24.	Organisation and coordination of the renovation of state-owned real estate	VĮ Turto bankas

No.	Special obligation	Company performing the special obligation
25.	Centralised management and maintenance of transferred administrative and other state-owned real estate under lease agreements, providing state institutions and agencies with real estate for administrative purposes by implementing centrally managed real estate renovation and energy efficiency improvement projects, other activities specified in legal acts related to the centralised management of state real estate	VĮ Turto bankas
26.	Sale of state real estate and state-owned land plots and other immovable property assigned to it, as well as conclusion and administration of sales transactions for state-owned land plots assigned to municipal real estate for sale	VĮ Turto bankas
27.	Performance of the functions of the administrator of the State Property Information Search System (hereinafter referred to as VTIPS), including the mandatory coordination of decisions of property managers regarding the use of state real estate under their management, lease or transfer by right of trust, analysis of the efficiency of state real estate management and preparation of annual state property management reports using VTIPS	VĮ Turto bankas
28.	Administration, sale and/or privatisation of ownerless, confiscated, state-inherited and state-transferred real estate, shares in public limited companies and private limited companies other activities specified in legal acts related to the administration of ownerless, confiscated, state-inherited and state-transferred real estate and shares in public limited companies and private limited companies	VĮ Turto bankas
29.	Liquidation of legal entities	VĮ Turto bankas
30.	Organisation of the liquidation (demolition) of written-off state-owned real estate	VĮ Turto bankas
31.	Representing the state in cases concerning the establishment of ownership rights to real estate and in other cases concerning the protection of state property rights, in accordance with the procedure established by the government, when such property has not been transferred to another state institution or agency	VĮ Turto bankas
32.	Guarantee activities of guarantee institutions established by the state	UAB ILTE
33.	Provision of grants, including conditional grants, and/or subsidies, including repayable subsidies, where they are linked to a financial instrument, financial services or incentive-based financial instruments, and the performance of intermediate body functions in the area of administration of the management and control system for European Union Structural Funds for 2014-2020	UAB ILTE
34.	Management of holding funds, funds of funds, special funds and implementation of individual financial engineering, promotional financial instruments and financial instruments	UAB ILTE
35.	Activities of the Green Finance Institute	UAB ILTE
36.	Public passenger transport services by rail	AB Lietuvos geležinkeliai group
37.	Maintenance, renewal and development of public railway infrastructure, provision of minimum access to public railway infrastructure package services and disposal of public railway infrastructure on a trust basis	AB Lietuvos geležinkeliai group
38.	Ensuring the provision of universal postal services throughout the territory of the Republic of Lithuania at least 5 working days per week	AB Lietuvos paštas group
39.	Delivery of periodicals to subscribers in rural areas and towns that are classified as sparsely or moderately populated residential areas	AB Lietuvos paštas group
40.	Provision of access to the infrastructure of the Klaipėda State Seaport for military naval forces	AB Klaipėdos valstybinio jūrų uosto direkcija
41.	Construction, modernisation and development of the infrastructure of the Klaipėda Seaport necessary for shipbuilding and repair	AB Klaipėdos valstybinio jūrų uosto direkcija
42.	Construction, modernisation and development of Klaipėda Seaport infrastructure necessary for the production, assembly and/or storage of offshore wind turbines and their components	AB Klaipėdos valstybinio jūrų uosto direkcija
43.	Implementation of the programme "Ensuring Waterway Transport"	AB Klaipėdos valstybinio jūrų uosto direkcija
44.	Maintenance and management of national (main, regional and district) roads	AB Kelių priežiūra
45.	Installation of military counter-mobility measures on national roads	AB Kelių priežiūra

No.	Special obligation	Company performing the special obligation
46.	Implementation of military counter-mobility measures to increase the deterrent and defensive potential of the state	AB Via Lietuva
47.	Management of roads of national importance and organisation and coordination of safe traffic conditions in order to implement traffic safety measures on roads of national importance	AB Via Lietuva
48.	Registration of road vehicles and maintenance of the Lithuanian Republic's road vehicle register	AB Regitra
49.	Issuing of driving licences and driver qualification cards and maintenance of the Register of Road Transport Vehicle Drivers of the Republic of Lithuania	AB Regitra
50.	Examination of persons seeking to obtain the right to drive road vehicles	AB Regitra
51.	Declaration of ownership rights to motor vehicles and/or their trailers and management and maintenance of the Vehicle Owners Accounting Information System	AB Regitra
52.	Administration of motor vehicle registration fees	AB Regitra
53.	Storage of state reserves (wheat, rye)	AB Jonavos Grūdai
54.	Storage of state reserves (salt, sugar)	AB Jonavos Grūdai
55.	Ensuring the operation of agricultural information and control systems	VĮ Žemės ūkio duomenų centras



Support provided by state-owned enterprises

Until 6 March 2019, state-owned companies providing support were required to comply with Resolution No. 533 of the Government of the Republic of Lithuania, which was in force at the time, "On the Approval of the Procedure for the Provision of Support by State-Owned Companies" (hereinafter referred to as the *Procedure for the Provision of Support*). It provided that if a company provides support through support funds established specifically for that purpose, it may follow the rules for the management of support funds established by a specific company for that purpose, which comply with the provisions of the Law on Charity and Support Funds of the Republic of Lithuania. Until 6 March 2019, the company could allocate no more than 3.0% of its net profit for the reporting financial year to support per year, and the amount allocated to a single beneficiary per year could not exceed EUR 300,000. With the *support provision description* no longer in force, state-owned companies provide support in accordance with the Law on Charity and Support of the Republic of Lithuania No. I-172 (hereinafter referred to as the *Support Law*). The main provisions of both the *Support Law* and the previously valid *Support Provision Description* remain the same: companies cannot provide support if they incur losses in the reporting financial year, and companies are obliged to publish information about support on their websites. The website must publish the company's support management rules or the support fund's support management rules, information about the support provided in the current year and for at least the previous three financial years, indicating the recipients of the support, the purpose of the support, the amount and the period of provision.

On 1 May 2020, amendments to the *Support Act* came into force, setting out more requirements for the disclosure of support provided by state-owned companies. The new version of the law stipulates that state-owned companies are obliged to publish information on their websites about the support provided by their subsidiaries and subsequent subsidiaries through subsidiaries. Also, from 1 May 2020, state-owned companies must assess whether the support provided meets

the criteria for state aid before providing it. Where such compliance is established, support may only be provided in accordance with European Union state aid rules.

Under the *Support Law*, support may only be granted to legal entities registered in the Republic of Lithuania and to non-profit legal entities or other organisations established in the European Economic Area. In response to the large-scale military operations in Ukraine, on 17 March 2022, the President of the Republic of Lithuania signed an amendment to Article 7 of the *Support Act*, which adds a provision that legal entities established in democratic and legal states included in the list compiled by the Government and experiencing crimes as defined by the Rome Statute of the International Criminal Court may also become beneficiaries of support.

When providing support, state-owned companies must adhere to the principles of public benefit, efficiency and rationality, as well as the restrictions set out in the *Support Act*, one of the main provisions of which states that the portion of a state-owned company's net profit for the reporting financial year allocated to support may not exceed:

- 10% of the net profit of the SOE for the reporting financial year, if it did not exceed EUR 500,000;
- 5% of the SOE's net profit for the reporting financial year, if it was between EUR 500,001 and EUR 2 million inclusive;
- 3% of the SOE's net profit for the reporting financial year, if it exceeded EUR 2 million (however, in this case, the aid may not exceed EUR 500,000).

Compared to the *Support Description*, the *Support Law* provides for a one-third reduction in the amount of support allocated to a single recipient per year, which currently cannot exceed EUR 200,000. As in previous years, the *Support Act* stipulates that state-owned companies with the legal status of a state-owned enterprise (SOE) and whose owner (rather than shareholder) is the state are not eligible for support at all.

Support granted in 2024			
Company name	Support granted in 2024 (thousand euros)	Company's net profit for the previous period (2023) (thousand euros)	Share of support granted in relation to net profit in the previous period
Ignitis Group	4,480	259,946	1
AB EPSO-G	621.9	24,829.0	2.5
AB KN Energijos	53.2	12,370.0	0.4
AB Lietuvos paštas	12	5,154	0.2
AB Lietuvos radijo ir televizijos centras	0	1,558.2	0.1
AB Smiltynės Perkėla	4.1	787.1	0.5
UAB Toksika	17	317.5	5.4
AB Oro navigacija	110	2,546.7	4.3

According to data provided by state-owned companies, eight of all state-owned companies included in the portfolio provided support in 2024. In 2024, the largest amount of support was provided by **AB Ignitis Group** – EUR 4,480.0 thousand, which accounted for 1.7% of the company's net profit. The majority of this support, i.e. EUR 4.0 million, was allocated to humanitarian aid for Ukraine's energy infrastructure, intended for the Energy Community Secretariat. The remaining part of the support was distributed among 10 educational institutions.

The second largest amount of support was allocated to **AB EPSO-G**, which allocated 2.5% of its net profit, amounting to EUR 621,900. More than half of the support amount, i.e. EUR 331,800, was allocated to JSC

Khmelnyskoblenenergo, which was paid in two stages: the first payment was allocated for the restoration of Ukraine's energy infrastructure under wartime conditions, and the second for humanitarian aid in the form of materials and equipment. An additional EUR 134,100 was allocated to other beneficiaries working with aid to Ukraine. EUR 156,000 was allocated to student scholarships at Lithuanian educational institutions.

In third place is **AB Oro Navigacija**, which allocated EUR 110,000 (4.3% of net profit). The support was allocated to VšĮ Mėlyna ir geltona and the states of Ukraine and Moldova. The support was provided to mitigate the effects of the war in Ukraine and to cover the costs of personnel, training and other service continuity costs incurred due to the

closure of Moldovan airspace, by providing air navigation services once traffic resumed.

AB KN Energijos, ranked fourth in terms of the amount of support provided, allocated EUR 53,200 to six beneficiaries: Neptūno krepšinio klubas, Klaipėda State College and University, Melnragės bendruomenės and Bomelio Vitės bendruomenės associations, and the Lithuanian Maritime Academy.

In fifth place in terms of support provided was **UAB Toksika**, which allocated EUR 17,000. Although the amount of support is relatively small, the company leads in terms of the share of support from net profit, which amounted to 5.4%. The support was allocated to the Bridų Community

Association, the Šiauliai Cultural Centre, and the New Šiauliai Third Age University.

AB Lietuvos Paštas allocated EUR 12,000, divided equally between the Lithuanian Postal Workers' Union and the Lithuanian Communications Workers' Union, with EUR 6,000 going to each.

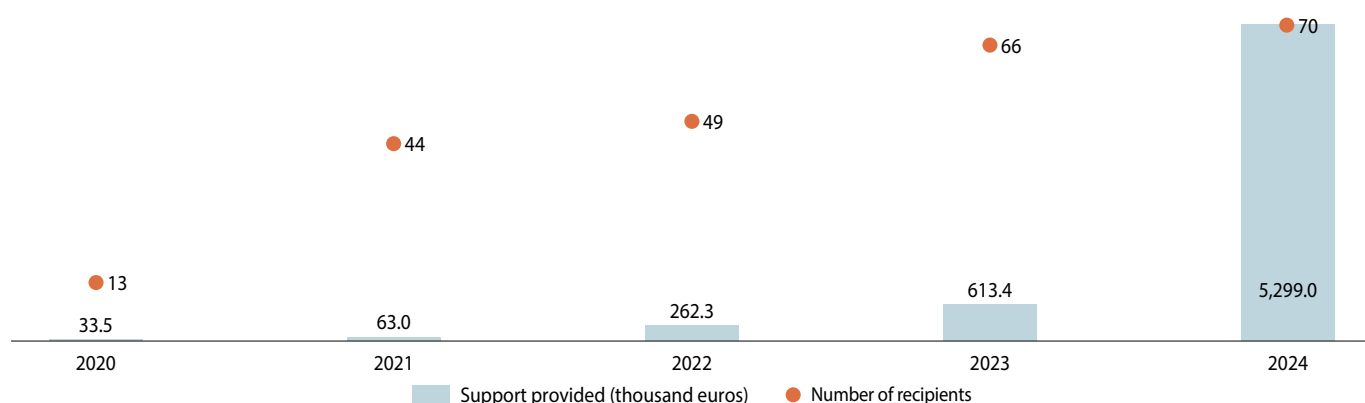
AB Smiltynės Perkėla provided support to 34 different beneficiaries – cultural projects and social care and welfare initiatives.

The smallest amount of support, EUR 0.8 thousand, was provided by **AB Lietuvos radijo ir televizijos centras**. The support was provided to Nemenčinės Gedimino Gymnasium for the improvement of students' work skills.

Company name	2021		2022		2023		2024	
	Support provided (thousand euros)	Number of beneficiaries	Support provided (thousand euros)	Number of beneficiaries	Support provided (thousand euros)	Number of beneficiaries	Support provided (thousand euros)	Number of beneficiaries
AB Ignitis Group	-	-	-	-	291.0	9	4,480.0	11
UAB EPSO-G group of companies	-	-	-	-	41.2	2	621.9	9
AB KN Energijos	-	-	-	-	-	-	53.2	6
AB Lietuvos paštas	10	2	-	-	10.0	1	12	2
UAB Toksika	13.8	2	29.4	8	13.9	3	17	3
AB Lietuvos geležinkeliai group of companies	14.5	1	46.3	1	-	-	-	-
AB Smiltynės Perkėla	2.2	27	2.0	32	3.1	27	4.1	36
AB Lietuvos radijo ir televizijos centras	1	2	11	3	6.0	3	0.8	1
UAB Šilutės polderiai	20.7	1						
UAB Šilutės veislininkystė	-	-	-	-	0.1	1	-	-
UAB Lietuvos monetų kalykla	-	-	0.8	2	2.2	3	-	-
UAB Pieno tyrimai			2.9	1				
VĮ Ignalinos atominė elektrinė	-	-	168	1	28.1	1	-	-
AB Oro Navigacija	-	-	-	-	155.4	1	110.0	2
AB Klaipėdos valstybinio jūrų uosto direkcija	-	-	-	-	48.5	1	-	-
UAB GVT LT	-	-	-	-	12.0	13	-	-
UAB Genetiniai ištekliai	-	-	1.4	1	2.0	1	-	-
Total	63.0	44	262.3	49	613.4	66	5,299.0	70

In 2023, 13 companies provided support to 66 beneficiaries, and compared to 2022, the amount of support increased more than two-fold. In the reporting year, 2024, support was provided by 8 companies, but the amount of support was record-breaking – it reached **EUR 5,299.0 thousand**, i.e. more than 8 times the amount of support

provided in 2023. Support was provided to 70 entities, with the majority of it going to Ukraine and to mitigating the effects of the war in Ukraine on the energy and air transport sectors. The largest amounts of support in 2023-2024 were provided by **AB Ignitis Group**, **UAB EPSO-G** and **AB Oro navigacija**.



Achieving key long-term financial goals

The evaluation of SOE activities, which includes the setting of financial and non-financial objectives and indicators for measuring them, is an extremely important management tool. Until 2022, only a single return on equity indicator set by the government was used to evaluate the commercial activities of SOEs. Although it shows the growth in business value, it is not a universal financial target. Some SOEs, especially those that manage large-scale infrastructure, find it difficult to adjust their equity structure, so achieving ROE alone does not fully reflect their performance. In view of this, **on 22 December 2021, the Government of the Republic of Lithuania amended Resolution No. 665 of 6 June 2012 "On the Approval of the Procedure for the Exercise of State Property and Non-Property Rights in State-Controlled Enterprises", thereby legalising a new concept for measuring the performance of state-controlled enterprises.**

The Management Coordination Centre developed a concept for SOE performance measurement indicators, based on the desire to reflect the most advanced practices of EPBO countries and to create and implement a more effective and accurate SOE performance evaluation system. The concept of measuring the performance of SOEs allows for the selection of SOE objectives that reflect the benefits to the state and their measurement indicators, taking into account the specific nature of SOE activities.

From 2022, each SOE will be required to set three long-term financial indicators, the selection and target values of which will be assessed by the VKC and approved by the Government for a three-year period. These are long-term profitability, optimal capital structure, and dividend and profit contribution indicators, which are included in the SOE's strategic business plan.

The first stage of the concept's implementation began in September 2021, when the VKC sent a request to all SOEs and state institutions for information on the most relevant profitability, optimal capital structure and dividend indicators as long-term goals. After receiving the information, the VKC assessed both the choice of measurement indicators and the ambition of the target values, and made its proposals. The VKC coordinated the final lists of indicators and target values with the SOEs themselves and the institutions representing the state at the beginning of 2022, in accordance with the strategic business plans submitted by the SOEs.

On 18 May 2022 By Resolution No. 509 "On the Approval of the Target Key Financial Performance Indicators for State-Owned Enterprises for the Period 2022-2024", the Government approved a set of long-term financial performance indicators and their target values for a three-year period.

The reporting year 2024 marked the end of the first three-year period for which the Government of the Republic of Lithuania had set long-term financial targets based on a new concept of SOE performance indicators. As already mentioned, these targets covered the period 2022-2024 and applied to all state-owned enterprises, with a few exceptions (listed in the table below).

Continuing the strategic planning for SOEs, new key financial performance indicators for the period 2025-2027 were approved by Government Resolution No. 1074 of 11 December 2024 "On the approval of the key financial performance indicators for state-owned enterprises for the period 2025-2027". This decision marks continuity and the desire to further strengthen the transparency, efficiency and sustainability of SOEs.

Summarising the results for the period, it can be stated that **almost two-thirds of SOEs successfully achieved all the long-term financial indicators set by the Government.** This demonstrates the consistent and focused work of companies to achieve higher standards of operational efficiency and better management of public assets.

LONG-TERM PROFITABILITY TARGETS FOR 2022-2024 were successfully achieved by 24 SOEs. However, almost half of them significantly exceeded the target values (by more than 150%), which suggests that the targets were not ambitious enough. In some cases, the targets were formulated too cautiously, while the actual results significantly exceeded expectations, for example:

- **UAB ILTE** set a particularly unambitious return on equity (ROE) target of >0%, although in fact the company earned 6.6% in 2022, 21.7% in 2023 and 5.6% in 2024. Of course, when projecting the target values for the next three years, it was not yet possible to assess the future consolidation of national development institutions that took place in 2023.

- **AB Giraitės ginkluotės gamykla**, which achieved an EBITDA of

€1.8 million in 2021, had planned a similar figure for 2022, which it proposed to increase by a conservative 10-11% per annum. However, due to the successful implementation of production expansion, the company exceeded its plans, achieving 190-200% of the projected EBITDA level each year.

- **AB Vidaus vandens kelių direkcija** had set a target of €36,000 in EBITDA for 2024, but the actual results reached €426,000. Since 2023, the successful development of commercial activities has enabled the company to significantly increase its revenue and profitability, with EBITDA growing from €35,000 in 2022 to almost €0.4 million in 2023-2024.

- When planning for the 2022-2024 period against the backdrop of the pandemic, **AB Oro Navigacija** cautiously set a low adjusted EBIT margin target of 3 per cent, but the actual result in 2024 reached 8.2%, i.e. more than 200% of the target value.

- **AB Lietuvos paštas** also planned its ROE indicator very conservatively: 0% in 2022, 2% in 2023 and 3% in 2024. However, due to the sale of assets and compensation for losses from regulated activities, the company achieved significantly higher results each year – in 2024, ROE reached 8.3%.

These examples show that the strategic planning of some SOEs lacked ambition and did not sufficiently reflect the real potential of the companies and the dynamics of the operating environment. These factors necessitate a review of planning practices and stronger control over target setting in order to achieve greater efficiency, transparency and strategic justification in line with the state's expectations.

Of the seven SOEs that failed to achieve their long-term profitability targets for the period 2022-2024, the largest deviation between planned and actual results was recorded in the activities of **AB VIA Lietuva**. Back in 2021, the company had planned to launch an automated road toll collection system (e-tolling) in 2024 and to include the additional operating income from this in the calculation of its target financial indicators. However, due to legal obstacles, the project was not implemented, and instead of the planned EBITDA of EUR 57 million, the company earned only EUR 4.8 million in 2024.

Other SOEs also faced significant challenges in achieving their long-term profitability targets:

- **The State Enterprise Centre of Registers** failed to achieve its target EBITDA margin of 21% throughout the 2022-2024 period, mainly due to unpaid state debts for services provided and accounting practices whereby income is recognised only when actually received. In fact, the company's EBITDA margin averaged 13.1% over the three-year period (13% in 2024). In fact, the company's EBITDA margin averaged 13.1% over the three-year period. (13% in 2024).

- **UAB Lietuvos monetų kalykla**, facing a steady decline in orders and rising operating costs, failed to achieve its long-term profitability target throughout the 2022-2024 period.

- Similarly, four companies operating in the agricultural sector also failed to meet their profitability targets: **UAB Lietuvos žirgynas**, **UAB Genetiniai išteklių** and **AB Lietuvos veislininkystė**. These companies also faced declining demand for services, limited commercial opportunities and rising costs, which limited their ability to generate profitability.

Only four SOEs failed to achieve their financial target related to **OPTIMAL CAPITAL STRUCTURE** in the 2022-2024 period. This shows that the majority of SOEs managed to maintain sustainable debt-to-equity ratios and effectively manage cash flows. However, several companies faced significant deviations from the set indicators:

• Due to constant delays in state payments for services provided, **the State Enterprise Centre of Registers** faced the need to borrow more than planned. As a result, the company's financial debt-to-equity ratio reached 0.6 times in 2024, although the target set in the strategic plans was 0.12 times.

• **The State Forest Enterprise** was set a target that the sum of cash and cash equivalents should not exceed 25% of the company's total assets, but in reality this ratio was significantly exceeded. In 2024, term deposits, investments in government securities and funds held in accounts accounted for as much as 45.9% of total assets. Such an excessive liquidity position indicates that the company may not have used its available financial resources efficiently enough.

These cases highlight different challenges in capital structure management: some companies face a shortage of working capital and are forced to borrow, while others accumulate excess liquid resources without investing them in productive activities. Both scenarios point to the need to improve capital planning and management practices and to strengthen the assessment of SOEs' financial performance.

The vast majority of SOEs properly implemented **dividend and profit contribution indicators** for the period 2022–2024: companies either adhered to the individual dividend policy approved by the

Government of the Republic of Lithuania or followed the provisions on the allocation of financial returns set out in legislation. The latter stipulate that the portion of distributable profit allocated to dividends or profit contributions is calculated based on the actual return on equity (ROE), as defined in paragraph 151 of Resolution No. 665 of the Government of the Republic of Lithuania.

Seven SOEs were unable to allocate financial returns to shareholders due to previously accumulated undistributed losses. In such cases, the dividend indicator is treated as irrelevant and is not included in the assessment results.

The case of **UAB Valstybės investicinis kapitalas** is exceptional: although the company did not generate any real cash income during the period 2022–2024 due to the nature of its activities, it ended the reporting year profitably due to the revaluation of financial assets. Thus, the company's accounting ROE reached 7.8% in 2024, and according to the established dividend policy, it would have formally had to allocate 70% of its distributable profit to dividends, which would amount to EUR 4.8 million. However, considering that the profit was only accounting profit and there were no real financial inflows, a reasonable decision was made to allocate only a symbolic financial return of 0.5 per cent, amounting to EUR 34,500.

No.	SOE	Long-term profitability		Optimal capital structure		Dividends/profit contributions	
		Established	Achieved	Set	Achieved	Set	Achieved
1.	AB Ignitis Group	Annual adjusted return on capital employed ROCE $\geq$ 5.5 %	9.0%	Annual net debt to adjusted EBITDA ratio $\leq$ 5 times	3.05	Dividends allocated to all shareholders for the calendar year $\geq$ EUR 95.7 million	EUR 96.0 million
2.	UAB EPSO-G	Average annual return on equity (ROE) in 2022–2024 $\geq$ 4.7 %	6.5%	Average annual net debt to EBITDA ratio in 2022–2024 $\leq$ 8.2 times	– 0.82	0.5 per cent of annual distributable profit	0.65 % or EUR 196.2 thousand
3.	AB KN Energijos	Average annual adjusted EBITDA for 2022–2024 $\geq$ EUR 33.9 million	39.9 million euros	Annual financial debt to equity ratio limit 1.7–3.2 times	2.3	Not less than 70% of adjusted distributable profit	70% or EUR 8.6 million
4.	Ignalina Nuclear Power Plant	Index of efficiency of use of the budget for decommissioning of Ignalina Nuclear Power Plant CPI $\geq$ 1	1.026	Percentage of the Ignalina programme budget allocation in 2024 $\geq$ 70%	73.8%	Not applicable	–
5.	AB Lietuvos geležinkeliai	Average annual adjusted EBITDA margin in 2022–2024 $\geq$ 25 per cent	32.9%	Annual net debt to adjusted EBITDA ratio $\leq$ 6 times	–0.2	Based on the actual ROE of 3.1%, dividends should have been $\geq$ 75% of distributable profit. 96% or EUR 33.3 million	96 per cent or EUR 33.3 million
6.	Klaipėda State Seaport Authority	Annual return on equity ROE $\geq$ 2.1%	4.7%	Annual net debt to EBITDA ratio $\leq$ 4 times	0.61	Dividends allocated for the calendar year $\geq$ 70% of distributable profit	75% or EUR 18.9 million
7.	AB Lietuvos paštas	Annual EBITDA profitability ROE $\geq$ 3%	8.3%	Annual financial debt to equity ratio $\leq$ 0.8 times	0.25 times	Dividends allocated for the calendar year 70–85% of distributable profit	70% or EUR 2.2 million
8.	AB Lithuanian Radio and Television Centre	Annual EBITDA profitability $\geq$ 27%	25.8%	Annual financial debt to equity ratio $\leq$ 1	0.28	Based on the actual ROE of 3.1%, dividends should have been $\geq$ 75% of distributable profit. 75% or EUR 1.18 million	75% or EUR 1.18 million

No.	SOE	Long-term profitability		Optimal capital structure		Dividends/profit contributions	
		Established	Achieved	Set	Achieved	Set	Achieved
9.	AB Smiltynės Perkėla	Average annual EBITDA profitability in 2022–2024 $\geq 23\%$	28.3%	Annual financial debt to equity ratio limit 0.5–1.9 times	1.1	Based on the actual ROE of 15.1%, dividends should have been $\geq 60\%$ of distributable profit. 60% or EUR 761.2 thousand	60% or EUR 761.2 thousand
10.	AB Kelių priežiūra	Average return on equity ROE from commercial activities in 2022–2024 $\geq 6.9\%$	7.03%	Annual financial debt to equity ratio limit of 0.1–0.2 times	Not assessed in 2023	Based on the actual ROE of 6.3%, dividends should have been $\geq 70\%$ of distributable profit. 70% or EUR 3.1 million	70% or EUR 3.1 million
11.	AB Oro navigacija	Adjusted EBIT profitability $\geq 3\%$	8.2%	Annual ratio of financial debt to equity range 0.08 – 0.3 times	0	Based on the actual ROE of 4.8 per cent, dividends should have been $\geq 75\%$ of distributable profit	75% or EUR 2.03 million
12.	AB Lietuvos oro uostai	Annual EBITDA ≥ 17 million EUR	EUR 22.1 million	Annual financial debt to equity ratio limit 1.0–1.5 times	0.41	Based on the actual ROE of 6.6%, dividends should have been $\geq 70\%$ of distributable profit	70% (EUR 6.9 million)
13.	AB Vidaus vandens kelių direkcija	Annual EBITDA > EUR 36 thousand	EUR 425 thousand	Investment financing structure Financing of investments in 2022–2024 with borrowed or EU funds $\geq 50\%$	Average 83%	Dividends allocated depending on the return on equity (ROE)	No dividends allocated due to accumulated losses
14.	AB Via Lietuva	Annual EBITDA $\geq$ EUR 57.0 million	EUR 4.8 million (indicator measuring e-Tolling results, but the project has not been implemented)	Investment financing structure Share of investments made in 2022–2024 with funds other than KPPP funds (borrowed, EU or other) financed $\geq 30\%$	55%	Dividends allocated depending on the return on equity (ROE)	No dividends allocated due to accumulated losses
15.	State Forest Enterprise	Average annual adjusted EBITDA profitability in 2022–2024 $\geq 36.8\%$	51.8%	Ratio of cash and cash equivalents to total assets $\leq 25\%$	45.9%	Average annual profit contribution with atypical taxes in 2022–2024 = EUR 40.5 million	100.9 million
16.	VĮ Turto bankas	Average annual EBITDA for 2022–2024 $\geq$ EUR 4.5 million	10.6 million	Annual financial debt to equity ratio limit 0.1–0.2 times	0.1	Based on the actual ROE of 1.6%, the allocated profit contributions had to be $\geq 80\%$ of distributable profit. 80% or EUR 4.7 million	80% or EUR 4.7 million
17.	UAB Valstybės investicinis kapitalas	Average annual return on equity ROE >0%	4.9%	Not applicable	-	Dividends allocated depending on the return on equity ROE	34.5 thousand euros or 0.5 per cent allocated.
18.	UAB Lietuvos monetų kalykla	Annual EBITDA $\geq$ EUR 0.8 million	EUR 0.094 million	Annual financial debt to equity ratio limit 0.1–0.4 times	0.48 times	Dividends allocated depending on the return on equity (ROE)	No dividends allocated due to accumulated losses
19.	AB Detonas	Average annual EBITDA in 2022–2024 $\geq$ EUR 0.5 million	1.06 million	Annual financial debt to equity ratio limit 0.1–0.3 times	0.12	Based on the actual ROE of 21.1%, dividends should have been $\geq 60\%$ of distributable profit. 60% or EUR 633.8 thousand	60% or EUR 633.8 thousand
20.	AB Viamatika	Average annual return on equity ROE in 2022–2024 $\geq 12\%$	24.6%	Annual financial debt to equity ratio limit 0.1–0.2 times	0.02	Average dividends allocated for the calendar years 2022–2024 $\geq 65\%$ of distributable profit	65% or (in 2024 – EUR 1.6 million)

No.	SOE	Long-term profitability		Optimal capital structure		Dividends/profit contributions	
		Established	Achieved	Set	Achieved	Set	Achieved
21.	VĮ Registrų centras	Annual EBITDA profitability $\geq 21\%$	13%	Annual ratio of financial debt to equity ≤ 0.12 times	0.6	Based on the actual ROE of 6.0%, the profit contribution should have been $\geq 70\%$ of distributable profit. 70% or EUR 1.5 million	70% or EUR 1.5 million
22.	AB Graitės ginkluotės gamykla	Annual EBITDA $\geq$ EUR 2.2 million	EUR 4.7 million	Annual financial debt ratio to EBITDA ≤ 3 times	1.7	Based on the actual ROE of 14.1%, dividends should have been $\geq 65\%$ of distributable profit	65% or EUR 2.02 million
23.	UAB ILTE	Average annual return on equity ROE 2022–2024 $\geq 0\%$	5.9%	Not applicable	-	Average dividends distributed $\geq 75\text{--}85\%$ of distributable profit	2022–2024 average 74.4% (EUR 5.76 million allocated for 2024)
24.	UAB Toksika	Average annual EBITDA in 2022–2024 $\geq$ EUR 1.5 million	EUR 1.72 million	Annual equity to total assets ratio 0.3–0.45 times	0.38	Based on the actual ROE achieved, the dividends allocated had to be $\geq 70\%$ of the distributable profit.	95% or EUR 552.5 thousand
25.	UAB Lithuanian Exhibition and Congress Centre Litexpo	2024 EBITDA $\geq$ EUR 1.3 million	EUR 0.6 million	Annual financial debt to equity ratio 2024 threshold 0.6–1.4 times	0.5	Dividends allocated depending on the return on equity (ROE)	No dividends due to losses incurred
26.	AB Regitra	Average annual net profit in 2022–2024 $\geq$ EUR 2.7 million	EUR 4.37 million	Annual ratio of financial debt to equity ≤ 0.04 times	0.18	Based on the actual ROE of 30.0%, dividends should have been $\geq 60\%$ of distributable profit. 63% or EUR 409.3 million	63% or EUR 409.3 million
27.	AB Jonavos grūdai	Average annual EBITDA in 2022–2024 $\geq$ EUR 900 thousand	1.18 million EUR	Annual ratio of total liabilities to equity ≤ 1.5 times	1.19	Dividends allocated for the calendar year 2024 $\geq$ EUR 297 thousand	391,000 EUR
28.	AB Lietuvos veislininkystė	Average annual net profitability in 2022–2024 $\geq 7.0\%$	1.2%	Annual ratio of total liabilities to equity limit 0.15–0.2 times	0.22	Dividends allocated depending on the return on equity (ROE)	Not allocated due to losses incurred
29.	UAB Lietuvos žirgynas	Average annual net profitability in 2022–2024 $\geq 2.4\%$	0.2%	Annual ratio of total liabilities to equity ≤ 0.7 times	0.62	Dividends allocated depending on the return on equity (ROE)	Not allocated due to accumulated losses
30.	UAB Genetiniai ištekliai	Average annual operating profitability in 2022–2024 $\geq 2.8\%$	-1.2%	Annual ratio of total liabilities to equity 0.2–0.3 times	0.17	Based on the actual ROE of 0.8%, dividends should have been $\geq 85\%$ of distributable profit. 85% or EUR 21.2 thousand	85 per cent or EUR 21.2 thousand
31.	UAB Pieno tyrimai	Average annual return on equity ROE in 2022–2024 $\geq 5\%$	7.6%	Annual ratio of total liabilities to equity 0.2–0.3 times	0.3	Average dividends allocated for the calendar years 2022–2024 70–75% of distributable profit	85% or EUR 350,000 allocated

Note: No long-term key performance indicators were set for UAB Būsto paskolų draudimas and VĮ Žemės ūkio duomenų centras for the period 2022–2024.

In addition to the main long-term (set for a three-year period) financial performance indicators, SOEs must also set **short-term specialised financial and non-financial performance indicators** each year and include them in their strategic business plans. These indicators are mutually agreed between the SOEs, the institution representing the shareholder and the VKC and are reviewed annually, i.e. the aim is to ensure that both the sets themselves and their target

values reflect up-to-date information on the activities of SOEs. The approved indicators are published on the FMC website, except for those set for listed SOEs due to the high sensitivity of the information disclosed to the public.

All information about the approved specialised indicators for SOEs (except for listed SOEs) is available on the VKC website at: <https://gov-ernance.lt/apie-imonas/vvi-sarasas/>

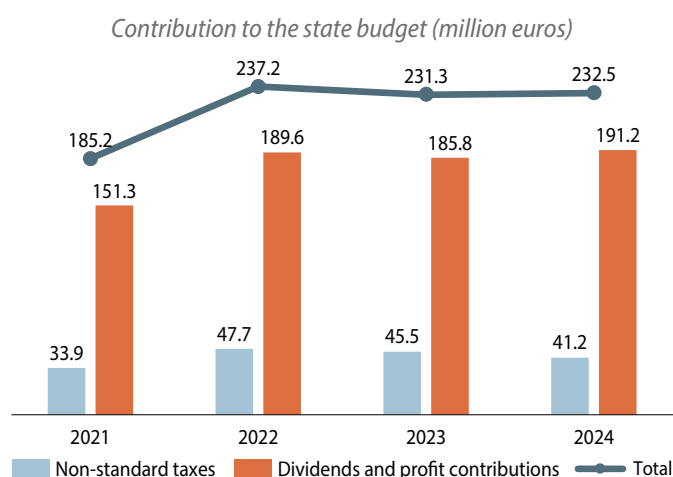
Contribution of SOEs to the state budget

The procedure for paying dividends from state-owned companies and profit contributions from state-owned enterprises is regulated by the Law on Joint Stock Companies of the Republic of Lithuania, the Law on State and Municipal Enterprises of the Republic of Lithuania, and the *Ownership Guidelines*. 2022 was the first year when the allocation of dividends and profit contributions depended on the individual key financial performance indicators for SOEs approved by the Government's resolution for the period 2022-2024, which also include dividends. Dividends and profit contributions allocated to SOEs for their 2024 performance are assessed in accordance with Government Resolution No. 509 of 18 May 2022 Government Resolution No. 509 "On the Approval of Key Financial Performance Indicators for State-Owned Enterprises for the Period 2022-2024" (hereinafter referred to as the KPI Resolution), which approved a set of long-term financial performance indicators and their target values for a three-year period.

In cases where the KPI Resolution does not specifically set the target dividend or profit contribution indicator, the calculated amount of dividends of state-owned companies for each calendar year cannot be less than that specified in the *Ownership Guidelines* – the majority of SOEs have opted for a dividend calculation linked to the return on equity achieved in the reporting year. SOEs pay dividends or profit contributions from the distributable profit for the reporting year. According to the *Ownership Guidelines*, the higher the ROE for the reporting year, the lower the percentage of the distributable profit for the reporting year that SOEs must pay to the state budget. Dividends paid by state-owned companies are calculated on the basis of the company's distributable profit, not the consolidated distributable profit of the group of companies.

The portion of distributable profit for the reporting year allocated to dividends or profit contributions	Return on equity for the reporting year
85	Does not exceed 1%
80	Greater than 1 per cent but not exceeding 3 per cent
75	More than 3%, but not exceeding 5%.
70	Greater than 5 per cent but not exceeding 10 per cent
65	Greater than 10 per cent but not exceeding 15 per cent.
60	Greater than 15 per cent

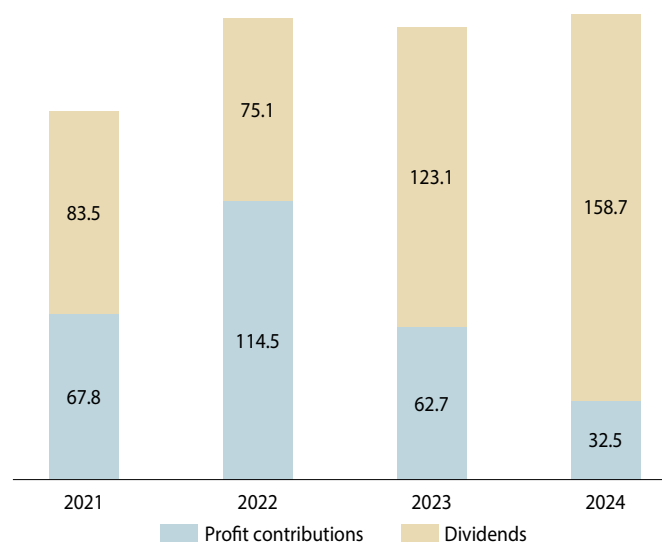
For the results of 2024, SOEs allocated EUR 191.3 million in dividends and profit contributions to the state budget, i.e. 3.0% more than a year ago, when EUR 185.8 million was allocated for the period of 2023. Twenty-five companies, 22 of which are public or private limited liability companies, are expected to contribute to the state budget for the reporting year 2024. Non-standard taxes, which are also counted as contributions to the state budget, were allocated EUR 41.3 million for 2024, which is EUR 4.3 million or 9.4% less than for the previous reporting period.



Seventeen SOEs, i.e. five more than a year ago, allocated higher dividends or profit contributions for the results of the reporting year. Nine SOEs showed the opposite trend, i.e. they allocated less. The largest negative changes in the allocation of dividends or profit contributions were recorded by three SOEs: **VĮ Valstybių miškų urėdija**, **AB Regitra** and **AB Lietuvos paštas** – together, they planned to contribute EUR 28.9 million to the state budget for the 2024 results, compared to EUR 62.3 million a year ago. Of the three companies mentioned, the most significant changes were in the results of the **State Forest Enterprise**, which meant that the profit contribution allocated for 2024 was more than half, or €32.6 million, less than a year ago. Properly managed threats of war in Ukraine related to international sanctions led to a recovery in companies in the transport sector. This had a particularly significant impact on the financial situation of **Lietuvos Geležinkeliai AB**, which allocated a significant dividend of EUR 33.3 million for the 2024 results to – the second largest dividend amount allocated in the entire SOE portfolio (after Ignitis Group AB). A significantly larger share of the profit, which increased from EUR 5.2 million to EUR 5.7 million, was allocated to dividends by **UAB ILTE**, while **VĮ Turto bankas**, whose profit contributions for 2024 amounted to EUR 4.7 million, also contributed the most to the state budget over the last four years. For several years now, it has been observed that a properly diversified portfolio of state-owned enterprises continues to guarantee a stable contribution to the budget – during the period under review, the largest contribution was made by **AB Ignitis grupė**, which allocated a consistently increasing annual dividend of EUR 72.0 million for the results of the reporting period. With the new individualised dividend policy of **AB Ignitis Group** (which is also reflected in the KPI resolution) coming into force on 4 September 2020, the company's dividend allocation is fixed and steadily growing, with dividends paid each year being 3 per cent higher than in the previous reporting period. **AB Kelių priežiūra**, which has been profitable for the second year in a row, allocated dividends for the first time in the four-year period under review: it allocated EUR 3.1 million for 2024.

It should be noted that some companies have been granted exemptions and, in accordance with the law, have had their dividend or profit contributions reduced or have been exempted from these payments altogether. Pursuant to Government Resolution No. 208 of 29 March 2023 "On dividends paid by **UAB EPSO-G** for shares owned by the state" the Ministry of Energy, as the manager of UAB EPSO-G shares, is tasked with deciding each year from 2023 to 2027 to allocate 0.5% of the company's distributable profit to dividends paid by the company for 2012-2026 (in cases where it participates in the implementation or execution of projects of special national importance recognised by decisions of the Government or the Seimas).

Dividends and profit contributions of SOEs (million euros)



In 2024, state-owned enterprises paid EUR 41.2 million in non-standard taxes to the state budget, 9.4% less than in 2023. These taxes, which are paid only by companies with the legal form of state-owned enterprises (the number of which is decreasing every year), consisted of:

- tax for the use of state property under a trust agreement (property tax);
- mandatory deductions to the state budget from income from

the sale of raw timber and uncut forest (raw material tax) to meet general forestry needs and general state budget needs.

Traditionally, **the State Forest Enterprise** paid the largest amount of non-standard taxes to the state budget in 2024 – the property and raw material tax paid amounted to EUR 40.7 million, or 98.8% of all non-standard taxes paid in the reporting year.

Below is information on dividends or profit contributions allocated to the state by individual SOEs operating at the end of 2024.

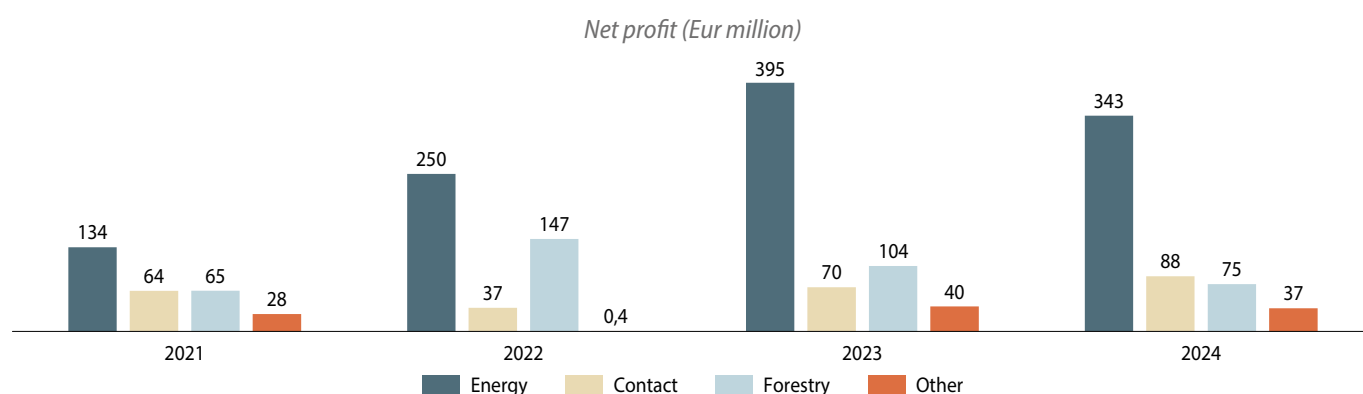
Company	Dividends and profit contributions allocated for the year (state share), EUR thousand		Change, per cent
	2023	2024	
AB Ignitis Group	69	71,981.4	+3
UAB EPSO-G	196.2	392.3	+100.0
AB KN Energies	3,623.5	6,248.4	+72.4
VĮ Ignalinos atominė elektrinė	0	0	-
VIA Lietuva	0	0	-
AB Lietuvos geležinkeliai	13,022.2	33,283.9	+155.6
AB Lietuvos paštas	3,067.9	2,167.0	-
AB Lietuvos radijo ir televizijos centras	1,705.2	1,180.3	-30.8
AB Smiltynės Perkėla	511.1	753.5	+47.4
AB Kelių priežiūra	0	3,125.4	-
AB Oro Navigacija	2,295.9	2,028.1	-
AB Klaipėdos valstybinio jūrų uosto direkcija	19,555	18,977.1	-
AB Lietuvos oro uostai	5,147.6	6,942.9	+34.9
AB Vidaus vandens kelių direkcija	0	0	-
VĮ Valstybinių miškų urėdija	58,845.3	26,278.8	-
UAB Būsto paskolų draudimas	8	9	+7.9
VĮ Turto bankas	329	4,733.1	+1338.6
UAB Valstybės investicinis kapitalas	0	34	-
UAB Lietuvos monetų kalykla	0	0	-
AB Detonas	422	633.8	+50.2
VIAMATIKA	1,450.4	1,592.6	+9.8
VĮ Registrų centras	58	1,504.9	+2476.8
AB Giraitės ginkluotės gamykla	516.6	2,022.5	+291.5
UAB ILTE	573.2	5,762.8	+905.4
UAB Toksika	225.2	522.4	+131.9
UAB Lietuvos parodų ir kongresų centras LITEXPO	0	0	-
AB Regitra	3,436.2	428.0	-87.5
AB Jonavos Grūdai	390.5	274.4	-29.7
AB Lietuvos veislininkystė	97.3	0	-
UAB Lietuvos žirgynas	0	0	-
UAB Genetiniai ištekliai	35	21	-
VĮ Žemės ūkio duomenų centras	0	0	-
UAB Pieno tyrimai	306	350.3	+

Net profit

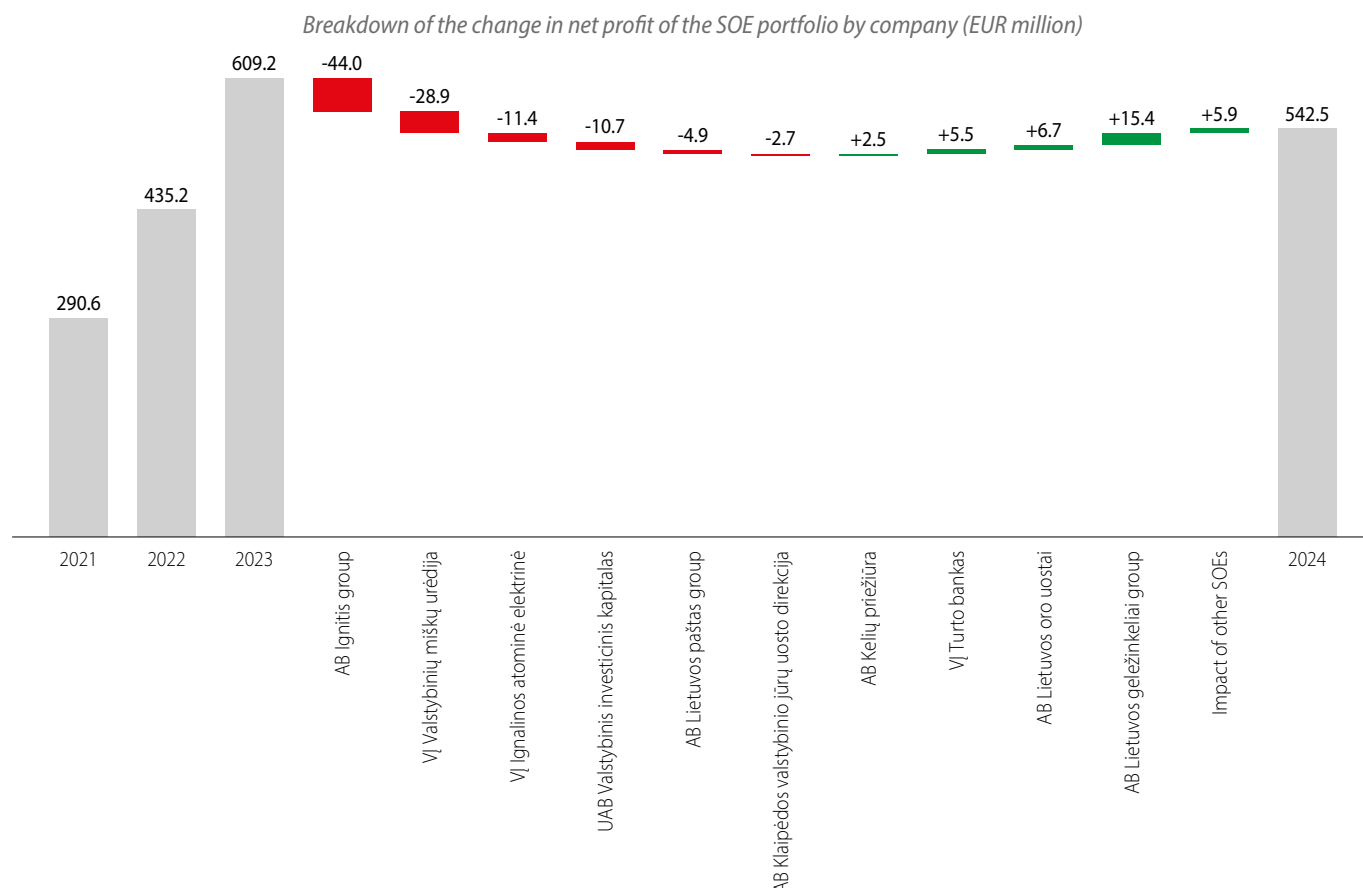
In 2024, the net profit of the SOE sector decreased by 10.9 per cent, with the change being driven by the energy and forestry sectors

In 2024, SOEs earned EUR 542.5 million in net profit, i.e. 10.9% or EUR 66.7 million less than in 2023. Historically, the largest share of the total SOE result was earned by companies **in the energy sector**, but in the reporting year, the net profit of companies in this sector contracted by 13.2% and amounted to EUR 343.0 million at the end of 2024, which accounted for 63.2% of the total SOE result. AB Ignitis Group had a particularly significant impact on the decline in the sector's profit, with its 13.8% decline in net profit accounting for 50.9% of the total SOE result. Net profit also declined **in the forestry sector**, represented by the State

Forest Enterprise. The company generated a net profit of EUR 75.1 million in the reporting year, i.e. 27.8% less than in 2023. The only positive change in net profit was **in the transport sector**, which contributed €87.7 million to the overall SOE result, i.e. 24.8% more than in the previous period. The change was driven by the Lietuvos Geležinkeliai group of companies, which earned EUR 37.0 million in the reporting year, a whopping 71.1% more than in 2023. The change in the net result **of other companies in the sector** was negative, although the companies earned a total of EUR 36.7 million, which was 7.5% less than in 2023.



Below is information on changes in the net profit of the SOE portfolio (in millions of euros), broken down by the companies that had the greatest impact on the overall portfolio results.



-
- ↓ **Ignitis Group AB, which accounted for more than half of the total annual result of the SOE portfolio, had a net profit of EUR 276.2 million, which was 13.8% lower than in the previous financial year.** The change was mainly due to increased financial expenses as a result of a 22.4% increase in net debt. However, although the change in net profit was negative, the operating profit margin increased by 1.4 percentage points to 15.2% in the reporting year. This was influenced by a decrease in the cost of sales.
-
- ↓ **The State Forest Enterprise ended the reporting year with a net profit of EUR 75.1 million, but this was 27.8% less than in the previous year, when the Company's annual result reached EUR 104.0 million.** The change was due to lower timber sales prices, as the company's results are heavily dependent on timber prices on international markets and dynamics at Lithuanian auctions. In 2024, the average price per cubic metre of raw timber was 14.5% lower than in 2023. The impact of prices on the annual result was mitigated by higher volumes of raw timber sold from the stocks accumulated in forest warehouses at the end of 2023. Not only did the amount of net profit earned decrease, but so did net profitability: from 36.0 % in 2023 to 27.5% in 2024.
-
- ↓ **Ignalina Nuclear Power Plant, which generates almost no real income due to the nature of its activities, recorded a net loss of EUR 3.4 million in 2024.**
-
- ↓ **The net profit of UAB Valstybinis investicinis kapitalas decreased by EUR 10.7 million in the reporting year and amounted to EUR 8.1 million.** The main reason for the decrease in net profit was a lower increase in the value of long-term financial assets than in the previous reporting period.
-
- ↓ **The Lithuanian Post Group ended the year with a net profit of €241,900, which is €4.9 million less than in 2023.** The change was due to a 4.7% increase in sales costs. The largest share of costs (44.3%) was employee-related costs. In 2024, these costs increased by €0.6 million due to an increase in the minimum monthly wage, annual salary reviews and the hiring of new employees at subsidiaries in Latvia and Estonia that began operations in 2024. Short-term transport rental and related costs also increased by EUR 1.1 million during the reporting year, driven by expenses incurred in connection with the return of vehicles. The largest increase, amounting to EUR 1.5 million, was in the depreciation and amortisation of fixed assets due to investments in new parcel terminals and software, as well as the conclusion of lease agreements. The net profit margin decreased by 5.0 percentage points in the reporting year and amounted to 0.2%.
-
- ↓ **The net profit of Klaipėda State Seaport Authority decreased by 9.5 per cent to EUR 25.3 million in 2024.** Due to the investment projects implemented by the company, a negative income tax was calculated for 2023-2024, which had an impact on the net profit for the reporting period. The company's net profit margin decreased by 5.7 percentage points to 42.0%.
-
- ↑ **AB Kelių priežiūra ended the reporting year with a net profit of EUR 7.0 million, which is EUR 2.5 million more than in 2023.** The change was driven by higher sales revenue, slower growth in cost of sales than sales revenue, the sale of assets not used in the company's operations, and other non-typical activities of the company, which had a positive impact. The Company's net profit margin increased by 1.6 percentage points to 5.1%.
-
- ↑ **The net profit of Turto bankas increased to EUR 5.9 million.** This was influenced by increased sales revenue due to higher rental income from centrally managed real estate, which was driven by changes in tax regulations. Revenue from the management of state-owned real estate also increased, driven by the sale of state-owned real estate and associated state-owned land plots that were deemed unnecessary and did not meet the needs of state property managers in performing their state functions. These funds will be used to finance state property renovation projects.
-
- ↑ **AB Lietuvos oro uostai ended the year with a net profit of €11.2 million, which is almost 2.5 times more than in 2023.** The change in net profit was mainly due to a significant adjustment of income tax for previous periods due to the revaluation of the Company's investment property in 2024.
-
- ↑ **The net profit of the Lietuvos Geležinkeliai group of companies for the reporting year amounted to €37.0 million, the highest in the last four years. The increased sales revenue of the LTG group companies LTG Cargo and LTG Link had a significant impact.** Revenue from freight transport, which accounted for almost two-thirds of the Group's total activity, grew by 8.7% (or EUR 25.0 million) in 2024, mainly due to an increase in transit transport tariffs. Revenue from passenger transport, which amounted to EUR 60.4 million, also had a positive effect on the Group's total turnover, which reached EUR 1.1 billion. Revenue from passenger transport activities, which amounted to EUR 60.4 million, also had a positive effect on the Group's total turnover, which at the end of 2024 amounted to EUR 496.7 million, up 9.9% on the previous financial year. The growth in revenue enabled higher profitability indicators to be achieved: the operating profit margin increased by 3.8 percentage points, EBITDA profitability by 2.6 percentage points, and the net profit margin by 2.7 percentage points.
-
- ↑ **The remaining SOEs collectively earned EUR 99.9 million in net profit in 2024, which is 5.9% more than in 2023.** Most SOEs reported growing net profits: the contribution of the EPSO-G group of companies to the profit of the entire SOE portfolio for the reporting year amounted to EUR 54.9 million, AB KN Energijos – EUR 15.4 million, UAB ILTE – EUR 7.7 million, AB Regitra – EUR 5.1 million, etc. UAB Lietuvos monetų kalykla, VĮ Žemės ūkio duomenų centras and AB Lietuvos veislininkystė operated at a loss in the reporting year.
-

Sustainability

Today, the success of companies is measured not only by their financial results, but also by their contribution to creating a clean, safe and sustainable environment. This change has been driven by stricter sustainability reporting requirements, which oblige organisations to disclose more detailed information related to sustainability.

The European Union (EU) first regulated corporate sustainability reporting in 2014 with the adoption of the Non-Financial Reporting Directive (NFRD). However, in order to ensure that sustainability information is assessed to the same high standard as financial statements, the Corporate Sustainability Reporting Directive (CSRD) was adopted in 2022. This directive not only expanded the scope of information to be disclosed, but also set common standards for sustainability reporting. In addition, it required more companies to prepare sustainability reports in accordance with the European Sustainability Reporting Standards (ESRS), which define in detail how these reports should be structured and presented.

Following the entry into force of the Corporate Sustainability Reporting Directive, its requirements were integrated into Lithuanian national legislation as of 1 July 2024. The new provisions have been incorporated into the Law on Accounting for Companies and Groups of Companies, the Law on Auditing of Financial Statements and Other Assurance Services, and other legislation regulating sustainability reporting, thereby strengthening the principles of business transparency and accountability.

The implementation of the CSRD provisions in the legislation of the Republic of Lithuania was planned in stages. According to the initial requirements, large listed companies had to start applying the CSRD principles as early as 2025 when preparing their reports for 2024. Meanwhile, large companies and groups of companies (with more than 500 employees), as well as listed small and medium-sized companies – participants in the second and third waves of CSRD implementation – will be required to start preparing reports in accordance with European sustainability reporting standards from 2026 and 2027, respectively.

On 26 February 2025, the European Commission presented an Omnibus document aimed at simplifying the regulation of sustainability information disclosure, sustainability due diligence and taxonomy. This document contained proposals to postpone the deadlines

for preparing and submitting reports by two years in order to give companies more time to prepare.

Taking these proposals into account, on 14 April 2025, the European Parliament and the Council adopted Directive (EU) 2025/794, also known as the Stop the Clock Directive. It amends the Corporate Sustainability Reporting and Corporate Sustainability Due Diligence Directives, adjusting the deadlines by which Member States must apply certain requirements for companies to report on sustainability and for due diligence on sustainability.

These amendments are currently being transposed into national law. In 2026, when assessing the sustainability reports of state-owned enterprises, the VKC will take into account the latest regulatory changes and make adjustments to the verification methodology to ensure that the process complies with the new standards and provides clarity in the area of corporate reporting.

At the beginning of 2025, the first sustainability reports of state-owned enterprises prepared in accordance with the CSRD and ESRS requirements were published in Lithuania. AB Ignitis Group and UAB EPSO G Group were among the first to present these reports, as they were included in the first wave of CSRD application. In addition, some companies, such as KN Energies AB, decided to voluntarily apply the new standards, demonstrating their initiative and commitment to transparency in the area of sustainability. In 2025, when assessing the sustainability reports of state-owned companies for 2024 for the purpose of compiling the good governance index, the VKC will analyse whether they comply with the new CSRD requirements. Meanwhile, companies that do not fall within the scope of the CSRD will be subject to a simplified assessment methodology based on EFRAG's voluntary guidelines adapted for medium-sized and small companies. This differentiated approach will ensure a proportionate assessment and encourage companies to gradually improve the quality of their sustainability reports.



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Company	Sales revenue		Net profit		Dividends/Profit contributions		Assets		Equity	
	EUR Thousand	Share in portfolio (%)	EUR Thousand	Share in portfolio (%)	EUR Thousand	Share in portfolio (%)	EUR Thousand	Share in portfolio (%)	EUR Thousand	Share in portfolio (%)
 AB Ignitis Group	↓ 2,307,024	52.9%	↓ 276,154	50.9%	↑ 71,981	37.6%	↑ 5,706,041	41.3%	↑ 2,436,759	39.1%
 UAB EPSO-G group	↑ 480,888	11.0%	↑ 54,887	10.1%	↑ 392	0.2%	↑ 1,207,780	8.7%	↑ 361,193	5.8%
 AB KN Energies	↑ 93,655	2.1%	↑ 15,366	2.8%	↑ 6,248	3.3%	↓ 535,174	3.9%	↑ 163,128	2.6%
 VĮ Ignalinos atominė elektrinė	↓ 91	0.0%	↓ -3,397	-0.6%	0	0.0%	↓ 232,015	1.7%	↓ 27,574	0.4%
 AB Lietuvos geležinkeliai group	↑ 496,741	11.4%	↑ 37,023	6.8%	↑ 33,284	17.4%	↑ 2,694,443	19.5%	↑ 1,197,208	19.2%
 AB Lietuvos paštas Group	↑ 99,370	2.3%	↓ 242	0.0%	↓ 2,167	1.1%	↓ 120,297	0.9%	↓ 34,414	0.6%
 AB Kelių priežiūra	↑ 135,778	3.1%	↑ 6,962	1.3%	↑ 3,125	1.6%	↑ 158,364	1.1%	↑ 114,291	1.8%
 AB Oro navigacija	↑ 32,110	0.7%	↓ 2,442	0.5%	↓ 2,028	1.1%	↓ 64,638	0.5%	↑ 51,111	0.8%
 AB Klaipėdos valstybinio jūrų uosto direkcija	↑ 60,316	1.4%	↓ 25,303	4.7%	↓ 18,977	9.9%	↑ 839,440	6.1%	↑ 535,775	8.6%
 AB Lietuvos oro uostai	↑ 65,471	1.5%	↑ 11,202	2.1%	↑ 6,943	3.6%	↑ 396,288	2.9%	↑ 176,730	2.8%
 VĮ Valstybinių miškų urėdija	↓ 272,851	6.3%	↓ 75,076	13.8%	↓ 26,279	13.7%	↓ 300,960	2.2%	↓ 220,765	3.5%
 VĮ Registru centras	↑ 62,060	1.4%	↑ 2,355	0.4%	↑ 1,505	0.8%	↑ 97,899	0.7%	↑ 36,651	0.6%
 AB Via Lietuva	↑ 22,248	0.5%	↑ 2,018	0.4%	0	0.0%	↑ 132,420	1.0%	↑ 16,723	0.3%
 AB Regitra	↑ 33,626	0.8%	↑ 5,149	0.9%	↓ 428	0.2%	↑ 26,104	0.2%	↑ 17,729	0.3%

↑ Represents a positive change;

↓ Represents a negative change;

Company	Employees		Structure of collegial management and supervisory bodies (02/05/2025)						ROE (%)
	Units	Share in portfolio (%)	On the board		Share in the company (%)	Supervisory board		Share in the company (%)	
			Independent	Total		Independent	Total		
 AB Ignitis Group	↑ 4,688	17.7%	0	5	0.0%	5	7	71.4%	↓ 11.8%
 UAB EPSO-G group	↑ 1,353	5.1%	3	5	60.0%	-	-	-	↓ 16.4%
 AB KN Energies	↑ 395	1.5%	4	5	80.0%	2	1	66.7%	↑ 9.8%
 VĮ Ignalinos atominė elektrinė	↓ 1,511	5.7%	3	4	75.0%	-	-	-	↓ -11.6%
 AB Lietuvos geležinkeliai group	↓ 5,703	21.5%	5	7	71.4%	-	-	-	↑ 3.1%
 AB Lietuvos paštas Group	↓ 2,491	9.4%	4	5	80.0%	-	-	-	↓ 0.7%
 AB Kelių priežiūra	↑ 2,214	8.4%	3	4	75.0%	-	-	-	↑ 6.3%
 AB Oro navigacija	↑ 307	1.1%	3	4	75.0%	-	-	-	↓ 4.8%
 AB Klaipėdos valstybinio jūrų uosto direkcija	↑ 221	0.8%	0	4	0.0%	2	4	50.0%	↓ 4.7%
 AB Lietuvos oro uostai	↑ 736	2.8%	4	5	80.0%	-	-	-	↑ 6.3%
 VĮ Valstybinių miškų urėdija	↓ 2,311	8.7%	3	4	75.0%	-	-	-	↓ 39.6%
 VĮ Registru centras	↓ 1,563	5.9%	4	6	66.7%	-	-	-	↑ 6.6%
 AB Via Lietuva	↑ 319	1.2%	3	4	75.0%	-	-	-	↑ 12.1%
 AB Regitra	↑ 576	2.2%	3	4	75.0%	-	-	-	↑ 30.5%

AB Ignitis grupė

www.ignitisgrupe.lt



Production and supply of electricity and heat, import and export, distribution and trade of electricity, supply and distribution of natural gas, as well as servicing and development of the electricity sector

The group consists of AB Ignitis gamyba (100% shareholding) and its subsidiary; AB Energijos skirstymo operatorius (100%), UAB Ignitis (100%) and its subsidiaries; UAB Elektroninių mokėjimų agentūra (100%), UAB Vilniaus kogeneracinė jėgainė (100%), UAB Kauno kogeneracinė jėgainė (51%), UAB Ignitis grupės paslaugų centras (100%), UAB Transport Management (100%), UAB Production Optimisation (100%), UAB Ignitis Renewables (100%) and its subsidiaries.

Key financial performance indicators set by the state for the period 2022–2024:

• Adjusted return on capital employed (ROCE):

2022 ≥ 5.0 %

2023–2024 ≥ 5.5 %

• Annual net debt to adjusted EBITDA ratio:

2022–2024 ≤ 5 times

• Dividends paid to all shareholders for the calendar year (minimum 3% growth per annum):

2022 ≥ EUR 90.2 million

2023 ≥ EUR 92.9 million

2024 ≥ EUR 95.7 million

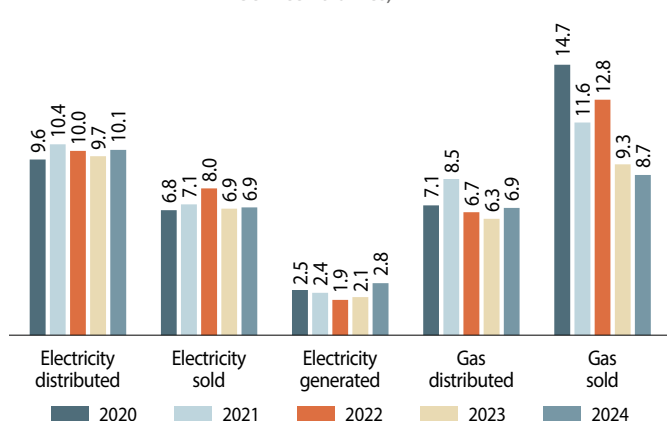
KEY EVENTS:

- **March** Silesia VP I (50 MW) in Poland commenced commercial operations;
- **May** Vilnius KJ biofuel unit in Lithuania reached full commercial operation (71 MWe, 170 MWth).
- **July** Tauragė CHP (22.1 MW) in Lithuania commenced commercial operations;
- **August** S&P Global Ratings affirmed the Group's BBB+ credit rating with a stable outlook.
- **In September** Kelmė VP (300 MW) in Lithuania supplied its first electricity to the grid.
- **In September**, a final investment decision was made on the Tumė SP (174 MW) in Latvia.
- **November** Silesian VP II (137 MW) in Poland supplied its first electricity to the grid.

The amount of electricity distributed in 2024 increased by 3.5 % and reached 10.07 TWh. The Group's electricity sales were 0.06 TWh, i.e. 0.8 % higher than in the previous reporting period, and reached 6.94 TWh. There was an increase in sales to business and private customers, which was driven by an overall increase in consumption in the region. In 2024, the Group's net electricity generation increased by 36.5% to 2.83 TWh, of which 81.5% was green energy. The growth in electricity generation was driven by the production of new capacity, including Mažeikiai VP, Silezijos VP I and the Vilnius KJ biofuel unit (green capacity). In 2024, the volume of natural gas sold reached 8.71 TWh, which was 0.58 TWh (6.3 %) less than in the previous year due to lower sales on the wholesale market. The Group distributed 6.91 TWh of natural gas, i.e. 9.3 % or 0.59 TWh more than in the previous period, due to increased production volumes of industrial companies using gas.

In 2024, the Group's key electricity quality indicators deteriorated during the reporting period. The SAIFI indicator, which shows the frequency of unplanned interruptions per customer, was higher than in the previous year and reached 1.41 times (1.35 times in 2023), while the SAIDI indicator, which shows the average duration of unplanned power outages, increased to 399 minutes (121 minutes in 2023). The Group's main sources of income are four business segments. During the reporting period, the Group's sales revenue decreased by 9.5% and amounted to EUR 1,000 million.

Service volumes, TWh



Head of the Company
Darius Maikštėnas

Chairman of the Board
Alfonso Faubel

↓ Net profit decreased by EUR 44.0 million, or 13.8%.

↑ Dividends allocated to the state in 2024 remained stable and amounted to EUR 72.0 million

↑ 13.7 percent more fixed assets recorded

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023*	2024*	CHANGE
Sales revenue	2,549,050	2,307,024	-9.5%
Cost of goods sold	1,757,691	1,444,691	-17.8%
Gross profit (loss)	791,359	862,333	+9.0%
Cost of sales	439,181	512,364	+16.7%
General and administrative expenses	0	0	-
Other operating results	0	0	-
Financial and investment activities	1,725	-41,688	-
Profit (loss) before tax	353,903	308,281	-12.9%
Income tax	33,702	32,127	-4.7%
Net profit (loss)	320,201	276,154	-13.8%
BALANCE SHEET (EUR THOUSAND)			
	31 DEC 2023*	31 DEC 2024*	CHANGE
Non-current assets	4,215,954	4,750,271	+12.7%
Current assets	998,892	932,861	-6.6%
Cash and cash equivalents	205,261	234,536	+14.3%
Accrued expenses and deferred income	29,408	22,909	-22.1%
Total assets	5,244,254	5,706,041	+8.8%
Equity	2,263,415	2,436,759	+7.7%
Grants, subsidies	300,062	287,514	-4.2%
Provisions	88,276	128,971	+46.1%
Payables and other liabilities	2,259,670	2,512,763	+11.2%
Amounts payable after one year and other long-term liabilities	1,717,540	1,882,746	+9.6%
Financial liabilities	1,563,484	1,779,685	+13.8%
Amounts payable within one year and other current liabilities	542,130	630,017	+16.2%
Financial liabilities	69,342	67,105	-3.7%
Accrued expenses and deferred income	332,831	340,034	+2.2%
Total equity and liabilities	5,244,254	5,706,041	+8.8%
RATIOS			
	31 DEC 2023*	31 DEC 2024*	CHANGE
ROA	6.1%	5.0%	-1.1 p. p.
ROE	14.6%	11.8%	-2.8 p. p.
D/E	72.2%	75.8%	+3.6 p. p.
EBITDA	505,274	528,326	+4.6%
EBITDA margin	19.8%	22.9%	+3.1 p. p.
Net profit margin	12.6%	12.0%	-0.6 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)			
	2023	2024	CHANGE
Dividends allocated (state share) per year	69,810	71,980	+3.1%
INFORMATION ABOUT EMPLOYEES			
	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	4,404	4,688	+6.4%
Average monthly salary of manager (gross, euros)**	18,581	23,493	+26.4%
STATE REPRESENTATIVE INSTITUTION			
			OWNED SHARE
Republic of Lithuania, represented by the Ministry of Finance of the Republic of Lithuania			75.0%
Small investors			25.0%
MANAGEMENT (01/04/2025)			
Head of the Company		Darius Maikštėnas	
Chairman of the Board		Darius Maikštėnas	
Members of the Board		Živilė Skibarkienė Jonas Rimavičius Vidmantas Salietis Mantas Mikalajūnas	
Chairman of the Supervisory Board		Alfonso Faubel***	
Members of the Supervisory Board		Judith Buss*** Lorraine Wrafter*** Tim Brooks*** Sian Lloyd Rees*** Aušra Vičkauskienė Ingrida Muckutė	

* Compared to the information published by the Group, there may be discrepancies in the data presented in this table (different distribution between rows) due to the presentation of information in accordance with different accounting standards.

** Including remuneration for the duties of the Chairman of the Board

***Independent member

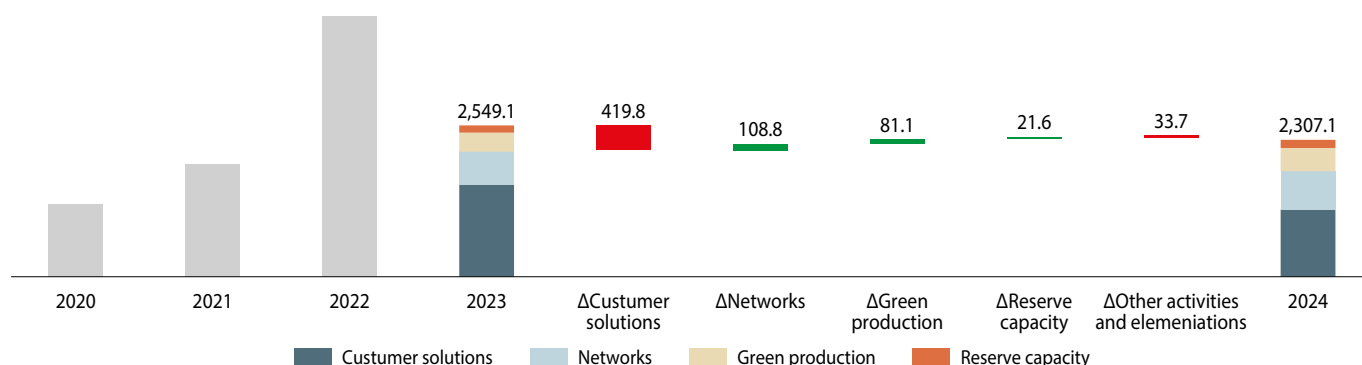
The Group's main sources of income are four business segments. During the reporting period, **the Group's sales revenue decreased by 9.5% to EUR 2,307.0 million**. The main reasons for the negative change in revenue were as follows:

- **Revenue from the customer solutions segment in 2024 was a 25%, or EUR 419.8 million, lower** than in the previous reporting period. Compared to 2023, revenue declined in both natural gas and electricity operations. Revenue from natural gas operations decreased the most (EUR 353.8 million). This was mainly due to a 46.6 % decrease in average supply prices and a 6.3 %

decrease in supply volumes.

- **Revenue from the network segment was €108.8 million, or 18.4 %, higher than in 2023**. The growth was mainly driven by €148.4 million higher revenue related to electricity transmission. This growth was partially offset by a €29.2 million decrease in revenue related to electricity distribution due to lower tariffs set by the regulator. The aforementioned change in tariffs was mainly due to lower costs related to technological losses in electricity distribution, which were significantly affected by the fall in electricity purchase prices.

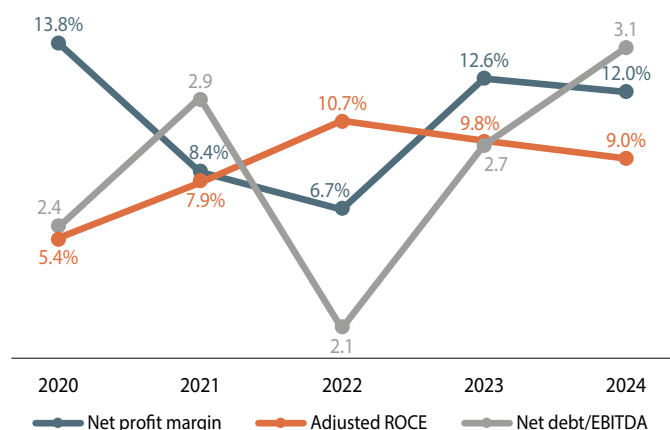
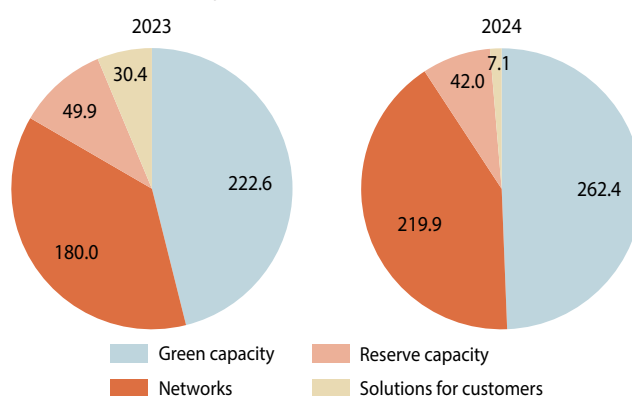
Sales revenue (EUR million)



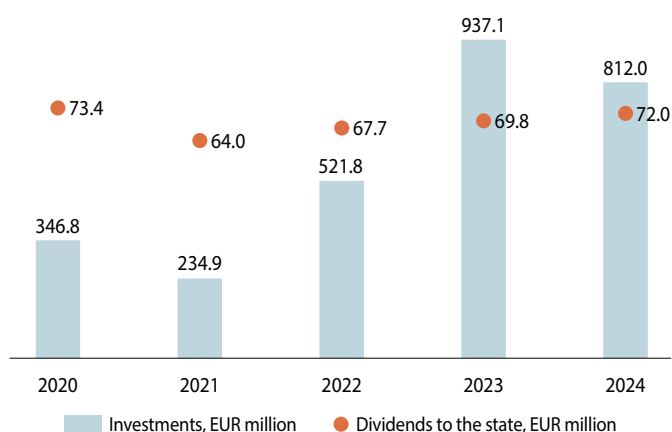
Despite lower sales revenue, **the Group's Adjusted EBITDA grew by 8.9% during the reporting period, reaching EUR 527.9 million**. The growth was mainly driven by improved results in the two largest segments – Green Energy and Networks. The Green Capacity segment contributed significantly to the growth of Adjusted EBITDA as new capacities began operating: Silesian VP I, Vilnius KJ biofuel unit and Tauragė SP, while Kelmė VP and Silesian VP II supplied their first electricity to the grid. The full-year effect of Mažeikiai VP (which commenced commercial operations in August 2023) also contributed to the growth in results. Growth was also driven by higher electricity prices realised due to capacity flexibility. It is important to note that **the Green Capacity segment continues to account for the largest share of Adjusted EBITDA (49.7% of total Adjusted EBITDA)**. Adjusted EBITDA in the Networks segment increased mainly due to the higher WACC (weighted average cost of capital) and RAB (regulated asset base) set by the regulator, which was driven by continued investments in the distribution network. **The reserve capacity segment performed well in both 2024 and 2023**, as opportunities to earn additional returns in the market were exploited in addition to regulated revenues. However, given that the conditions for earning additional returns in the market in Q1 and Q4 2023 were exceptional and generated higher returns, the net result for 2024 was lower than in the previous reporting period. Finally, Adjusted EBITDA in the Customer Solutions segment decreased, mainly due to lower results in the natural gas supply business to business customers, which was most affected by a higher reduction in costs related to inventory write-backs in 2023. The decline

was partially offset by lower losses from electricity supply to private customers and improved results from electricity supply to business customers in Poland. **The negative change in the Group's net profit was significantly influenced by higher financial expenses, driven by a 22.4% increase in net debt.**

Adjusted EBITDA, EUR million



The Group's financial return, or dividends allocated to the state in 2024, amounted to EUR 72.0 million, which is 3.1% more than in 2023. The total amount of dividends allocated in 2024 amounted to EUR 94.5 million, which slightly exceeds the minimum financial target set by the Government of the Republic of Lithuania ($\geq$ EUR 95.7 million). Other target financial indicators were also achieved – **the adjusted return on capital employed (ROCE) in 2024 reached 9.0 %** Although this indicator is 0.8 percentage points lower than in 2023, it exceeds the minimum target value by 3.5 percentage points. **The ratio of net debt to adjusted EBITDA increased to 3.05 times,**



mainly due to the aforementioned increase in net debt, which was caused by dividend payments and negative free cash flow due to increased investments. Despite the increase, this ratio is still lower than the target set by the Lithuanian Government for the period 2022-2024 ($\leq$ 5 times).

The Group's investments in 2024 amounted to EUR 812.0 million, which is 13.3 % less than in 2023. Of all investments in 2024, 80.8 % were invested in projects in Lithuania. More than half of all investments (53.5 %) were directed to the green capacity segment, mainly to the development of new onshore wind farms in Lithuania.

Companies managed by AB Ignitis Group*

Logo	Name and management (2025-05)	Field of activity	Key performance indicators for 2024	Financial results	Managed companies (2025-05)
	Ignitis gamyba CEO: Asta Sungailienė Chairman of the Board: Vidmantas Salietis	Manages and develops strategically important electricity generation capacities in Lithuania – the Kruonis Pumped Storage Power Plant, the Combined Cycle Unit and the reserve power plant at the Elektrėnai Complex, the Algirdas Brazauskas Hydroelectric Power Plant in Kaunas and the Third Vilnius Thermal Power Plant.	In 2024, the power plants managed by the Company generated 1.43 TWh of electricity (net), i.e. 18 % more than in 2023.	Sales revenue – EUR 345.8 million (+12.8 %), EBITDA – EUR 199.1 million (+12.6 %), Net profit – EUR 155.7 million (+13.3 %), Net financial debt/EBITDA – 0.13 times	UAB Ignitis gamyba projektai
	AB Energijos skirstymo operatorius CEO: Renaldas Radvila Chairman of the Board: Nerijus Datkūnas	Distributes electricity and gas, maintains distribution networks, implements smart solutions to ensure network resilience and efficiency, handles fault repairs and connects new customers.	The company owned 131.1 thousand km of power lines and operated 9.72 thousand km of distribution gas pipelines. In 2024, the company distributed 10.07 TWh of electricity and 6.91 TWh of natural gas to its customers. Due to the storm that raged in July, the average duration of unplanned power outages (SAIDI) in 2024 reached 399.2 minutes per customer, i.e. three times more than in 2023. The impact of the July storm on the overall indicator was 75%.	Sales revenue – EUR 703.5 million (+18.3 %), EBITDA – EUR 205.5 million (-30.3 %), Net profit – EUR 62.6 million (-59.5 %), Net financial debt/EBITDA – 4.96 times	-
	UAB Ignitis renewables CEO: Gary Bills Chairman of the Board: Jonas Rimavičius	Manages renewable energy projects in the Baltic States and Poland and is responsible for the efficient operation of wind farms, the maintenance of existing parks and the development of new ones.	In 2024, secured capacity increased to 1,879 MW, with 0.87 TWh of electricity generated during the year.	Sales revenue amounted to EUR 85.2 million (+74.2 %), EBITDA – EUR 39.0 million (+69.3 %), Net profit – EUR 4.6 million (-42.8 %), Net financial debt/EBITDA – 29.4 times	Ignitis Renewables Projektai UAB UAB Ignitis Renewables Projektai 2 UAB Ignitis Renewables Offshore Development UAB Ignitis Renewables Projektai 5 Ignitis Renewables Projektai 6 Ignitis Renewables Projektai 7 Ignitis Renewables Projects 8 Ignitis Renewables Projects 9 Ignitis Renewables Projects 10 Ignitis Renewables Projects 11 EURAKRAS UAB VEJO GŪSIS UAB VEJO VATAS VVP Investment Plungės vėjo energija UAB Vėjas LT WINDLT, UAB UAB Offshore Wind Farm 1 51% UAB ARROW CLUSTER UAB ARROW HOLDCO IGN RES DEV1 SIA IGN RES DEV2 SIA IGN RES DEV3 SIA IGN RES DEV4 SIA IGN RES DEV5 SIA IGN RES DEV6 SIA IGN RES DEV7 SIA Ignitis renewables Latvia SIA SP Venta SIA SIA CVE SIA BRVE Tuuleenergia osuühing Estonia offshore Wind DevCo OÜ 50% Ignitis Renewables DevCo1 OÜ Ignitis Renewables Estonia OÜ Kadrina 1 Energiapark OÜ 50% Pärnu 1 Energiapark OÜ 50% Tõrva 1 Energiapark OÜ 50% Pomerania Wind Farm spz o.o. Silezia1 Wind Farm spz o.o. Silezia2 Wind Farm S.A. Ignitis Renewables Polska spz o.o. Ignitis Res Dev spz o.o. Sunrise 1 spz o.o. Sunrise 2 spz o.o. Sunrise 4 spz o.o. Moray West Holdings Limited 5%
	UAB Ignitis CEO: Artūras Bortkevičius Chairman of the Board: Vidmantas Salietis	Supplies electricity and natural gas to more than 1.4 million customers throughout Lithuania and is gaining an increasing market share in other Baltic countries and Poland. UAB Ignitis is developing a range of smart services, offering electric vehicle charging solutions to the market offers electric vehicle charging solutions, provides electricity balancing services, solar power plant solutions, and other technologically innovative energy solutions.	The total amount of electricity sold on the retail market in 2024 remained almost unchanged at 6.7 TWh. Natural gas sales amounted to 8.7 TWh, which was 6.3 % less than in 2023. On 31 December 2024, there were 1,091 electric vehicle charging points installed in the Baltic countries, three times more than at the end of 2023.	Sales revenue amounted to EUR 1.23 billion (-25.5 %), EBITDA – EUR 39.0 million (negative in 2023), Net profit – EUR 21.5 million (loss incurred in 2023), Net financial debt/EBITDA – negative	Ignitis Eesti OÜ Ignitis Latvija SIA Ignitis Polska sp. z o.o. Ignitis Suomi Oy
	UAB Ignitis Group Service Centre CEO: Irma Kaukienė Chairwoman of the Board: Živilė Skibarkienė	Internal service centre of Ignitis Group. Focuses on repetitive and supporting services or activities, functions or parts thereof that are necessary for the Group to compete quickly and effectively (gain an advantage), save costs, achieve synergy, higher quality, control, transparency, as well as have a centre of expertise and competence capable of serving a global organisation.	In 2024, with the implementation of more ambitious goals, a service management maturity level of 3.51 points was achieved. The overall average annual rating of the Company's service recipients' experience (service quality) remained high at 9.2 points. The Company's eNPS grew to 53.2%.	Sales revenue – EUR 51.4 million (+26.6 %), EBITDA – EUR 9.8 million (+41.5 %), Net profit – EUR 2.0 million (+85.8 %), Net financial debt/EBITDA – 1.59 times	-

Logo	Name and management (2025-05)	Field of activity	Key performance indicators for 2024	Financial results	Managed companies (2025-05)
	UAB Electronic Payments Agency CEO: Jurgita Blažienė Chairman of the Board: Andrius Kavaliauskas	The company collects payments for household services such as electricity, gas, water, heating, home maintenance, communications, waste disposal and security via the websites mano.ignitis.lt and e.ignitis.lt.	Currently, the self-service website e.ignitis.lt allows payments to be made to all major utility providers, but the network of partners, which currently numbers over 300, continues to expand.	Sales revenue – EUR 0.9 million, Net profit – EUR 0.2 million.	-
	Vilnius Cogeneration Power Plant CEO: Mantas Burokas Chairman of the Board: Mantas Mikalajūnas	The only power plant in Lithuania that uses both biofuel and waste boilers to generate heat and electricity. VKJ is capable of supplying heat energy to almost half of Vilnius and will utilise municipal waste that is unsuitable for recycling in the capital and the Utena region.	The Vilnius power plant produced a total of 0.37 TWh of electricity, including 0.24 TWh from biofuel. The amount of heat energy produced reached 1.17 TWh, with 0.78 TWh coming from biofuel.	Sales revenue amounted to EUR 88.8 million (+43.8 %), EBITDA – EUR 38.7 million (+2.8 %), net profit – EUR 17.5 million (-30.4 %), Net financial debt/EBITDA – 5.11 times.	-
	Kaunas Cogeneration Power Plant Company director: Ramūnas Paškauskas Chairman of the Board: Mantas Bartuška	One of the most modern in the Baltic States, Kaunas Cogeneration Power Plant converts household and non-hazardous industrial waste that cannot be recycled after sorting into electricity and heat. The power plant can produce 1/3 of the heat required by Kaunas.	In 2024, the company processed 220.3 thousand tonnes of waste, produced and sold 409.7 GWh of thermal energy (net) and 165 GWh of electricity (net).	Sales revenue amounted to EUR 53.9 million (+0.6 %), EBITDA – EUR 37.0 million (+3.3 %), Net profit – EUR 26.4 million (+4.1 %), Net financial debt/EBITDA – 1.75 times.	-
	UAB Transporto valdymas General Director: Jurgita Navickaitė-Dedeliienė	The company rents, leases, repairs, maintains, renovates and services vehicles.	The company rents and maintains more than 900 vehicles, providing these services throughout the country.	Sales revenue – €5.8 million, Net profit – €1.3 million.	-
	UAB Gamybos optimizavimas Company director: Tomas Tumonis	Engaged in the planning, optimisation, forecasting, trading and trading intermediation of electricity and other energy resources.	The company's main clients are Ignitis Group companies AB Ignitis gamyba, UAB Kauno kogeneracinė jėgainė, UAB Vilniaus kogeneracinė jėgainė and UAB Ignitis renewables.	Sales revenue amounted to EUR 1.1 million. Net loss: EUR 0.1 million.	-

*More detailed individual company results can be found in the list of subsidiaries at the end of this report.

KEY EVENTS IN 2024:

- **AB Energijos skirstymo operatorius** (hereinafter referred to as **ESO**) installed a total of 1.03 million smart electricity meters;
- **UAB Ignitis Renewables** (hereinafter referred to as **REN**): the 50 MW Silesia I wind farm in Poland and the 22.1 MW Tauragė solar park began commercial operations; a final investment decision was made on investments in the 174 MW Tumė solar park in Latvia; construction work completed and first electricity supplied to the grid at the 137 MW Silesia II wind farm in Poland and the 300 MW Kelmė wind farm in Lithuania; grid connections secured for the first electricity storage system projects (<290 MW) in Lithuania; secured land plots for planned hybrid wind farms near solar parks in Latvia (314 MW).
- At the end of the reporting year, **UAB Ignitis gamyba** (hereinafter referred to as **IGG**) began providing new balancing capacity services to Litgrid, the country's electricity transmission system operator, and started trading on the EU balancing energy trading platform.
- During the reporting year, **UAB Ignitis** (hereinafter referred to as **IGN**) opened a total of 55 new electric vehicle charging stations in the Baltic countries and, in the fourth quarter, approved a new business – biomethane trading activities.
- **UAB Vilniaus kogeneracinė jėgainė** (hereinafter – **VKJ**) completed construction and began full operation of its biofuel power plant in May.

Operating results of the largest subsidiaries

REVENUE

IGN's sales revenue for the reporting year was a quarter lower than in the previous year (EUR 1.23 billion), mainly due to a decline in natural gas supply revenue (EUR -353.8 million) as a result of natural gas market prices being approximately 30% lower, while an 8.9% drop in electricity market prices also had a negative impact on sales revenue dynamics in this segment, which fell by EUR 64.2 million.

The main source of ESO's revenue, accounting for 81%, **ESO's** revenue source remained electricity transmission revenue, whose significant 26.3% growth (+€119.1 million) resulted in an 18.3% increase in total revenue – ESO earned a total of €703.5 million from this in 2024.

Increased sales of electricity generated, as well as greater fluctuations in electricity prices, which boosted Kruonio HAE's trading exchange results, increased **IGG's** revenue by 12.7% overall, with the company earning €345.9 million in 2024.

After the construction of the biofuel power plant was completed and it began full operation, **VKJ's** revenue grew by 43.8% in 2024, reaching €88.8 million at the end of the year. Revenue from the supply of electricity and heat accounted for 89.3% of total revenue. The price of electricity sales fell by 40.9% in 2024, while the price of heat fell by 12.6%.

The operation of new wind farms in Lithuania and Poland enabled **REN** to increase its revenue by 74.2% to EUR 85.2 million in the reporting year: most of it was generated in Lithuania, where the full-year effect of the new Mažeikiai wind farm had a significant positive impact.

In 2024, **KKJ's** revenue remained at a similar level to 2023, amounting to EUR 53.9 million, of which the largest share, i.e. 58.1%, was generated by sales of electricity produced.

COSTS, EBITDA AND NET PROFIT (LOSS)

The change in **IGN's** expenses during the reporting year had a positive impact on operating results, mitigating the impact of a significant decline in sales revenue due to wholesale natural gas and electricity prices, 33.7% lower sales costs, which enabled **IGN** to earn a positive EBITDA of EUR 39.0 million and a net profit of EUR 21.5 million.

The regulator's increase in electricity transmission tariffs and higher system service prices had a significant impact on **ESO's** cost dynamics: in 2024, the cost of purchasing electricity and other related services increased 2.3 times, or EUR 181.2 million, which led to a decline in profit margins: reported EBITDA profitability for the reporting year decreased by 20.4 percentage points, and total unadjusted EBITDA amounted to EUR 205.5 million (compared to EUR 294.8 million in 2023). **ESO's** net profit for the reporting year amounted to EUR 62.6 million, or 40.5 % of the previous year's result.

Faster growth in **IGG** revenue during the reporting year offset the impact of a 10.9% increase in cost of sales and a 13.2% increase in operating expenses on operating results, enabling the company to earn EUR 199.9 million in EBITDA, a positive change of 12.9%. The biggest impact on cost dynamics in 2024 was the positive result of effective hedging and the cost of emission allowances used. The change in total operating costs was driven by an increase in payroll costs due to the growth in the number of employees and salary increases, as well as higher real estate insurance and IT service costs. **IGG's** annual net profit at the end of 2024 amounted to EUR 155.7 million, which was 13.3% higher than in the previous year and the highest among all subsidiaries managed by the Ignitis Group.

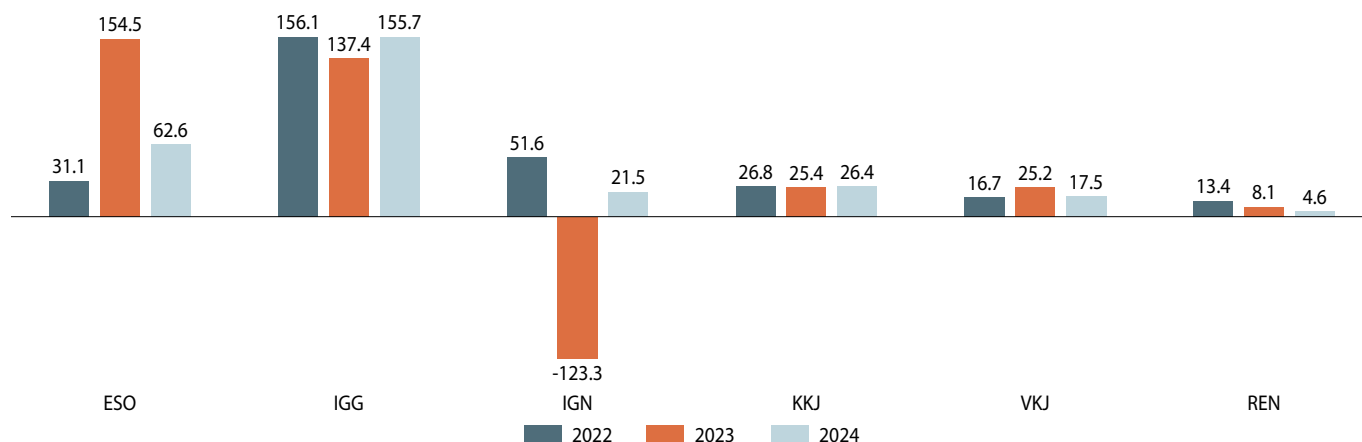
VKJ's cost of sales increased by 139.3% in 2024 due to the purchase of biofuel for the newly commissioned biofuel power plant. These costs increased from EUR 5.9 million to EUR 23.3 million. Electricity and gas purchases remained at a similar level, while power plant repair and maintenance costs and labour costs increased

accordingly – total costs grew by 128.9%. Once the biofuel power plant became fully operational, electricity and heat production increased significantly: electricity sales increased by 197.8% and heat sales by 98.2%. However, despite the significant increase in production volume, the average selling price of electricity decreased by 44.1% and heat by 12.6%, which had a corresponding impact on profit margins: EBITDA profitability was 43.6% (-17.4 percentage points). EBITDA amounted to EUR 38.7 million, which was 2.8% higher than in 2023. Net profit for 2024 amounted to EUR 17.5 million, which was -30.4% or EUR 7.6 million lower than in 2023.

In 2024, with **REN** introducing new facilities, all activity-related costs naturally increased: labour and depreciation costs, repair and maintenance costs, and legal and financial services related to project asset rotation and maritime activities. The financing of new projects with borrowed funds doubled interest expenses, but despite this, the company earned 68.8% more EBITDA (EUR 39 million). Net annual profit amounted to EUR 4.6 million.

Controlled **KKJ** costs and increased electricity sales revenues allowed the company to maintain 3.3% EBITDA growth and achieve EUR 37.0 million in EBITDA and a 4.1% increase in net profit (EUR 26.4 million).

Net profit dynamics of the Group's major subsidiaries, EUR million



ASSETS, EQUITY AND LIABILITIES

Investments made at the beginning of 2024 increased **ESO's** total asset value by 9.9% to EUR 2.4 billion. Although net profit was significantly lower than in 2023, the 4.4% remaining in the company after dividends were paid to shareholders strengthened the capital base – **ESO's** equity capital amounted to EUR 763.3 million at the end of the reporting year. Due to short-term loans under the cash pool agreement, which were more than twice as high, balances and interest payable, **ESO's** total liabilities increased by 12.7% and amounted to EUR 1.65 billion on 31 December 2024, accounting for 68% of the total balance sheet.

The balance sheet value of **IGG's** assets increased by 8.3% during the reporting year due to the dynamics of receivables for balancing and related services, reaching EUR 656.4 million at the end of 2024. The share of net profit remaining after distribution increased the owners' equity by 5.4%. The total value of **IGG's** liabilities was increased by a €55.0 million increase in provisions – the total amount of long-term, short-term, subsidies and provisions at the end of the reporting year amounted to €300.7 million.

At the end of 2024, **IGN** reported assets worth EUR 479.4 million, more than 75% of which were current assets: their value decreased by 15.7% during the reporting year, mainly due to changes in inventories and cash holdings as a result of lower market prices for raw materials.

Due to the payment of EUR 27.7 million in dividends to shareholders, the total value of **VKJ's** assets decreased by 6.3% during the reporting year and amounted to EUR 423.7 million at the end of 2024.

The implementation of investment projects increased **REN's** managed assets by 37.4 %, with a book value of EUR 1.7 billion at the end of 2024, of which EUR 1.4 billion consisted of long-term tangible and intangible assets related to managed wind and solar parks. After the shareholder increased **REN's** authorised capital to EUR 37.6 million (+EUR 18.6 million), the proportion of equity in total ownership increased to 14.6%. The largest part of the balance sheet was made up of long-term financial liabilities – EUR 0.51 billion in borrowed funds was attracted to finance investment projects, and total debt at the end of the reporting year amounted to EUR 1.29 billion.

The structure of **KKJ's** balance sheet changed insignificantly during the reporting year: natural depreciation of fixed assets reduced the book value of assets by 4.0 % to EUR 172.1 million. After the payment of dividends for the 2023 results from retained earnings, the relative weight of equity increased slightly to 41%. Timely loan repayments reduced the company's total financial debt by 6% to EUR 93.5 million.

FINANCIAL INDICATORS AND DIVIDENDS DECLARED

ESO's net debt to EBITDA ratio at the end of 2024 was 4.96 times, which means that the company would need to allocate 5 years' EBITDA to cover all its financial debt. Dividends allocated to shareholders in 2024 amounted to EUR 30.0 million.

The low level of **IGG** debt and growing EBITDA improved the net debt to EBITDA ratio, which reached just 0.13 times in 2024 (compared to 0.32 times in 2023). Higher revenue growth than cost growth led to a slight increase in gross profit and operating profit margins: these ratios reached 67.8% (+0.57 percentage

points) and 52.7% (+0.51 percentage points) in 2024, respectively. The company allocated EUR 137.5 million in dividends to its parent company.

IGN's net financial debt to EBITDA ratio is negative, meaning that at the end of 2024, cash and cash equivalents exceeded financial debt balances. Unlike 2023, the profitable reporting year allowed the company to achieve a positive profit margin: gross profitability reached 6.7 % and EBITDA profitability reached 3.2 %. Due to the accumulated balance sheet loss, the company did not distribute dividends.

The allocation of **VKJ** cash funds to dividend payments increased net financial debt by EUR 14.95 million or +8.19% and caused the net debt to EBITDA ratio to increase by +5.4% to 5.1 times.

The significant increase in liabilities affected **REN's** net financial debt to EBITDA ratio, which rose to 29.4 times and was the highest in the Group. The company's EBITDA margin reached 45.8%. Given the extremely low ratio of equity to total assets and the intensive investment cycle, the company did not pay dividends to shareholders.

KKJ's net financial debt to EBITDA ratio is at a sufficiently safe level, reaching 1.75 times. Profit margins show moderately positive operating results: EBITDA margin increased by 1.84 percentage points to 68.6 % in 2024, while net profit margin increased by 1.59 percentage points to 49.0 %.

INVESTMENTS

In 2024, **ESO's** investments amounted to EUR 337.5 million, with the largest share allocated to the expansion and maintenance of the electricity network: a total of €310.2 million was allocated to connecting new consumers, increasing capacity, installing smart meters, technical network maintenance, etc. **IGG's** investments for the reporting year amounted to EUR 28.2 million, of which EUR 25.1 million was spent on the reconstruction and expansion of the Kruonis Pumped Storage Plant. **IGN's** annual investments amounted to EUR 25.9 million, with the largest share (82%) going towards the development of the Ignitis ON electric vehicle charging network. **VKJ** investments decreased significantly after the completion of the power plant construction and commissioning in 2024, with a total of EUR 8.9 million invested during the reporting year (EUR 53.4 million in 2023). **REN** invested a total of EUR 398.4 million in wind and solar projects in Poland, Lithuania and Latvia during the reporting year. **KKJ**, which invested a total of EUR 1.7 million in 2024, optimised its equipment and installed additional environmental monitoring systems.

Other subsidiaries

UAB Ignitis Paslaugų Centras ended the reporting year with a net profit of EUR 2.0 million, which resulted in a sufficiently strong capital base of 33%. The company is not heavily indebted – the ratio of net financial debt to EBITDA is at a sufficiently safe level of 1.59 times. **UAB Elektroninių mokėjimų agentūra** earned EUR 0.93 million in revenue and EUR 0.2 million in net profit in 2024. **UAB Gamybos optimizavimas** incurred a loss of EUR 88,000 in the reporting year, while **UAB Transporto valdymas** earned a net profit of EUR 1.3 million.

UAB EPSO-G Group

www.epsog.lt

The main activities of the Group are to ensure uninterrupted, stable transmission of electricity through high-voltage networks and transportation of gas through high-pressure pipelines, as well as to ensure the management, maintenance and development of these transmission systems; to organise trading on biofuel and timber exchanges; to ensure the operation of the designated electricity storage system operator and the provision of isolated working reserve services until the completion of the KET synchronisation project.

The group consists of the management company UAB EPSO-G (100% state shareholding) and its direct subsidiaries AB Litgrid (97.5% shareholding) and its associate UAB Baltic RCC OÜ (33.3%), UAB Baltpool (67.0 %) and UAB Tetis (100.0 %), UAB Energy cells (100.0 %), AB Amber Grid (96.6 %) and its associate UAB GET Baltic (34.0 %). UAB EPSO-G also owns 39.6% of the shares in TSO HOLDING AS. In 2024, UAB EPSO-G Invest was established, 51.0% of whose shares are owned by UAB EPSO-G. This company acquired 48% of UAB Rheinmetall Defence Lietuva.

Special obligations - VIAP fund administration activities (performed by UAB Baltpool, a subsidiary of UAB EPSO-G)

Key financial performance indicators set by the state:

• Average annual return on equity (ROE):

2022–2024 ≥ 4.7 %

• Average annual net debt to EBITDA ratio:

2022–2024 m. ≤ 8,2 karto

• Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the Ownership Guidelines, depending on the ROE indicator. The dividend policy exemption applicable to the company has been approved by a resolution of the Government of the Republic of Lithuania, allowing the payment of no more than 0.5% of distributable profit.

KEY EVENTS

• **3 January** European gas transmission system operators participating in the international North and Baltic Hydrogen Corridor project signed an agreement to conduct a feasibility study for a green hydrogen corridor, and on 28 April, the project was granted EU Project of Common Interest (PCI) status.

• **On 30 April**, new boards were elected for a four-year term at the general meetings of Amber Grid and Litgrid shareholders. Two independent members from the German and Danish energy sectors were appointed to the Amber Grid board, and two from the management of German and Belgian electricity transmission operators were appointed to the Litgrid board. International experience will strengthen the management competence of both companies.

• **On 28 May**, the EPSO-G Group joined the Science Based Targets initiative (SBTi). By joining, the Group committed to setting science-based greenhouse gas (GHG) emission reduction targets for 2030.

• **On 4 July**, Litgrid commissioned a new 330 kV substation in Tytuvėnai, which enabled wind farms to be connected to the transmission network. This substation will transmit the largest amount of electricity generated by renewable energy sources in Lithuania – over 600 MW.

• **On 16 July**, the Baltic electricity transmission system operators Litgrid, AST and Elering sent a notice to the Russian and Belarusian operators that the BRELL agreement would not be renewed. The notice states that the agreement will expire on 7 February 2025. On 8 February, the Baltic operators will disconnect the Lithuanian, Latvian and Estonian electricity systems from the IPS/UPS system and begin a joint isolated operation test (I). On 8 February 2025, the Baltic countries' electricity systems successfully disconnected from the IPS/UPS system, and on 9 February, they successfully synchronised their electricity systems with the continental European synchronous area.

• **On 25 July**, following a periodic review of its credit rating, Moody's Ratings confirmed the Baa1 credit rating with a stable outlook for the EPSO-G group of companies. The rating reflects the Group's strong financial position, moderate and balanced debt levels, and stable and diversified revenue streams.

• **On 7 October**, the second biomethane injection point began operating in Lithuania – the Amber Grid transmission system in the Radviliškis district was supplemented with a new biomethane injection point, to which the Agrokoncernas group of companies' biomethane power plant was connected;

• **On 25 October**, the first of three synchronous compensators installed by Litgrid, the Lithuanian electricity transmission system operator, began operating at the Telšiai transformer substation. The launch of the synchronous compensators was the most important step towards securing Lithuania's energy independence in February 2025 – disconnecting from the Russian electricity system and implementing synchronisation with the continental European networks.

• **On 20 December**, representatives of the German defence technology company Rheinmetall, EPSO-G Invest, a company belonging to the EPSO-G group, and representatives of the Giraitė arms factory officially signed a share purchase and shareholder agreement for Rheinmetall Defence Lietuva, UAB, which will build a 155 mm artillery ammunition factory.

EPSO-G



CEO
Mindaugas Keizeris

Chairman of the Board
Robertas Vyšniauskas

- ↑ The value of the Group's current assets increased by a 25.7% to EUR 405.1 million
- ↑ For its 2024 results, the Group allocated twice as much in dividends to the state as it did a year ago
- ↓ The return on equity decreased by 3.7 percentage points to 16.4 %.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	478,887	480,888	+0.4%
Cost of goods sold	274,419	281,480	+2.6%
Gross profit (loss)	204,468	199,408	-2.5%
Cost of sales	0	0	-
General and administrative expenses	167,589	150,475	-10.2%
Other operating results	10,190	0	-
Financial and investment activities	226	-99	-
Profit (loss) before tax	47,295	48,834	+3.3%
Income tax	-6,506	-6,053	+7.0%
Net profit (loss)	53,801	54,887	+2.0%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	756,172	802,672	+6.1%
Current assets	322,285	405,108	+25.7%
Cash and cash equivalents	123,236	101,562	-17.6%
Accrued expenses and deferred income	0	0	+25.7%
Total assets	1,078,457	1,207,780	+12.0%
Equity	307,889	361,193	+17.3%
Grants, subsidies	0	0	-
Provisions	14,738	18,424	+25.0%
Payables and other liabilities	755,830	828,163	+9.6%
Amounts payable after one year and other long-term liabilities	440,820	486,901	+10.5%
Financial liabilities	173,236	161,784	-6.6%
Amounts payable within one year and other short-term liabilities	315,010	341,262	+8.3%
Financial liabilities	33,538	15,731	-53%
Accrued expenses and deferred income	0	0	-
Total equity and liabilities	1,078,457	1,207,780	+12.0%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	5.0%	4.5%	+0.5 p. p.
ROE	20.1%	16.4%	-3.7 p. p.
D/E	67.2%	49.1%	-18.1 p. p.
EBITDA	87,815	94,305	+7.4%
EBITDA margin	18.3%	19.6%	+1.3 p. p.
Net profit margin	11.2%	11.4 %	+0.2 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Dividends allocated (state share)	196	392	+100.0%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	1,261	1,353	+7.3%
Average monthly salary of a manager (gross, euros)	14,354	14,921	+3.9%
STATE REPRESENTATIVE INSTITUTION	OWNED SHARE		
Ministry of Energy of the Republic of Lithuania	100%		
MANAGEMENT (02/05/2025)			
CEO	Mindaugas Keizeris		
Chairman of the Board	Robertas Vyšniauskas*		
Board members	Rasa Balevičienė* Liudas Liutkevičius* Dovilė Kavaliauskė Dainius Bražiūnas		

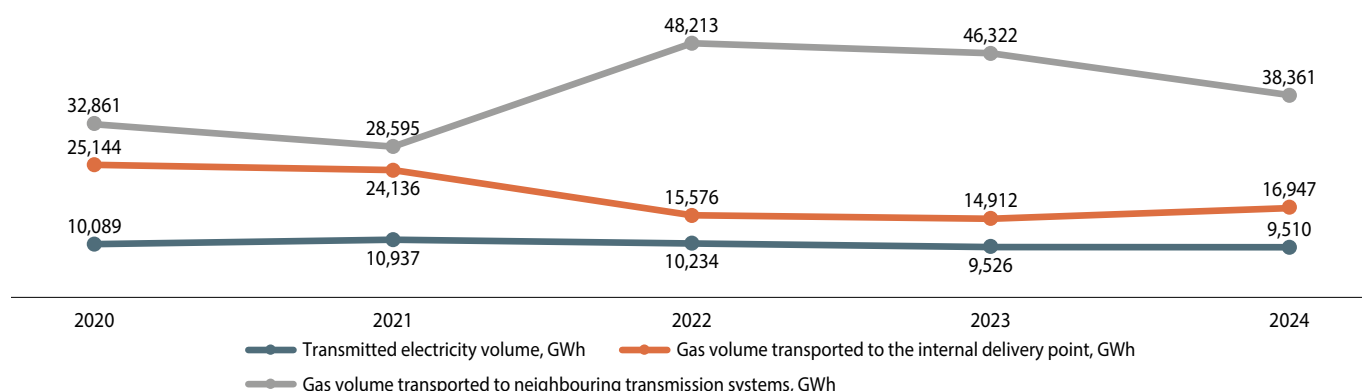
*Independent member

The volume of electricity transmitted via high-voltage transmission networks for residential and business needs remained similar, with 9,510 GWh of electricity transmitted in 2024. **Although electricity consumption in Lithuania grew by 5.0 %, the amount of energy transmitted by Litgrid did not change significantly due to the increased number of generating consumers.** The overall availability of the interconnections – Nordbalt in Sweden and LitPol Link in Poland – reached 97.6% and 98.0% respectively, which was determined by scheduled annual maintenance, fault repair work and planned disconnections. Significant attention was also paid to the development of electricity storage facilities in Lithuania, with developers' total commitments to storage facilities reaching 1,740 MW of capacity and 3,586 MW of storage at the end of the reporting period.

In 2024, 38,361 GWh of gas was transported through the Lithuanian gas transmission system to neighbouring transmission systems, which is 17.2 % less than in the previous period, when 46,326 GWh of gas was supplied. This change was due to disruptions in the operation of the Balticconnector gas pipeline connecting Estonia and Finland, which lasted until April

2024. For this reason, gas was transported through the LNG terminal in Finland rather than through the Lithuanian gas transmission system. Less gas was also transmitted due to the LNG terminal in Klaipėda being out of operation for a month. **The limitations of the gas transmission infrastructure were offset by the historically largest volume of gas imported from Latvia,** which reached 4.1 TWh in 2024, 66.1 % more than in 2023 (2.5 TWh). In 2024, 16.9 TWh of gas was transmitted to Lithuanian gas consumers, which is 13.6% more than in 2023 (14.9 TWh). The increase in gas demand was driven by lower gas prices on the market, which boosted gas consumption in electricity and fertiliser production, while at the same time there was a higher demand for gas for heating due to colder winter weather.

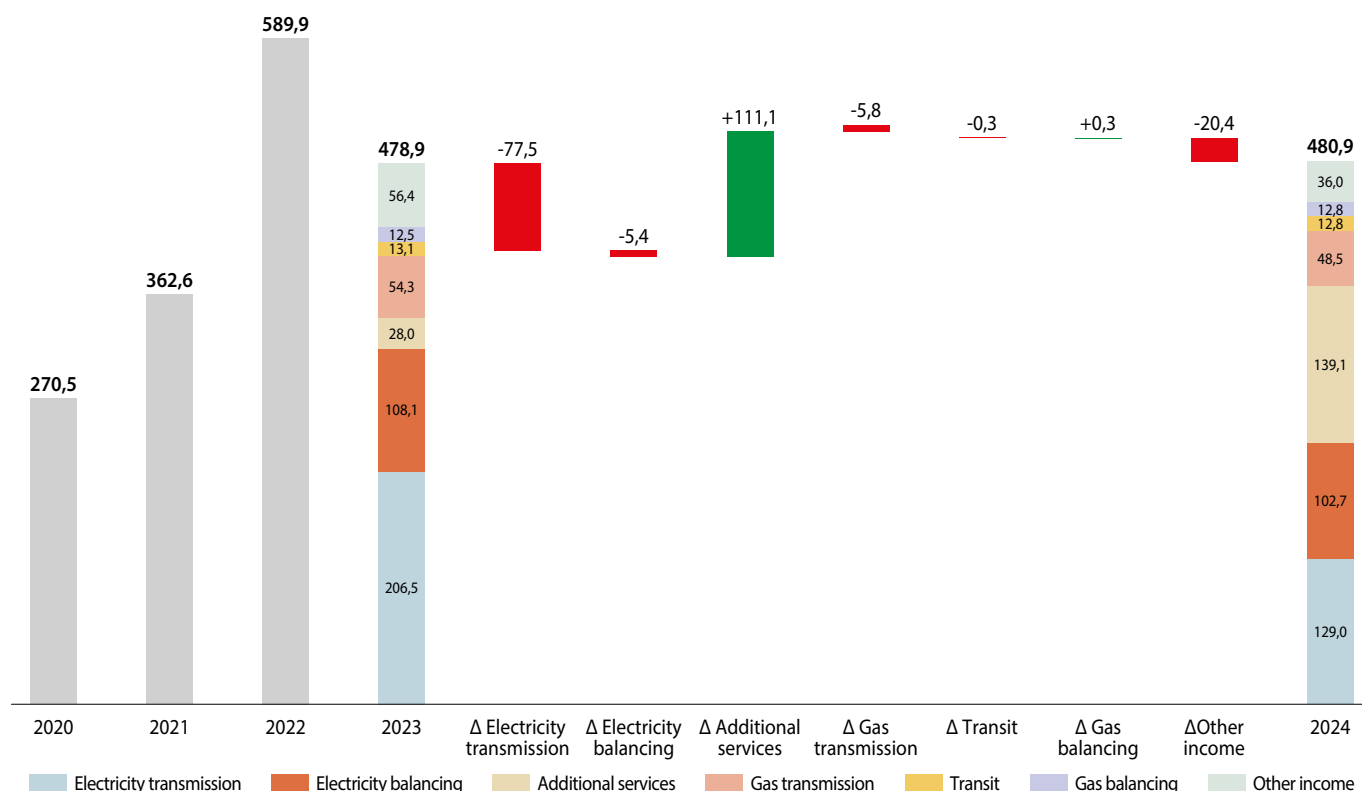
Biofuel trading volumes increased by 5.5 % to 8,529 GWh during the reporting period, of which 7,001 GWh of energy resources were sold in Lithuania. In 2024, trading volumes here increased by 8.9 %, mainly due to the more active operations of UAB Vilniaus kogeneracinė jėgainė. Meanwhile, turnover in foreign markets decreased by 7.6 %, which is related to the launch of a new biofuel trading platform in Latvia.



The consolidated Group's revenue for the reporting period increased by 0.4 % to EUR 480.9 million. Looking at revenue segments, revenue from electricity transmission decreased by 37.5 %, or EUR 77.5 million, to EUR 129.1 million. The negative change in revenue was due to higher compensation costs for electricity consumed by technological equipment in 2023, based on higher electricity purchase prices forecast at that time. This decline was offset by a €111.1 million increase in revenue from additional services to €139.2 million, driven by higher additional service purchase components set by VERT. In the previous reporting period, the additional services purchase component

amounted to 0.239 ct/kWh, while the price in force in 2024 was 1.3091 ct/kWh. Revenue from electricity imbalance and balancing decreased by EUR 5.4 million to EUR 102.8 million. This change in revenue has no impact on the Group's profitability, as the regulated imbalance pricing system compensates for all costs in the current year. Total revenues from gas transmission, transmission from a third country to a third country, balancing and other services decreased by 8.3 % to EUR 74.6 million. This was due to lower volumes of natural gas transmitted to neighbouring countries' transmission systems and insufficient volumes of natural gas transported through the internal exit point.

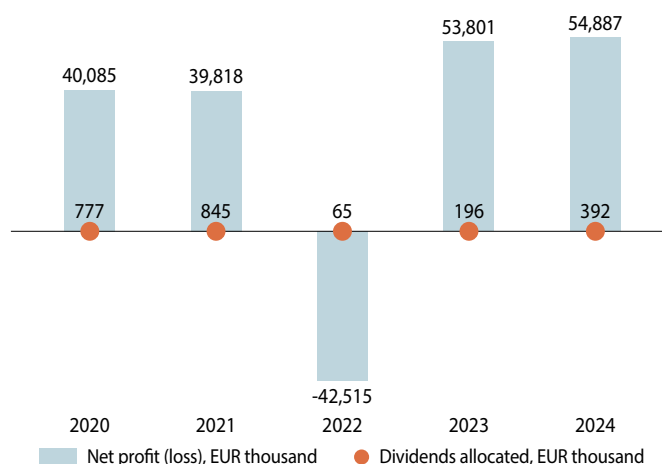
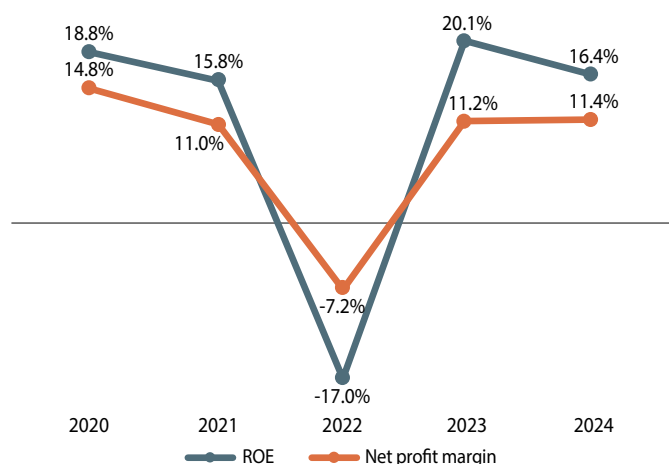
Sales revenue (EUR million)



The Group's costs in 2024 decreased by EUR 5.2 million or 1.2 % to EUR 436.8 million. The largest share, 64.0 % of total costs, was accounted for by energy resources and related services, which increased by EUR 7.2 million. The change was due to excess electricity capacity due to the cold start of the year. However, the Group's lower costs were mainly due to a 17.5 % decrease in Amber Grid's costs to EUR 63.0 million, which was significantly influenced by

the fall in the purchase price of natural gas for technological needs.

In 2024, the Group's net profit remained stable at EUR 54.9 million (EUR 53.8 million in 2023). Stable operating results for the second consecutive year led to a 0.2 percentage point increase in the Group's net profit margin to 11.4%. However, the increase in the Group's equity in 2024 resulted in a 3.7 percentage point decrease in the return on equity (ROE) to 16.4%.



The value of assets managed by the Group at the end of 2024 amounted to EUR 1.2 billion, which is 12.0% more than at the end of 2023, mainly due to an increase of EUR 119.1 million in cash and cash equivalents, which was driven by profitable operations and congestion management revenues. Non-current assets accounted for 66.5 % of total assets, with a 6.1 % or EUR 46.5 million increase recorded during the reporting period due to significant investments in the electricity transmission system. The Group's financial liabilities, including lease liabilities, amounted to EUR 177.5 million at the end of 2024 (), while net debt amounted to EUR -64.9 million.

This means that the Company's liquid and low-risk financial assets and cash and cash equivalents in bank accounts exceeded the amount of its liabilities. **In 2024, the EPSO-G Group's investments amounted to EUR 236.1 million, which is EUR 7.0 million or 2.9% less than in 2023. The vast majority of investments were directed towards electricity transmission infrastructure – of the EUR 229.1 million allocated to these investments, 64.0% was allocated to the implementation of strategic and nationally important electricity projects, with the remainder going towards the reconstruction, expansion and maintenance of the transmission network.**



Companies managed by the UAB EPSO-G group

Logo	Name and management (May 2025)	Field of activity	Key performance indicators for 2024	Financial indicators for 2024	Managed companies
	LITGRID AB CEO: Rokas Masiulis Chairman of the Board: Tomas Varneckas	Lithuanian electricity transmission system operator ensuring stable electricity flows and reliable electricity transmission to consumers.	The company maintains 7,082.65 km of overhead power lines and 328.3 km of high-voltage cable lines, as well as 246 transformer substations. In 2024, the amount of electricity transmitted reached 9,523 GWh. The average interruption duration index (AIDI) was 0.855 minutes.	Sales revenue amounted to EUR 378.3 million (+2.3 %), EBITDA – EUR 60.6 million (-22.6 %), Net profit – EUR 49.0 million (+1.3%), Net financial debt/EBITDA – 0.6 times	Baltic RCC OU, Estonia (33.3%)
	AB Amber Grid CEO: Nemunas Biknius Chairman of the Board: Paulius Butkus	Lithuanian gas transmission system operator ensuring safe and reliable transmission of natural gas to customers via high-pressure gas pipelines. The company implemented two strategic energy projects, GIPL and ELLI, connecting the gas transmission systems of Poland and Lithuania gas transmission systems and strengthened the integration of the Baltic and Finnish gas markets into the common European Union market.	In 2024, the Company operated 2,290 km of main gas pipelines. During the reporting year, a total of 55.3 TWh of gas was transported through gas transmission networks, including 16.9 TWh consumed in Lithuania.	Sales revenue amounted to EUR 74.6 million (-8.3 %), EBITDA – EUR 26.5 million (-3.1 %), Net profit – EUR 8.3 million (-38.1 %), Net financial debt/EBITDA – 3.1 times	UAB GET Baltic (34.0 %)
	BALTPOOL UAB CEO: Andrius Smaliukas Chairwoman of the Board: Simona Grinevičienė	A licensed operator of the Lithuanian Energy Exchange, authorised to organise centralised trading in biofuel products, wood products and heat energy auctions. Administrator of VIAP funds and the national biofuel sustainability scheme RED BP, which ensures compliance with EU requirements. The company also acts as the administrator of the DAEL accounting unit system. It operates in both Lithuanian and foreign markets.	In 2024, transactions totalling EUR 173.3 million were concluded on the biofuel exchange in Lithuania and other markets, with a volume of 8.5 TWh. Transactions on the timber trading system amounted to 4.11 million m3 for EUR 244.1 million. The budget for VIAP funds administered during the reporting year amounted to EUR 26.5 million.	Sales revenue amounted to EUR 2.1 million (+11.2%), EBITDA – EUR 0.1 million (-67.0%), Net loss – EUR -40 thousand , Net financial debt/EBITDA – negative amount	-
	UAB „TETAS“ CEO: Ovidijus Martinonis Chairman of the Board: Darius Kašauskas	Construction, repair and maintenance of engineering networks, i.e. electrical installations with a voltage of up to 400 kV, construction of electrical substations.	During the reporting year, the Company provided services to business customers who had solar power plants with a capacity of more than 4 MW installed.	Sales revenue – EUR 46.3 million (+23.1 %), EBITDA – EUR 1.9 million (negative in 2023), Net profit – EUR 0.7 million (loss in 2023), Net financial debt/EBITDA – 4.7 times	-
	Energy cells, UAB CEO: Rimvydas Štilinis Chairman of the Board: Paulius Butkus	Main activity – providing the Lithuanian electricity transmission system operator Litgrid with the electricity reserve assurance service necessary for the operation of an isolated electricity system	The isolated electricity system operation assurance service is planned to have a capacity of 200 MW.	Sales revenue – EUR 9.2 million (+237.8 %), EBITDA – EUR 4.1 million (+936 %), Net profit – EUR 2.1 million , Net financial debt/EBITDA – 0.1 times	-
	UAB EPSO-G Invest CEO: Tomas Varneckas	Main activity – project management and investments	Established on 18 July 2024	-	-

KEY EVENTS IN 2024:

- Litgrid AB (hereinafter – **Litgrid**) was appointed the company responsible for 19 of the 120 energy projects approved by the Government of the Republic of Lithuania in March 2024, the implementation of which will synchronise the electricity systems;
- At the beginning of 2024, AB Amber Grid (hereinafter referred to as **Amber Grid**) officially completed the ELLI project to increase the capacity of the Lithuanian-Latvian gas interconnector.
- UAB EPSO-G Group companies **Amber Grid** and **Litgrid** delivered humanitarian aid packages to the Ukrainian energy sector. Litgrid sent a third aid package

consisting of an autotransformer and transmission network equipment. **Amber Grid's** second aid package consisted of five generators and ten gas pipeline reinforcement couplings. The total value of the aid packages exceeds EUR 4.1 million.

- During the reporting year, UAB Energy Cells (hereinafter – **Energy Cells**) completed the financial and financing procedures for the largest storage system project in Europe – a 200 MW system ensuring the security of the Lithuanian energy system.
- Tetras became the representative of Maschinenfabrik Reinhausen GmbH, a global leader in transformer solutions, for the Baltic countries.
- On 18 July, EPSO-G established a new company, **EPSO-G Invest**, whose main activities are project management and investments.

Operating results of the largest subsidiaries

REVENUE

Litgrid's revenue grew slightly in the reporting year, by 2.3% to EUR 378.3 million, but its structure changed significantly: while in 2023 energy transmission revenues accounted for slightly more than half (€206.5 million), in 2024 revenues in this segment fell by €77.4 million, or 37.5%, to €129.1 million, or 34% of total annual revenues. The reason for this change is that when the upper limit for transmission service prices was approved in 2023, compensation was provided for the electricity consumed by technological equipment. The reason for this change is that when the upper limit for the transmission service price was approved in 2023, the costs of electricity consumed in technological equipment in 2023 were set at EUR 98.3 million higher than in 2024 (due to the high electricity purchase price forecast at that time). Another significant change in the 2024 revenue structure is the almost fivefold increase in revenue from additional services to 36.7 % of **Litgrid's** total revenue: although the volume of additional services provided remained almost unchanged, the service acquisition component of the transmission service price increased 5.5 times.

Amber Grid's 8.3 % (up to EUR 74.6 million) revenue for the reporting year was due to a lower volume of gas transmitted: due to scheduled repairs of the LNG terminal (liquefied natural gas terminal) in 2024, almost twice less gas was transported to Poland and Latvia.

COSTS, EBITDA AND NET PROFIT (LOSS)

Litgrid's cost of sales was driven by the cost of purchasing electricity and related services, which increased by 8.1% in 2024. This had a negative impact on gross profit, which amounted to EUR 106.8 million in the reporting year, or 10.0 % less than in the previous reporting period. The company earned 22.6% less EBITDA, amounting to EUR 60.6 million. **Litgrid's** annual net profit amounted to EUR 49.0 million.

The decline in natural gas prices in 2024 had a corresponding impact on **Amber Grid's** cost dynamics – the company's gas procurement costs were 35% lower than in 2023, which partially mitigated the increase in operating costs. **Amber Grid's** annual EBITDA amounted to EUR 26.5 million, while its net annual profit was EUR 8.3 million, which is 38.1% less than in the previous year. This change in annual results was due to one-off income recorded in 2023 from the sale of a controlling stake in the subsidiary GET Baltic.

ASSETS, EQUITY AND LIABILITIES

Investments made in 2024 increased the balance sheet value of **Litgrid's** long-term assets by 13.2 %, or up to EUR 54.6 million, but the biggest impact on the overall growth of the company's assets was the 33.3% increase in current assets from lending temporarily available funds through the Group's internal lending platform. At the end of the reporting year, Litgrid recorded assets worth EUR 820.3 million (+21.1%). Net annual profit strengthened the capital base by 8.2% and increased its relative weight in total equity to 31.5%. The significant 46.7% increase in liabilities is mainly attributable to the received and accumulated congestion management revenues, which the company

mainly uses to partially finance investments that increase the capacity of inter-connections.

The total value of **Amber Grid's** equity remained virtually unchanged during the reporting year, amounting to EUR 327.2 million, of which fixed assets accounted for 89.2%. Equity remained the dominant form of ownership in the balance sheet, accounting for 53.7%, while timely interim loan repayments reduced financial debt under existing long-term loan agreements by 6%.

FINANCIAL INDICATORS AND DIVIDENDS DECLARED

Litgrid's relatively low debt level (financial debt in 2024 accounted for only 4.0% of total equity) kept the ratio of net financial debt to EBITDA at a safe level of 0.6 times. Steady revenue and cost dynamics kept profitability indicators stable: the operating profit margin changed insignificantly and amounted to 9.9%, while EBITDA profitability increased by 0.6 percentage points (to 15.8%). Dividends to shareholders amounted to EUR 29.3 million.

Amber Grid's net financial debt to EBITDA ratio was 3.1 times, EBITDA margin increased by 2.0 percentage points to 35.7% in 2024, and net profit margin decreased by 5.0 percentage points to 11.1%. This was mainly influenced by the income from the aforementioned one-off transaction received in 2023. In 2024, dividends paid to shareholders amounted to EUR 20.2 million.

INVESTMENTS

During the reporting year, **Litgrid** consistently implemented electricity projects of national importance, investing a total of EUR 137.7 million in them: in 2024, it installed new synchronous compensators, reconstructed the Kruonis HPP substation, built a new EPL, etc. At the same time, the company carried out the reconstruction and expansion of the transmission network, investing EUR 75.9 million. **Litgrid's** total investments in 2024 amounted to EUR 213.6 million, which was almost 40% more than in the previous reporting period.

In 2024, **Amber Grid** successfully completed the investment projects for the modernisation and reconstruction of the gas transmission system infrastructure that had been started in previous years, so the scale of investments in the reporting year decreased significantly and amounted to EUR 6.4 million (for comparison, in 2023, investments amounted to EUR 35.7 million).

Other subsidiaries

Increased volumes of operations and construction work resulted in a 23% increase in **UAB Tetas'** sales revenue, which amounted to EUR 46.3 million. A significant reduction in provisions for loss-making projects enabled UAB Tetas to earn a positive EBITDA – in 2023, this figure was negative. A significant reduction in provisions for loss-making projects enabled UAB Tetas to earn a positive EBITDA – while this figure was negative in 2023, it reached €2.0 million in 2024. Accordingly, the company's net profit margin reached 1.6% and resulted in a net profit of EUR 0.7 million. During the reporting year, **UAB Baltpool** earned 11% more revenue due to increased EMPS trading volumes and revenue from VIAP administration, reaching EUR 2.1 million, but a 36.7% increase in costs resulted in an annual loss of EUR 40,000. 2024 was the first calendar year in which **Energy Cells** provided isolated working reserve services throughout the year, generating EUR 9.2 million in revenue, more than three times that of 2023. The company's EBITDA reached €4.1 million, with a net profit of €2.1 million.



AB KN Energies

www.kn.lt



AB KN Energies is a listed international energy terminal operator that ensures safe and reliable liquid energy flows, chemical and raw material loading for consumers in the Baltic Sea region, and assists customers around the world with its knowledge and capabilities in developing sustainable energy infrastructure projects. The company currently operates three liquid energy product terminals in Klaipėda, Subačius and Marijampolė, and is the operator of LNG terminals in Lithuania and Brazil. It also provides commercial operation services for four floating LNG terminals in Germany, as well as technical operation and maintenance services for one of them.

AB KN Energies owns 100% of the shares in UAB KN Global Terminals and 100% of the shares in UAB KN New Energy Solutions. The Group's consolidated net profit increased by 16.2% to EUR 15.4 million.

Key financial performance indicators set by the state

• Average annual adjusted EBITDA:

2022–2024 ≥ EUR 33.9 million

• Annual ratio of financial debt to equity:

2022–2024 range 1.7–3.2 times

• Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the *Ownership Guidelines*, depending on the ROE indicator

KEY EVENTS:

• **On 3 May 2024**, pursuant to the agreement signed with Deutsche Energy Terminal GmbH (DET), KN Energies established a subsidiary, KN Energies Deutschland GmbH, in Wilhelmshaven, Germany. KN will train the technical team, prepare the documentation and, once commercial operations commence, will be responsible for the operation and maintenance of the LNG terminal infrastructure and the coordination of technical activities.

• **On 4 September 2024**, KN signed a five-year capacity reservation agreement for the Klaipėda LNG distribution station with the Polish company Orlen S.A., the current user of the Klaipėda LNG distribution station's capacity. The new transaction is expected to generate up to 5% of the Company's annual revenue.

• **On 6 December 2024**, the LNG storage vessel *Independence* was transferred to the Company's ownership, registered in the Lithuanian Register of Sea-Going Ships and officially became the property of Lithuania.

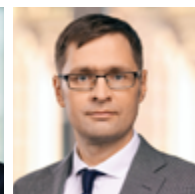
During the reporting year, the handling of liquid energy products at the Company's liquid energy product terminals in Klaipėda and Subačius decreased by 17 per cent and amounted to 3,406 thousand tonnes. Nevertheless, total revenue decreased by only 4.3 per cent (from EUR 27.9 million to EUR 26.7 million). This change can be explained by the imbalance between supply and demand in the global and European liquid fuel market and mixed geopolitical factors. The handling of biofuel at the liquid energy product terminals in Klaipėda and Subačius grew steadily and increased by ~5.4% compared to 2023. In 2024, the Company focused primarily on expanding the range of new energy products handled at the terminals and increasing the volume of alternative petroleum products served. Bitumen transshipment remained one of the main areas of growth for the Klaipėda liquid energy products terminal, with cargo volumes increasing approximately 1.7 times compared to 2023. According to statistical data, in 2024, approximately 51.8 million tonnes of petroleum products were transhipped in the ports on the eastern coast of the Baltic Sea, i.e. 17.3% less than in 2023.

The regulated LNG terminal, which began regasification operations on 27 November 2014, regasified and supplied 2,056 billion nm³ of natural gas to the natural gas transmission system in 2024 (2,752 billion nm³ in 2023). In 2024, six consumers from Lithuania, Latvia, Estonia, Poland and Norway used the services of the Klaipėda LNG terminal. The LNG terminal performed 83 ship-to-ship loading operations (67 in 2023). During the reporting period, the average utilisation of the Klaipėda LNG terminal reached 54.0 per cent. (71.4 per cent in 2023), while, according to GIE ALSI data, the average utilisation of European LNG terminals was around 43.0 per cent. (59.0% in 2023).

The successful performance of the commercial LNG segment was also influenced by a significant increase in the throughput and revenue of the **small-scale LNG terminal in Klaipėda**. The terminal's capacity has been used by the Polish energy company Orlen since April 2020. The strategic partnership agreement with Orlen was extended last year for another five years, until 2030. In 2024, 20 cargoes were delivered to the Klaipėda small-scale LNG terminal by small gas carriers. All LNG cargoes were transferred to LNG tankers and distributed to consumers in Lithuania, Poland, Latvia and Estonia. **In 2024, 1,397 tankers were loaded at the LNG distribution station. In 2024, KN Group's sales revenue amounted to EUR 93.7 million, an increase of 12.1% compared to 2023.** The main reasons for this change are a significant increase in commercial LNG activity revenue, ranging from EUR 6.9 million to EUR 11.2 million, and an increase in LNG distribution station revenue, from EUR 6.9 million



CEO
Darius Šilenskis



Chairman of the
Supervisory Board
Robertas Vyšniauskas

- ↑ The Group's consolidated net profit increased by 16.2% to EUR 15.4 million.
- ↑ The price of KN Energies (KNE1L) shares rose by 16.3% in 2024.
- ↑ The Group's equity to financial debt ratio decreased by 32.3 percentage points to 212.1%.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	83,525	93,655	+12.1%
Cost of goods sold	60,024	54,518	-9.2%
Gross profit (loss)	23,501	39,137	+66.5%
Cost of sales	0	0	-
General and administrative expenses	10,963	14,765	+34.7%
Other operating results	164	158	-3.7%
Financial and investment activities	3,270	-5,185	-
Profit (loss) before tax	15,972	19,344	+21.1%
Income tax	2,746	3,978	+44.9%
Net profit (loss)	13,226	15,366	+16.2%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	457,271	446,433	-
Current assets	96,792	88,741	-8.3%
Cash and cash equivalents	19,535	17,203	-11.9%
Accrued expenses and deferred income	0	0	-
Total assets	554,063	535,174	-3.4%
Equity	153,248	163,128	+6.4%
Grants, subsidies	5,115	4,942	-3.4%
Provisions	7,363	6,783	-7.9%
Payables and other liabilities	388,337	360,321	-7.2%
Amounts payable after one year and other long-term liabilities	183,980	326,859	+77.7%
Financial liabilities	183,286	325,813	+77.8%
Amounts payable within one year and other current liabilities	204,357	33,462	-83.6%
Financial liabilities	191,179	20,205	-89.4%
Accrued expenses and deferred income	0	0	-
Total equity and liabilities	554,063	535,174	-3.4%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	2.3%	2.8%	+0.5 p. p.
ROE	9.0%	9.8%	+0.8 p. p.
D/E	244.4%	212.1%	-32.3 p. p.
EBITDA	35,638	49,337	+38.4%
EBITDA margin	52.7%	42.7%	-10.0 p. p.
Net profit margin	15.8%	16.4%	+0.6 p. p.
CONTRIBUTION TO THE STATE BUDGET (THOUSAND EUROS)	2023	2024	CHANGE
Dividends allocated (state share)	3,624	6,248	+72.4%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	371	395	+6.5%
Average monthly salary of a manager (gross, euros)	12,560	13,390	+6.6%
STATE REPRESENTATIVE INSTITUTION	OWNED SHARE		
Ministry of Energy of the Republic of Lithuania			72.47%
UAB KONCERNAS "ACHEMOS GRUPE"			10.43%
Other shareholders			17.10%
MANAGEMENT (01/04/2025)			
CEO	Darius Šilenskis		
Chairman of the Supervisory Board	Robertas Vyšniauskas*		
Members of the Supervisory Board	Mantas Šukevičius* Dovilė Kavaliaukienė Jūratė Lingienė*		
Chairwoman of the Board	Guy Mason*		
Board members	Alfonso Morriello*		

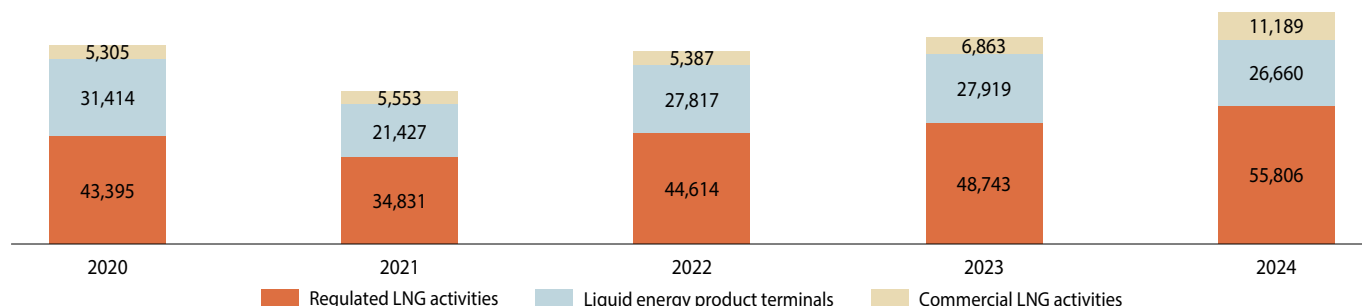
*Independent member

to EUR 11.2 million, which includes the small-scale LNG distribution station in Klaipėda and LNG terminal operating services in Germany and Brazil. Revenues from the regulated LNG segment also increased by 14.5 per cent, from EUR 48.7 million to EUR 55.8 million.

During the reporting year, the Group's total expenses decreased by 2.4 per cent to EUR 69.3 million. The cost of sales, which accounted for 78.7 per cent of the Group's total expenses, decreased by almost 10 per cent, or

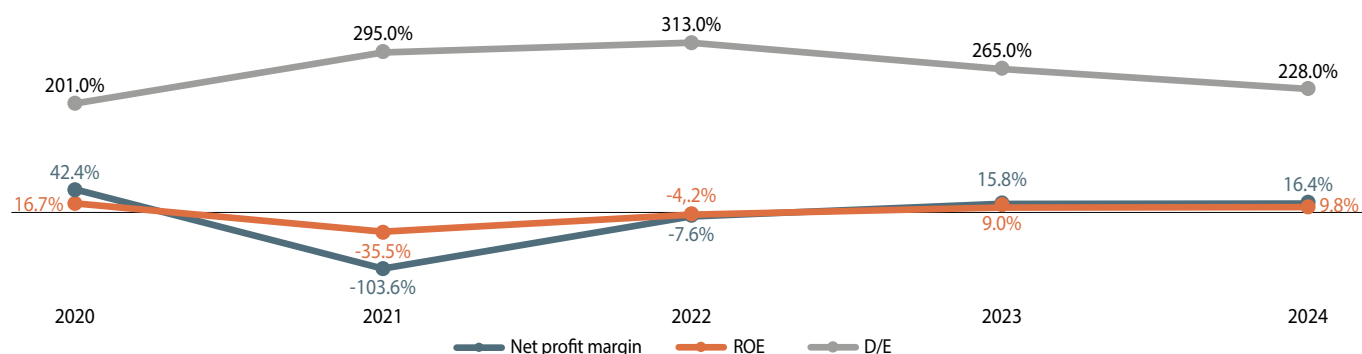
EUR 5.5 million. Operating expenses, which accounted for the remaining part of expenses, increased by approximately one third from EUR 11.0 million to EUR 14.8 million in 2024. The significant changes in costs were driven by a EUR 3,258 thousand decrease in the cost of tradable pollution permits and environmental pollution tax, which offset a EUR 2,140 thousand or 14.6 per cent increase in payroll costs. More than half of the Group's total costs are attributable to the regulated LNG segment, which incurred a total of EUR 39.0 million in costs.

Sales revenue structure of AB KN Energies, EUR Thousand



In 2024, the Group earned EUR 15.4 million in net profit, indicating a 16.2% increase compared to the previous reporting period (EUR 13.2 million). The change was driven by the aforementioned changes in revenue and the positive financial performance due to exchange rate fluctuations. The Group's EBITDA for the reporting year amounted to EUR 49.3 million, compared to EUR 35.6 million a year ago. The financial results also had a positive impact on profitability ratios: the net profit margin increased to 16.4%, and the return on equity grew, albeit

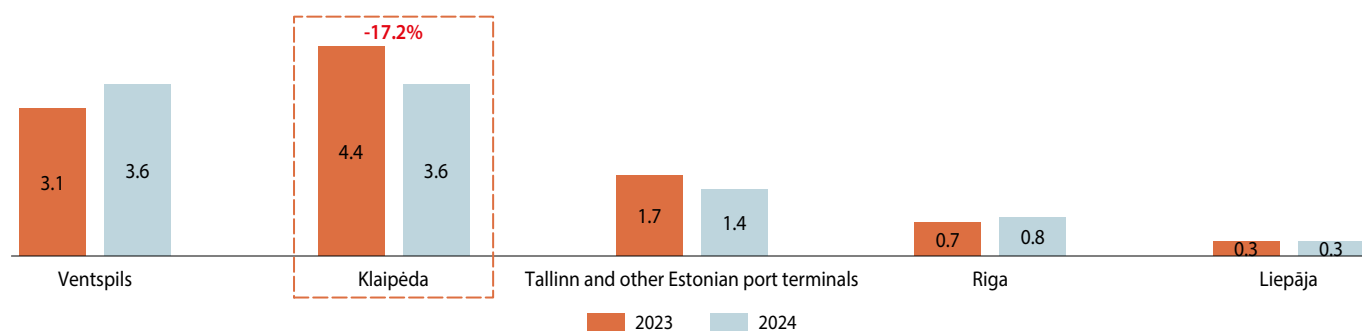
insignificantly, but was the highest in the last four years, reaching almost 10% (9.7%). The Group's loans increased by 94.9% from EUR 164.4 million in 2023 to EUR 320.4 million in 2024. The Group's loans increased by 94.9 per cent from EUR 164.4 million in 2023 to EUR 320.4 million in 2024. **Under the credit agreement with the Nordic Investment Bank for the acquisition of an LNG ship-storage facility, the Company was paid EUR 138.1 million on 28 November 2024** (the entire loan amount must be repaid by 31 December 2044).



Since 2022, due to Russia's invasion of Ukraine and the sanctions imposed by the Western world in response, the Port of Klaipėda has essentially severed its trade relations with Russia. With the implementation of large-scale sanctions, cargo flows have decreased significantly and, as a result, competition with Russian ports has essentially ceased. For this reason, the chart below only shows information on Baltic ports. According to statistical data, the ports on

the eastern coast of the Baltic Sea handled approximately 51.8 million tonnes of petroleum products in 2024. Compared to the cargo volumes in 2023, cargo handling decreased by 17.3% in the reporting period of 2024. At the same time, oil product handling in the neighbouring Latvian port of Riga increased by 5.6 per cent, in Ventspils by 16.0 per cent, while in Tallinn and other Estonian port terminals, oil product handling fell by almost a fifth.

Dynamics of petroleum product transshipment in ports on the eastern coast of the Baltic Sea (million tonnes)



Companies managed by AB KN Energies

UAB KN Global Terminals, a subsidiary of AB KN Energies, was established on 20 November 2015 with the aim of participating in international liquefied natural gas and energy projects, providing project development or terminal operation services or investing in them, as well as to carry out all other related activities. Its main activities are the development of international LNG terminal operations, LNG transportation activities and other activities.

UAB KN New Energy Solutions – a subsidiary of AB KN Energies, registered on 27 December 2018, responsible for the creation, implementation and management of projects related to new energy sources, carbon dioxide transport, short-term storage and reloading infrastructure in Lithuania and abroad. This includes the company's investments in such infrastructure, as well as the development, implementation and management of new energy source infrastructure. In December 2024, the company's name was changed from UAB SGD Terminalas to UAB KN New Energy Solutions.

Ignalina Nuclear Power Plant

www.iae.lt



Until 2010, the company's main activity was electricity generation, but after the final shutdown of the power units (the first power unit of Ignalina Nuclear Power Plant was finally shut down on 31 December 2004, and the second power unit on 31 December 2009), the company's main activity in a broad sense became radioactive waste management. The company's activities include both direct radioactive waste (hereinafter referred to as RA) management activities (dismantling of equipment, removal of accumulated waste from old storage facilities, demolition of buildings and management of waste generated during all these processes (sorting, treatment, packaging, transport, storage, etc.)), as well as the installation and operation of the infrastructure necessary for such activities (storage facilities, landfills and various waste management facilities), and all other ancillary activities.

In 2019, RATA was merged with Ignalina NPP, and RATA's infrastructure and activities – decommissioning of the Maišiagala radioactive waste storage facility and other functions performed by this organisation – were transferred to Ignalina NPP. Since then, Ignalina NPP has been and will remain the only company in the country that carries out radioactive waste management activities.

Special obligations are being carried out – decommissioning of nuclear energy facilities and radioactive waste management (including the installation and operation of the necessary infrastructure). The company has one special obligation that covers all of its activities.

Key financial performance indicators set by the state

• Index of efficiency of use of the Ignalina Nuclear Power Plant decommissioning budget CPI

2022–2024 ≥ 1

• Percentage of the Ignalina programme budget allocation

2024 ≥ 70 %

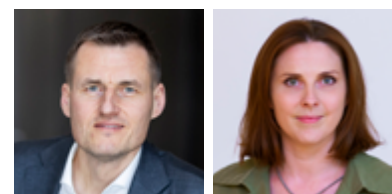
KEY EVENTS:

- In Q2, a contract was signed for the construction of a surface repository for low- and medium-level waste.
- In Q2, a decision was received from the Environmental Protection Agency to convert the Bitumen RA storage facility into a landfill site;
- In Q3, a contract was signed for the dismantling of both drum separator blocks.
- In Q3, VATESI granted permission to dismantle the equipment of block A2 – the main circulation circuit.
- In Q4, a licence was obtained to decommission the Ignalina NPP.
- In Q4, two contracts were signed for the preparation of a conceptual design for the dismantling of reactor cores.

The company's activities are focused on serving the public interest – the decommissioning of the Ignalina Nuclear Power Plant, financed by state and international support funds, carried out on the basis of cost compensation. The European Commission has committed to allocating EUR 2,111.8 million for decommissioning for the period 2000–2027, while the Republic of Lithuania has allocated EUR 268.6 million up to and including 2024.

In carrying out its main activity – the decommissioning of the Ignalina Nuclear Power Plant – 43 %, or 76,800 tonnes, of the 180,000 tonnes of equipment had been dismantled between 2010 and the end of 2024. During the reporting year, 5,462 tonnes of IAE equipment and 60 tonnes of Maišiagala landfill equipment were dismantled, exceeding the 2024 dismantling plan by 22 tonnes. In total, approximately 7,930 m³ of radioactive waste was processed in 2024, of which 4,007 m³ was cleaned and transferred for further treatment as non-radioactive. Of this, scrap metal and concrete rubble suitable for reuse are sold at auction, returning the materials to the economic cycle as secondary raw materials. Contaminated equipment accounted for ~79% of the dismantling in 2024. It is also important to note that the pace of dismantling the channels of the Unit 1 reactor was significantly increased, reaching 15-17 channels per week instead of the planned average of 10-12. There are a total of 2,070 channels in one reactor. During the year, 899 channels were dismantled, with a total progress of 64% of all reactor channels dismantled.

In accordance to Order No. 1-386 of the Minister of Energy of the Republic of Lithuania dated 25 November 2020, the company shall transfer the proceeds from the sale of long-term and short-term assets to a special account of the State Treasury intended for the construction of a deep repository for long-lived radioactive waste and the management of radioactive waste. After dismantling unnecessary uncontaminated or decontaminated equipment, the company sells it at publicly announced auctions. In the reporting year, income from the sale of unused assets accounted for 54% of total income, i.e. EUR 0.9 million, which is 48.5% less than in 2023. For the second year in a row, income from the company's financial activities showed a growing trend – in 2024, income from financial activities doubled and reached EUR 0.7 million. For the third



CEO
Linas Baužys

Chairwoman of the Board
Dr. Jurgita Radzevičė

- ↑ Payables and liabilities decreased by 18.1% to EUR 14.5 million.
- ↓ The company's net loss amounted to EUR 3.4 million.
- ↑ The company's financial income increased by 104.3% to EUR 721.8 thousand.

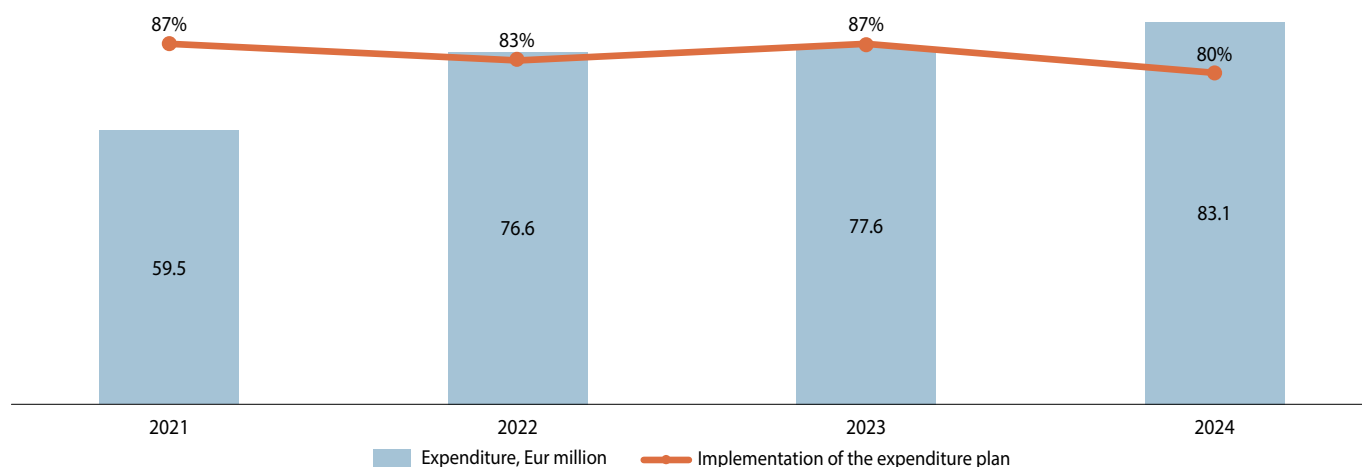
PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	178	91	-48.5%
Cost of goods sold	0	0	-
Gross profit (loss)	178	91	-48.5%
Cost of sales	0	0	-
General and administrative expenses	-9,099	3,320	-
Other operating results	-242	-16	+93.5%
Financial and investment activities	-1,079	-153	+85.9%
Profit (loss) before tax	7,956	-3,397	-
Income tax	0	0	-
Net profit (loss)	7,956	-3,397	-
Adjusted net profit (loss)	7,956	-3,397	-
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	153,379	145,383	-5.2%
Current assets	79,074	85,952	+8.7%
Cash and cash equivalents	27,313	31,543	+15.5%
Accrued expenses and deferred income	242	680	+181.3%
Total assets	232,695	232,015	-0.3%
Equity	30,977	27,574	-11.0%
Grants, subsidies	157,556	160,551	+1.9%
Provisions	26,304	29,240	+11.2%
Payables and other liabilities	17,744	14,530	-18.1%
Amounts payable after one year and other long-term liabilities	0	0	-
<i>Financial liabilities</i>	0	0	-
Amounts payable within one year and other short-term liabilities	17,744	14,530	-18.1%
<i>Financial liabilities</i>	0	0	-
Accrued expenses and deferred income	113	121	+7.2%
Total equity and liabilities	232,695	232,015	-0.3%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	3.3%	-1.5%	-4.8 p. p.
ROE	29.5%	-11.6%	-41.1 p. p.
D/E	0.0%	0.0%	-
EBITDA	8,700	-2,720	-
EBITDA margin	-	-	-
Net profit margin	-	-	-
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Allocated profit contribution	0	0	-
Property tax	0	0	-
Total contributions and non-standard taxes to the state	0	0	-
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	1,597	1,511	-5.4%
Average monthly salary of a manager (gross, euros)	12,953	12,490	-3.6%
STATE REPRESENTATIVE INSTITUTION	Ministry of Energy of the Republic of Lithuania		
MANAGEMENT (01/04/2025)			
CEO	Linas Baužys		
Chairwoman of the Board	Dr. Jurgita Radzevičė*		
Members of the Board	Laimonas Belickas* Karolis Sankovskis* Patricija Ceiko		

*Independent member

year in a row, the Company's income structure has remained virtually unchanged, but there is a noticeable trend of declining income from the sale of redundant assets and increasing income from financial activities.

In the period from 2020 to 2024, the company incurred an average of €71.4 million in expenses each year. The total implementation of the company's operating expenses estimate for the last four years amounted to 84.2% of the planned amount. The Company's operating expenses are

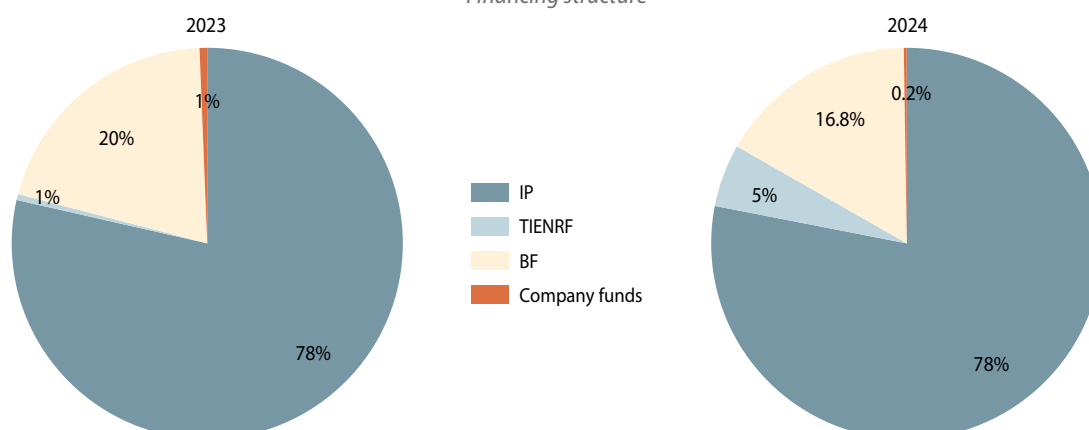
subsidised, therefore only the non-subsidised amounts of the expenses incurred are reflected in the general and administrative expenses. Expenses for 2024 increased by 7.1% and, compared to 2023, this was mainly due to increased labour costs and the implementation of infrastructure projects, but the need for funds for energy resources decreased, the decommissioning of the Maišiagala RAS, which is nearing completion, and the completion of most of the projects supported by the Norwegian Financial Mechanism.



EUR 79.9 million was spent on decommissioning the power plant in 2024, i.e. 17.0% more than in 2023. The majority of the funds – 78.0% (EUR 62.4 million) – came from the Ignalina Programme (hereinafter referred to as IP) funds, which is 16% more than in 2023. EUR 13.2 million was spent from the budget of the Republic of Lithuania (hereinafter referred to as BF), which

is 17.0% more than in the previous reporting period. EUR 13.2 million was used from the budget of the Republic of Lithuania (hereinafter referred to as the BF), which is 5.0% less than in the previous reporting period. The amount financed by the company decreased by 56.0% and amounted to only EUR 0.2 million.

Financing structure



The company ended 2024 with a net loss of EUR 3,396.5 thousand. At the end of 2024, the company had accumulated losses of EUR 534.3 million from previous periods. The amount of undistributed losses at the end of 2024 increased to EUR 537.7 million. In accordance with Article 15 of the Law of the Republic of Lithuania on State and Municipal Enterprises No. I-722 of 21 December 1994, the company's activities do not generate profit and are subsidised, and the company's activities are loss-making, no profit contribution to the state budget is calculated or paid. Both the return on assets and return on

capital indicators were negative in 2024, amounting to -1.5% and -11.6% respectively. These results are due to the reasons mentioned above and the specific nature of the company's activities:

- The main activity does not generate positive cash flow, as it is focused on activities that serve the public interest – the decommissioning of the Ignalina Nuclear Power Plant, which is subsidised by the state and international aid funds;
- During decommissioning, most of the assets managed by the Company will be liquidated, and most of them cannot be used or otherwise realised.



AB Lietuvos geležinkeliai Group

www.litrail.lt



Lietuvos geležinkeliai AB owns 100% of the shares in the following companies: Geležinkelio tiesimo centras UAB, Rail Baltica statyba UAB, LTG Cargo AB, LTG Infra AB, LTG Link UAB, LTG Kompetencijų centras UAB.

Freight and passenger transport services by rail, railway network administration, public railway infrastructure management, maintenance and development, railway rolling stock repair and manufacturing.

Special obligations – public passenger transport services by rail; maintenance, renewal and development of public railway infrastructure, provision of minimum access to public railway infrastructure package services and disposal of public railway infrastructure on a trust basis.

Key financial performance indicators set by the state

• Average annual adjusted EBITDA profitability:

2022–2024 ≥ 25 %.

• Annual net debt to adjusted EBITDA ratio:

2022–2024 ≤ 6 times

• Dividends allocated to all shareholders for the calendar year:

In line with the requirements of the Ownership Guidelines, depending on the ROE ratio earned.

KEY EVENTS:

• **In March**, the LTG Group's reputation indicators rose by as much as 22 points. This is one of the highest results in recent years and the biggest jump in reputation among the 54 Lithuanian companies and 15 public sector organisations surveyed.

• **In April** The Nordic Investment Bank (NIB), the European Investment Bank (EIB) and LTG Link signed a financing agreement for the purchase of electric and battery-powered trains. The NIB and EIB will provide loans of EUR 100 million each and will finance nine electric and six battery-powered trains, which will replace about one-third of the passenger train fleet.

• **In May**, the Group and Ukrainian Railways officially signed a memorandum of understanding to strengthen international cooperation and develop a joint international intermodal route between Klaipėda and Kyiv via Poland.

• **In July**, investing in the renewal of its rolling stock, LTG Cargo acquired 500 wagons for transporting grain crops, and later in the year acquired 200 semi-wagons for transporting crushed stone and bulk materials, as well as 17 electric locomotives, which will help to create an electrified freight logistics system.

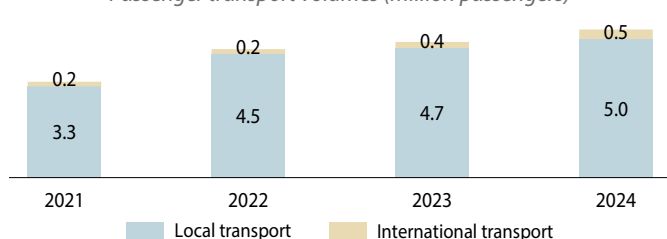
• **In August**, LTG Link began testing dynamic pricing on the most popular route between Vilnius and Kaunas – passengers will pay less when buying tickets in advance.

• **In November**, the Group's shared services company LTG Kompetencijų centras was established, to which internal administration activities and functions providing shared services to Group companies were transferred in 2025.

• **In December**, LTG Cargo, the freight transport company of the LTG Group, organised its first freight transport by rail from Austria to Lithuania: a special cargo of over 600 tonnes of new railway tracks was delivered to Šeštokai on a European gauge.

The number of train passengers grew steadily – in 2024, more than 5.5 million passengers were transported by rail, almost 10% more than in 2023. Passenger growth was recorded in both the domestic and international transport markets. In 2024, 90.5% of rail passengers travelled on local routes and 9.5% on international routes.

Passenger transport volumes (million passengers)



The growth in passenger numbers is positively influenced by the annual improvement and updating of timetables to meet passenger needs, targeted marketing campaigns, the expansion of ticket sales channels (from the second half of 2024, passengers will be able to purchase tickets from ticket machines and other points of sale), the rolling stock fleet is being renewed and other measures are being taken to increase the attractiveness of train travel and promote sustainable mobility. At the end of 2024, ticket sales based on dynamic pricing principles will be offered to passengers. Transport on local routes increased by 7.1% compared to 2023, reaching 5.0 million passengers. The Vilnius-Kaunas route remains the most popular local route (36.9% of all local transport), with almost 2 million passengers travelling on it in 2024. The most popular choice during the summer season remains the Seaside Express, which offers train travel to seaside resorts. The total number of passengers in the international transport segment in 2024 increased by 46.5% compared to the previous reporting period and reached 0.5 million passengers. The majority, or 80 %, of international journeys are transit journeys. Geopolitical factors and uncertainties influence the development of international routes. Strategic priorities are currently focused on developing international connections with Warsaw, Riga, Tallinn and Berlin, as well as the construction of the new European gauge Rail Baltica line, which will be used for international transport in the future.

In 2024, freight volumes on the country's network (carrier LTG Cargo) decreased by 5.8% compared to 2023, to 25.7 million tonnes. Due to significant changes in operating conditions, local freight transport volumes continue to grow. Local transport increased by 4.4% compared to 2023, reaching 16.1 million tonnes.

During the reporting period, international transport, which accounted for 37.3% of the total freight structure, decreased by 18.9% compared to 2023 and amounted to 9.6



CEO
Egidijus Lazauskas

Chairman of the Board
Kęstutis Šliužas

- ↑ The group's net profit grew by 71.1 % to EUR 37.0 million.
- ↑ Net debt is negative and increased by 55.8 %, from EUR -88.8 million to EUR -39.2 million.
- ↑ For the 2024 results, the state was allocated 33.3 dividends, i.e. 2.6 times more than a year ago.

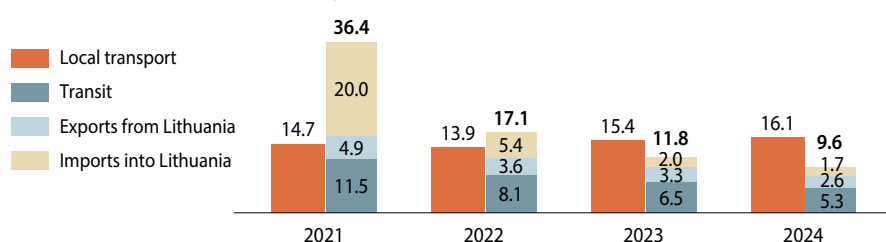
PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue (including subsidy revenue)	452,001	496,741	+9.9%
Cost of goods sold	421,651	444,683	+5.5%
Gross profit (loss)	30,350	52,057	+71.5%
Cost of sales	0	0	-
General and administrative expenses	0	0	-
Other operating results	402	1,294	+222.1%
Financial and investment activities	-3,619	-5,278	-45.8%
Profit (loss) before tax	27,132	48,074	+77.2%
Income tax	5,490	11,050	+101.3%
Net profit (loss)	21,643	37,023	+71.1%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	2,198,208	2,417,722	+10.0%
Current assets	293,604	268,124	-8.7%
Cash and cash equivalents	228,566	176,539	-22.8%
Accrued expenses and deferred income	6,657	8,597	+29.1%
Total assets	2,498,469	2,694,443	+7.8%
Equity	1,174,286	1,197,208	+2.0%
Grants, subsidies	983,466	1,119,665	+13.8%
Provisions	17,669	16,951	-4.1%
Payables and other liabilities	312,152	339,944	+8.9%
Amounts payable after one year and other long-term liabilities	149,826	170,536	+13.8%
Financial liabilities	115,704	113,082	-2.3%
Amounts payable within one year and other short-term liabilities	162,326	169,408	+4.4%
Financial liabilities	24,105	24,257	+0.6%
Accrued expenses and deferred income	10,896	20,675	+89.7%
Total equity and liabilities	2,498	2,694,443	+7.8%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	0.9%	1.4%	+0.5 p. p.
ROE	1.9%	3.1%	+1.2 p. p.
D/E	11.9%	11.5%	-0.4 p. p.
EBITDA	139,763	165,517	+18.4%
EBITDA margin	30.9%	33.3%	+2.4 p. p.
Net profit margin	4.8%	7.5%	+2.7 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Dividends allocated (state share)	13,022	33,284	+155.6%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	5,825	5,703	-2.1%
Average monthly salary of a manager (gross, euros)	12,737	14,827	+16.4%
STATE REPRESENTATIVE INSTITUTION	OWNED SHARE		
Ministry of Transport and Communications of the Republic of Lithuania	100,0%		
MANAGEMENT (02/04/2025)			
CEO	Egidijus Lazauskas		
Chairman of the Board	Kęstutis Šliužas*		
Members of the Board	Bernard Guillelmon* Dalia Andriulionienė* Dr. Aurimas Vilkelis* Eugenijus Preikša* Agnė Amelija Mikalonė Romas Švedas		

*Independent member

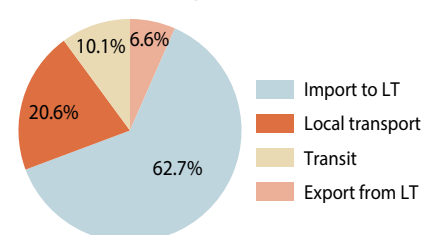
million tonnes. There has been a significant decrease in the flow of cargo transported in transit through the country's territory – in 2024, the volume of cargo transported in transit decreased by 18.7% to 5.3 million tonnes, with a significant decrease in the transport of construction materials and products of plant origin. Transit volumes are expected to continue to decline in the near future. **Intermodal container train transport** volumes fell by 13.5% in 2024 compared to 2023, to 105,400 TEU, due to declining traffic flows with CIS countries. Meanwhile, intermodal transport volumes by semi-trailer trains remained stable,

with a slight increase to 5,266 semi-trailers during the period under review. Diversifying its activities and expanding into new markets, LTG Cargo began providing freight transport services in Latvia and Estonia during the reporting period. Total freight turnover changed insignificantly during the reporting period and amounted to 7.0 billion tonne-kilometres, with freight losses in the domestic network being offset by growing transport volumes in foreign markets. **Business expansion into foreign markets, integration into Europe and diversification of services remain one of the key strategic directions of the LTG Group.**

Freight transport (million tonnes)



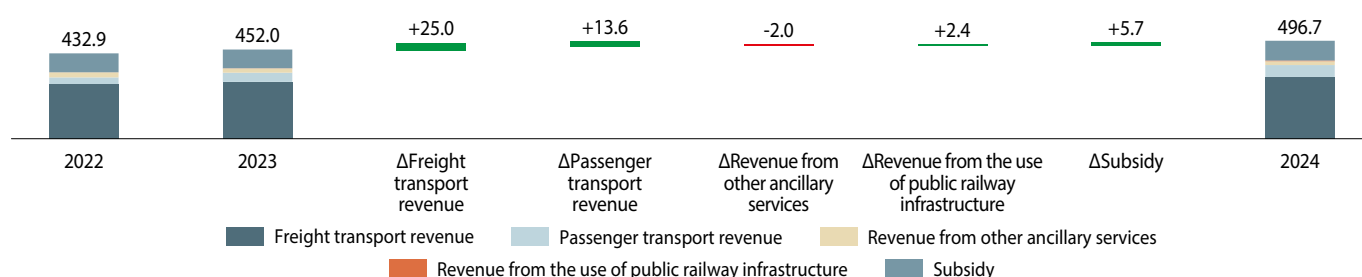
The Group's freight structure in 2024:



LTG Group's sales revenue in 2024 amounted to EUR 496.7 million, an increase of EUR 44.7 million or 9.9 % compared to the previous reporting period. The LTG Group earned most of its revenue, i.e. 62.7 %, from freight transport activities. Compared to the corresponding period a year ago, freight transport revenue in 2024 increased by EUR 25.0 million or 8.7 % to EUR 313.0 million. Although the Group's freight transport company LTG Cargo continued to experience a decline in international transport volumes during the period under review due to the impact of sanctions, freight transport revenue increased. The decline in transport volumes was offset by higher transport tariffs, particularly in the transit transport segment, and increased transport volumes and revenues in the domestic market. Also, despite intensified competition in the Polish market, LTG Cargo's subsidiary LTG Cargo Polska earned more revenue. **Passenger transport revenue** increased by EUR 13.6 million or 29.2% in 2024, reaching EUR 60.4 million. The comparative weight of this revenue in the Group's overall revenue structure increased to 12.1%. This growth in revenue was influenced by increasing passenger traffic on both international and local routes, despite temporary traffic disruptions due to intensive railway electrification

works. **The Group also provides other additional services**, such as technical maintenance and repair of rolling stock and railway infrastructure facilities, property rental, scrap metal sales and other services. This income accounted for 3.9% of total income and decreased by EUR 2.0 million or 9.3% to EUR 19.6 million in 2024. The change in revenue was influenced by the sale of non-core activities – during the reporting period, the Group's company LTG Infra transferred part of the electricity network to the Energy Distribution Operator (ESO), which resulted in a decrease in revenue from electricity supply to consumers. **Subsidy income** for the reporting period amounted to EUR 100.3 million (EUR 94.6 million in 2023). State budget funds are allocated to LTG Group companies that perform special obligations assigned by the state. In 2024, the passenger transport company LTG Link received EUR 34.7 million in subsidies to compensate for losses incurred in providing public passenger transport services by rail (EUR 34.0 million in 2023). In addition, due to a significant decrease in freight transport volumes, state funds have been allocated since 2022 to balance the income and expenses of the public railway infrastructure manager LTG Infra – in 2024, subsidy income amounted to EUR 65.6 million (EUR 60.6 million in 2023).

Sales revenue (EUR million)



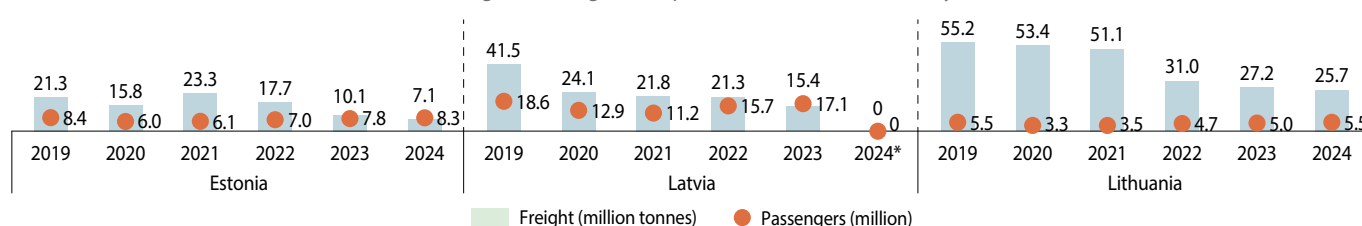
The Group's expenses in 2024 amounted to EUR 445.8 million, an increase of EUR 24.0 million or 5.7 % compared to the previous reporting period. As in previous years, the majority of the Group's expenses were related to labour costs (36.8 %), depreciation and amortisation (25.2 %) and energy resources (11.8 %). Employee benefit expenses in 2024 amounted to EUR 163.9 million, an increase of EUR 10.6 million or 7.0 % compared to 2023. Although the number of employees in the Group's companies decreased by 2.1 % during the reporting year, from 5,825 to 5,703, the average monthly salary increased by 10.4 %, from EUR 2,131 to EUR 2,353. In addition to higher salaries, the increase in wage costs was also influenced by the higher (than in previous years) incentive fund distributed to the Group's employees for their performance in 2023. **Depreciation and amortisation costs** in 2024 amounted to EUR 112.2 million, an increase of EUR 3.2 million or just under 3 % compared to 2023. The increase in depreciation costs was influenced by the increased use of assets held under a right of use by LTG Cargo Polska, a company providing freight transport services in Poland. Meanwhile, the depreciation costs of LTG Infra, the LTG Group company that manages public railway infrastructure, decreased during the reporting period. **Energy resource costs** (fuel, electricity) amounted to EUR 52.7 million in 2024, which is a slight decrease (1.4%) compared to 2023. The volume of work performed by the LTG Group's transport service providers and fluctuations in energy resource prices have a significant impact on the amount of costs in this group.

During the reporting period of 2024, the LTG Group's results and profitability indicators improved significantly. The LTG Group's net profit was the highest in the last four years, reaching EUR 37.0 million. The results were significantly influenced by the increased sales revenue of LTG Group's transport service providers LTG Cargo and LTG Link. **Having significantly improved its net result, the Group made a correspondingly larger contribution to the state budget for 2024, which amounted to EUR 33.3 million and accounted for 96.2% of the Group's distributable profit.**

The LTG Group's investments in 2024 amounted to EUR 389.1 million. The majority of investments were allocated to the renovation and expansion of railway infrastructure (69.3%).

It should be noted that freight transport volumes are steadily declining in all Baltic countries. This change is mainly related to the disengagement from Eastern markets, which accounted for a significant share of freight volumes. However, passenger transport volumes are also steadily increasing in all three Baltic countries, returning to pre-pandemic levels in Lithuania, Latvia and Estonia. In 2024, 25.7 million tonnes of freight were transported in Lithuania, making it the leading country among the Baltic states in terms of this indicator. Meanwhile, although the data for 2024 in Latvia has not yet been published at the time of writing, based on trends over the last three years, Latvia is likely to maintain its leading position among the Baltic countries in terms of passenger transport indicators.

Passenger and freight transport volumes on Baltic railways



Source: AB Lietuvos geležinkeliai group of companies, Statistics Estonia, Central Statistical Bureau of Latvia

*The information will be updated when new data becomes available from the sources used.

Companies managed by the Lithuanian geležinkeliai Group*

Logo	Name and management (April 2025)	Field of activity	Key performance indicators for 2024	Key financial indicators for 2024	Managed companies
	AB LTG Cargo CEO: Eglė Šimė Chairman of the Board: Vitalij Rakovski	Freight transport by rail, railway rolling stock repair and maintenance services.	In 2024, 25.7 million tonnes of cargo were transported by rail, which is 5.8% less than in 2023. The continuing decline in freight traffic was due to geopolitical changes related to Russia's war in Ukraine and sanctions imposed on Belarus and Russia. Domestic transport volumes grew by 4.4%, from 15.4 million tonnes in 2023 to 16.1 million tonnes in 2024, accounting for almost two-thirds of the total freight transported in the reporting year. International freight transport continued to decline, reaching 9.6 million tonnes (-18.9%) in 2024.	Sales revenue amounted to EUR 306.3 million (+7.2 %), EBITDA – EUR 61.3 million (+24.0 %), Net profit – EUR 23.2 million (+32.3 %), Net financial debt/adjusted EBITDA – 1.1 times.	LTG Cargo Polska Sp. z o.o. (100% of shares) UAB LTG Wagons (100% of shares) LLC LTG Cargo Ukraine (100% of shares)
	UAB LTG Link CEO: Kristina Meidė Chairwoman of the Board: Aurelija Kazlauskienė	Passenger transport by rail and provision of related services.	In 2024, the number of passengers carried increased by 9.9% to 5.5 million. As always, local routes accounted for the largest share – 90.5%. The share of tickets sold online grew by 15.5% and accounted for 58.1% of the total at the end of the reporting year.	Sales revenue amounted to EUR 96.3 million (+17.6 %), EBITDA – EUR 35.2 million (+25.6%), Net profit – EUR 19.1 million (+46.0 %), Net financial debt/EBITDA – negative.	-
	AB LTG Infra CEO: Vytis Žalimas Valdybos pirmininkas: Gediminas Almantas	Management, use and disposal of public railway infrastructure on a trust basis and performance of the functions of a public railway infrastructure manager.	Train traffic volume decreased slightly in 2024 (-3.0%) to 13.5 billion gross tonne-kilometres, while train mileage remained almost unchanged at 12.4 million train-kilometres.	Sales revenue amounted to EUR 184.8 million (+3.9 %), EBITDA – EUR 55.2 million (-6.4 %), Net loss – EUR 8.8 million (-1.0 %), Net financial debt/adjusted EBITDA – 1.6 times.	-
	UAB Geležinkelio tiesimo centras CEO: Rolandas Zabilevičius	Maintenance of railway infrastructure, implementation of construction, repair and modernisation projects.	During the reporting year, the company carried out railway infrastructure construction, repair and maintenance projects (it collected/replaced 30 km of railway, dismantled 24 km and laid 24 km of tracks).	Sales revenue – EUR 15.1 million (-37.5 %), EBITDA – EUR -35 thousand, Net loss – EUR 1.8 million , Net financial debt/adjusted EBITDA – negative amount.	-
	Rail Baltica Construction Ltd. CEO: Arenijus Jackus	RBS is a subsidiary of LTG established to participate in the management of RB Rail AS, a joint Baltic company coordinating the implementation of the Rail Baltica project.	The specific nature of the company's activities means that it does not have any core activities, i.e. inbound/outbound logistics, marketing and sales, nor does it participate in the market and competitive environment, nor does it have any managed infrastructure. In view of this, the company does not calculate profitability and return indicators.	Sales revenue – EUR 58 thousand, Net loss – EUR 158 thousand.	RB Rail AS (33.33% of shares)
	UAB LTG Kompetencijų centras CEO: Ieva Lauraitytė	On 29 November 2024, a new subsidiary was established, to which internal administrative activities were transferred: accounting, procurement, asset management, IT services, human resources, etc.			-

KEY EVENTS IN 2024:

• **In January, UAB LTG Link** (hereinafter referred to as LTG Link) signed a contract worth EUR 845,000 with the design company UAB Skaitmeninis lapas for the design of a new electric train maintenance depot. **In March**, a partnership agreement was signed with Distribution Technologies GmbH, a company connecting carriers around the world, expanding the possibilities of purchasing train tickets via the Google Maps platform. **In April**, the company secured the purchase of electric and battery-powered trains by signing €200 million financing agreements with NIB and EIB. **In October**, the Ministry of Finance signed state guarantee agreements with NIB and EIB, which are providing loans of €100 million each to LTG Link for the purchase of electric trains. **In January, AB LTG Infra** (hereinafter LTG Infra) began the final stage of electrification of the country's most important railway artery, Vilnius-Klaipėda.

• **In January, AB LTG Infra** (hereinafter LTG Infra) began contract work on the final stage of electrification of the country's most important railway artery, Vilnius-Klaipėda, and in the spring signed a €9.88 million contract with the Spanish company Ardanuy Ingeniería for design services for the infrastructure of the Kaunas passenger train station, which is an integral part of the Kaunas junction of Rail Baltica. **In March**, with the approval of the Government of the Republic of Lithuania, the company sold part of the electricity network it managed to AB Energijos skirstymo operatorius. To ensure increased military mobility in the country, the company adapted the Vilnius inter-modal terminal for the transport of NATO military cargo. **In November**, the largest Rail Baltica project financing agreement to date was signed between the European Climate, Infrastructure and Environment Executive Agency (CINEA) and RB Rail AS, a

joint venture authorised by the transport ministries of the three Baltic countries, signed an additional financing agreement for the European Infrastructure Networks Facility (CEF) grant allocated to the Rail Baltica project this summer. The CEF grant is intended to support the construction of the first section of the Rail Baltica project, the Vilnius-Kaunas-Kaunas-Klaipėda line.

• **In February, AB LTG Cargo** (hereinafter referred to as LTG Cargo) carried out trial freight transports through Latvia to the Valga station in Estonia and the first freight transports on the single European 1435 mm gauge from the Czech Republic (in November) and Austria (in December). In April, testing began on a smart remote diagnostics system that enables a wide range of locomotive operating parameters, and during the summer, a record 80% increase in grain transport was achieved. In July LTG Cargo acquired 500 wagons for transporting grain crops, and in December it added 200 new semi-wagons to its rolling stock and purchased 17 electric locomotives specially manufactured for transport in Lithuania.

Results of the largest subsidiaries

REVENUE

In the reporting year, **LTG Cargo's revenue of EUR 306.3 million** accounted for the largest share of the LTG Group's total revenue: due to the growth in the volume of local transport of mineral products, mineral and chemical fertilisers, and food industry products, as well as the application of higher tariffs, revenue in this

segment grew by 5.4% to EUR 120.4 million. the increase in transit tariffs compensated for the further decline in the volume of international freight transport, generating EUR 110.9 million, other revenues related to freight transport activities (transport of empty wagons, forwarding, use of freight wagons abroad, etc.) amounted to EUR 55.5 million. In the overall freight transport structure, international transport accounted for 71% of transport volume in 2021, 43% in 2023, and fell to 37% in the reporting year.

The growing number of passengers carried in 2024 increased **LTG Link's** sales revenue by 17.6 % This amounted to **EUR 96.3 million**, including a state subsidy of EUR 34.7 million (EUR 0.7 million more than in 2023 due to increased costs of transporting socially disadvantaged passenger groups). Revenue from passenger transport on transit trains grew the fastest (46.1 %) – a 32 % increase in passenger numbers and a 10 % increase in transport tariffs allowed **LTG Link** to earn a total of €29.1 million. Almost a third, or 28.2% (€27.2 million), of the total revenue came from a 10% increase in revenue from local train transport services.

The decline in freight train traffic due to the ongoing war in Ukraine was partially offset by a 6.9% increase in passenger train traffic, which allowed **LTG Infra** to earn 3.9% more revenue in the reporting year, **amounting to EUR 184.8 million**, including a state subsidy to balance the revenues and costs of the public railway infrastructure manager due to the decline in freight volumes (the latter amounted to EUR 65.6 million, up 8.3% on 2023). Due to increased tariffs, revenues from the minimum access package increased by 2.1 %, amounting to EUR 94.8 million at the end of 2024. The remaining 13.7 % of revenues were earned from the management and technical maintenance, repair, etc. of railway service facilities.

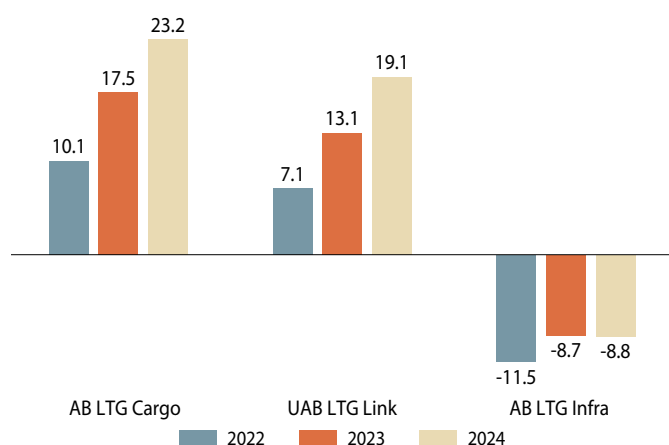
EXPENSES, EBITDA AND NET PROFIT (LOSS)

LTG Cargo generated the largest EBITDA of EUR 61.3 million for the entire LTG Group. The company's costs for its core and other activities increased by 3.9% in the reporting year, which was more moderate than the overall growth in revenue, allowing the company to achieve a ~2.7 percentage point higher gross profit, operating profit and EBITDA margin – the latter reached 20.0% in 2024 and was the highest in the last four years. In the overall cost structure of **LTG Cargo**, infrastructure charges accounted for the largest share of 37%, followed by wages and salaries at 16%, and other costs. **The company's net profit grew by 32.3% and reached EUR 23.2 million at the end of the reporting year.**

LTG Link's total costs in 2024 amounted to EUR 74.8 million, which was 11.2% higher than in 2023. Due to increased tariffs for local transport, infrastructure charges grew the fastest (EUR 3.3 million or 52.5%). Labour costs, which accounted for 24.3% of total costs, increased by 16% due to the annual DU review carried out in April of the reporting year. The next largest cost group, depreciation and amortisation, increased by 2% and accounted for 18.3% of total costs. Due to the positive passenger numbers and fare dynamics, transit revenues grew faster than costs, allowing the Company to achieve a 2.3 percentage point higher EBITDA margin and earn EUR 35.2 million in EBITDA. **Net annual profit reached EUR 19.1 million, which was 46% higher than in the previous year.**

LTG Infra's cost growth outpaced revenue growth in the reporting year, resulting in a 3.5 percentage point decline in EBITDA margin to 29.7% in 2024, with EBITDA reaching EUR 55.2 million, down 6.4% from 2023. The main cost groups remained wages (31.6 %) and depreciation and amortisation costs (31.4 %), which increased in the reporting year by +4.4 % (due to the annual DU review) and -4.2 %, respectively. The latter decrease in costs was due to the transfer of part of the electricity networks to the joint-stock company Energijos skirstymo operatorius in March 2024. The decrease in the latter costs was due to the transfer of part of the electricity networks to the joint-stock company Energijos skirstymo operatorius in March 2024. **The Company ended the reporting year with a loss of EUR 8.8 million, similar to the 2023 result.**

Net profit dynamics of the Group's major subsidiaries, EUR million



ASSETS, EQUITY AND LIABILITIES

No significant changes in **LTG Cargo's** assets were recorded in 2024 – the overall growth in assets was insignificant, at just 0.7%, with long-term tangible assets worth EUR 239.8 million accounting for the largest share. **Cash in the company's accounts amounted to EUR 53.5 million, accounting for 16.0% of total assets.** Timely fulfilment of financial obligations during the reporting year reduced liabilities by EUR 19.5 million – the total amount of long-term and short-term financial obligations, including lease obligations, amounted to EUR 138.9 million at the end of 2024, accounting for 70.5% of the Company's total liabilities. **Net profit earned strengthened the capital base by 10.9 % – total equity reached EUR 129.2 million and accounted for 38.6 % of total equity.**

Due to advance payments for new electric trains, on 31 December 2024, **LTG Link** recorded assets worth 7 % more than in the previous year, or EUR 196.0 million. **Long-term tangible assets remained the most significant part of assets, amounting to EUR 156.4 million.** Cash and cash equivalents amounted to EUR 27.2 million and accounted for 13.9% of total assets. The positive change of 6.1 % in equity was due to net profit, which increased the proportion of capital in total equity to 88 %. **LTG Link's** liabilities amounted to EUR 17.1 million, of which EUR 4.9 million was financial debt. For short-term needs, the Group's companies used the Group's cash pool funds during the year to avoid working capital imbalances.

The implementation of long-term investment projects and the growth of balance sheet items for construction in progress increased **LTG Infra's** assets by 7.4% to EUR 2.0 billion in the reporting year, including long-term tangible assets, which amounted to EUR 1.95 billion. Cash and cash equivalents amounted to EUR 33.7 million and accounted for 1.7% of total assets. The capital base was affected by losses incurred – **at the end of the reporting year, the Company recorded a 1.5% decrease, or EUR 632.1 million, in equity**, which accounted for 31.0% of the total balance sheet. The increase in subsidies granted resulted in a 13.9% increase in the corresponding balance sheet item – on 31 December 2024, the Company recorded EUR 1.1 billion in subsidies. **LTG Infra's** financial debt decreased by 3.4% to EUR 124.5 million during the reporting year due to timely loan repayments to banks.

FINANCIAL INDICATORS AND DIVIDENDS DECLARED

In accordance with the terms of the credit agreements, **LTG Infra's** financial indicators (net debt to adjusted EBITDA ratio < 4 times, loan servicing ratio ≥ 2 times) were met in the reporting year: **LTG Infra** – 1.6 times and 2.7 times, respectively.

The return on equity (ROE) indicators of **LTG Cargo** and **LTG Link**, which operated profitably, reached 18.9% (+3.1 percentage points) and 11.4% (+3.2 percentage points) at the end of the reporting year, respectively. **LTG Cargo allocated EUR 13.9 million in dividends for 2024, while LTG Link allocated EUR 12.4 million.** **LTG Infra**, which operated at a loss, recorded negative returns on profit and capital and did not allocate any dividends.

INVESTMENTS

During the reporting year, LTG Cargo focused on ensuring the continuity of freight transport operations and **invested a total of €43.5 million**, of which the largest share, 52%, was allocated to the overhaul of freight rolling stock and locomotives, and EUR 18.6 million for the purchase of new freight wagons. In 2024, 500 new wagons adapted for grain transport were purchased, and contracts were signed for the purchase of 200 new semi-wagons.

LTG Link's investments in 2024 amounted to EUR 44.3 million, which was 2.5 times higher than in the previous reporting period. As part of the LTG Group's railway electrification programme, the Company made an advance payment of EUR 30.8 million to a Swiss train manufacturing group for the production of new electric trains, which are expected to enter service in the second half of 2026.

LTG Infra's investments for the reporting year amounted to EUR 262.9 million: EUR 111.6 million was allocated to payments under the Rail Baltica project contracts for technical railway line design works, the construction of a bridge in Jonava, the construction of embankments and engineering structures, land planning, etc. EUR 95.9 million was spent on the electrification of the Vilnius-Klaipėda corridor.

Other subsidiaries

Due to a decrease in demand for services and the number of external tenders won, **UAB Geležinkelio tiesimo centras** earned EUR 15.1 million in revenue during **the reporting year**, which is 37.5% less than in the previous year. Changes in the volume of work also affected costs, which fell by 21.5% to EUR 17.8 million. Due to the revaluation of inventories and higher strategic management and general service costs, operating expenses decreased by a smaller amount than revenue, resulting in **a loss of EUR 1.8 million.** As a special purpose company, **UAB Rail Baltica statyba** is not focused on commercial activities. Its function consists of managing the shares of RB Rail AS.

AB Lietuvos Paštas Group

www.post.lt



Provision of postal services, including universal postal services, courier services, financial and other services

AB Lietuvos Paštas Group consists of Lietuvos Paštas Joint Stock Company and its wholly owned subsidiaries: UAB LP mokėjimų sprendimai (not operating), Unisend Latvija SIA, established in Latvia on 23 November 2023, and Unisend Eesti OÜ, established in Estonia on 29 November 2023. The main activities of these Group companies operating in Latvia and Estonia are the provision of postal and courier services and the provision of services related to these activities.

Special obligations – ensuring the provision of universal postal services (UPP) throughout the territory of the Republic of Lithuania; delivery of periodicals to subscribers in rural areas.

Key financial performance indicators set by the state

• Annual return on equity (ROE):

2022 ≥ 0 %,

2023 ≥ 2 %,

2024 ≥ 3 %

• Annual financial debt to equity ratio:

2022–2024 ≤ 0.8 times

• Dividends allocated for the calendar year:

2022–2024 70–85 % of distributable profit

KEY EVENTS:

- **February** LP EXPRESS became the first parcel delivery network in Lithuania to offer customers reusable parcel packaging, which can be purchased at parcel terminals.

- **March** The Unisend parcel locker network officially launched in Latvia and Estonia.

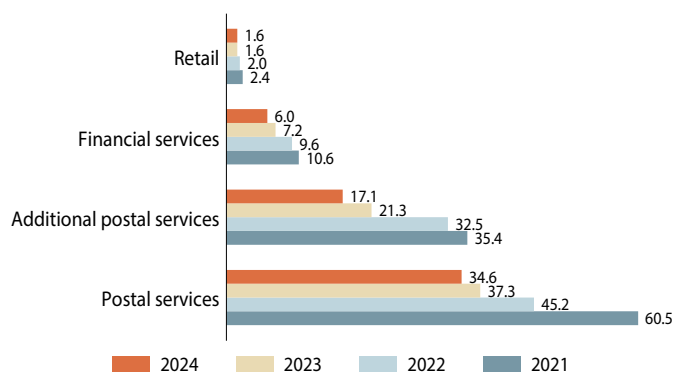
- **November** Some LP EXPRESS shipments in Vilnius and Kaunas began to be delivered by the first electric vans.

- **In November**, Rolandas Zukas stepped down from his position as CEO of the company.

At the end of 2024, the Lithuanian Post Group (hereinafter referred to as the Group) had a network of 170 stationary customer service branches, 30 UPP service points in rural areas, and 516 yellow post boxes. At the end of the reporting year, the Group, together with its partner, the uDrop parcel locker sharing network, operated a network of 437 LP EXPRESS parcel lockers in Lithuania and a network of 297 Unisend parcel lockers in Latvia and Estonia. In 2024, the Group's fleet of commercial vehicles consisted of 88 commercial vehicles, including three electric vehicles, and 220 commercial vehicles used by sub-contractors. In order to improve service quality, the number of logistics routes increased slightly from 250 routes in 2023 to 251 routes in 2024.

During the reporting year, 58.7 million basic services were provided, which is a 12.8% decrease compared to 2023. In 2024, customers sent 4.4% fewer items and 29.0% fewer letters in the domestic market than in 2023. The volume of items sent through post offices and courier channels decreased, falling by 37.9% and 12.8% respectively. The volume of items sent through parcel terminals increased by 6.4%. Revenues from exports in 2024 decreased by 7.0% compared to the previous reporting period. This change was significantly influenced by the decrease in ETOE (a postal operator's business model established by the Universal Postal Union (UPU) that allows the operator to establish and manage postal accounting locations in other countries). Import revenue in 2024 increased by 23.4% compared to 2023 due to increased mail flow to Lithuania.

Volume of services provided, million units



During the reporting period, the Group's sales revenue remained at a similar level as a year ago, i.e. it increased insignificantly, by only 0.4 %, and amounted to EUR 99.5 million. Revenue from postal services accounts for the largest share of sales revenue, i.e. 71.9% of total sales revenue. In 2024, compared to 2023, postal service revenue and volumes declined: revenue de-



CEO
Kastytis Valantinas

Chairwoman of the Board
Jūratė Stanišauskienė

- ↓ The Group's consolidated net profit decreased by 95.3 %, from EUR 5.2 million to EUR 0.2 million
- ↓ The company allocated EUR 2.1 million in dividends for the 2024 results, 29.4% less than in the previous reporting period
- ↓ The Group's EBITDA for 2024 decreased by a quarter to EUR 10.2 million.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	98,986	99,370	+0.4%
Cost of goods sold	0	0	-
Gross profit (loss)	98,986	99,370	+0.4%
Cost of sales	104,484	109,442	+4.7%
General and administrative expenses	0	0	-
Other operating results	11,430	11,006	-3.7%
Financial and investment activities	-493	-454	+8.0%
Profit (loss) before tax	5,439	480	-91.2%
Income tax	287	239	-16.9%
Net profit (loss)	5152	242	-95.3%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	60,054	62,840	+4.6%
Current assets	64,062	51,064	-20.3%
Cash and cash equivalents	37,394	26,313	-29.6%
Accrued expenses and deferred income	5,977	6,393	+7.0%
Total assets	130,093	120,297	-7.5%
Equity	37,240	34,414	-7.6%
Grants, subsidies	95	79	-17.1%
Provisions	0	0	-
Payables and other liabilities	74,255	68,521	-7.7%
Amounts payable after one year and other long-term liabilities	21,631	23,510	+8.7%
<i>Financial liabilities</i>	20,968	22,627	+7.9%
Amounts payable within one year and other current liabilities	52,624	45,011	-14.5%
<i>Financial liabilities</i>	6,778	7,788	+14.9%
Accrued expenses and deferred income	18,503	17,283	-6.6%
Total equity and liabilities	130,093	120,297	-7.5%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	4.1%	0.2%	-3.9 p. p.
ROE	14.9%	0.7%	-14.2 p. p.
D/E	74.5%	88.4%	+13.9 p. p.
EBITDA	13,764	10,256	-25.5%
EBITDA margin	13.9%	10.3%	-3.6 p. p.
Net profit margin	5.2%	0.2%	-5.0 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Dividends allocated (state share)	3,068	2,167	-29.4%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	2,683	2,491	-7.2%
Average monthly salary of a manager (gross, euros)	12,933	13,857	+7.1%
INSTITUTION REPRESENTING THE STATE	OWNED SHARE		
Ministry of Transport and Communications of the Republic of Lithuania	100.0%		
MANAGEMENT (12/05/2025)			
CEO	Kastytis Valantinas		
Chairwoman of the Board	Jūratė Stanišauskienė*		
Members of the Board	Vaidotas Dirmeikis* Liutauras Varanavičius* Vytautas Vorobjovas* Kristina Semėnė		

*Independent member

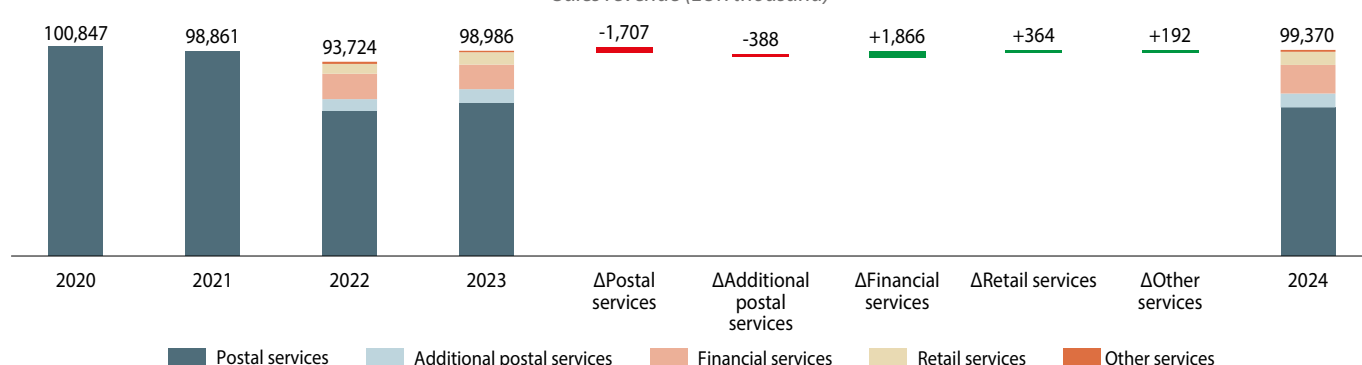
creased by EUR 1.7 million (2.3 %) and volumes by 2.7 million units (7.3 %). This was influenced by the rapid decline in the popularity of letters over the past few years, with more and more people choosing electronic means of communication. The newly established subsidiary parcel delivery companies in Latvia and Estonia, which began operations in 2024, had a positive effect on the LP Group's sales revenue and volumes. In 2024, compared to 2023, retail sales volumes did not increase, but revenue grew by 6.1 % to EUR 6.4 million due to changes in the product range. **Revenue from other services increased by 28.2% to EUR 0.9 million due to higher revenue from transport services to partners. Revenue from financial services increased by 15.9% to EUR 13.8 million.**

In 2024, income from private customers amounted to EUR 18.0 million, which is EUR 4.7 million or one-fifth less than in 2023. The main reason for this negative change was the decline in revenue from the goods import market,

which decreased by €3.1 million or 36.5% compared to 2023. Revenue from the export and domestic markets for the shipment of goods also decreased, falling by EUR 1.4 million (15.6 %) and EUR 0.6 million (17.5 %) respectively. Revenue from the shipment of letters increased, rising by EUR 0.3 million (0.4 %) in 2024 compared to 2023. More revenue was generated from letter shipments – in 2024, compared to 2023, revenue increased by EUR 0.3 million or 14.8%.

In 2024, revenue from business customers amounted to EUR 53.5 million, i.e. EUR 2.9 million or 5.7 % more than in 2023. The increase in revenue from business customers was driven by a EUR 5.5 million increase in revenue from the goods import market. Also, in 2024, compared to 2023, EUR 0.5 million (5.7 %) more revenue from legal entities was received from the export of goods. Lower revenues were received from: letter delivery – EUR 1.7 million (10.7 %), ETOE – EUR 0.9 million (21.4 %) and domestic goods delivery – EUR 0.5 million (2.4 %).

Sales revenue (EUR thousand)



During the reporting period, the Group's operating expenses increased by 4.7% and amounted to EUR 109.4 million. In 2024, personnel-related expenses, which accounted for 44.3 % of total expenses or EUR 48.5 million, increased by 1.3 %. This change was mainly due to the general increase in the minimum monthly wage, the annual review of employee salaries and the recruitment of new employees to newly established subsidiaries in Latvia and Estonia. International mail transport and settlements with foreign post offices, which accounted for 15.7% of total costs, decreased significantly, by almost EUR 2.7 million or 13.5%, due to declining export and ETOE flows. In 2024, short-term transport rental and related costs increased by EUR 1.1 million or 33.6%. This increase was due to expenses incurred in connection with the return of vehicles. In 2024, more was also spent on advertising and representation expenses, mainly due to the expansion processes in Latvia and Estonia.

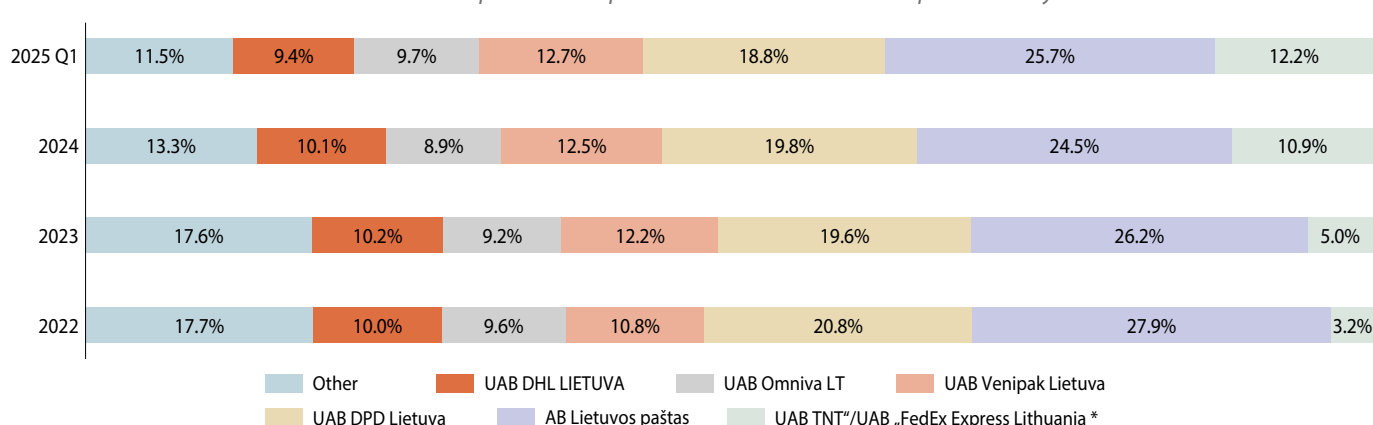
The Group's total revenue grew very slightly, by just 0.4%, a 4.7% increase in costs, and a significant 14.2% decrease in return on equity resulted in a consolidated net profit of EUR 0.2 million, compared to EUR 5.2 million in 2023. The significant decline in net profit also led to a drop in EBITDA, which amounted to EUR 10.3 million in 2024, i.e. a quarter less than in 2023. The significant 95.3% decline in the Group's consolidated net result did not prevent the allocation of dividends to the state budget for the 2024 results. **Given that dividends are paid out of the Company's (rather than the Group's) profits, EUR 2.2 million in dividends were allocated, which, as required by the Lithuanian Government's resolution, amounted to 70% of the Company's distributable profit.**

At the end of 2024, the Group recorded a 7.5% decrease in assets, which amounted to EUR 120.3 million. The change was mainly influenced by a decrease in current assets from EUR 64.1 million to EUR 51.1 million due to a 29.6% decrease in cash and cash equivalents. **The Group's investments in 2024 amounted to EUR 3.4 million, almost half of the amount invested in 2023.** In 2024, most of the investments – EUR 1.5 million – were allocated to software and EUR 1.2 million to the parcel locker network. Investments were also made in building renovations, furniture, vehicles and security systems.

According to data from the Communications Regulatory Authority, on 31 December 2024, 44 economic entities provided postal services in the country, i.e. one economic entity less than on 31 December 2023. In the reporting year, companies earned EUR 288.2 million for postal services provided, representing a 5.0% increase in revenue compared to 2023. Revenue from postal items grew by 8.0% () to EUR 233.9 million, while correspondence revenue decreased by 5.9% to EUR 47.88 million. **In the overall postal services market, based on revenue received in 2024, Lietuvos Paštas Group held the largest market share, i.e. 24.5%.** Compared to 2023 data, the Group's market share remained virtually unchanged. The second largest postal service provider, UAB DPD Lietuva, had a 19.8% market share in 2023. Compared to 2023 data, this company's market share also remained almost unchanged.

During the reporting year, the total number of parcel terminals in the country increased from 1,787 to 2,070. **At the end of 2024, the Lithuanian Post Group, which includes subsidiaries in Latvia and Estonia, operated a network of 437 self-service parcel terminals in Lithuania and 297 parcel terminals in other Baltic countries,** with a total of 83,000 parcel boxes.

Market share of postal service providers based on revenue from postal delivery



* On 1 September 2023, UAB TNT changed its name to UAB FedEx Express Lithuania. The business of the Federal Express Corporation subsidiary was transferred to UAB TNT.

Source: Communications Regulatory Authority of the Republic of Lithuania

AB Kelių priežiūra

www.keliuprieziura.lt



Continuous and periodic maintenance of public roads, design of transport communications, road repair works for municipalities and other legal and natural persons, horizontal road marking, installation and maintenance of road lighting systems, extraction and production of materials, equipment rental.

Special obligations:

- Maintenance and management of roads of national importance;
- Installation of military counter-mobility measures on roads of national importance.

Key financial performance indicators set by the state

• Average return on equity (ROE) from commercial activities

2022–2024 ≥ 6.9 %

• Annual ratio of financial debt to equity

2022–2024 limit 0.1–0.2 times

• Dividends allocated for the calendar year:

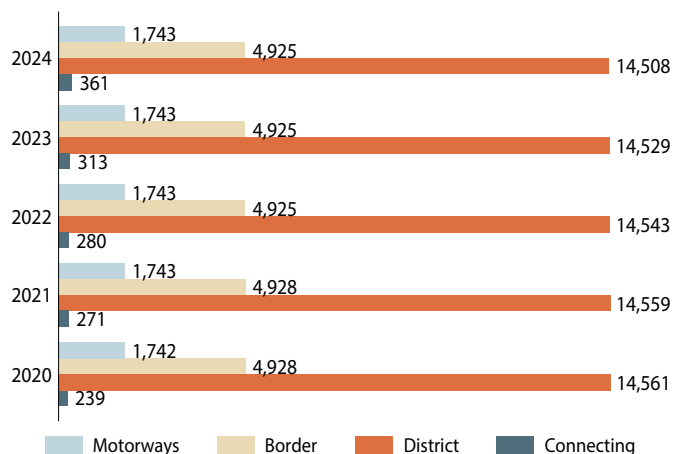
Amount in line with the requirements of the *Ownership Guidelines*, depending on the ROE indicator.

SVARBIAUSI ĮVYKIAI:

- **On 8 January**, Dr Audrius Vaitkus took up the position of CEO of the company.
- **In January**, an interactive winter road maintenance map was presented to the public, providing information on road cleaning, gritting and the location of equipment
- **July**: Integration with the Waze navigation app was completed. This allows road maintenance workers to receive additional data from socially responsible drivers directly into the Company's road maintenance brigade programmes while performing routine road maintenance work.
- **On 16 October**, by order of the Minister of Economy and Innovation, a new obligation was added to the list of special obligations performed by the Company: installation of military counter-mobility measures on roads of national importance.
- **In November**, a survey of the Company's partners was conducted on their satisfaction with the services provided and cooperation: overall satisfaction was rated at 78 points, services – 97 out of 100

From 1 January 2020, national roads will be divided into five road maintenance levels according to traffic intensity and importance. The highest priority is given to the following motorways: Via Baltica, Vilnius–Kaunas–Klaipėda, Vilnius–Panevėžys, Vilnius–Trakai, and the Vilnius southern bypass. These roads are maintained by the Company's employees around the clock.

Maintained kilometres by road level, km



In order to ensure proper road maintenance, the Company has developed a large territorial network and infrastructure consisting of 20 road services and 49 workshops in all regions of the country. The existing structure is adapted to provide road maintenance services – the fleet of equipment is tailored to needs, and there are warehouses for materials and shelters for salt storage. The company operates more than 2,000 self-propelled vehicles and 3,000 specialised devices and mechanisms designed for them or used separately.

Every day, around 50 of the company's crews travel around the country to assess road conditions, identify dangerous areas, analyse accident blackspots and take preventive measures. In winter, 55% of national roads are gritted with technical salt (NaCl) and/or a mixture of sand and salt in certain proportions. At low temperatures (< -10 °C), calcium chloride (CaCl₂) is used. The remaining 45% are roads with the lowest (fifth) maintenance level (gravel roads and roads with very low traffic intensity). Snow is cleared from all roads. Statistics from recent winter seasons show an increase in the demand for technical salt (NaCl) and a decrease in the volume of sand and salt mixtures. In the 2022–2023 seasons, an



CEO
Audrius Vaitkus

Chairman of the Board
Vyngantas Sliesoraitis

- ↑ The company's net profit in 2024 increased by 55.2% to EUR 7.0 million.
- ↑ Dividends were paid for the first time in four years – for the 2024 results, they will amount to EUR 3.1 million
- ↓ The company's investments decreased by one third, or 32.0%, to EUR 11.5 million during the year.

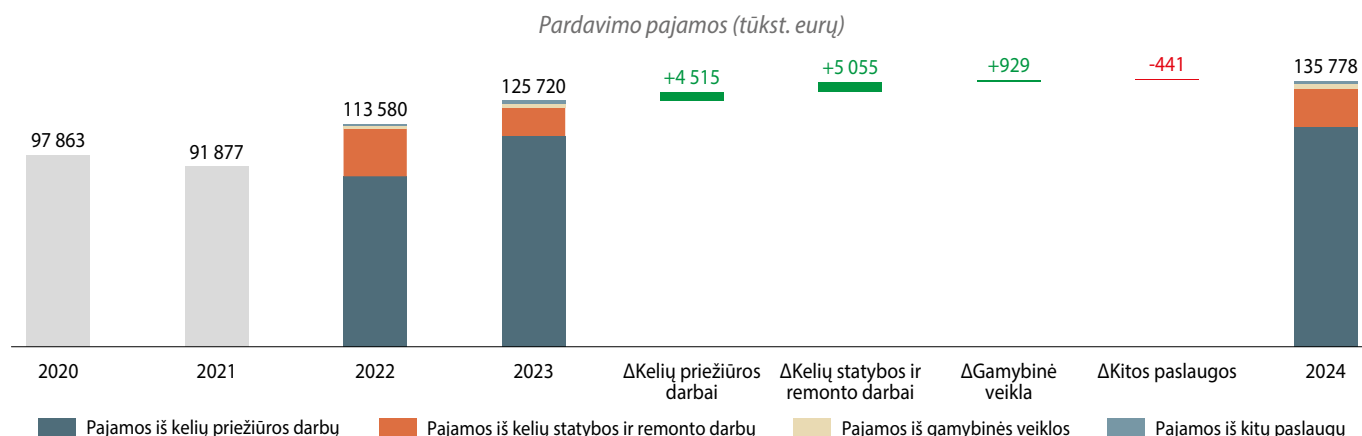
PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	125,720	135,778	+8.0%
Cost of goods sold	113,240	117,012	+3.3%
Gross profit (loss)	12,480	18,766	+50.4%
Cost of sales	0	0	-
General and administrative expenses	9,912	11,148	+12.5%
Other operating results	2,257	1,277	-43.4%
Financial and investment activities	-102	-1,001	-881.4%
Profit (loss) before tax	4,722	7,894	+67.2%
Income tax	236	932	+294.9%
Net profit (loss)	4,487	6,962	+55.2%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	104,579	102,649	-1.8%
Current assets	47,168	55,715	+18.1%
Cash and cash equivalents	31,979	31,484	-1.5%
Accrued expenses and deferred income	0	0	-
Total assets	151,746	158,364	+4.4%
Equity	107,329	114,291	+6.5%
Grants, subsidies	59	88	+49.2%
Provisions	3,044	2,967	-2.5%
Payables and other liabilities	41,315	41,018	-0.7%
Amounts payable after one year and other long-term liabilities	13,437	13,000	-3.3%
Financial liabilities	12,131	12,363	+1.9%
Amounts payable within one year and other current liabilities	27,878	28,018	+0.5%
Financial liabilities	4,124	5,846	+41.8%
Accrued expenses and deferred income	0	0	-
Total equity and liabilities	151,746	158,364	+4.4%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	2.9%	4.5%	+1.6 p. p.
ROE	4.3%	6.3%	+2.0 p. p.
D/E	15.1%	15.9%	+0.8 p. p.
EBITDA	16,457	20,844	+26.7
EBITDA margin	13.1%	15.4%	+2.3 p. p.
Net profit margin	3.6%	5.1%	+1.5 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Dividends allocated (state share)	0	3,125	-
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	2,190	2,214	+1.1%
Average monthly salary of a manager (gross, euros)	11,705	10,200	-12.9%
STATE REPRESENTATIVE INSTITUTION	OWNED SHARE		
Ministry of Transport and Communications of the Republic of Lithuania			100,0%
MANAGEMENT (02/04/2025)			
CEO		Audrius Vaitkus	
Chairman of the Board		Vyngantas Sliesoraitis*	
Members of the Board		Živilė Valeišienė* Nerijus Datkūnas* Vidmantas Tamulis	

*Independent member

average of 98,000 tonnes of pure salt and about 68,000 tonnes of sand and salt mixture were used, while in the 2023-2024 seasons, 104,000 tonnes of pure salt and about 44,000 tonnes of sand and salt mixture were used. Spreading technical salt on roads in winter weather conditions improves road conditions (no ruts form in frozen snow, and snow residue is melted after snow removal), reduces environmental pollution from solid particles, and saves on the costs of cleaning road surfaces after the winter period.

The company has been granted a permit by the Lithuanian Geological Survey under the Ministry of Environment of the Republic of Lithuania to use underground resources in 74 sand and gravel quarries. The total area of these quarries is more than 1,000 hectares. More than 800,000 cubic metres of sand and gravel are extracted from them annually. The company currently operates one modern asphalt plant in Kuršėnai. The majority, about 80 %, of the asphalt plant's production is intended to meet the needs of the company's road services.

The company's sales revenue in 2024 increased by 8.0% compared to 2023, reaching EUR 135.8 million. The company's main customer is AB Via Lietuva, from which revenue for road maintenance and repair work increased from €97.8 million in 2023 to €102.9 million in 2024. Revenue from core activities – road maintenance (including all customers: AB Via Lietuva, municipalities and other economic entities) increased by 4.2% to EUR 112.0 million. The growth was mainly driven by a 33.5% increase in revenue from road maintenance works for municipalities and other economic entities. **Revenue from production activities, received for the sale of asphalt, gravel and similar materials, increased significantly, by 49.0 %, or EUR 0.9 million,** reaching EUR 2.8 million in the reporting year. **Revenue from road repair works increased by 34.6% to EUR 19.7 million, but still fell short of the 2022 result,** when revenue from road repair works reached EUR 24.4 million. In 2024, revenue from other services decreased by a quarter compared to the previous reporting period and amounted to EUR 1.3 million.

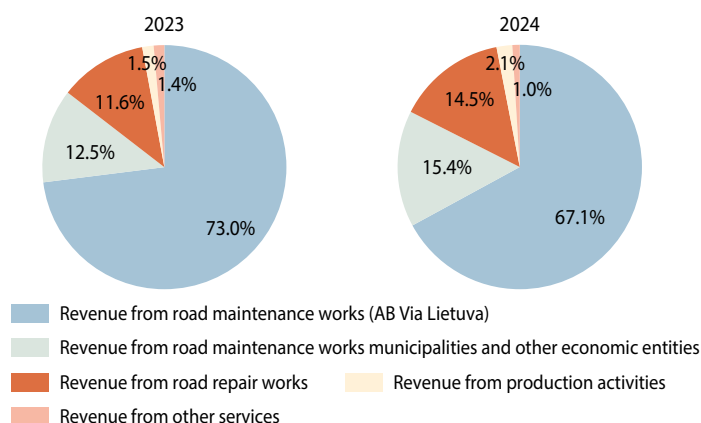


The income structure consists of two main income groups: income from road maintenance works performed by AB Via Lietuva (special obligation) and income from commercial activities. The largest part of the turnover is made up of road maintenance income received from AB Via Lietuva for the performance of a special obligation. In the reporting year, this part of income accounted for 67.1 % of total income, while in 2023 this part of income was even higher, reaching almost three quarters. Compared to previous years, there have been no significant changes in the revenue structure – road maintenance activities for municipalities and other economic entities remained in second place in terms of sales, leaving road repair activities in third place. Although there have been no significant changes in the structure, **the revenue earned in the period 2022-2024 increased in monetary terms in both activities: commercial activities increased by EUR 7.2 million, while the special obligation of road maintenance and management of national importance increased by EUR 15.0 million. The figures below show the revenue dynamics for the last two years, i.e. 2023 and 2024.**

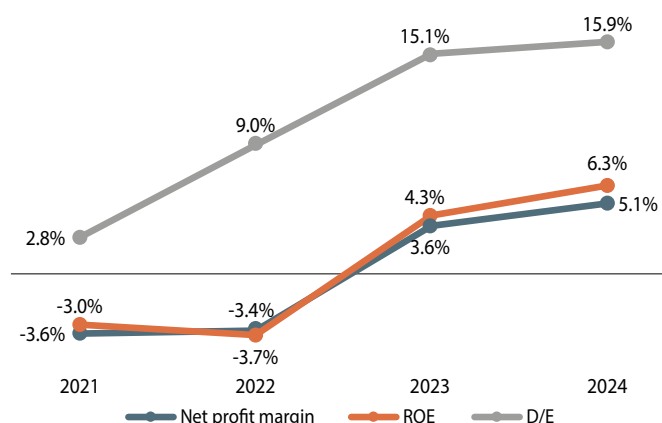
In 2024, the Company's cost of sales amounted to EUR 117.0 million, an increase of 3.3% compared to 2023. The largest share (42.3 %) of the cost of sales structure was accounted for by employee compensation expenses, which increased by 8.0 % to EUR 49.5 million during the reporting year. The increase in these costs is mainly related to the need to adapt to the prevailing and growing

average wages in the market. Other cost of sales expenses (including subcontracting, premises maintenance and repair, energy and other expenses) increased by 24.6%. The majority of this change was due to subcontracting expenses (specific works that the Company is unable to perform efficiently on its own). These costs increased by 35.2% in 2024 compared to the previous reporting period. Compared to 2023, there was a decrease in the purchase of materials and transport operating costs – material costs decreased by 10.5%. This change was mainly influenced by lower costs of purchasing salt and salt mixtures due to a milder winter and a drop in the price per tonne of salt. Although some transport operating costs increased (transport repairs, spare parts), the decrease in other costs in this group (equipment rental, other transport services) resulted in an overall decrease in transport costs of 1.8%.

Compared to the previous reporting period, the net profit of EUR 7.0 million earned in 2024, indicating a 55.2% increase, was mainly driven by higher sales revenue and optimally controlled costs. The company's EBITDA, which reached EUR 20.8 million in 2024, increased by 26.7% compared to the previous period. Due to the net profit earned, return indicators also increased: return on assets increased by 1.6 percentage points to 4.5 %; return on equity increased by 2.0 percentage points to 6.3 %. The ratio of financial liabilities to equity rose by 0.8 percentage points to 15.9 % in 2024, indicating no significant changes in financial liabilities compared to the previous reporting period.



The value of investments made in 2024 amounted to EUR 11.5 million, a decrease of one third, or EUR 5.4 million, compared to 2023. The largest amount of investment, accounting for 69.8% of total investment and amounting to EUR 8.0 million, was allocated to the purchase of new vehicles, machinery and equipment. These investments are aimed at renewing the existing technical park



and purchasing the necessary equipment for the development of new activities. EUR 1.0 million was allocated for other equipment, devices and tools. Investments in software decreased almost twice, from EUR 309.0 thousand in 2023 to EUR 162.0 thousand in 2024. The remaining investments are allocated to buildings and structures, unfinished construction and advance payments, and land.

AB Oro navigacija

www.oronavigacija.lt



Air navigation services for aircraft flying in the airspace of the Republic of Lithuania

Key financial performance indicators set by the state:

• Adjusted EBIT profitability

2022–2024 ≥ 3 %

• Annual financial debt to equity ratio

2023–2024 ≥ 0.08, but ≤ 0.3 times

• Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the *Ownership Guidelines*, depending on the ROE indicator earned.

KEY EVENTS:

• **In April**, an agreement was signed with Era, a company belonging to the Czech capital group Omnipol, for the implementation of a Wide Area Multilateration System (WAM). This €3.6 million project will enable the Company to provide a higher level of aircraft surveillance services and wider coverage. The implemented system will contribute to smoother and safer air traffic management in Lithuania.

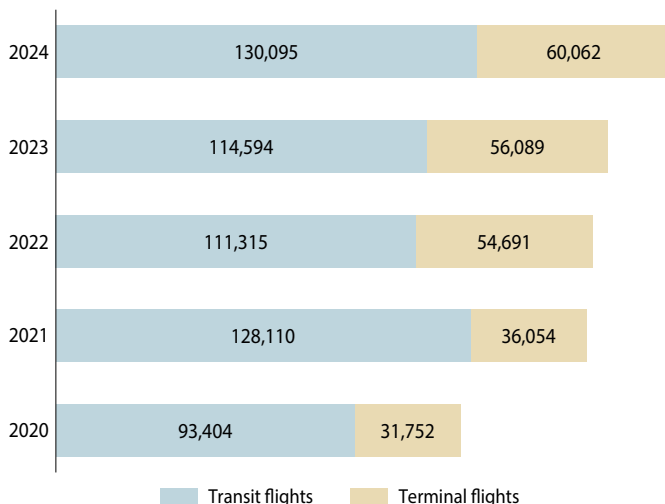
• **In April**, the Company signed an agreement with Skyzr, a start-up belonging to the Austrian high-tech group Frequentis Group (ON will implement the Wingman drone risk assessment tool). This is the world's first automated risk analysis service, capable of reducing query processing time by up to 75%. ON will be the first company in Europe to implement the Wingman service for digital risk assessment. This service will be integrated into the future Lithuanian unmanned traffic management system. This solution will enable ON to manage the growing drone traffic in Lithuanian airspace more efficiently. Automated risk assessment will help speed up the coordination of drone flights and ensure a high level of air traffic safety.

• **On 6–17 May**, the ON team participated in the Air Force exercises "Budrus sakalas 2024" and "Astralinis riteris" in the Kaunas and Šiauliai districts. During these exercises, different units of the Air Force performed various functions while carrying out defensive tasks. Participation in these exercises provided the ON team with valuable experience related to the challenges of airspace surveillance and management. This cooperation with the Air Force is an important step in increasing cooperation and synergy between the civil and military aviation sectors in Lithuania.

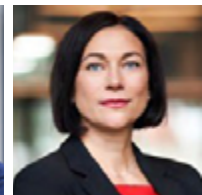
In 2024, for the fourth consecutive year, growth in the volume of services provided was recorded for both route and terminal services. The volume of terminal services in 2024 already reached and even slightly exceeded the pre-pandemic level of 2019 (+9%), while the volume of route services in 2024 amounted to about 74% of the 2019 level.

The decline in route service volumes is linked to the outbreak of war in Ukraine and the resulting EU sanctions against Russian air carriers, as well as changes in flight trajectories in Lithuanian airspace. Even in a scenario where this military conflict is resolved or airspace is opened up due to the cessation of active military operations, it is very likely that the sanctions imposed will remain in place, so it is not expected that route service volumes will return to 2019 levels in the near future or in the long term (until 2029). In 2024, the number of flights served reached 190,200, which accounted for 71% of all flights recorded in 2019 before the pandemic. In the reporting year, compared to the same period in 2023, the number of flights increased by 11.0%. The majority, i.e. 68.0 %, of flights were transit flights, the number of which increased by 14.0 % in 2024 to 130,100 flights. A positive change is also noticeable in the volume of terminal flights, the number of which increased by 7.0% in the reporting year.

Number of flights serviced in Lithuanian airspace



CEO
Saulius Batavičius



Chairwoman of the Board
Jūratė Stanišauskienė

- ↓ Cash and cash equivalents decreased by 43.1 % to EUR 6.6 million
- ↑ The company's sales revenue has been growing for the fourth consecutive year
- ↓ The company allocated EUR 2.0 million in dividends for the 2024 results, i.e. 11.7% less than a year ago

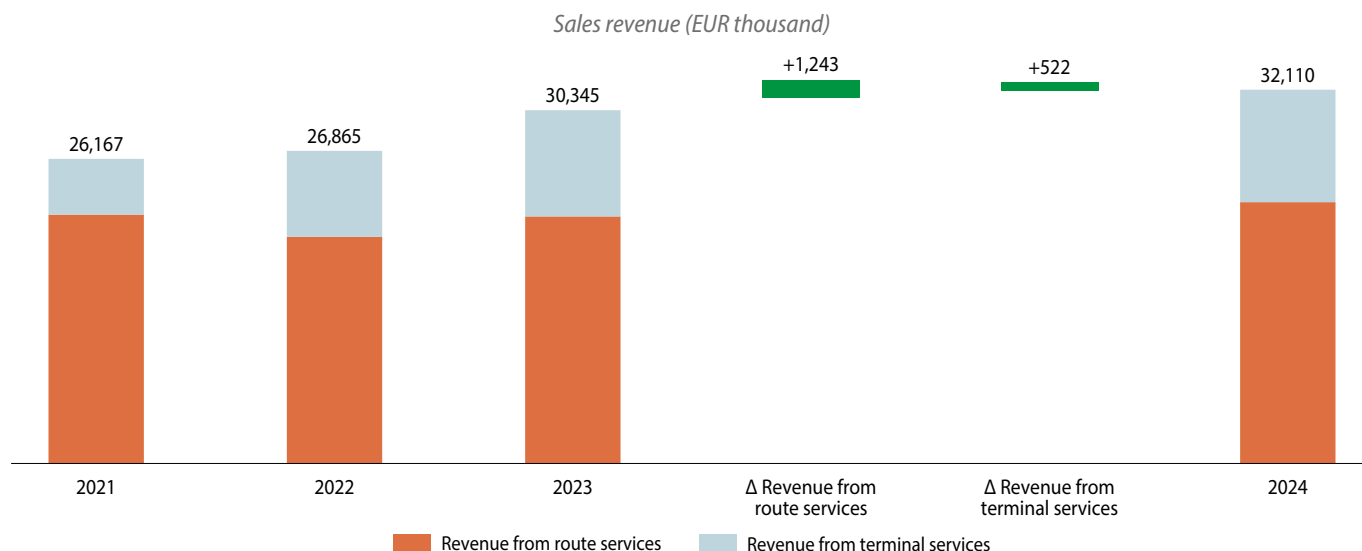
PROFIT (LOSS) STATEMENT (EUR THOUSAND)		2023	2024	CHANGE
Sales revenue		30,345	32,110	+5.8%
Cost of goods sold		20,966	22,518	+7.4%
Gross profit (loss)		9,378	9,592	+2.3%
Cost of sales		0	0	-
General and administrative expenses		6,466	7,042	+8.9%
Other operating results		-135	-219	-61.8%
Financial and investment activities		312	555	+77.6%
Profit (loss) before tax		3,089	2,886	-6.6%
Income tax		543	445	-18.0%
Net profit (loss)		2,547	2,442	-4.1%
BALANCE SHEET (EUR THOUSAND)		31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets		42,138	38,517	-8.6%
Current assets		20,861	22,600	+8.3%
Cash and cash equivalents		11,565	6,583	-43.1%
Accrued expenses and deferred income		3,098	3,521	+13.7%
Total assets		66,097	64,638	-2.2%
Equity		49,950	51,111	+2.3%
Grants, subsidies		0	0	-
Provisions		0	0	-
Payables and other liabilities		13,888	9,197	-33.8%
Amounts payable after one year and other long-term liabilities		8,691	4,809	-44.7%
Financial liabilities		0	0	-
Amounts payable within one year and other current liabilities		5,197	4,388	-15.6%
Financial liabilities		0	0	-
Accrued expenses and deferred income		2,260	4,330	+91.6%
Total equity and liabilities		66,097	64,638	-2.2%
RATIOS		31 DEC 2023	31 DEC 2024	CHANGE
ROA		4.0%	3.7%	-0.3 p. p.
ROE		5.1%	4.8%	-0.3 p. p.
D/E		0.0%	0.0%	-
EBITDA		7,000	6,552	-6.4%
EBITDA margin		23%	20.4%	-2.7 p. p.
Net profit margin		8.4%	7.6%	-0.8 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)		2023	2024	CHANGE
Dividends allocated (state share)		2,296	2,028	-11.7%
INFORMATION ABOUT EMPLOYEES		31 DEC 2023	31 DEC 2023	CHANGE
Number of employees		294	307	+4.4%
Average monthly salary of a manager (gross, euros)		9,804	11,470	+17.0%
STATE REPRESENTATIVE INSTITUTION			SHAREHOLDING	
Ministry of Transport and Communications of the Republic of Lithuania			100%	
MANAGEMENT (02/05/2025)				
CEO			Saulius Batavičius	
Chairwoman of the Board			Jūratė Stanišauskienė*	
Members of the Board			Mantas Šukevičius* Andrius Šniolis* Darius Stravinskis	

*Independent member

The ten airlines that operated the most transit flights in the airspace of the Republic of Lithuania accounted for 62.0% of the total number of transit flights, while the ten main airlines accounted for 78.0% of the total number of terminal flights.

The company's core business revenue consists of route and terminal charges, which cover the costs incurred in providing air navigation services. **With service volumes increasing during the reporting year, core business revenue also grew by 5.8 % to EUR 32.1 million.** During the reporting period, revenue from en-route air navigation services grew by 6.0% to EUR

22.4 million, while revenue from terminal services increased by 5.7% to EUR 9.7 million in 2024. The share of terminal services in operating revenue remained almost unchanged at around one-third, while the share of en-route services accounted for 67.0%. Revenue from other activities grew almost threefold to EUR 1.3 million. A significant part of this revenue, about 41%, was generated from participation in SESAR research and development projects, which was almost three times higher than in 2023 due to a new wave of projects and greater involvement in them.



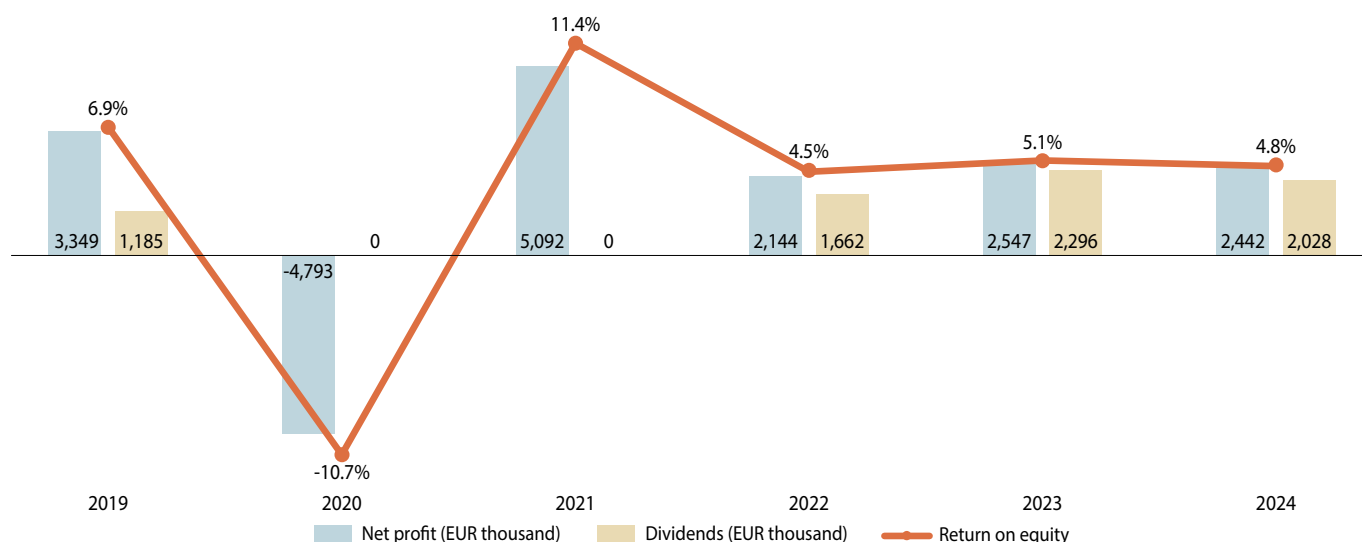
The company's operating costs increased by 11.0% in the reporting year, reaching EUR 31.0 million. The increase in costs compared to 2023 was mainly due to higher wages and personnel-related expenses. The main factors contributing to the increase in wage costs were the increase in the average wage of employees, which is dictated by the country's labour market, the obligations set out in the ON collective agreement and the growing number of employees. Personnel-related costs accounted for approximately 70.0% of total costs and increased by 9.0% compared to 2023. The second fastest growing group of operating costs was equipment maintenance costs. Compared to 2023, costs in this group increased by EUR 1.1 million or 147.0%. This increase was mainly due to the end of the warranty period for the main air traffic management system and the provision of post-warranty service and maintenance services throughout the calendar year.

The company's net profit for the reporting year decreased by 4.1% to EUR 2.4 million. The change was due to the negative impact of income adjustments resulting from regulatory risk-sharing mechanisms applicable to the company's activities, i.e. the decline in income was caused by traffic risk and inflation adjustments and adjustments to allowable costs due to deviations from planned investment volumes. The Company's financial return indicators fell slightly: both ROA and ROE contracted by 0.3 percentage points to 3.7% and 4.8%, respectively. Compared to the previous reporting period, the company recorded 2.2% less assets at the end of 2024 – this change was due to the negative dynamics of long-term assets due to more modest investments in tangible or other long-term assets. The

decrease in non-current assets was partially offset by an increase in current assets, which rose by EUR 1.7 million or 8.3% during the reporting year.

Following the change in the Company's legal form on 1 January 2023 and its transformation into a public limited company, the Board of Directors approved the dividend payment policy. When distributing and paying dividends, the Company complies with the Law on Joint Stock Companies of the Republic of Lithuania and other relevant legal acts regulating the activities of state-owned companies, as well as the Company's dividend policy. **As established by the Government of the Republic of Lithuania, the Company allocated 75% of its distributable profit for both 2023 and 2024 to dividends. In 2024, having earned less, the amount of dividends allocated to the state budget was adjusted accordingly, decreasing by 11.7% to EUR 2.0 million.**

In 2024, the Company's investments amounted to EUR 1.6 million, i.e. 23.0% more than in the previous reporting period. By implementing investment projects, the Company seeks to ensure the required level of flight safety and service quality and implements the tasks of the Local Single Sky Implementation Plan (LSSIP) and ongoing European projects, as well as local and regional projects. (LSSIP) and ongoing European projects, and implements local and regional projects. The investment projects implemented/planned by ON are directly related to the technological tasks specified in the European ATM Master Plan Level 3 document, the SESAR Deployment Manager programme, and the Performance Based Navigation (PBN) plan.



AB Klaipėdos valstybinio jūrų uosto direkcija

www.portofklaipeda.lt



Main functions of the company: ensuring safe navigation in the Klaipėda State Seaport, maintenance and development of port infrastructure.

Special obligations: providing the Lithuanian Navy with access to the infrastructure of the Klaipėda State Seaport; constructing, modernising and developing the infrastructure of the Klaipėda Seaport necessary for shipbuilding and repair; construction, modernisation and development of the infrastructure of the Klaipėda Seaport necessary for the production, assembly and/or storage of offshore wind turbines and their components.

Key financial performance indicators set by the state

• Annual return on equity (ROE):

2022 ≥ 1.7 %,
2023–2024 ≥ 2.1 %

• Annual net debt to EBITDA ratio:

2022–2024 ≤ 4 times

• Allocated profit contributions (dividends) for the calendar year:

2022–2024 ≥ 70 % of distributable profit

KEY EVENTS:

• **In January**, *Ela Žemaitienė*, Head of Organisational Development at AB Klaipėdos valstybinio jūrų uosto direkcija, joined the Board of the company.

• **In April**, the company was awarded a port environmental management system (PERS) certificate. In May, the construction of the Klaipėda Seaport radar control system tower was completed in Smiltynė.

• **May**: Construction of the Klaipėda Seaport radar control system tower in Smiltynė was completed.

• **July** The port received €8.6 million in EU funding for the electrification of quays.

• **November**. Dredging work began for the offshore wind farm project.

• **December** A contract was signed for the construction of a new cruise ship terminal.

In 2024, the cargo turnover of the Port of Klaipėda increased by 2.8 million tonnes, or 8.0%, to 35.5 million tonnes. The change was primarily driven by the company's adaptation to the changed market and the development of alternative cargo types in its cargo portfolio. The handling of minerals and construction materials grew by 99%, container cargo turnover (in terms of tonnage) increased by 9%, and ro-ro cargo turnover (in terms of tonnage) grew by 16%. In 2024, the handling of construction materials, especially crushed stone, increased significantly in the mineral and construction materials cargo group at the port last year were imported, with almost half of the imported volume (47 %) coming from Scandinavian countries. In response to the geopolitical situation and in an effort to reduce dependence on gas imports from Russia, the importance of the Klaipėda LNG terminal has grown in recent years. The LNG terminal operated at maximum capacity in 2022–2023, but a 14% decline in LNG terminal cargo handling is expected in 2024. The decline in LNG transshipment in 2024 is mainly due to the planned inspection and repair of the Independence floating storage unit in Denmark in May 2024. In 2024, a recovery in fertiliser cargo was recorded – although transit fertiliser cargo no longer passes through the Port of Klaipėda, fertilisers produced by Lithuanian fertiliser manufacturers AB Achema and AB Lifosa are loaded here. With Scandinavia ceasing to purchase raw timber and pulpwood from Russia, record timber handling and 49% growth were recorded, indicating increased demand for biofuel in the market.

In 2024, 5,478 ships visited the Port of Klaipėda, which is 2 % or 132 ships more than in the same period last year. Of all the ships that visited the port, 4,226 carried cargo. In 2024, 381,000 passengers travelled to/from the port city by ship, which is 7% or 25,000 passengers more than recorded a year ago. In 2024, 53 cruise ships moored at the Port of Klaipėda (40 in 2023), bringing 64,000 passengers to the port city.

Revenue from core activities (port fees, port land lease, other services) amounted to EUR 60.3 million in 2024, an increase of 3.0% (+EUR 1.7 million) compared to 2023. Changes in operating income are mainly determined by the amount of port fees collected, which, according to 2024 data, account for 81% of operating income. The Port Authority's total revenue for the reporting period amounted to EUR 61.2 million (+EUR 2.3 million compared to 2023 and +EUR 4.1 million compared to the 2024 plan). In 2024, the cargo turnover of the Port of Klaipėda increased by 8.5%, while port fee income grew by 1.7% (+€0.8 million) to €48.8 million during the same period. The change in port fee revenue was due to changes in the structure of cargo and cargo-carrying vessels, as well as changes in the volume of cargo on vessels. In 2024, the prices of other services provided were reviewed. Pricing and new services provided contributed to an increase in other income of EUR +0.27 million in 2024 compared to 2023. Land lease income (which accounted for approximately 18% of operating income in 2024) is collected from port users with whom long-term land lease agreements have been concluded. In 2024, land lease income increased by 6.3% (+EUR 0.6 million) compared to 2023 and amounted to EUR 10.9 million. This positive change in revenue was mainly due to the completion and commissioning of infrastructure works during the reporting period, as well as the additional land leased through a tender in 2024, which generated additional revenue.



CEO
Algis Latakas

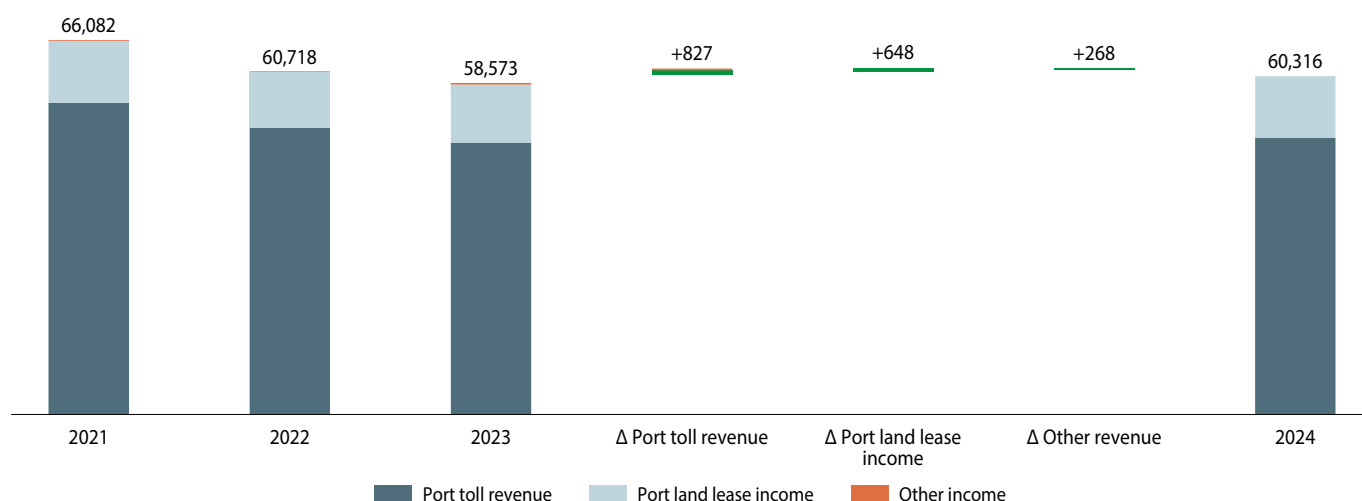
Chairman of the Supervisory Board
Nemunas Biknius

- ↑ Revenue from core activities grew by 3% (+EUR 1.7 million).
- ↓ The state was allocated 3.0% less dividends for the 2024 results.
- ↓ The company's net profit decreased by 9.4% to EUR 25.3 thousand.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	58,573	60,316	+3.0%
Cost of goods sold	0	0	-
Gross profit (loss)	58,573	60,316	+3.0%
Cost of sales	0	0	-
General and administrative expenses	31,986	36,628	+14.5%
Other operating results	39	175	+348.7%
Financial and investment activities	-1,532	-1,571	-2.5%
Profit (loss) before tax	25,094	22,292	-11.2%
Income tax	-2,842	-3,011	-5.9%
Net profit (loss)	27,936	25,303	-9.5%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	773,464	801,676	+3.6%
Current assets	41,710	37,764	-9.5%
Cash and cash equivalents	36,171	27,216	-24.8%
Accrued expenses and deferred income	0	0	-
Total assets	815,174	839,440	+3.0%
Equity	530,027	535,775	+1.1%
Grants, subsidies	222,968	227,860	+2.2%
Provisions	0	0	-
Payables and other liabilities	62,179	75,805	+21.9%
Amounts payable after one year and other long-term liabilities	50,604	46,904	-7.3%
<i>Financial liabilities</i>	50,146	46,339	-7.6%
Amounts payable within one year and other current liabilities	11,575	28,901	+149.7%
<i>Financial liabilities</i>	4,327	4,199	-3.0%
Accrued expenses and deferred income	0	0	-
Total equity and liabilities	815,174	839,440	+3.0%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	3.6%	3.1%	-0.6 p. p.
ROE	5.2%	4.7%	-0.4 p. p.
D/E	10.3%	9.4%	-0.8 p. p.
EBITDA	41,477	38,172	-8.0%
EBITDA margin	70.8%	63.3%	-7.5 p. p.
Net profit margin	47.7%	42.0%	-5.7 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Allocated profit contributions/dividends (state share)	19,555	18,977	-3.0%
Property tax	39	0	-
Total contributions and non-standard taxes to the state	19,594	18,977	-3.1%
INFORMATION ABOUT EMPLOYEES	2023	2024	CHANGE
Number of employees	217	221	+1.8%
Average monthly salary of a manager (gross, euros)*	13,615	15,180	+11.5%
STATE REPRESENTATIVE INSTITUTION	OWNED SHARE		
Ministry of Transport and Communications of the Republic of Lithuania	100.0%		
MANAGEMENT (01-04-2025)			
CEO	Algis Latakas		
Chairman of the Supervisory Board	Nemunas Biknius**		
Members of the Supervisory Board	Aurimas Vilkelis** Gytis Mažeika Kristina Petraitienė		
Chairman of the Board	Algis Latakas		
Members of the Board	Vidmantas Paukštė Martynas Armonaitis Džiugas Saulys		

*The remuneration of the director includes remuneration for the duties of the chairman of the board
**Independent member

Sales revenue (EUR Thousand)



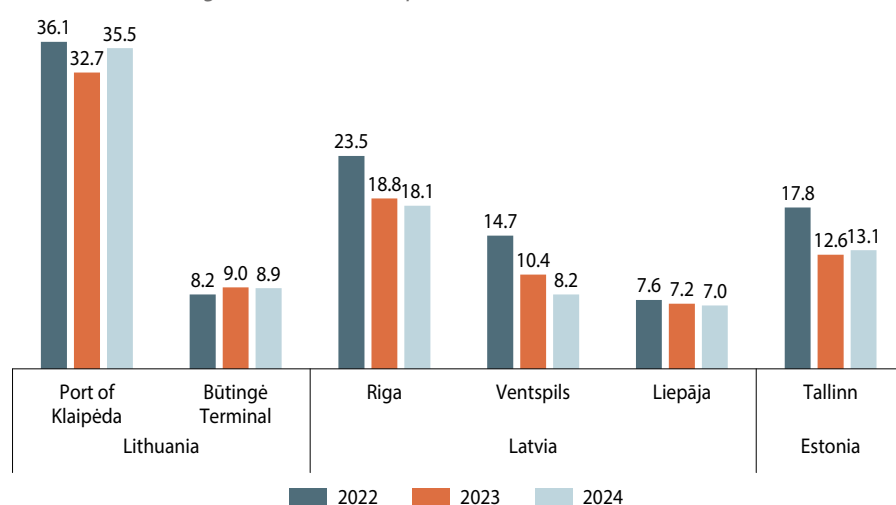
During the reporting period, the Port Authority's expenses (including financial expenses) amounted to EUR 38.9 million, i.e. EUR 5.1 million (+15.0 %) more than in 2023. Due to the specific nature of the activities and intensive investment activities, the largest part of the cost structure, 37 %, is accounted for by depreciation and amortisation of fixed assets. The amount of these costs depends on the value of the assets put into operation upon completion of investment projects, the type of assets and the depreciation period. The second largest cost group is employee benefits and related costs, which account for 29% of total costs in the cost structure. Other costs incurred by the company accounted for a correspondingly smaller share of the cost structure. The following factors had a significant impact on the change in costs in 2024 compared to the corresponding previous period: EUR 1.8 million lower costs for the development of access roads to the port, which were not incurred in 2024; EUR 0.5 million lower depreciation and amortisation costs of fixed assets; EUR 4.4 million higher costs for water area cleaning works, which were incurred while carrying out works in the port entrance channel, the inner navigation channel, Malkų Bay and the LNG terminal water area. This work is carried out annually as needed, depending on the amount of sediment accumulated, which depends on natural and meteorological conditions; 1.5 million EUR higher personnel-related costs – the change was due to an increase in the wage fund after assessing the wage level in the market; EUR 1.5 million higher port operating costs and other costs related to the company's activities, including financial costs. Compared to the costs planned for 2024, including financial activity costs, EUR 8.3 million, 17.6 % less costs. In 2024, cost savings

(compared to planned costs for the same period) were recorded in almost all cost groups (except for port basin cleaning costs).

In 2024, the Company's net profit decreased by 9.5% to EUR 25.3 million. Taking into account the investment projects implemented by the Company, a negative income tax was calculated for 2023-2024, which affected the net profit for the respective period. Compared to the previous reporting period, the Company's EBITDA decreased by 8.0% or EUR 3.3 million in 2024. During the reporting period, both the net result and EBITDA were negatively affected by an increase of almost 15 %, or EUR 4.6 million, in general and administrative expenses. At the end of 2024, the Company recorded EUR 839.4 million in assets, which increased insignificantly, i.e. by 3%, compared to 2023. The change in assets was mainly due to a 3.6% increase in non-current assets to EUR 801.7 million, which was offset by a 9.5% decrease in other asset classes, i.e. current assets. The increase in long-term tangible assets was influenced by ongoing investment activities, which led to the commissioning of long-term tangible assets worth EUR 84 million in 2024.

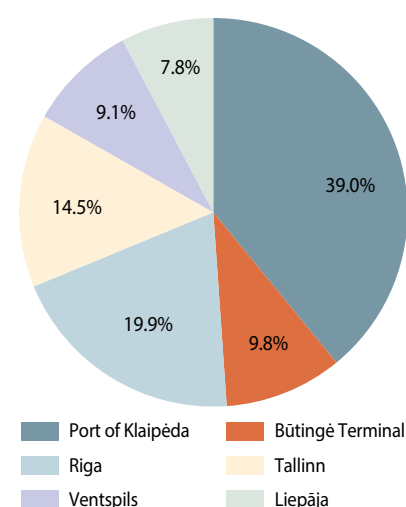
In 2024, the Port Authority's investments amounted to EUR 43.6 million. Most of the funds were allocated to the deepening of the water area and the deepening of the quays (EUR 15.1 million) and the construction and reconstruction of the quays (EUR 13.6 million). The majority of the investments, i.e. as much as 83 %, were financed from own funds, with the remainder coming from European Union funds. In total, 2,143.3 metres of quays and 474 metres of railways were repaired and reconstructed in 2024.

Cargo turnover in Baltic ports in 2022–2024, million tonnes



Source: Klaipėda State Seaport Authority

Klaipėda Port's market share among Baltic ports in 2024



When assessing all cargo groups together, the main competitors of the Port of Klaipėda are the geographically closest ports. Land transport connections, especially railways, have a significant impact on port competition, which is why there is greater competition between ports connected by the same standard gauge railway. The main competitors of the Port of Klaipėda are considered to be the ports of the Baltic countries (Lithuania, Latvia and Estonia). The market share of the Port of Klaipėda in the context of these ports grew by 3 percentage points in

2024 and amounted to 39%. The growth in market share in recent years was driven by a significant decline in cargo handling at Latvian ports (, especially Ventspils). Both Latvian and Estonian ports have historically been more oriented towards the handling of Russian products (domestic economic growth does not offset the loss of transit), while the Port of Klaipėda relies more on the Lithuanian economy. Other important factors contributing to the Klaipėda port's leadership are the quality of its infrastructure and technology, as well as the diversification of cargo.

AB Lietuvos oro uostai

www.ltou.lt

LIETUVOS ORO UOSTAI
VNO KUN PLQ

Operation of Vilnius, Kaunas and Palanga airports, rental of premises and car parks, advertising.

Key financial performance indicators set by the state

Annual EBITDA:

- 2022 ≥ €9 million,
- 2023 ≥ EUR 13 million,
- 2024 ≥ EUR 17 million

Annual financial debt to equity ratio:

- 2022–2024 range 1.0–1.5 times

Dividends allocated to all shareholders for the calendar year:

- In accordance with the requirements of the *Ownership Guidelines*, depending on the ROE ratio earned.

KEY EVENTS:

- One of the most important projects implemented by LTOU was the construction of the VNO T4 departure terminal and the installation of the necessary technology. **The new departure terminal was opened on 4 February 2025, as planned.**

Significant milestones in the development programme were achieved at the end of 2024:

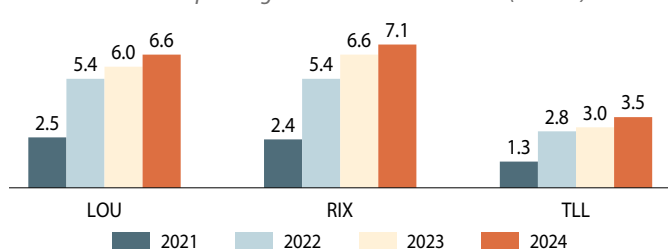
- The roof structures and waterproofing of the terminal extensions were installed, leaving technological openings for the installation of equipment.
- All KUN platform contract works (asphalting, painting, installation of airflow suppression walls, etc.) were completed, except for the installation of PIT equipment (due to the contractor's delay in delivering the PIT equipment, temporary PIT covering solutions were installed).
- The platform will be fully operational (with PIT equipment) on 14 March 2025.

The right strategy, passengers prioritising travel over other spending, the summer season kicking in, and business travel picking up helped keep passenger numbers growing in 2024 (almost 2% higher than before the pandemic). In May of the reporting year, Lithuanian airports carried the largest number of passengers among all Baltic airports, and June was the first month since the start of the pandemic when the 2019 traffic was exceeded at each airport separately (VNO +2%, KUN +36%, PLQ +9%). The start of the summer aviation season and increased arrivals during the Song Festival boosted passenger traffic. However, the highest traffic was seen in August, when an all-time record number of passengers was recorded, exceeding the 2019 level by 7%.

Although the recovery of supply in Lithuania is somewhat slower and does not reach the level prevailing in Europe, two new airlines have contributed to improving connectivity. The recovery was also influenced by new routes offered by other carriers: **a total of 11 new regular routes, as well as a rapid increase in the frequency of strategically important routes.** All this resulted in 10% annual growth in 2024 (and the aforementioned increase of almost 2% in passenger numbers since 2019).

Ryanair remained the carrier with the highest passenger traffic in 2024, accounting for 47% of traffic, followed by airBaltic, which served 14% of regular passenger traffic. In 2024, Vilnius Airport served 72.7% of all the Company's passengers, i.e. 4.8 million, while Kaunas Airport served 1.4 million passengers and Palanga Airport served 378,000. The number of passengers at Vilnius Airport grew by 9.0%, with a similar change observed in Kaunas – 10.0%. Palanga Airport served almost a quarter more passengers – 23.0% compared to last year. The growth in passenger numbers was influenced by the opening of new routes at airports, as well as an increase in the frequency of strategically important regular flights. The growth in supply also led to growing demand.

Number of passengers in the Baltic countries (million)



Source: Lithuanian Airports AB

During the reporting period, the Company's sales revenue increased by almost 10 % to EUR 65.5 million. Revenue from aviation activities, which accounted for 63.6 % of total revenue, increased by 10 % to EUR 41.6 million. In 2024, non-aviation revenue accounted for the remaining 36.4% of total revenue and increased by 9.0% compared to 2023, reaching EUR 23.8 million. Both aviation and non-aviation revenue growth was influenced by increased flight volumes and passenger traffic.



CEO
Simonas Bartkus

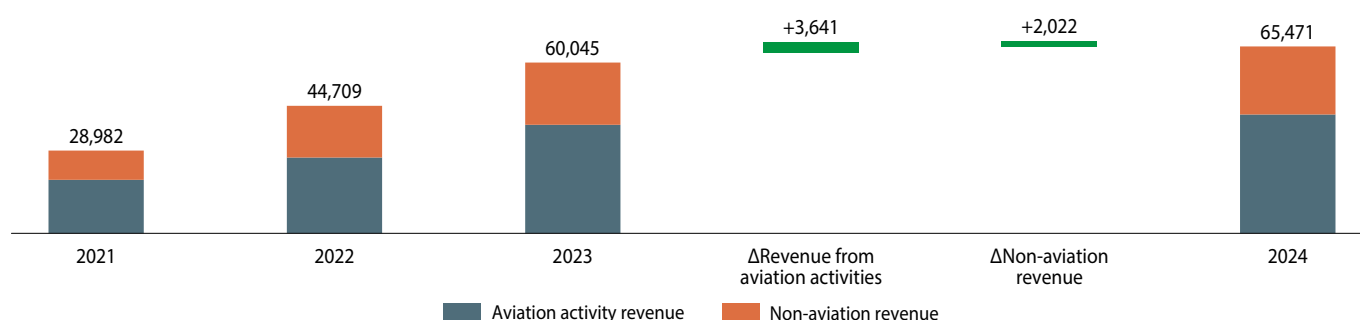
Chairman of the Board
Gediminas Almantas

- ↑ The number of passengers at all three airports increased by 10% to 6.6 million passengers.
- ↑ The company's net profit increased 2.7 times to EUR 11.2 million
- ↑ The company's total revenue grew by 10% to EUR 65.5 million.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	59,808	65,471	+9.5%
Cost of goods sold	0	0	-
Gross profit (loss)	59,808	65,471	+9.5%
Cost of sales	52,140	56,153	+7.7%
General and administrative expenses	0	0	-
Other operating results	0	0	-
Financial and investment activities	-1,293	-1,403	-8.4%
Profit (loss) before tax	6,374	7,915	+24.2%
Income tax	2,183	-3,287	-
Net profit (loss)	4,191	11,202	+167.3%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	311,428	365,656	+17.4%
Current assets	35,336	30,632	-13.3%
Cash and cash equivalents	26,764	22,274	-16.8%
Accrued expenses and deferred income	0	0	-
Total assets	346,764	396,288	+14.3%
Equity	160,675	176,730	+10.0%
Grants, subsidies	106,632	110,457	+3.6%
Provisions	12,221	11,918	-2.5%
Payables and other liabilities	67,236	97,183	+44.5%
Amounts payable after one year and other long-term liabilities	43,123	66,425	+54.0%
Financial liabilities	42,547	63,916	+50.2%
Amounts payable within one year and other current liabilities	24,114	30,759	+27.6%
Financial liabilities	5,244	8,126	+55.0%
Accrued expenses and deferred income	0	0	-
Total equity and liabilities	346,764	396,288	+14.3%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	1.2%	2.8%	+1.6 p. p.
ROE	2.6%	6.3%	+3.7 p. p.
D/E	30.0%	41.0%	+11.0 p. p.
EBITDA	18,724	21,714	+16.0%
EBITDA margin	31.3%	33.2%	+1.9 p. p.
Net profit margin	7.0%	17.0%	+10.0 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Dividends allocated (state share)	5,148	6,943	+34.9%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	652	736	+12.9%
Average monthly salary of a manager (gross, euros)	9,001	10,680	+18.7%
STATE REPRESENTATIVE INSTITUTION	OWNED SHARE		
Ministry of Transport and Communications of the Republic of Lithuania	100.0%		
MANAGEMENT (02/04/2025)			
CEO	Simonas Bartkus		
Chairman of the Board	Gediminas Almantas*		
Board members	Eglė Čiužaitė* Tadas Arvydas Vizgirda* Vilius Veitas Dan Stromberg*		

*Independent member

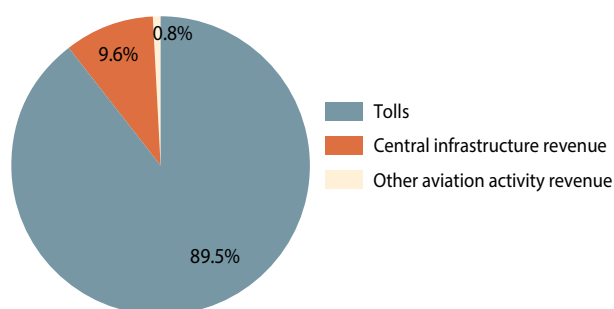
Sales revenue (EUR Thousand)



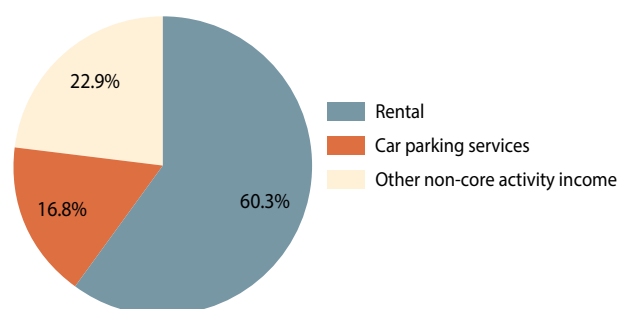
In 2024, charges accounted for 89.5% of aviation revenue (compared to 87.5% in 2023), with this revenue growing by 10.0%. Central infrastructure revenue, including revenue from restricted mobility and disabled passenger services, depends on regular flight traffic and grew by 11.3% in 2024 compared to 2023. **In 2024, LTOU began various infrastructure development changes that directly affected passengers and airport partners. In 2024, LTOU initiated various infrastructure development changes that directly affected passengers and airport partners. The main one was the reconstruction of the central transport square implemented by VNO.** Due to this project, from the beginning of the year until the end of summer, there were various restrictions and challenges in reaching the

airport by bus, car or other means of transport. Although development projects are necessary, the construction work carried out at operating airports causes inconvenience to both passengers and airport partners. During 2024, parking activities were restricted at both VNO and KUN airports, there were temporary changes in the supply chain and engineering equipment malfunctions. These challenges are likely to have affected both LTOU partners' revenues and passenger satisfaction. Despite the aforementioned disruptions caused by the infrastructure renewal process, LTOU's non-aviation commercial activity revenue amounted to €23.8 million in 2024, an increase of 9% compared to 2023. LTOU derives most of its non-aviation revenue from the rental of commercial buildings and premises (60.0%) and car parks (17.0%).

Structure of aviation revenue



Non-aviation revenue structure



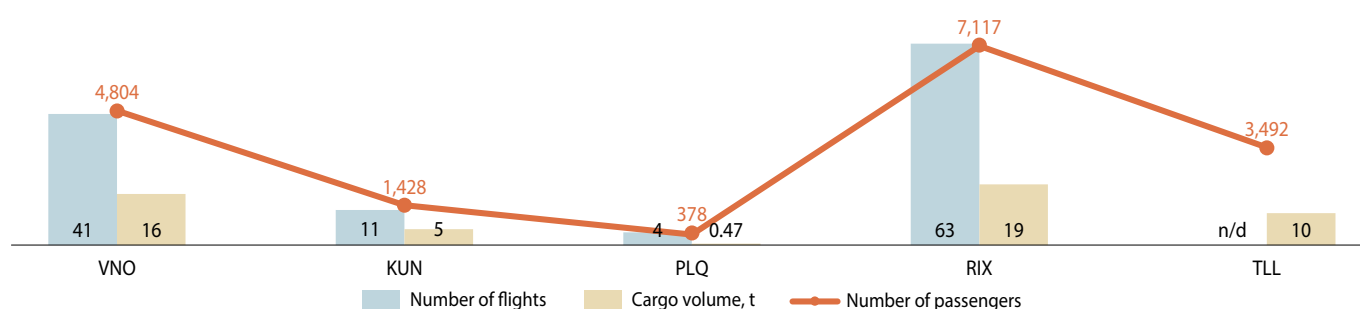
The company's selling expenses increased by 7.7% to EUR 56.1 million in the reporting year. In 2024, the largest share, i.e. 40.0%, was accounted for by personnel-related expenses, which amounted to EUR 24.5 million. This represents an increase of 26.3% compared to 2023, which is due to the growth in the number of employees as a result of the Company's increasing business volumes (partly due to higher passenger traffic). Property maintenance costs, which amounted to EUR 4.9 million or 8.9% of total costs, decreased by 10% during the reporting year. Energy and utility costs increased by 7% in 2024 compared to the previous period, mainly due to higher passenger traffic.

Although LTOU ended 2024 profitably, earning EUR 11.2 million in net profit (167% more than in 2023), – due to significant income tax adjustments in previous periods (due to the revaluation of the Company's investment property in 2024), adjusted EBITDA decreased by 8.6% to EUR 22.1 million.

In order to improve and expand the services provided by airports,

modernise infrastructure, ensure flight safety and optimise operational processes, the company is implementing investment projects – in 2024, the total amount of investments reached EUR 69.8 million (in 2023 – EUR 33.1 million with subsidies). In 2024, LTOU invested mainly in the category of buildings and structures. The largest investments were: VNO Departure Terminal T4 (€27.4 million), KUN North Platform (€15.3 million), KUN Terminal Expansion (€5.2 million), KUN Multi-storey Car Park Construction (€3.7 million). During the reporting period, LTOU investments were implemented using not only the company's funds, but also EU funds, which amounted to EUR 6.3 million. Projects financed by EU funds: a €5.7 million project for the development of the infrastructure of Kaunas International Airport, ensuring its adaptation to military mobility needs and increasing its dual-use potential; EUR 0.6 million for the project "Creation of electricity supply and charging infrastructure at Baltic airports in the North Sea Baltic States CNC / TEN-T corridor for the transition to environmentally friendly operations".

Baltic airports' traffic volumes in 2024, thousand



Source: Lithuanian Airports

The recovery of the Baltic countries varies somewhat in 2024 – TLL 107%, LTOU 102%, RIX 91%. However, despite the fact that Lithuania does not have a national carrier, Lithuanian airports are among the leaders in the Baltic countries in terms of passenger numbers. This shows that Lithuanian airports are strategically important for air carriers, and that the chosen route development

strategy and maintenance of relations with airlines are proving successful. It is also noteworthy that Lithuanian airports handle the largest volume of cargo in tonnes among all Baltic countries. It is expected that improving infrastructure will continue to drive growth in cargo traffic.

VĮ Valstybinių miškų urėdija

www.vmu.lt



The State Forest Enterprise (hereinafter referred to as SFE) is a state-owned company of strategic importance engaged in forest management, forestry, timber harvesting and trade, and is the largest company in the forestry sector in Lithuania. The priority objective of VMU is to ensure that state forests are managed, maintained and protected in accordance with the principles of sustainable forestry, balancing the economic, ecological and social functions of forests.

VMU manages more than 1.0 million hectares of forest on a trust basis and seeks to ensure maximum financial return for the state. Every year, it inventories more than 110,000 hectares of forest managed by VMU, and this information is updated in the State Forest Cadastre. It grows about 50 million forest seedlings each year (based on the average for the last 3 years), restores over 9,500 ha of forests, plants over 500 ha of new forests, maintains a network of over 39,000 km of forest roads (regardless of their form of ownership) and over 1,000 recreational facilities. It sells about 3.8 million cubic metres of timber to buyers per year, carries out fire protection in all Lithuanian forests, extinguishes forest fires, and renews about 11,700 km of firebreaks (taking the average of the last 3 years).

Main activities: forest establishment, restoration and maintenance, forest seedling cultivation, timber harvesting and trade, forest management, sanitary forest protection, fire protection and protection of forests from illegal activities, maintenance and repair of forest roads in forests of all forms of ownership, construction of forest roads, installation and maintenance of recreational facilities, maintenance of professional hunting grounds and organisation of hunting, implementation of nature management measures in forests, protection of species and habitats.

Special obligations: Construction, reconstruction, repair and maintenance of forest roads, work administration costs; Source of funding: subsidies and company funds; Forest fire protection costs in forests of all forms of ownership; Source of funding: subsidies and company funds; Establishment, maintenance and protection of seedling forest plantations and experimental plantings; Source of funding: subsidies and company funds; Formation of land plots taken over from the Free State Land Fund for the establishment of new forests, as well as forest plots transferred for use, compilation of cadastral data files, registration, forest establishment, maintenance and management, and administration costs until the forest reaches 20 years of age; Source of funding: subsidies and Company funds; Installation, maintenance and management of recreational facilities in forests, and administration costs; Source of funding: subsidies and Company funds; Implementation of nature management and environmental protection measures in forests, work administration costs; Source of funding: subsidies and Company funds; Maintenance, protection and management of forests belonging to other users (including those reserved for the restoration of ownership rights); Source of funding: subsidies and company funds; Maintenance, protection and management of urban forests, work administration costs; Source of funding: subsidies and Company funds; Sale of uncut state forest firewood to residents; Source of funding: Company funds; Installation and maintenance of scientific and educational facilities, including museums, information centres, arboreta, infrastructure for educational purposes in forests, work administration costs; Source of funding: grants and company funds; Activities of state forest officials in the areas of forest violation investigation, prevention and forest resource protection; Source of funding: company funds.

KEY EVENTS:

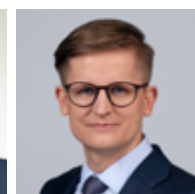
- The State Forest Service and the State Protected Areas Service under the Ministry of the Environment signed agreements on the protection of habitats and natural values found in the Natura 2000 European ecological network areas.
- In order to improve the state of biodiversity, 15 new nature management plans were prepared for forests managed by the State Forest Service on a trust basis, integrating their solutions into internal forest management projects.
- In order to streamline its operations, the State Forest Service has merged all nurseries into a single structural unit – a centralised Nursery Division.
- Cyber security has been strengthened with the introduction of a cyber threat management solution (SIEM and SOC).
- 89 electric vehicles were purchased and put into use, and the necessary infrastructure was installed (49 electric vehicle charging stations).

Forest management: management: Forest management planning system, including forest inventory and accounting, analysis of forest condition, use and economic activity, preparation of forest management and development projects. The purpose of the inventory is to determine the volume and quality of forest resources (timber), to provide information on the natural and economic condition of forests, and to facilitate the planning of forest management measures. Every year, more than 110,000 hectares of forests managed by the VMU are inventoried, and the information is updated in the State Forest Cadastre. To improve the accuracy of forest inventory data, the VMU has been using laser scanning (LiDAR) data from aircraft in the forest inventory process since 2022. In 2024, internal forest management projects for four regional divisions were prepared and approved. In preparing these projects, environmental impact assessment procedures were carried out for forest management measures designed in Natura 2000 areas and their immediate surroundings, and it was concluded that the implementation of the designed forest management measures would not have a significant impact on the values protected in these areas. Five internal forest management projects were revised, adding nature management, recreation and other forest management measures to the projects. The results of the analysis of laser scanning data of the earth's surface were integrated into the forest inventory process of four regional divisions. A total of 91,000 ha of forests were inventoried and the data was registered in the State Forest Cadastre.

Forestry: The company applies the principles of sustainable forest management, restores all forest areas where clear-cutting has taken place (10,379 ha restored in 2024) and plants new areas (282 ha of new forests planted in 2024). Since 1934, the forest area in Lithuania has more than doubled, reaching 33.9 %. The seedlings needed to restore and plant forests are grown in nurseries managed by the company.



CEO
Valdas Kaubré



Chairman of the Board
Paulius Martinkus

- ↑ The volume of raw timber sold increased by 6.4 %.
- ↓ Net profit from commercial activities¹ decreased by 22.4% and amounted to EUR 91.1 million.
- ↓ Profit distribution, raw timber and state property taxes decreased by 35.2% and amounted to EUR 67.0 million.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	288,584	272,851	-5.5%
Cost of goods sold	81,931	90,739	+10.8%
Gross profit (loss)	206,652	182,112	-11.9%
Cost of sales	5,306	5,888	+11.0%
Operating expenses	128,122	134,790	+5.2%
Other operating results	1,624	2,187	+34.7%
Financial and investment activities	2,581	4,153	+60.9%
Profit (loss) before tax	77,429	47,774	-38.3%
Income tax	11,264	7,333	-34.9%
Net profit (loss)	66,164	40,441	-38.9%
Adjusted net profit (loss)¹	102,461	75,420	-26.4%
Net profit (loss) from commercial activities¹	117,386	91,082	-22.4%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	119,751	142,855	+19.3%
Current assets	192,189	158,105	-17.7%
Cash and cash equivalents	47,542	14,047	-70.5%
Accrued expenses and deferred income	19,317	21,340	+10.5%
Total assets	311,940	300,960	-3.5%
Equity	239,212	220,765	-7.7%
Grants, subsidies	22,704	24,306	7.1%
Provisions	17,939	20,893	+16.5%
Payables and other liabilities	31,813	34,869	+9.6%
Amounts payable after one year and other long-term liabilities	0	0	-
Financial liabilities	0	0	-
Amounts payable within one year and other short-term liabilities	31,813	34,869	+9.6%
Financial liabilities	0	0	-
Accrued expenses and deferred income	272	127	-
Total equity and liabilities	311,940	300,960	-3.5%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	35.9%	29.7%	-6.2 p. p.
ROE	46.4%	39.6%	-6.8 p. p.
D/E	0.0%	0.0%	-
EBITDA	84,078	54,563	-35.1%
EBITDA margin	29.1%	20.0%	-9.1 p. p.
Net profit margin	40.7%	33.4%	-7.3 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Allocated profit contribution	58,845	26,279	-55.3%
Mandatory deductions for timber sold (excluding provisions)	42,014	38,253	-9.0%
Property tax	2,503	2,494	-0.4%
Special obligations	17,559	18,426	+4.9%
Total contributions and non-standard taxes and work for the state	120,921	85,452	-29.3%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	2,362	2,311	-11.6%
Average monthly salary of a manager (gross, Eur)	12,178	10,455	-14.2%
STATE REPRESENTATIVE INSTITUTION	Ministry of the Environment of the Republic of Lithuania		
MANAGEMENT (01/10/2025)			
CEO	Valdas Kaubré		
Chairman of the Board	Paulius Martinkus*		
Members of the Board	Normantas Marius Dvareckas* Ina Bikuvienė Marius Aleinikovas* Neringa Romanovskaja		

*Independent member

¹ Net profit (loss) from commercial activities is calculated using the following formula: Net profit + Mandatory deductions * 0.85 + Property tax * 0.85 + Special obligations * 0.85. It shows how much profit the company would earn if it operated as a private capital company without special deductions and obligations. Adjusted net profit is calculated using a similar formula, eliminating special obligations.

Forest reproductive material cultivation. In March 2024, a centralised Nursery Division was launched to coordinate the activities of all VMU nurseries. The number of specialists in the existing nurseries has not changed, while the Nursery Division centralises the planning of seedling production, tree growing/maintenance and seedling sales activities. The main objective of combining all nurseries into a single structural unit is to increase operational efficiency, apply uniform processes in individual nurseries and grow the highest quality forest seedlings. The VMU carries out seedling cultivation activities in 11 forest nurseries and the Raudondvaris ornamental seedling nursery. In 2024, 26.63 ha of forest tree seed plantations were established to expand the forest tree seed base. In 2024, 40.94 million forest seedlings were grown and prepared for sale in nurseries.

Forest tree selection and seed base development. One of the most important goals of the company is to develop forest restoration on a genetic and ecological basis with selectively valuable and high-quality forest reproductive material and to supply the market with high-quality forest seedlings. Therefore, the Lithuanian forest seed base objects supervised by VMU are particularly important: state genetic reserves, forest tree genetic reserves, genetic stands, forest seed stands, selected trees, elite trees, forest seed plantations, clone collections and trial plantings of offspring. In total, all objects cover an area of 6,214.16 ha. Great attention is paid to the establishment and maintenance of forest seed plantations, where most of the forest tree seed preparation work is carried out.

Forest protection – fire, sanitary and illegal activities: in accordance with the *Forestry Act*, the Company organises the implementation and maintenance of a common state fire protection system in all forests in the country, regardless of their form of ownership. The Company ensures sanitary forest protection, wildlife protection, forest protection against illegal human activities and the implementation of various preventive measures in forests managed on a trust basis.

Construction and maintenance of recreational facilities: The company organises the construction, reconstruction, maintenance, renovation and demolition of recreational facilities for public use in the forests it manages. The company currently maintains 1,102 recreational facilities. Information about them is uploaded to an interactive map of recreational facilities and is available to the public.

Implementation of nature management measures in forests, protection of species and habitats: nature management measures are designed to maintain or restore the habitats of protected natural values or other protected natural habitats. In order to improve the state of biodiversity in forests managed by the VMU, the VMU carried out 19 internal forest management project adjustments and integrated nature management measures

from 36 strategic planning documents during the period 2021-2024. The following measures are planned: special biodiversity maintenance felling, removal of woody plant shoots, cutting of reeds and other herbaceous plants and removal of biomass, planting of seedlings in the undergrowth, etc. The VMU, together with the protected area directorates, is preparing nature management plans. Seven plans are to be prepared in 2024, which are considered part of internal forest management projects. Two of them have already been approved.

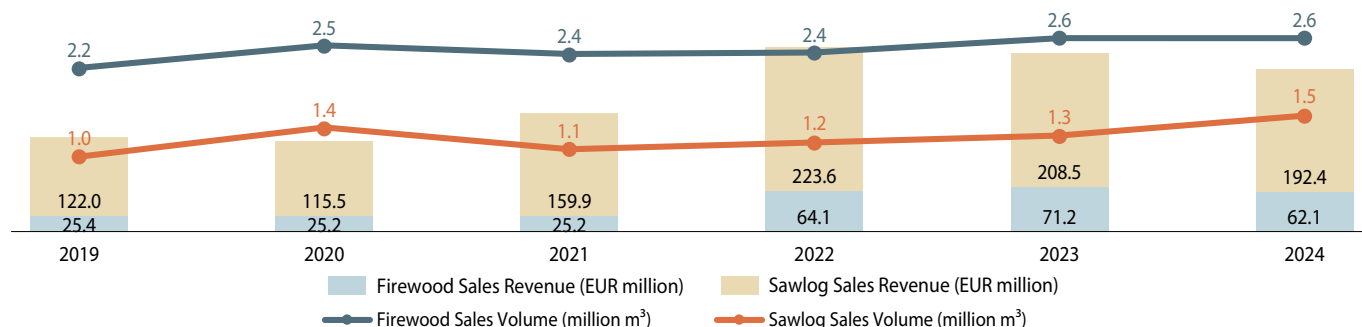
Construction, repair and maintenance of forest roads. The company maintains a road network of approximately 39,500 km (regardless of ownership). In 2024, the State Forest Service carried out forest road maintenance, repair and construction work worth EUR 9.4 million. A total of 1,046 km of forest roads were reconstructed and repaired, 6.4 km of new roads were built, more than 13,700 km of roads were maintained, investing in new forest road maintenance and repair equipment, forest infrastructure that conserves resources, and temporary road plates that will help ensure the responsible and rational use of forest resources.

Timber harvesting and trade. Over the last five years, VMU has supplied an average of 3.8 million cubic metres of raw timber and 0.36 million cubic metres of logging residues to the market each year. In 2024, 4,176 million cubic metres (including primary and intermediate felling) (3,926 million cubic metres in 2023) of raw timber and 0.37 million cubic metres of logging residues were supplied to the market. The average price of raw timber was EUR 60.95/m³, and forest harvesting residues EUR 26.3/m³. In 2024, VMU's revenue from raw timber amounted to EUR 254.5 million, which is a 9% decrease compared to 2023 (EUR 279.7 million), while revenue from logging residues amounted to EUR 9.5 million in 2024, which is a 9% decrease compared to 2023 (EUR 10.4 million). a decrease of 9 %, while revenue from logging residues in 2024 amounted to EUR 9.5 million, a decrease of 18.1 % compared to 2023 (EUR 11.6 million).

In 2024, VMU traded timber products with 368 wholesale customers (411 in 2023), of which 9 purchased more than 100,000 cubic metres of raw timber and 11 purchased more than 10,000 cubic metres of logging residues. The timber products supplied by VMU meet the FSC chain of custody certification requirements and are therefore in demand on the market.

In retail trade, timber is sold for the personal, family or household needs of buyers, not related to business, as well as through the participation of VMU in public procurement tenders announced by state or municipal institutions, agencies, companies and other public sector organisations, without auction, on the basis of bilateral agreements, applying retail prices.

Wood Sales Revenue and Quantities



The company's sales revenue decreased by 5.5 % compared to 2023. The decrease in revenue from raw timber and logging residues was due to lower timber sales prices. The change in accumulated revenue from wood residues in 2024 increased revenue by EUR 2.7 million (in 2023, it decreased by EUR 12.1 million). During the reporting period, the Company's expenses increased by 7.7% compared to 2023. The largest part of the Company's cost structure is the wage fund (wages with income tax and social insurance, allowances, bonuses, payments to employees) and contractors (timber harvesting and forest restoration works). These two cost groups accounted for 64.3% of total costs in 2024. The increase in the cost of contractors' services and the wage fund had the greatest impact on the change in costs. The increase in contractor service costs was influenced not only by price increases, but also by the replacement of artificial forest road surfaces (graveling) as part of the company's strategy. In 2024, €1.2 million was spent on this objective.

The result of financial and investment activities amounted to EUR 4.2 million, compared to EUR 2.6 million in 2023. The growth was driven by interest earned on term deposits and funds in current accounts, as well as income from government securities.

The net profit margin decreased by 7.3 percentage points and amounted to 33.4% at the end of 2024. Net profit from commercial activities amounted to EUR 91.1 million, a decrease of 22.4% compared to 2023.

The company paid EUR 67.0 million in profit contributions, raw timber and state property taxes to the state budget for its 2024 operating results. The profit contribution amounted to EUR 26.3 million, compared to EUR 58.8 million in 2023. Compared to the results for 2023, non-standard taxes paid decreased by 8.5 %: mandatory deductions (15 %) from the sale of raw timber and standing timber (raw timber tax) amounted to EUR 38.3 million, a decrease of 9.0 % compared to 2023, EUR 2.5 million was paid for the use of state property under a trust agreement in 2023 and 2024. Non-standard taxes are included in the calculation of the Company's contribution to the state budget, as these taxes do not apply to private forest managers. In 2024, the Company also carried out work belonging to the group of special obligations at its own expense for EUR 18.4 million (in 2023 – for EUR 17.6 million). Private forest managers are not obliged to carry out these works either, so the amounts mentioned are included in the calculation of net profit from commercial activities and are considered an additional contribution to the state budget in the form of works.

INVESTMENTS

The company's investments in 2024 amounted to EUR 26.7 million. In 2024, the

company allocated a significant portion of its investments to upgrading the equipment used in its operations. EUR 8.9 million was allocated to the renewal of transport equipment necessary for timber harvesting, timber trade and logistics. In 2024, the company purchased 171 passenger cars for EUR 5.8 million, including 89 electric cars. Road maintenance and repair equipment was purchased for EUR 3.7 million. EUR 1.8 million was spent on the construction of new roads and the reconstruction of existing ones. The Company spent €1.5 million on the renovation and reconstruction of recreational facilities, of which €1.3 million was spent on the renovation and construction of the recreational facilities themselves, and €0.2 million on equipment needed to maintain the facilities (mainly mowing equipment). In 2024, other small equipment and implements were purchased to replace worn-out equipment for EUR 0.3 million. EUR 0.2 million was invested in information technology, mainly for the development of existing software products.

In 2024, EUR 2.8 million was invested in a nursery modernisation project, which involves a transition to closed and improved root systems for growing forest seedlings, optimising the number of nurseries, standardising seedling growing processes, and investing in new and upgrading existing technical equipment.

INVESTMENTS IMPLEMENTED IN 2024	
Investment item	Amount (EUR million)
Acquisition of tangible assets	26.0
Buildings and structures	6.0
Machinery and equipment	9.4
Other equipment, devices and tools	1.5
Vehicles	9.1
Acquisitions of intangible assets	0.8
Other intangible assets being prepared for use*	0.6
Software	0.1
Concessions, patents, licences, trademarks and similar rights	0.0
TOTAL	26.7

*EUR 0.5 million – internal forest management projects.

¹ Net profit (loss) from commercial activities is calculated using the following formula: Net profit + Mandatory deductions * 0.85 + Property tax * 0.85 + Special obligations * 0.85. It shows how much profit the company would earn if it operated as a private capital company without special deductions and obligations. Adjusted net profit is calculated using a similar formula, eliminating special obligations.

State Enterprise Centre of Registers

www.registrucentras.lt



Registration of objects and provision of data, management of state registers, cadastres and information systems, analysis of register data and performance of other functions specified in legal acts.

Special obligations performed – Real Estate Register and Real Estate Cadastre, Register of Legal Entities, Address Register, Population Register, Register of Property Seizure Acts, Register of Wills, Register of Powers of Attorney, Register of Contracts and Restrictions on Rights, Register of Marriage Contracts, the Register of Incapacitated and Limited Capacity Persons, the State Forest Cadastre, the E-health Services and Cooperation Infrastructure Information System, the National Electronic Delivery Information System using the postal network (E-delivery system).

Key financial performance indicators set by the state

• Annual EBITDA profitability:

2022 ≥ 13 %,
2023 ≥ 18 %,
2024 ≥ 21 %

• Annual financial debt to equity ratio:

2022 ≤ 0.22 times,
2023 ≤ 0.15 times,
2024 ≤ 0.12 times

• Allocated profit contributions for the calendar year:

Amount corresponding to the requirements of the *Ownership Guidelines*, depending on the ROE indicator earned.

KEY EVENTS:

• **In January**, a resolution adopted by the Government of the Republic of Lithuania came into force, whereby the Centre of Registers became the administrator of the State Forest Cadastre.

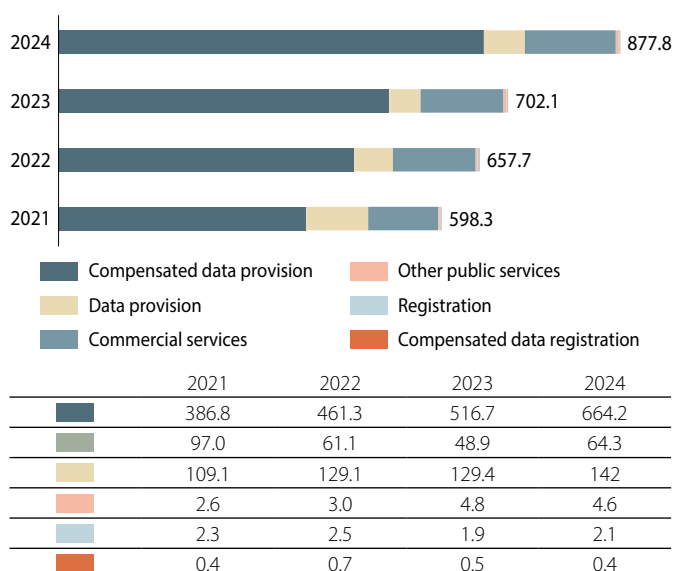
• **In the first quarter**, the initial version of the LT ID mobile app was created, and its pilot launch and updating is an ongoing project. The LT ID mobile app allows its users to quickly and conveniently sign documents with an electronic signature in the electronic space, representatives of companies or organisations to approve documents with an electronic seal, and residents to confirm their identity in the electronic space and use digital services with just a few clicks.

• **In the second quarter**, the first stage of the Lithuanian National eHealth Contact Centre (LNKC) project was implemented – the international e-prescription service was launched. This means that Lithuanian citizens travelling to another EU country will be able to purchase medicines in pharmacies there, and citizens of other EU countries will be able to purchase prescription medicines in Lithuania.

• **In 2024**, the Centre of Registers deregistered 22,000 inactive legal entities from the Register of Legal Entities.

In 2024, the Company provided 877.8 million services to residents, businesses and the public sector, i.e. 25.0 % more than in 2023. The largest growth was recorded in compensated data provision services, which increased by 147.5 million units to 664.2 million units. The growth was mainly driven by amendments to the Information Resources Management Act, which came into force on 1 January 2019, with the aim of – to ensure that data and information contained in state registers are available and used free of charge for the purposes of public administration tasks at state and municipal level, and that state and municipal institutions and agencies are guaranteed free registration of data in state registers. In the five years following the amendments to the aforementioned law, the growth in the volume of administra-

Service volumes (million units)



CEO
Adrijus Jusas

Chairman of the Board
Dangirutis Janušas

- ↑ Adjusted net profit grew almost eightfold to EUR 2.4 million.
- ↑ Cash and cash equivalents more than tripled, reaching EUR 11.6 million.
- ↓ In 2024, 41.0% of planned investments were implemented due to the signing of extended RRF project contracts and the postponement of public procurement procedures to 2025.

PROFIT (LOSS) STATEMENT (EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	58,778	62,060	+5.6%
Cost of sales	46,107	48,463	+5.1%
Gross profit (loss)	12,670	13,598	+7.3%
Cost of sales	0	0	-
General and administrative expenses	12,522	10,497	-16.2%
Other operating results	70	125	+79.3%
Financial and investment activities	-	-	-203.6%
Profit (loss) before tax	2	2,627	++1000.0%
Income tax	-50	477	-
Net profit (loss)	70	2,150	++1000.0%
Adjusted net profit (loss)	297	2,355	+693.1%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	66,125	67,573	+2.2%
Current assets	18,201	28,734	+57.9%
Cash and cash equivalents	3,422	11,633	+239.9%
Accrued expenses and deferred income	1,677	1,592	-5.1%
Total assets	86,003	97,899	+13.8%
Equity	34,632	36,651	+5.8%
Grants, subsidies	14,964	19,369	+29.4%
Provisions	3,997	5,260	+31.6%
Payables and other liabilities	32,410	36,619	+13.0%
Amounts payable after one year and other long-term liabilities	17,233	20,452	+18.7%
Financial liabilities	17,233	20,452	+18.7%
Amounts payable within one year and other short-term liabilities	15,177	16,166	+6.5%
Financial liabilities	1,425	2,685	+88.5%
Accrued expenses and deferred income	0	0	-
Total equity and liabilities	86,003	97,899	+13.8%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	0.4%	2.6%	+2.2 p. p.
ROE	0.8%	6.6%	+5.8 p. p.
D/E	53.9%	63.1%	+9.2 p. p.
EBITDA	4,060	7,960	+96.1%
EBITDA margin	6.9%	12.8%	+5.9 p. p.
Net profit margin	0.1%	3.5%	+3.4 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Profit contributions (state share)	58	1,505	++1000.0%
Property tax	267	242	-9.4%
Total contributions and non-standard taxes to the state	325	1,746	+437.4%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	1,611	1,563	-3.0%
Average monthly salary of a manager (gross, EUR)	10,066	11,201	+11.3%
STATE REPRESENTATIVE INSTITUTION			
Ministry of Economy and Innovation of the Republic of Lithuania			100.0%
MANAGEMENT (01/04/2025)			
CEO		Adrijus Jusas	
Chairman of the Board		Dangirutis Janušas*	
Members of the Board		Laurynas Pacenka* Inga Steponavičienė Redvita Četkauskienė* Ieva Bacytė Nerijus Seputis*	

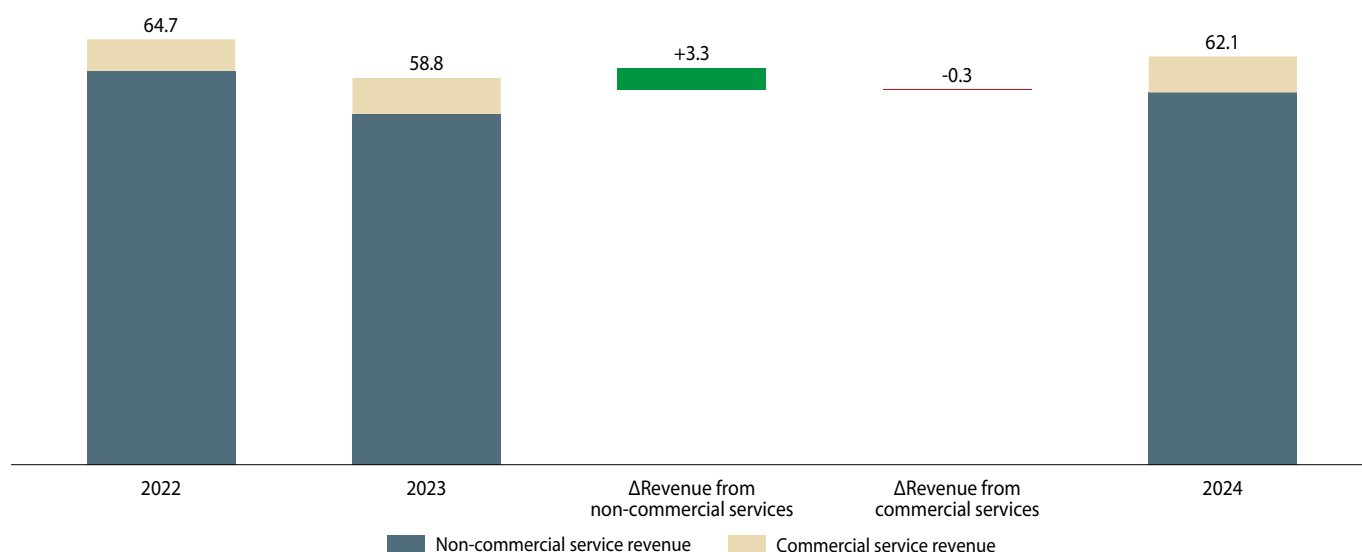
*Independent member

tive services provided free of charge during the reporting year slowed down – the volume of these services, i.e. the value of services provided, decreased by 3.2% to EUR 24.9 million. Meanwhile, the growth in free (non-administrative) services was significantly influenced by the retrieval of data from the Address Register by state institutions. In 2024, the volume of non-remunerated services increased by 29% to 664.7 million units, while the total volume of services provided by the Company reached EUR 71.9 million, an increase of 3.3% compared to 2023. This change was driven by an increase in the volume of administrative services, which constitute the Company's core business and account for 91.8% of all services provided by the Company. This was influenced by changes in legislation and more favourable borrowing conditions, falling bank interest rates, which led to a recovery in the real estate market and an increase in the volume of related services.

Along with the scope of the Company's activities, sales revenue also grew by 5.6% to EUR 62.1 million. The nature of the Company's activities is closely linked to the performance of special obligations – administrative services account for almost 92% of all services provided, while commercial services account for approximately

8.0%. In 2024, the volume of administrative services provided increased by 3.8% and amounted to EUR 66.4 million (it should be noted that in the Company's financial statements, revenue from services provided free of charge is accounted for only in the part for which a state budget subsidy was received (planned to be received) state budget subsidy. The total amount of unpaid remuneration for public and administrative services provided free of charge as of 31 December 2024 amounted to EUR 44.7 million. As the authorising officer does not pay for services provided free of charge in full, the Company incurs costs not covered by subsidies, which may result in a net loss for the Company. In 2024, as in the previous reporting period, the largest share of administrative services revenue came from the real estate cadastre and registry, which amounted to EUR 43.4 million and accounted for 65.4% of all administrative services provided. In 2024, income from the Address and Power of Attorney Registers increased, as did revenue from services provided by all information systems. Commercial services accounted for a small share of sales revenue in 2024, i.e. 8.9% or EUR 5.5 million, and remained virtually unchanged compared to 2023.

Sales revenue (EUR million)



The company's expenses during the reporting period increased by EUR 0.9 million and amounted to EUR 59.8 million. Overall, although costs in 2023 were higher than in the previous financial year, the actual amount of costs incurred was lower than planned (the forecast predicted a €2.1 million increase in costs). The increase in costs was due to the unfavourable geopolitical and economic situation and the resulting increase in the prices of services, works, software and equipment. The increase in costs during the reporting period is mainly related to expenses resulting from the increase in employee salaries and additional benefits provided to employees, such as health insurance costs and the constantly rising market costs of services purchased by the Company. The largest part of these costs – 73% – was made up of wage costs. The Company focused on moderate wage growth, important national investments, and internal projects that boost the Company's efficiency.

Compared to the previous reporting period, the Company's financial indicators improved significantly in 2024: EBITDA margin increased by 5.9 percentage points to 12.8%, and the return on capital rose by 5.8 percentage points to 6.6%. However, when analysing the last four years, the Company's results have not yet reached the level seen in 2021-2022. With the Company's revenues growing faster than its costs, net profit growth is recorded, but even after optimising its activities in terms of costs, the Company's net result is strongly affected by the aforementioned compensation mechanism for services provided free of charge.

In 2024, the Company's investments decreased by 66.0 % compared to

the previous reporting period and amounted to EUR 9.1 million. The change in investments is explained by the signing of protracted RRF project contracts and public procurement procedures – in 2024, investments of EUR 22.4 million were planned, but only 41.0% of the investments were successfully implemented. Despite the low implementation rate in 2024, the planned investments will be implemented in 2025. Investments planned for the modernisation of the personnel management system (EUR 424,000) have been postponed to 2025. Renewal of the Centre of Registers website and self-service: development and improvement analysis, design and support project, started in 2024, but it will be implemented and accounted for in 2025 (EUR 788,000). In addition, with the use of EUR 950 thousand, the planned project for the decomposition of the electronic health services and cooperation infrastructure information system (EUR 6,663 thousand), launched in 2024, will continue in 2025. In 2024, projects for the development of the electronic health services and cooperation infrastructure information system, the decomposition of the electronic health services and cooperation infrastructure information system, and the construction of a data centre and administrative buildings were successfully implemented. 51% of the investments came from the Company's funds, 30% from the state budget, and 19% from EU and RRF funds.

The company provides services to individuals and legal entities. **As in previous years, most of the services provided during the reporting period were provided to legal entities.** The volume of services provided to legal entities grew by a quarter and amounted to 864.4 million units.

	2021	2022	2023	2024
Service recipients	(thousands)			
Legal entities	585,100	644,391	689,284	864,444
Natural persons	3,280	3,520	3,324	3,725
Notaries and their assistants	7,759	7,878	7,370	7,598
Lawyers and their assistants	309	295	332	341
Bailiffs and their assistants	1,814	1,621	1,804	1,643
Total	598,262	657,705	702,114	877,751

AB Via Lietuva

www.vialietuva.lt

Via Lietuva

Organisation and coordination, supervision and development of the restoration of roads of national importance Performance of functions assigned to the company by the Law on Roads of the Republic of Lithuania, the Law on Road Safety of the Republic of Lithuania and other legal acts, performance of other activities in the public interest, commercial activities in the field of transport infrastructure.

Special obligation performed – management of national roads and organisation and coordination of safe traffic conditions by implementing traffic safety measures on national roads.

Key financial performance indicators set by the state

• Average annual EBITDA:

2022–2023 ≥ EUR 2.3 million

2024 ≥ EUR 57 million*

*The indicator was planned with a reservation due to the difficulty of forecasting the e-tolling project: according to Resolution No. ON THE APPROVAL OF THE TARGET KEY FINANCIAL PERFORMANCE INDICATORS OF STATE-OWNED ENTERPRISES FOR THE PERIOD 2022-2024 "State-owned enterprise Lithuanian Road Administration: the 2024 indicator value may be revised due to the currently difficult-to-measure exact added value of the future e-tolling road taxation system to the EBITDA indicator."

• Investment financing structure:

The share of investments made in 2022–2024 financed by funds other than KPPP funds (borrowed, EU or other) ≥ 30 %.

• Dividends declared for the calendar year:

Amount in line with the requirements of the *Ownership Guidelines*, depending on the ROE indicator achieved.

KEY EVENTS:

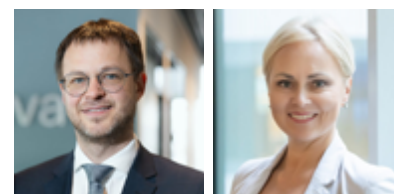
• **On 5 March**, AB Lietuvos automobilių kelių direkcija officially changed its name to AB Via Lietuva;

• **At the end of 2024**, discussions began on opening up road infrastructure for projects of national importance. The first step was taken – amendments to the Road Technical Regulations (KTR) were approved and came into force after being signed by the ministers of transport and the environment. These amendments will ensure a faster and easier project coordination process.

The company, which managed 21,200 km of national roads at the end of 2024, has been included in the list of companies important for ensuring national security. The value of the national roads managed by the company is EUR 3.15 billion. **In 2024, the company used 99.8% of the funds collected under the Road Maintenance and Development Programme (KPPP) to expand and maintain the national road network.** In implementing the KPPP, the company is also responsible for administering part of the KPPP funds allocated for the expansion and maintenance of the local road network. In order to ensure the development of national and local roads and to implement road infrastructure projects, the Company also cooperates with municipalities.

In 2024, 163.24 km of ordinary repair works on national roads were completed. **During the reporting year, the Company asphalted 51.5 km of gravel roads, i.e. 51.3% less than in 2023.** In 2024, 13 direct communication events were organised as part of the educational road safety project "Safe Travel – A Common Goal", which were attended by various residents of Lithuania.

In 2024, almost all of the Company's activities consisted of the performance of a special obligation. In the reporting year, the Company's total revenue amounted to EUR 23.8 million. Compared to 2023, revenue increased by 25.0 %, a change driven by a 28.2% increase in sales revenue, or in other words, revenue from core activities **received for the fulfilment of a special obligation, which amounted to EUR 22.2 million in 2024 and accounted for 93.5% of total revenue.** Income from financial activities (other interest and similar income) remained virtually unchanged at EUR 719,000 and accounted for 3.0% of total income. Other operating income accounted for 3.5% of total income and amounted to EUR 837.0 thousand. This category includes guarantees, easements and other atypical operating income – grants recognised as income.



CEO
Martynas Gedaminskas

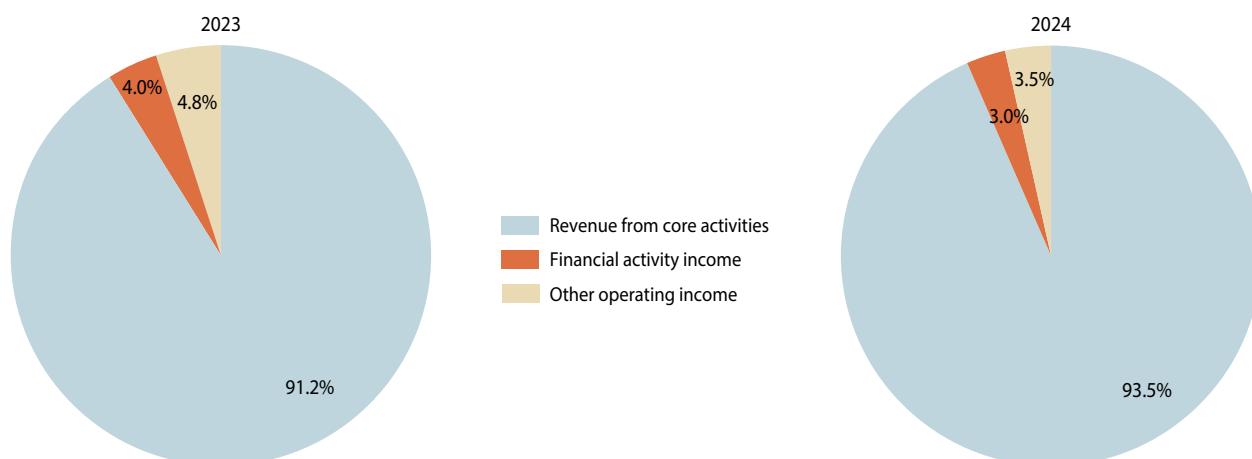
Chairwoman of the Board
Rūta Butautaitė-Pivoriūnienė*

- ↑ The company's net profit for the reporting period increased by almost a third to EUR 2.0 million. The company's net profit has been growing for the second year in a row
- ↑ The company's debt-to-equity ratio increased by 28.5 percentage points to 39.3 %.
- ↑ The company's assets grew by 8.9% to EUR 132.4 million.

PROFIT (LOSS) STATEMENT (EUR Thousand)	2023	2024	CHANGE
Sales revenue	17,353	22,248	+28.2%
Cost of sales	0	0	-
Gross profit (loss)	17,353	22,248	+28.2%
Cost of sales	0	0	-
General and administrative expenses	16,485	20,981	+27.3%
Other operating results (income only)	915	837	-8.5%
Financial and investment activities	253	-30	-
Profit (loss) before tax	2,037	2,074	+1.8%
Income tax	480	56	-88.3%
Net profit (loss)	1,556	2,018	+29.7%
BALANCE SHEET (EUR Thousand)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	28,372	23,796	-16.1%
Current assets	92,962	108,255	+16.5%
Cash and cash equivalents	18,397	11,052	-39.9%
Accrued expenses and deferred income	217	369	+69.7%
Total assets	121,551	132,420	+8.9%
Equity	14,705	16,723	+13.7%
Grants, subsidies	1,786	954	-46.6%
Provisions	276	211	-23.6%
Payables and other liabilities	104,762	114,533	+9.3%
Amounts payable after one year and other long-term liabilities	15,568	15,005	-3.6%
Financial liabilities	1,588	1,907	+20.1%
Amounts payable within one year and other current liabilities	89,195	99,528	+11.6%
Financial liabilities	0	4,662	-
Accrued expenses and deferred income	22	0	-
Total equity and liabilities	121,551	132,420	+8.9%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	1.3%	1.5%	+0.2 p. p.
ROE	10.6%	12.1%	+1.5 p. p.
D/E	10.8%	39.3%	+28.5 p. p.
EBITDA	3,558	4,723	+32.7%
EBITDA margin	20.5%	21.2%	+0.7 p. p.
Net profit margin	9.0%	9.1%	+0.1 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Dividends allocated (state share)	0	0	-
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	298	319	+7.0%
Average monthly salary of a manager (gross, EUR)	9,050	12,996	+43.6%
STATE REPRESENTATIVE INSTITUTION	SHAREHOLDING		
Ministry of Transport and Communications of the Republic of Lithuania	100.0%		
MANAGEMENT (22/05/2025)			
CEO	L. e. p. Martynas Gedaminskas		
Chairwoman of the Board	Rūta Butautaitė-Pivoriūnienė*		
Members of the Board	Agnė Amelija Mikalonė Liudas Liutkevičius* Tadas Jagminas*		

*Independent member

Income structure



During the reporting year, the Company's operating expenses increased by 27.3% and amounted to EUR 20.1 million. The change was driven by increased personnel expenses, which account for the largest share of the cost structure. The significantly higher personnel costs are related to a significant increase in the number of employees: at the end of 2023, the Company employed 298 people, and a year later – 319, as well as the annual review of employee remuneration. As already mentioned, the largest part of the cost structure was made up of personnel-related expenses, which amounted to EUR 14.2 million and 67.8% of the total cost structure. Compared to 2023, these costs increased by 14.0%. Depreciation of tangible assets and amortisation of intangible assets increased significantly in the reporting year – by 48% – reaching EUR 2.6 million and accounting for 12.5% of total operating costs. The increase in depreciation costs is related to IFRS 16 car and long-term office leases. Telecommunications costs, which increased by 216.0% during the reporting period and accounted for 6% of total operating costs, increased due to the Company's management of systems of national importance (e.g. KTVIS, EIS) and the maintenance, development and digitisation of these systems.

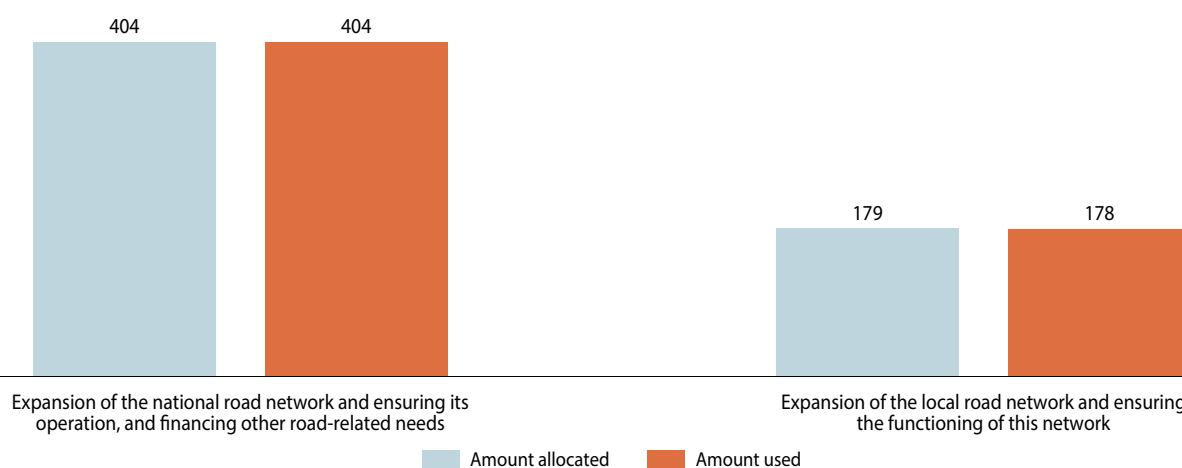
At the end of 2024, the Company recorded a net profit of EUR 2.0 million, i.e. 29.7% more than at the end of the previous reporting period. The company's profit increased significantly due to higher income from core and other activities. Compared to the corresponding period a year ago, EBITDA grew by a quarter in 2024, reaching EUR 4.8 million. Due to the increase in net profit, return indicators also increased: the return on equity reached 12.1 % in the reporting year, while the return on assets reached 1.5 %. During the reporting year, amounts receivable within one year continued to grow, but the amount of cash and cash equivalents accumulated at the end of the year decreased significantly (by 39.9 %), which resulted in a more modest increase in current assets than in 2023: current assets grew by 16.5 % to EUR 108.3 million (in 2023, current assets grew by 58.3 %).

The company's investment projects are financed by the Road Maintenance and Development Programme (hereinafter referred to as KPPP),

European Union structural funds and other funds. In 2024, 100% of the funding allocated to projects for the adaptation and/or creation of military mobility and dual-use transport infrastructure, as well as military infrastructure necessary to ensure host nation support, was used, totalling EUR 185.8 million, of which: state budget funds allocated under the Law on Temporary Solidarity Contribution of the Republic of Lithuania – EUR 143.5 million; state budget funds when the programme estimate is increased from funds borrowed on behalf of the state, which are used in excess of the total appropriations approved by the Seimas of the Republic of Lithuania – EUR 42.3 million. In addition, EUR 64.4 million in EITP (European Infrastructure Networks Instrument) funds were received and used. These funds were used to pay for the reconstruction of sections I-IV of the Via Baltica road. EUR 96.8 million from the Cohesion Fund and the European Reconstruction and Development Fund was used for strategic projects for the reconstruction of sections I and IV of the Via Baltica road and the reconstruction of the middle bridge over the Neris River on the A1 Vilnius–Kaunas–Klaipėda motorway between km 99.0 and 100.47 (A. Meškinis Bridge).

The main source of funding for the maintenance and development of roads of national importance and the implementation of road safety measures is the KPPP funding allocated from the state budget of the Republic of Lithuania. Of the €583.1 million in KPPP funds allocated for 2024, €582.3 million, or 99.8% of the approved estimate, was used. The basic distribution of KPPP funds in 2024 is as follows: 69.0% is allocated to roads of national importance, including the reconstruction of the A14 Vilnius–Utena motorway, and capital repair works, in accordance with the provisions of Article 13(1)(9) of the Law on the Approval of the Financial Indicators of the State Budget and Municipal Budgets of the Republic of Lithuania for 2024; 31.0% will be allocated to local roads. When assessing the KPPP estimate, in the reporting year, the Company used most of the funds for the development and proper functioning of the national road network and other areas, using EUR 403.8 million. EUR 178.5 million was used for the development of the local road network.

Use of KPPP funds (million euros)



AB Regitra

www.regitra.lt



Processing of data from the registers of road vehicles and drivers of road vehicles in the Republic of Lithuania, registration of motor vehicles and their trailers, examination of drivers, issuance of driving licences and driver qualification cards, calculation and administration of vehicle registration fees, management and maintenance of the vehicle owner accounting information system (TPSAIS).

Special obligations: registration of road vehicles and management of the Lithuanian Road Vehicle Register (KTPR); issuing driving licences and driver qualification cards and managing the Register of Road Transport Vehicle Drivers of the Republic of Lithuania (KTPVR); administration of motor vehicle registration fees; testing of persons seeking to obtain the right to drive road vehicles; Declaration of ownership of motor vehicles and/or their trailers and management and maintenance of the vehicle owner accounting information system (TPSAIS).

Key financial performance indicators set by the state

• Average annual net profit:

2022–2024 ≥ EUR 2.7 million

• Annual financial debt to equity ratio:

≤ 0.04 times in 2022–2024

• Allocated profit contributions for the calendar year:

amount corresponding to the requirements of the *Ownership Guidelines*, depending on the ROE indicator earned.

KEY EVENTS:

- **In June**, following the European Commission's approval of the eIDAS2 Regulation, which legalises EU digital identity, and the publication of the ARF technical architecture requirements for the wallet, the implementation of the project, in which AB Regitra is participating, began. Nineteen EU Member States are participating in the project. A digital driving licence will be tested in Lithuania.

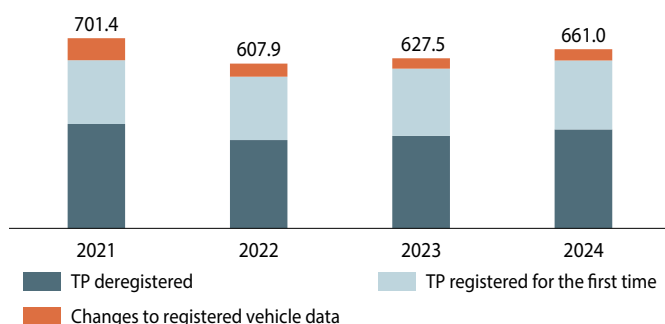
- **In July**, the legal process of transforming the company from a state-owned enterprise into a public limited company was completed, and the state-owned enterprise became a public limited company.

- **In July**, a new service was launched: the issuance of driver qualification cards; new types of registration certificate forms were introduced, with reduced data content and the Lithuanian coat of arms, Vytis, displayed on them;

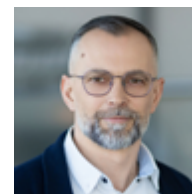
- **In December**, a project linking the validity of medical certificates and driving licences was implemented.

The company mainly serves its customers by providing vehicle registration services and issuing owner declaration codes (SDK). Compared to 2023, the volume of vehicle registration services increased by 5.4 % in the reporting year. The volume of vehicle deregistration services increased the most, by as much as 9.2 %. The volume of changes to registered vehicle data reached 365,000 in the reporting year, i.e. 7.0 % more than in the previous reporting period. The volume of services for vehicles registered for the first time increased by 2.5 %, from 248,200 in 2023 to 254,300 in 2024. In providing these services, 158.4 thousand visual inspections were carried out, i.e. 6.2 % more than in 2023. During the reporting year, vehicle owners paid 1.4% more in registration fees – EUR 37.1 million, compared to EUR 36.6 million collected in 2023.

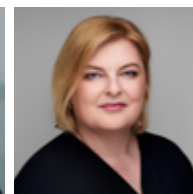
Vehicle registration services (thousands)



During the reporting period, 281,200 theory and practical exams were taken, which is 9.0% more than in 2023. The number of theory exams, which reached 123,500 in 2023, increased by 10.7% in 2024 to 136,700, while the number of practical motor vehicle driving skills and abilities tests increased by 7.3% to 144,500. The number of licences issued in 2024 increased by 20.0% to 265,400. When assessing the results of the 2024 first-time exam pass rate, there is a noticeable improvement in the practical driving exam pass rate – about 23.4% of people who took the exam passed it on their first attempt who took it with a vehicle with an automatic transmission, and about 23.8% with a manual transmission. For comparison, in 2023 these figures were 22.2% and 21.4% respectively. Compared to practical driving, the results of the theory exams are better – 40.8% of people passed on their first



CEO
Acting Rytis Polikauskas



Chairwoman of the Board
Giedrė Blazgienė*

- ↑ Adjusted net profit grew by 16.3 % to EUR 5.2 million
- ↑ Cash and cash equivalents increased more than twofold to EUR 1.8 million
- ↓ Dividends allocated to the state budget decreased more than eightfold

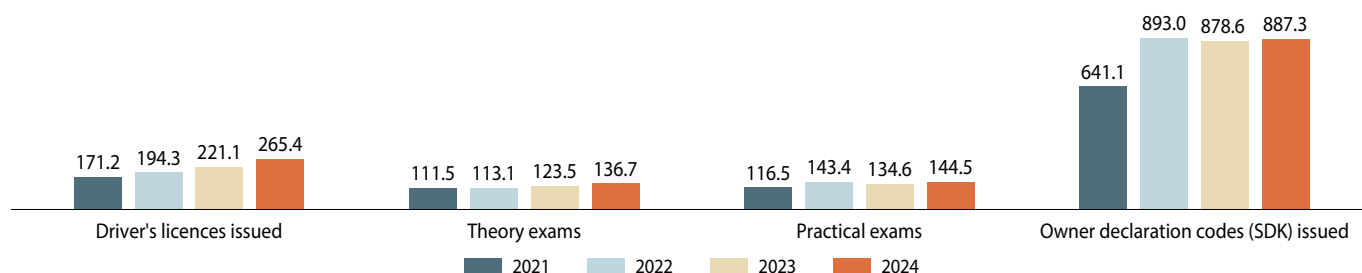
PROFIT (LOSS) STATEMENT (IN EUR THOUSAND)	2023	2024	CHANGE
Sales revenue	30,027	33,626	+12.0%
Cost of sales	18,327	21,002	+14.6%
Gross profit (loss)	11,701	12,624	+7.9%
Cost of sales	0	0	-
General and administrative expenses	6,758	7,002	+3.6%
Other operating results	155	146	-5.8%
Financial and investment activities	2	231	+>1000.0%
Profit (loss) before tax	5,099	5,998	+17.6%
Income tax	805	915	+13.7%
Net profit (loss)	4,294	5,083	+18.4%
Adjusted net profit (loss)	4,427	5,149	+16.3%
BALANCE SHEET (EUR THOUSAND)	31 DEC 2023	31 DEC 2024	CHANGE
Non-current assets	13,365	13,803	+3.3%
Current assets	9,990	11,935	+19.5%
Cash and cash equivalents	843	1,762	+109.0%
Accrued expenses and deferred income	357	367	+2.6%
Total assets	23,713	26,104	+10.1%
Equity	16,083	17,729	+10.2%
Grants, subsidies	76	49	-35.5%
Provisions	152	187	+22.6%
Payables and other liabilities	7,368	8,132	+10.4%
Amounts payable after one year and other long-term liabilities	3,875	3,179	-18%
Financial liabilities	2,955	2,259	-23.5%
Amounts payable within one year and other current liabilities	3,493	4,953	+41.8%
Financial liabilities	909	970	+6.7%
Accrued expenses and deferred income	33	6	-82.1%
Total equity and liabilities	23	26,104	+10.1%
RATIOS	31 DEC 2023	31 DEC 2024	CHANGE
ROA	18.5%	20.7%	+2.2 p. p.
ROE	27.4%	30.5%	+3.1 p. p.
D/E	24.0%	18.2%	-5.8 p. p.
EBITDA	7,067	8,018	+13.5%
EBITDA margin	23%	23.8%	+0.3 p. p.
Net profit margin	14.7%	15.3%	+0.6 p. p.
CONTRIBUTION TO THE STATE BUDGET (EUR THOUSAND)	2023	2024	CHANGE
Allocated profit contribution/dividends	3,436	428	-87.5%
Property tax	156	78	-50.0%
Total contributions and non-standard taxes to the state	3,592	506	-85.9%
INFORMATION ABOUT EMPLOYEES	31 DEC 2023	31 DEC 2024	CHANGE
Number of employees	550	576	+4.7%
Average monthly salary of a manager (gross, EUR)	8,904	12,052	+35.4%
STATE REPRESENTATIVE INSTITUTION	OWNED SHARE		
Ministry of the Interior of the Republic of Lithuania	100%		
MANAGEMENT (02/05/2025)			
CEO	L.e.p. Rytis Polikauskas		
Chairwoman of the Board	Giedrė Blazgienė*		
Members of the Board	Indrė Gasperė Kęstutis Motiejūnas* Arūnas Penkaitis*		

*Independent member

attempt, but this was 2.0 percentage points lower than in the previous reporting period. The company began issuing international driving licences in January 2020. **During the reporting year, 7,100 international driving licences**

were issued, compared to 6,500 in 2023. On 1 July 2024, a new service was launched – the issuance of driver qualification cards, and 15,800 cards were issued between July and December.

Volume of services provided (thousand units)



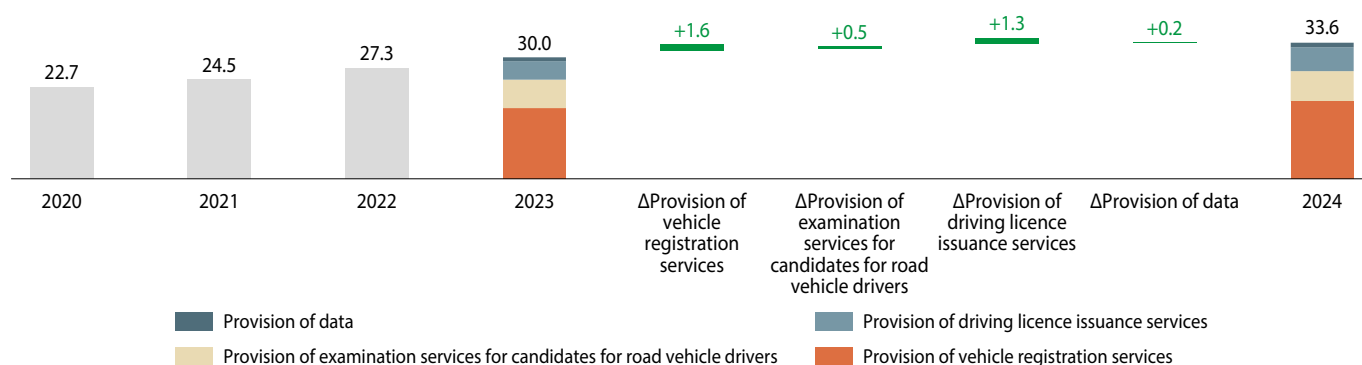
In May 2021, a new Vehicle Owners Accounting Information System (TPSAIS) was launched, in which all vehicle owners are registered. Every vehicle in the country that is owned by a Lithuanian resident or company must have a unique owner declaration code (SDK). Between May and December 2021, more than 641,000 new SDKs were created, and 887,300 were issued during the reporting year.

Most of the vehicle registration services provided are available online, with customers increasingly choosing to use digital channels to access these services, motivated in part by lower prices compared to physical service channels. During the reporting year, 35.3% of vehicle registrations were carried out digitally, i.e. 111,300 registration services were provided online. A total of 96,800 driving licences were ordered online, i.e. 26.4% more than in the previous year. Of the total number of driving licences issued, 36.5% were issued through digital channels, compared to 34.7% in 2023. **Since November 2022,** Thanks to

the new consultant, customers can obtain the information they need much faster and more conveniently at any time of the day. During the reporting year, REVIS handled 64,181 calls. In 2024, **the company's sales revenue grew by 12.0 % from EUR 30.0 million to EUR 33.6 million.**

In 2024, the company's sales revenue grew by 12.0 % from EUR 30.0 million to EUR 33.6 million. In the overall revenue structure, revenue from vehicle registration services, which accounted for 56.7%, increased by 9.2% to EUR 19.1 million in 2024. This was influenced by increased sales of personalised and exclusive state registration number plates, which generated EUR 1.0 million more than in 2023. Revenue from driver testing increased by 7.1% to €7.5 million, from the issuance of driving licences by 28.7% to €5.9 million, and from the provision of data by 18.9% to €1.1 million. In the reporting year, 71.2% of the revenue structure consisted of revenue from the provision of regulated services and 28.8% of commercial revenue.

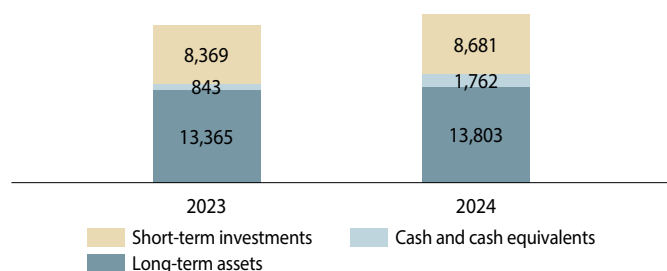
Sales revenue (EUR million)



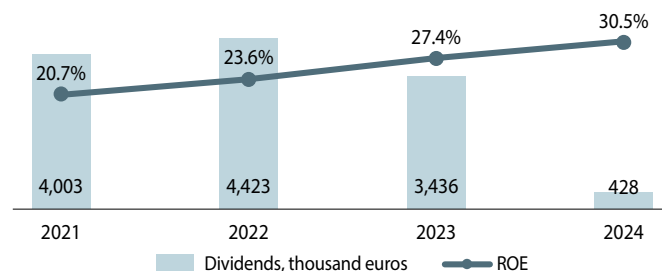
The company's expenses increased by 11.6% to EUR 28.0 million in the reporting year. The largest share, i.e. 58.9%, was accounted for by personnel expenses, which amounted to EUR 16.5 million. Compared to 2023, these costs increased by 4.3% in 2024 due to the hiring of new employees to provide examination services and issue driver qualification cards, as well as

an increase in salaries following a performance review. The purchase of forms for issuing documents (state registration number plates, vehicle registration certificates, driving licences) accounted for 10.9% of total costs and amounted to EUR 3.1 million. A significant portion of expenses, 6.7%, was also allocated to the depreciation of tangible and intangible assets.

Asset structure dynamics, EUR thousand



Profit contribution/dividends, EUR million



The growth in service volumes in 2024 had a positive impact on the Company's financial indicators: adjusted net profit increased by 16.3% and amounted to EUR 5.1 million at the end of the reporting period, EBITDA, which amounted to EUR 7.1 million in 2023, increased by 13.5% and reached EUR 8.0 million. Other financial return indicators of the Company also grew: return on equity increased by 3.1 percentage points to 30.5%, while return on assets, which grew by 2.2 percentage points, reached 20.7% at the end of the reporting period. The Company's adjusted net profit margin increased by 0.6 percentage points

to 15.3%. **The company's return to the state for the 2024 results was the lowest in the last 10 years – a profit payment of EUR 0.4 million was allocated,** as the majority of the distributable profit, i.e. EUR 4.9 million, was allocated to the formation of authorised capital when the company was transformed from a state-owned enterprise into a public limited company. The fee for the use of state property under a trust agreement decreased by 50.0% and amounted to EUR 78,000, so the total amount of contributions and non-standard taxes to the state for the reporting period amounted to EUR 0.5 million.

UAB ILTE

MANAGEMENT (01/04/2025)

CEO	Dainius Vilčinskas
Chair of the Supervisory Board	Daina Kleponė*
Members of the Supervisory Board	Aivaras Čičelis* Povilas Kriaučiūnas Pascal Lagarde* Irma Patapienė Eugenijus Preikša* Aurimas Saladžius

*Independent member

INSTITUTION REPRESENTING THE STATE OWNED SHARE

Ministry of Finance of the Republic of Lithuania	100.0%
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UAB ILTE SUBSIDIARY COMPANIES OWNED SHARE

UAB Kofinansavimas	100.0%
UAB State Investment Management Agency	100.0%



www.ilte.lt

Implementation of incentive financing activities, provision of financial services, administration and implementation of financial and other types of financing instruments.

Special obligations: Provision of guarantees by state-established guarantee institutions; Provision of grants, including conditional grants, and/or subsidies, including repayable subsidies, where they relate to a financial instrument, financial services or incentive-based financial instruments, and the performance of intermediate body functions in the area of administration of the management and control system for European Union Structural Funds for 2014-2020; Management of umbrella funds, funds of funds, special funds and implementation of individual financial engineering, promotional financial instruments and financial instruments; Activities of the Green Finance Institute.



FINANCIAL RESULTS
(EUR Thousand)

	2023	2024	Change
Sales revenue	18,105	32,934	↑+81.9%
EBITDA	9,894	10,324	↑+4.3%
Net profit	7,668	7,684	↑+0.2%
Assets	91,091	252,506	↑+177.2%
Dividends (state share)	573	5,763	↑+905.4%

KEY EVENTS:

- **In January**, the Innovation Promotion Fund was supplemented by EUR 452 million, of which EUR 286 million came from EU funds allocated for business modernisation and digitalisation.
- **June** The Ministry of Finance increased the authorised capital by €150 million.
- **September**: A new ILTE brand was introduced.
- **In November**, the National Development Bank Act was adopted, granting ILTE the status of a national development bank.



RATIOS
(%)

	2023	2024	Change
ROE	21.7%	5.6%	↓-16.1 p.p.
D/E	0.9%	0.0%	↓-0.9 p.p.
EBITDA margin	54.7 %	31.3%	↓-23.3 p.p.
INFORMATION ABOUT EMPLOYEES			
Number of employees at the end of the period	259	330	↑+27.4%

Key financial indicators set by the state

Average annual return on equity ROE
2022–2024 ≥ 0 %

Average dividends for the calendar year
2022–2024 ≥ 75–85 % of distributable profit

Net profit

In 2024, the Company's profit remained at the same level as in the previous reporting period, with a net result of EUR 7.7 million recorded in both 2024 and the previous year. Due to increased operating volumes, revenues and OPEX costs changed consistently, but there was a significant increase in provisions for guarantee payments and loan impairment (+€11.7 million), which meant that net profit remained virtually unchanged.

Assets / liabilities

The company's assets under management grew significantly in 2024, from EUR 91.1 million to EUR 252.5 million. This change was mainly due to the amount of financial assets and cash resulting from the Ministry of Finance's decision to increase the authorised capital by EUR 150 million. This amount was temporarily invested in short-term deposits and EU government securities.

Operating results – Key changes

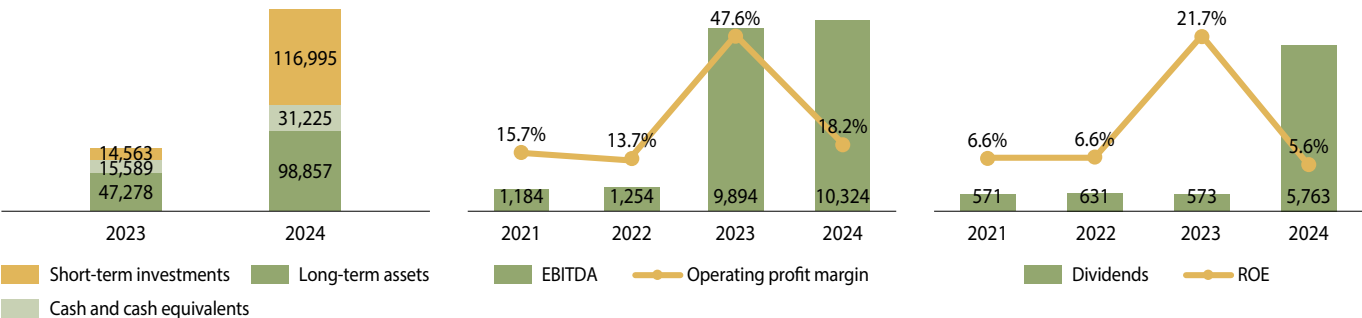
At the end of 2024, the company's portfolio amounted to EUR 1.4 billion, with EUR 350.9 million actually paid out to customers. In total, the company attracted EUR 389.0 million in private funds during the reporting period. After the Company was granted the status of a National Development Bank in November 2024, it gained broader opportunities to attract private funds and carry out more extensive promotional financing activities.

UAB Valstybės investicijų valdymo agentūra (VIVA) is a subsidiary managed by ILTE, whose purpose is to manage the investments of KūB Pagalbos verslui fondas. VIVA was established to effectively administer state aid measures for businesses, especially during periods of pandemic and economic turmoil. Its main function is to invest in companies that are facing temporary difficulties but are economically viable, in order to ensure their sustainable continuity. In 2024, VIVA earned a net profit of EUR 1,000 and had one employee at the end of the period.

UAB Kofinansavimas is a subsidiary of ILTE that manages the venture cap-

ital fund KūB Koinvesticinis fondas and related investments. This company operates under the Coinvest Capital brand and invests in small and medium-sized enterprises in Lithuania together with private investors, business angels and other funds. Its goal is to promote business development and innovation by increasing the availability of venture capital to early-stage companies. In 2024, UAB Kofinansavimas generated EUR 283.5 thousand in sales revenue and a net loss of EUR -0.8 thousand. At the end of the reporting period, the company had 5 employees.

The graphs show the dynamics of UAB ILTE's financial results, with figures rounded to the nearest thousand euros.



AB Smiltynės perkėla

MANAGEMENT (01/04/2025)

CEO Mindaugas Čiakas

Chairman of the Board Valdemaras Vaičekauskas*

Members of the Board Rytis Valūnas*
Indrė Bernotaitė

*Independent member

INSTITUTION

REPRESENTING THE STATE

Ministry of Transport and Communications
of the Republic of Lithuania

OWNED SHARE

98.99 %



www.keltas.lt

Transportation of passengers and vehicles by ferry through the Klaipėda State Seaport to/from the Curonian Spit.

Commercial function assigned by the state: Transporting residents of Neringa and Smiltynė, legal entities registered there, institutions, special service employees and their vehicles by ferry through the Klaipėda State Seaport to (from) the Curonian Spit (s).



FINANCIAL RESULTS

(EUR Thousand)

	2023	2024	Change
Sales revenue	7,828	9,595	↑+22.6 %
EBITDA	2,329	3,457	↑+48.4 %
Net profit	787	1,249	↑+58.6 %
Assets	14,830	21,314	↑+43.7 %
Dividends (state share)	511	753	↑+47.4 %

KEY EVENTS:

• **May:** Renovation of the New Ferry Terminal Quays completed – reconstruction of the quays used by the New Ferry Terminal completed.

• **In October** Mindaugas Čiakas was appointed CEO of AB Smiltynės perkėla for a second five-year term.



RATIOS (%)

	2023	2024	Change
ROE	10.4%	15.1%	↑+4.7 p. p.
D/E	63.6%	113.2%	↑+49.56 p. p.
EBITDA margin	29.7%	36.0%	↑+6.3 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	97	93	↓-4.1%

Key financial indicators set by the state

Average annual EBITDA profitability:

2022–2024 ≥ 23 %

Annual ratio of financial debt to equity:

2022–2024 range 0.5–1.9 times

Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the *Ownership Guidelines*, depending on the ROE indicator.

Net profit

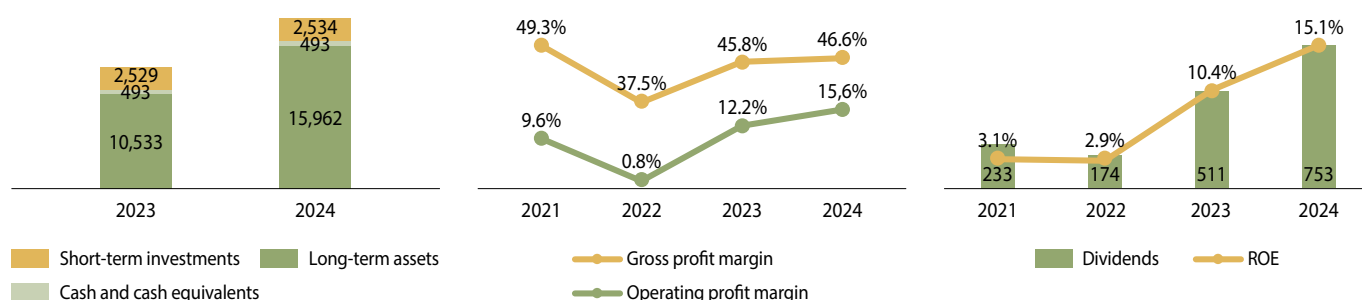
Compared to the previous reporting period, the **Company's net profit grew significantly in 2024**. This change was mainly due to rapidly growing revenues and effectively controlled costs. **The Company's revenues in 2024 increased by almost a quarter (+1.8 million euros) due to a significant increase in passenger and vehicle traffic.** Other and financial income also increased, mainly due to higher revenues from advertising space, premises and ferry rentals.

Assets / liabilities

The growth in the company's assets was mainly due to an increase in the value of fixed assets, which rose by 51.5% compared to 2023, mainly due to significant investments. The items of equipment and construction in progress (the company's passenger station reconstruction project in Klaipėda) grew particularly strongly. The increase in current assets also had a positive impact, growing by more than a fifth, mainly due to a significant increase in receivables from buyers, which amounted to EUR 2.0 million (EUR 0.7 million in 2023).

Investments

In 2024, the final investments in the installation of shore bridges were completed – EUR 1.1 million was allocated for the second stage of the project. In order to optimise passenger service processes, EUR 0.3 million was also invested in automatic ticket vending machines. During the reporting period, the Company implemented 89% of all its planned significant investments. **For the coming period – 2025 – the Company plans to allocate 10 times more for investments than in 2024, i.e. EUR 16.5 million.**



*The figures in the charts are rounded to the thousand euros.

AB Lietuvos radijo ir televizijos centras

MANAGEMENT (01/04/2025)	
CEO	Remigijus Šeris
Chairwoman of the Board	Aušra Pranckaitytė*
Members of the Board	Ramūnas Markauskas* Roma Andruškevičienė

*Independent member

INSTITUTION REPRESENTING THE STATE	OWNED SHARE
Ministry of Transport and Communications of the Republic of Lithuania	100.0%



www.telecentras.lt

Radio and television programme broadcasting, data centre and related IT services, telecommunications infrastructure rental, data transmission, entertainment and public catering and services at the Vilnius TV Tower.

	FINANCIAL RESULTS (EUR thousand)		
	2023	2024	Change
Sales revenue	16,524	17,447	↑+5.6 %
EBITDA	3,843	4,497	↑+17.0 %
Net profit	1,558	1,227	↓-21.3%
Assets	52,122	61,462	↑+17.9%
Dividends for the current year	1,705	1,180	↓-30.8%

KEY EVENTS:

- On 16 April, the renovated spaces in the upper cupola of the Vilnius TV Tower were opened. Following the renovation, a new bistro-bar, TOLIAI, began operating on the 67th floor, and a conference and leisure centre, DEBESYS, opened on the 68th floor.
- On 30 September, an inauguration event was held for two Telecentre state data centres, during which the completion of construction and the start of operations of these facilities were officially announced.
- In December, the state data centre VDC-LRTIC-DC4 began providing services to state organisations. The first customer of the new VDC was the state enterprise Žemės ūkio duomenų centras (Agricultural Data Centre).

	RATIOS (%)		
	2023	2024	Change
ROE	4.0%	3.1%	↓-0.9 p. p.
D/E	7.4%	31.2%	↑+23.8 p. p.
EBITDA margin	23.3%	25.8%	↑+2.5 p. p.
INFORMATION ABOUT EMPLOYEES			
Number of employees at the end of the period	149	146	↓-2.0%

Key financial indicators set by the state

Key financial indicators set by the state
2022 ≥ 24 %;
2023 ≥ 27 %;
2024 ≥ 33 %

Annual ratio of financial debt to equity:
2022–2024 ≤ 1

Dividends allocated to all shareholders for the calendar year:
In accordance with the requirements of the Ownership Guidelines, depending on the ROE indicator.

Net profit

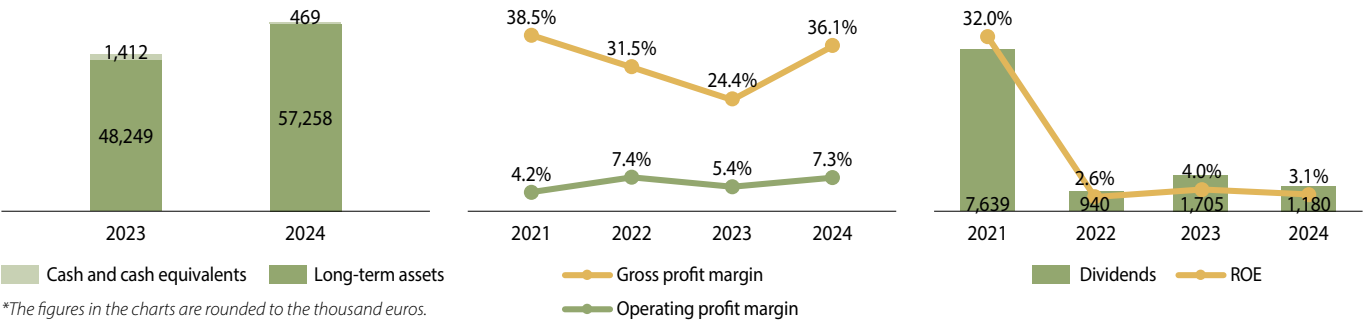
The negative change in the company's net profit was mainly due to increased financing costs for strategic projects, including interest on loans, and increased depreciation costs. These were mainly affected by the newly launched operation of the VDC4 state data centre, the installation of solar power plants, the reconstruction of TV tower space, the expansion of cloud services and the improvement of shared infrastructure. An analysis of the EBITDA indicator for recent periods, which eliminates depreciation costs, shows a 17.0 % increase.

Assets / liabilities

The Company's assets grew significantly during the reporting year, mainly due to investments of EUR 12.1 million in tangible and intangible assets. The investments were financed from own funds, as well as a EUR 9.6 million loan used in 2024, which increased the Company's D/E (ratio of financial debt to equity) and, of course, increased its liabilities to banks accordingly. In addition, the growth in current assets was driven by a significant increase in receivables from customers.

Investments

In 2024, the Company invested mainly in strategic projects, allocating EUR 6.5 million to the development of the VDC3 and VDC4 state data centres and EUR 3.7 million to the reconstruction of the Vilnius TV Tower. The year was successful – the construction of two data centres was completed, and at the beginning of the year, the newly renovated Vilnius TV Tower premises were presented to customers. In addition, the second phase of the solar power plant project, in which €0.6 million was invested, was completed. The company also allocated €0.6 million each to infrastructure upgrades (towers, masts, power equipment) and the development of new IT services and shared IT infrastructure.



AB Vidaus vandens kelių direkcija

MANAGEMENT (01/04/2025)

CEO Vladimiras Vinokurovas
Chairwoman of the Board Jurgita Šilinskaitė-Venslovienė*
Members of the Board Manfred Seitz*
 Jurgita Rimkuvienė
 Vilma Skrypnikovaitė (from 25 April 2025)*

*Independent member

INSTITUTION

REPRESENTING THE STATE

Ministry of Transport and Communications
of the Republic of Lithuania

OWNED SHARE

100.0%



www.vvkd.lt

Marking of inland waterways of national importance, cleaning works, regulation of river beds with hydraulic structures (weirs) in order to form a waterway with specified parameters; carrying out hydrographic works, mapping the hydrographic network of the Republic of Lithuania, servicing and maintaining inland waterway infrastructure; shipbuilding and repair; transporting cargo by inland waterways.

Special obligations: Implementation of the programme "Ensuring Waterway Transport".



FINANCIAL RESULTS

(EUR thousand)

	2023	2024	Change
Sales revenue	1,658	1,851	↑+11.6%
EBITDA	392	425	↑+8.4 %
Net profit	32	9	↓-72.8%
Assets	40,539	41,928	↑+3.4%
Dividends (state share)	0	0	-

KEY EVENTS:

• **May** The largest river barge in the Baltic States with a lifting capacity of 1,800 tonnes was built.

• **August** The first grain shipment was transported by river (from Jurbarkas to Klaipėda on the Nemunas River).



RATIOS

(%)

	2023	2024	Change
ROE	0.4%	0.1%	↓-0.3 p. p.
D/E	0.0 %	15.8%	↑+15.8 p. p.
EBITDA margin	23.6%	23.0%	↓-0.6 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	78	96	↑+23.1%

Key financial indicators set by the state

Annual EBITDA

2022 > 0
2023-2024 > EUR 36 thousand

Investment financing structure

The share of investments made with borrowed funds in 2022-2024 shall not exceed 50%.

Dividends allocated to all shareholders for the calendar year

Compliant with the requirements of the Ownership Guidelines, depending on the ROE ratio

Net profit

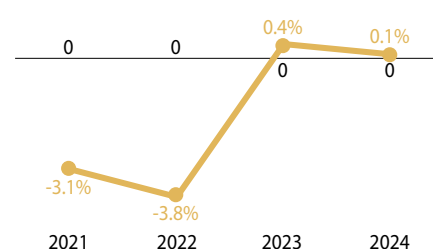
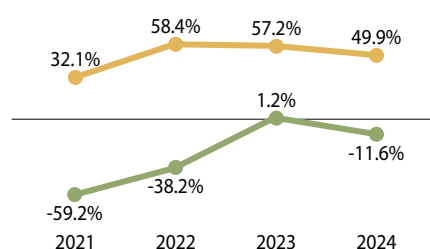
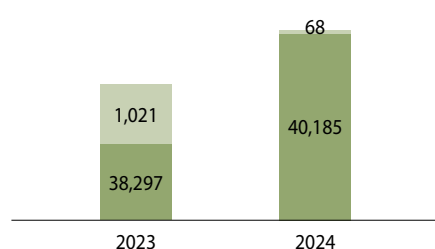
Despite the fact that the Company's commercial income reached a record EUR 1,851 thousand in 2024, an increase of 11.6% compared to 2023, a significant decline in net profit was recorded during the reporting period. **With the cost of sales increasing by almost a third, the Company earned 72.8% less net profit in 2024.** Due to the intensification of cargo shipping services, the cost of goods sold was significantly increased by the rise in fuel and labour costs, which rose by 50% and 49% respectively, as well as a 27% increase in the cost of production materials and tools related to water transport repair and production services. These factors had a significant impact on the Company's profitability despite the growth in revenue. Although the Company has been operating profitably for the second year in a row, no dividends were allocated to the state budget for the previous period's results due to accumulated losses from previous periods.

Assets / liabilities

In 2024, the Company's book value of assets increased slightly, by only 3.4%. This change was mainly influenced by an increase in the value of fixed assets – the value of machinery and equipment increased by 4.9%. **When investing in long-term tangible assets, loan agreements were signed with credit institutions, which allowed the Company to purchase new equipment and modernise its infrastructure in 2024.** These long-term commitments adjusted the Company's capital structure and raised the debt-to-equity ratio to 15.8%.

Investments

In 2024, the Company invested EUR 2,571 thousand in tangible assets. These investments enabled the installation of a 300 kW solar power plant on the roof of the production building, which should cover the Company's electricity needs for EUR 160 thousand. In addition, the territory of the Marvelė port was expanded by 1 ha, and the equipment and vehicles necessary for work were purchased in order to optimise operational processes.



■ Short-term investments ■ Cash and cash equivalents

— Gross profit margin
— Operating profit margin

■ Dividends — ROE

*figures in the charts are rounded to the thousand euros

UAB Būsto paskolų draudimas

MANAGEMENT (01/04/2025)

CEO	Egidijus Velička
Chairman of the Board	Šarūnas Nedzinskas*
Deputy Chairman of the Board	Saulius Jokubaitis*
Members of the Board	Vilija Petronienė
	Giedrė Gečiauskienė*
	Lolita Šumskaitė

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Finance of the Republic of Lithuania

OWNED SHARE

100.0%



www.bpd.lt

Administration of housing loans and loans for the modernisation of apartment buildings
Insurance contract administration



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Sales revenue	481	270	↓ -43.8%
EBITDA	42	24	↓ -42.2%
Net profit	27	10	↓ -61.4%
Assets	9,454	9,074	↓ -4.0%
Dividends (state share)	9	10	↑ +7.9%



RATIOS (%)

	2023	2024	Change
ROE	0.5%	0.2%	↓ -0.3 p.p.
D/E	0.0%	0.0%	-
EBITDA margin	8.8%	9.0%	↑ +0.2 p.p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	12	10	↓ -16.7%

Key events

• In March, 28 potentially interested parties were invited to participate in the transfer of rights and obligations under insurance contracts carried out by the Company, but no transfer price offers were received from potential transferees.

Net profit

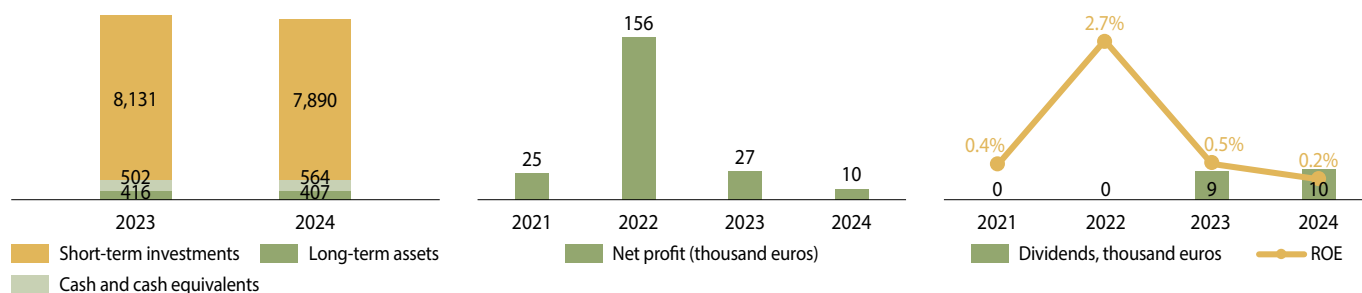
The decrease in the number of valid insurance contracts had a negative impact on the Company's sales revenue, which was the main reason for the lower net profit, which amounted to EUR 10.3 thousand in 2024 and was almost three times lower than in 2023.

Assets / liabilities

In 2024, the Company's assets decreased from EUR 9.5 million to EUR 9.1 million, mainly due to the dynamics of cash balances, which reduced the value of current assets.

Significant events

In 2025, the Company plans to sell its administrative premises in order to optimise operating costs and efficiency. The Company is following a strategic business plan, which envisages the completion of the Company's activities by the beginning of 2027.



*The figures in the charts are rounded to the thousand euros.

VĮ Turto bankas

MANAGEMENT (01/04/2025)

Director General	Gintaras Makšimas
Chairman of the Board	Laimonas Belickas*
Members of the Board	Marius Junda*
	Aurimas Tomas Staškevičius*
	Lina Frejutė
	Justė Žibūdienė

*Independent member

INSTITUTION REPRESENTING THE STATE OWNED SHARE

Ministry of Finance of the Republic of Lithuania	100 %
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www.turtas.lt

Centralised management of state-owned real estate, privatisation of shares owned by the state and municipalities, recovery of debts and loans transferred to the state under mandate agreements, fulfilment of state guarantees and other financial obligations.

Special obligations: Recovery of debts to the state and administration of loans transferred under mandate agreements with the Ministry of Finance of the Republic of Lithuania, state guarantees and other financial obligations other activities specified in legal acts related to the recovery of debts to the state and the administration of loans, state guarantees and other financial obligations; Privatisation of shares owned by the state and municipalities; other activities specified in legal acts related to the privatisation of shares owned by the state and municipalities; Organisation and coordination of the renovation of state-owned real estate; Centralised management and maintenance of transferred administrative and other state-owned real estate under lease agreements; providing state institutions and agencies with administrative real estate by implementing centrally managed projects for the renovation of administrative real estate and the improvement of

energy efficiency other activities specified in legal acts related to the centralised management of state real estate; Sale of state real estate and state-owned land plots and other immovable property assigned to it, as well as conclusion and administration of sales transactions for state-owned land plots assigned to municipal real estate for sale; Performing the functions of the administrator of the State Property Information Search System (hereinafter referred to as VTIPS), including the mandatory coordination of decisions made by property managers regarding the use, the mandatory coordination of decisions by property managers on the use, lease or transfer of state-owned real estate under a trust agreement, the analysis of the efficiency of state-owned real estate management and the preparation of annual state property management reports using the VTIPS; Administration, sale and/or privatisation of ownerless, confiscated, state-inherited and state-transferred real estate, as well as shares in public limited companies and private limited companies; Liquidation of legal entities; Organisation of the liquidation (demolition) of written-off state real estate; Representing the state in cases concerning the establishment of ownership rights to real estate and in other cases concerning the protection of state property rights, in accordance with the procedure established by the government, when such property has not been transferred to another state institution or agency.

FINANCIAL RESULTS
(EUR Thousand)

	2023	2024	Change
Sales revenue	33,353	41,350	↑+24.0 %
EBITDA	7,055	14,183	↑+101.0 %
Adjusted net profit	429	5,930	↑+1,282.8 %
Turtas	543,486	554,719	↑+2.1 %
Profit contribution (state share)	329	4,733	↑+1,338.6 %

KEY EVENTS:

• In January, the project "Acquisition of a 2.21 MW solar park to meet the needs of public facilities managed by the company" was implemented.

• On 22 May, Gintaras Makšimas took up the position of CEO;

• In November, the company was recognised as one of the most competent and innovative public procurement organisers among Lithuanian state-owned companies.

RATIOS
(%)

	2023	2024	Change
ROE	0.1%	1.6%	↑+1.5 p. p.
D/E	8.3%	7.5%	↓-0.8 p. p.
EBITDA margin	21.2%	34.3%	↑+13.1 p. p.

INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	253	256	↑+1.2 %

Key financial indicators set by the state

Average annual EBITDA:
2022–2024 ≥ EUR 4.5 million

Annual ratio of financial debt to equity:
2022–2024 limit 0.1–0.2 times

Allocated profit contributions for the calendar year:

In accordance with the requirements of the Ownership Guidelines, depending on the amount of ROE earned.

Net profit

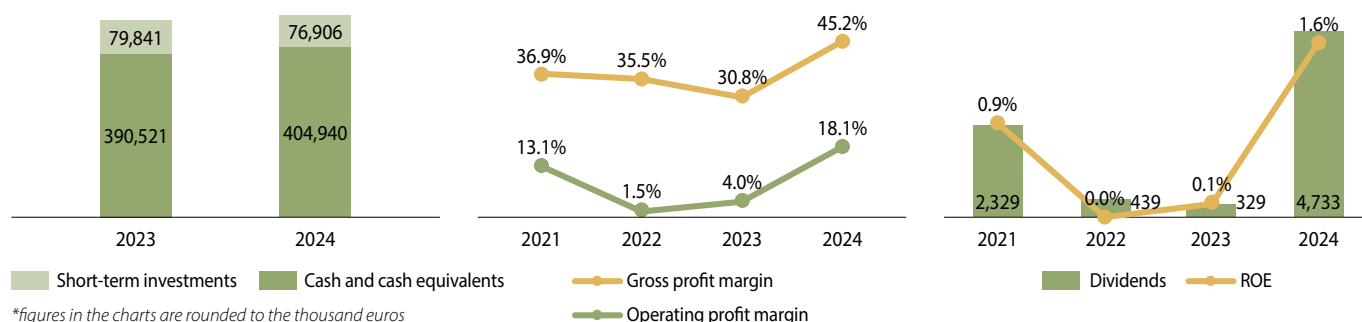
In 2024, the company's net profit increased almost 14 times to EUR 5.9 million, with the most obvious factor contributing to this change being a 25% increase in sales revenue. The largest share of revenue came from centrally managed real estate rental income, which increased by €6.2 million compared to the same period a year ago. This increase was due to an increase in the tax adjustment coefficient for maintaining the value of property rentals from 5% to 6%. Profit was also boosted by a 15.9% increase in state real estate management income, which was driven by the sale of real estate and associated state-owned land plots that were no longer suitable for state functions and were deemed unnecessary.

Assets / liabilities

During the reporting period, the Company's assets increased by EUR 11.2 million, mainly due to investments in the renovation of state-owned real estate and buildings. Equity increased by EUR 14.9 million, of which EUR 9.3 million was due to the growth in centrally managed state property capital, and the remainder was due to increased profits from real estate sales. Meanwhile, liabilities decreased by almost 6%, mainly due to a €3.4 million decrease in liabilities for the renovation of state-owned real estate and a €3.8 million decrease in amounts payable to suppliers, which was due to more efficient payment of invoices.

Profit contributions and investments

In 2024, the Company's contribution to the state budget was the largest in the last four years, amounting to EUR 4.7 million. This amount represents 80% of the Company's distributable profit, as provided for in the Government's resolution. The Company's investment assets include assets corresponding to the share of equity capital allocated to the Company, which are intended for the performance of the functions of state institutions and agencies and transferred to the Company. The Company's investment assets include assets corresponding to the share of equity capital, which are intended for the performance of the functions of state institutions and agencies and transferred to the Company for management, use and disposal on a trust basis. During the reporting year, the Company acquired long-term assets worth EUR 6.3 million, i.e. EUR 3.4 million more than a year ago.



*figures in the charts are rounded to the thousand euros

VĮ Žemės ūkio duomenų centras

MANAGEMENT (01/04/2025)	
CEO	Acting Lina Zinkevičienė
Chairman of the Board	Not appointed
Members of the Board	Not appointed

*Independent member

INSTITUTION REPRESENTING THE STATE	OWNED SHARE
Ministry of Agriculture of the Republic of Lithuania	100.0%



www.zudc.lt

The main activities of the state enterprise are the administration, design, implementation, operation and improvement of registers, cadastres and state information systems managed by the state enterprise, the performance of geodesy and cartography works, the preparation of spatial planning documents, and accounting for land improvement structures and improved land areas.



FINANCIAL RESULTS
(EUR Thousand)

	2023	2024	Change
Sales revenue	4,814	5,347	↑ +11.1 %
EBITDA	662	-66	↓ -
Net profit (loss)	559	-96	↓ -
Assets	13,556	16,743	↑ +23.5%
Profit contribution (state share)	-	-	

KEY EVENTS:

- In September, an agreement was signed with the Ministry of National Defence of the Republic of Lithuania to carry out preparatory work on military infrastructure projects that are important for strengthening the country's defence capabilities and ensuring security.
- On 14 December, server equipment, which had long stored most of the data accumulated over several decades in the Lithuanian agricultural sector, was removed from the ŽUDC premises on V. Kudirkos Street and transferred to Telecentras.



RATIOS
(%)

	2023	2024	Change
ROE	18.8%	-1.7%	↓ -20.5 p. p.
D/E	0.0%	0.0%	-
EBITDA margin	13.7%	-1.2%	↓ -15.0 p. p.
INFORMATION ABOUT EMPLOYEES			
Number of employees at the end of the period	340	329	↓ -3.2%

Key financial indicators set by the state

During the reporting period, no key financial performance indicators were set for the State Enterprise Agricultural Data Centre.

Net profit

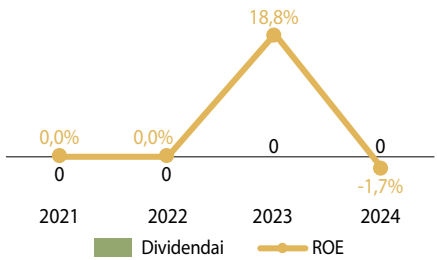
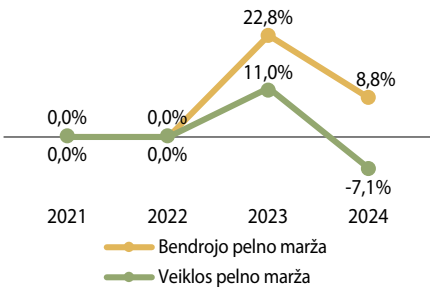
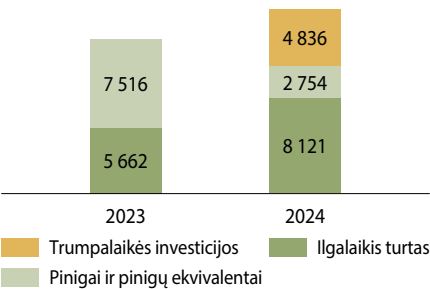
Although since March 2024 the VĮ Žemės ūkio duomenų centras no longer conducts auctions for the sale and lease of state-owned land plots – this function has been taken over by another entity in accordance with the amendments to the Land Law approved by the Seimas of the Republic of Lithuania – the company's sales revenue still grew by 11.1 %. **The main factor behind the growth in revenue was a 22.8% increase in the volume of land management and geodesy work, which compensated for the change in the conduct of auctions.**

Assets / liabilities

At the end of 2024, the Company's assets amounted to EUR 16.7 million, up 23.5% compared to the same period a year ago. The largest part of the assets, i.e. EUR 8.0 million, consisted of long-term tangible assets – in this asset class, the Company accounted for buildings and structures, vehicles, machinery, equipment, other devices, instruments and tools used in its activities.

Profit contributions and investments

During the reporting period, the Company invested EUR 2,795 thousand in software upgrades, licence purchases, and the purchase of new machinery, equipment and devices necessary for business continuity. These investments contributed to the strengthening of operational efficiency and technological infrastructure. No dividends were declared for the 2024 results, as the Company ended the year at a loss and also has accumulated losses from previous periods amounting to EUR 2,045,474. In accordance with the law, profits can only be distributed once the accumulated losses have been fully covered, so the priority at present remains ensuring financial stability.



*grafikuose skaičiai nurodyti tūkst. eurų tikslumu

AB Giraitės ginkluotės gamykla

MANAGEMENT (16/06/2025)

CEO	Acting Violeta Kašėtienė
Chairman of the Board	Dangirutis Janušas*
Members of the Board	Eimundas Mačiulis*
	Aldas Beginskas
	Remigijus Štaras*
	Laima Kalinauskienė

*Independent member

INSTITUTION

REPRESENTING THE STATE

Ministry of Finance of the
Republic of Lithuania

OWNED SHARE

100.0%

GGG

GIRAITĖS GINKLUOTĖS GAMYKLA
PASSION. PERFORMANCE. PRECISION.

www.ggg-ammo.lt

Manufacture and sale of ammunition
of various calibres.



FINANCIAL RESULTS

(EUR Thousand)

	2023	2024	Change
Sales revenue	22,458	22,959	↑+2.2 %
EBITDA	5,169	4,724	↓-8.6 %
Net profit	3,396	3,002	↓-11.6%
Assets	26,446	40,074	↑+51.5%
Dividends (state share)	517	2,023	↑+291.5%

KEY EVENTS:

• On 6 May, a contract was signed with UAB Mazgas for the design, construction and technical maintenance of a solar photovoltaic power plant.

• On 20 December, a shareholder agreement was signed between Rheinmetall Waffe Munition GmbH, UAB EPSO-G Invest and AB Giraitės ginkluotės gamykla.



RATIOS

(%)

	2023	2024	Change
ROE	25.4%	14.1%	↓-11.3 p. p.
D/E	56.1%	28.8%	↓-27.3 p. p.
EBITDA margin	23.0%	20.6%	↓-2.4 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	119	114	↓-4.2%

Key financial indicators set by the state

Annual EBITDA:

2022 ≥ EUR 1.8 million
2023 ≥ EUR 2 million
2024 ≥ EUR 2.2 million

Annual financial debt ratio to EBITDA

2022 ≤ 5 times
2023 ≤ 4 times
2024 ≤ 3 times

Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the *Ownership Guidelines*, depending on the amount of ROE earned.

Net profit

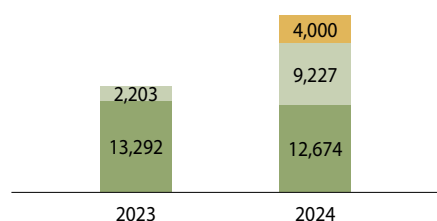
Despite a slight increase in sales revenue of 2.2%, the Company's net profit in 2024 decreased by EUR 394.3 thousand, or 11.6%, compared to the previous reporting period. This negative change, as well as the decline in EBITDA, was due to increased cost of sales due to higher raw material prices. In order to exploit the Company's production and strategic potential, on 4 October 2024, the Company's Board of Directors approved the expansion of the factory's capacity, providing for the installation of an additional production line. This decision is expected to double the current production capacity and eventually increase the Company's turnover to EUR 50 million.

Assets / liabilities

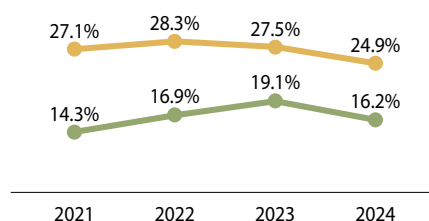
During the reporting period, the Company's assets grew significantly due to an €11 million increase in authorised capital, which the shareholder allocated to a major expansion project that will double production capacity. In addition, the book value of assets was increased by the additional acquisition of long-term tangible assets – equipment worth EUR 93.6 thousand. However, the increase in authorised capital had a strong negative impact on the return on equity (ROE) ratio, which fell by 11.3 percentage points for this reason, but still exceeded the overall ROE of the entire SOE portfolio.

Investments

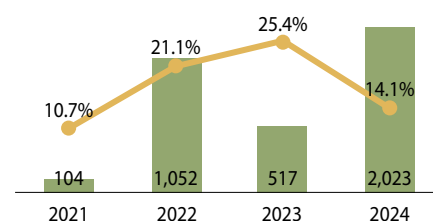
In total, the Company plans to invest €36.4 million in production expansion. The initial stage financing, accounting for approximately 30% of the total project value, will be secured by a €11 million shareholder contribution to the Company's authorised capital increase (the latter part of the process was completed in 2024). The remaining €25.2 million needed to expand the plant's capacity should be allocated over the next few years. This strategic move will strengthen the Company's market position and contribute to long-term growth.



Short-term investments Long-term assets
Cash and cash equivalents



Gross profit margin
Operating profit margin



Dividends ROE

*The figures in the charts are rounded to the thousand euros.

UAB Lietuvos monetų kalykla

MANAGEMENT (01/04/2025)	
CEO	Acting Aldona Jakutienė
Chairwoman of the Board	Eglė Gruodienė*
Board Members	Lina Šlegerienė*
	Vaidas Cibas
	Kristina Mažeikytė*
	Dainius Grikinis

*Independent member

INSTITUTION REPRESENTING THE STATE	OWNED SHARE
Bank of Lithuania	100.0%



www.kalykla.lt

Production of circulation and collector coins, medals, etc. for the Republic of Lithuania and foreign countries.

FINANCIAL RESULTS (EUR Thousand)			
	2023	2024	Change
Sales revenue	7,773	10,099	↑+29.9%
EBITDA	-143	168	↑-
Net profit	-402	-384	↑+4.6%
Assets	5,287	5,623	↑+6.3%
Dividends (state share)	-	-	

KEY EVENTS:

- In 2024, the Company minted 115 different types and editions of customised products.
- The first Lithuanian investment gold bars were successfully launched on the market in March.

FINANSINIAI RODIKLIAI (%)			
	2023	2024	Change
ROE	-9.9%	-10.4%	↓-0.5 p. p.
D/E	18.2%	47.5%	↑+29.3 p. p.
EBITDA margin	-1.8%	1.6%	↑+3.4 p. p.
INFORMATION ABOUT EMPLOYEES			
	2023	2024	Change
Number of employees at the end of the period	43	43	-

Key financial indicators set by the state

Annual EBITDA:
2022 ≥ EUR 0.4 million,
2023 ≥ EUR 0.6 million,
2024 ≥ EUR 0.8 million

Annual ratio of financial debt to equity:
2022–2024 limit 0.1–0.4 times

Dividends allocated to all shareholders for the calendar year:
In accordance with the requirements of the Ownership Guidelines, depending on the ROE indicator.

Net profit

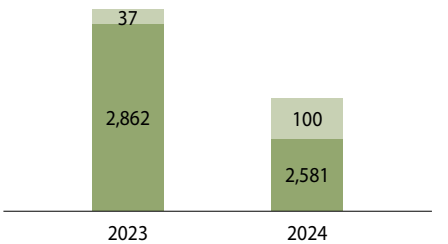
In 2024, the company's net loss decreased by 4.6 %. **Despite a nearly one-third increase in sales** (+EUR 2.3 thousand in sales revenue compared to 2023), which was driven by successful sales of the Company's own gold coins and investment gold bars, **high operating costs prevented the Company from achieving profitability**. The dynamics of the Company's results in recent years show that the imbalance between income and costs remains a significant challenge to operational efficiency.

Assets / liabilities

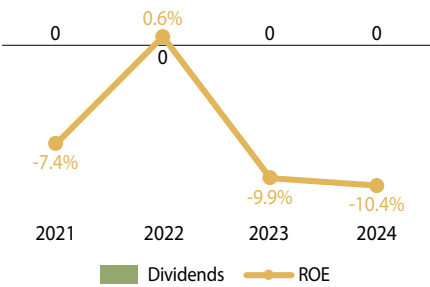
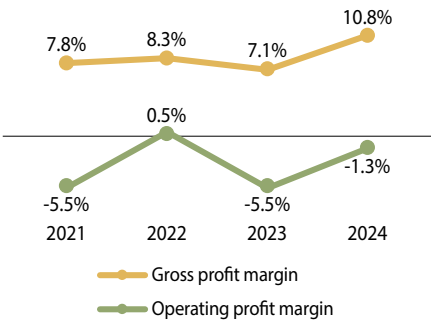
The Company's reported assets in 2024 changed insignificantly compared to the corresponding period a year ago: **fixed assets, which accounted for 45.9% of total assets, decreased by almost 10%, but current assets, which increased by almost a quarter, raised the total value of assets by 6.3%.** **All of the Company's liabilities are current** – compared to the previous reporting year, they increased by 50.6% in 2024. This change was due to the use of a EUR 1.7 million credit overrun limit at the end of the reporting period, which had a significant impact on the dynamics of financial liabilities.

Investments

In 2024, the Company **acquired long-term assets for EUR 101.8 thousand, financing the investments with its own and borrowed funds**. The funds were used for the repair and renovation of equipment and the purchase of new equipment. In addition, in order to improve operational efficiency, the Company's software was supplemented with new functional modules, new personal computers were installed, and system upgrades were carried out.



*figures in the charts are rounded to the thousand euros



AB Detonas

MANAGEMENT (01/04/2025)

General Director Vaidas Zubavičius

Chairman of the Board Mantas Šukevičius*

Members of the Board Evaldas Margis*
Ramunė Mikalauskienė

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Transport and Communications of the Republic of Lithuania

OWNED SHARE

100.0%



www.detonas.eu

Explosives manufacturing, blasting and drilling works



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Sales revenue	3,860	4,903	↑+27.0 %
EBITDA	849	1,357	↑+61.1 %
Net profit	527	900	↑+70.8%
Assets	5,178	5,737	↑+10.8%
Dividends (state share)	422	634	↑+50.2%

KEY EVENTS:

• In the first half of the year, the new DetForce explosive developed by the company was certified.

• In the second half of the year, a 150 kW solar power plant was built and the company's vehicle fleet was renewed with the purchase of less polluting vehicles.



RATIOS (%)

	2023	2024	Change
ROE	13.3%	21.1%	↑+7.8 p. p.
D/E	18.5%	12.1%	↓-6.4 p. p.
EBITDA margin	22.1%	28.0%	↑+5.9 p. p.

INFORMATION ABOUT EMPLOYEES

	2023	2024	Change
Number of employees at the end of the period	44	42	↓-4.5%

Key financial indicators set by the state

Average annual EBITDA:
2022–2024 ≥ EUR 0.5 million

Annual financial debt to equity ratio:
2022–2024 range 0.1–0.3 times

Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the Ownership Guidelines, depending on the ROE indicator.

Net profit

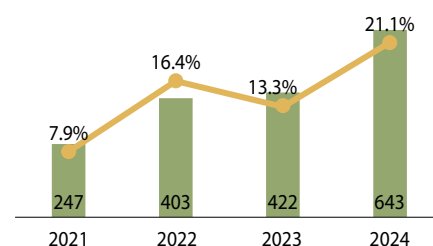
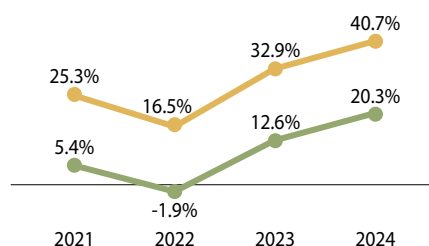
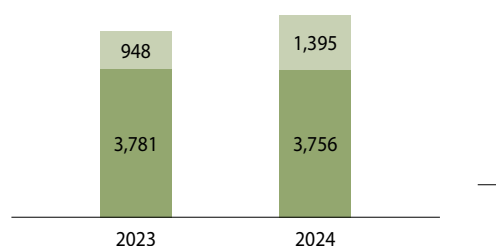
In 2024, the company's revenue from its core drilling, blasting and explosives trading activities grew by 27.0 per cent, mainly due to higher volumes of work performed and operational efficiency. This change led to a **70.8% increase in net profit, which reached EUR 900.4 thousand at the end of the year, the highest in the last six years.** A more effective business strategy and a higher volume of orders also contributed significantly to the improvement of all of the Company's profitability indicators.

Assets / liabilities

During the reporting period, the Company's assets grew by 10.8%, mainly due to a 42.0% increase in current assets. This growth was driven by an increase in prepayments, trade receivables and cash in the account, which contributed significantly to the strengthening of the Company's financial position. **Along with increased profits and assets, in 2024, compared to the previous reporting period, the return on assets also increased significantly, reaching 16.5 per cent and exceeding the return on assets of the entire SOE portfolio by almost four times.**

Investments and other significant changes

In 2024, the Company invested EUR 230.1 thousand in long-term tangible assets by acquiring a **Heavy ANFO CE** certificate, renewing its fleet of light vehicles and building a solar power plant. Despite the decline in the number of employees, the Company's productivity increased by 29 per cent, and revenue per employee reached **EUR 123.6 thousand per person** during the reporting period, compared to **EUR 96 thousand per person** in 2023. This growth reflects more efficient operational processes and optimised resource utilisation.



*The figures in the graphs are rounded to the thousand euros.

AB VIAMATIKA

MANAGEMENT (01/04/2025)	
CEO	Anatolijus Jadovas
Chairman of the Board	Paulius Arštikys*
Members of the Board	Rolandas Oginskas* Evelina Verikienė
*Independent member	
INSTITUTION REPRESENTING THE STATE	OWNED SHARE
Ministry of Transport and Communications of the Republic of Lithuania	100.0%



Testing and analysis of construction materials and product quality for structures classified as transport infrastructure. Technical supervision of the construction of transport infrastructure structures and performance of engineering duties in accordance with FIDIC, certification of construction products, cadastral measurements and other engineering and technological activities.

 FINANSINIAI REZULTATAI (EUR Thousand)			
	2023	2024	Change
Sales revenue	8,207	9,359	↑+14.0 %
EBITDA	2,967	3,200	↑+7.8%
Net profit	2,101	2,325	↑+10.6%
Assets	8,179	8,692	↑+6.3%
Dividends (state share)	1,450	1,593	↑+9.8%

KEY EVENTS:

- Expanded activities:
 - 1) accredited laboratory testing of solid biofuels,
 - 2) accredited standards for assessing the stability of mortar fillers and modified bitumen performance characteristics,
 - 3) sustainability services EDP and LCA started to be provided.
- New, modern testing laboratory premises designed and equipped.

 RATIOS (%)			
	2023	2024	Change
ROE	34.4%	31.3%	↓-3.1 p. p.
D/E	3.7%	1.9%	↓-1.8 p. p.
EBITDA margin	36.2%	34.1%	↓-1.9 p. p.
INFORMATION ABOUT EMPLOYEES			
	2023	2024	Change
Number of employees at the end of the period	102	103	↑+1.0%

Key financial indicators set by the state

Average annual return on equity (ROE):
2022–2024 ≥ 12 %

Annual ratio of financial debt to equity:
2022–2024 limit 0.1–0.2 times

Dividends allocated to all shareholders for the calendar year:
2022–2024 ≥ 65 % of distributable profit

Net profit

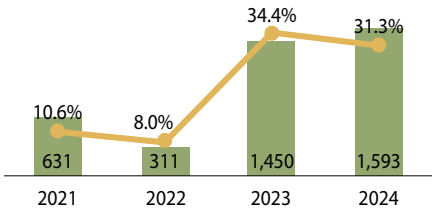
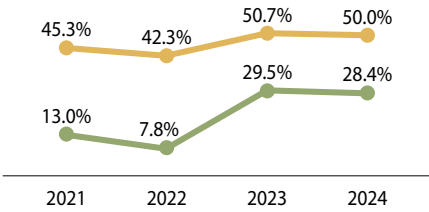
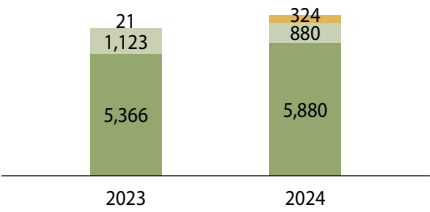
The Company's business volumes are closely linked to the development and financing of transport infrastructure – additional funding for road maintenance enabled the Company to earn 10.6 % more net profit in 2024 than in the previous reporting period. In 2024, revenue grew in almost all customer groups, except for AB LTG Infra. The highest growth was recorded in the **public procurement segment** – 64%, and revenue from **AB Via Lietuva** also increased significantly – 20.8 per cent, while revenue in the **private customer segment** grew more moderately – 6.4 %.

Assets / liabilities

Despite a successful 2024, the Company's cash reserves decreased by EUR 243 thousand (21.6 %) compared to 2023. This change was mainly due to the laboratory relocation project, significant dividend payments for the 2023 results, as well as bonuses paid to employees at the end of the year and related taxes. The company's equity increased, and the shareholders decided to form a reserve of EUR 656 thousand for investments in order to ensure long-term financial stability.

Investments

In 2024, the Company allocated EUR 1,173 thousand for investments, which is almost seven times more than in the previous reporting period. The majority of these investments, approximately EUR 800 thousand, were allocated to the establishment and relocation of the laboratory from the old building to a new, energy-efficient building, in accordance with the strategic plan for real estate optimisation. **These investments contribute to more efficient use of resources and sustainable infrastructure development.**



Short-term investments Long-term assets
Cash and cash equivalents

Gross profit margin
Operating profit margin

Dividends ROE

*The figures in the charts are rounded to the thousand euros.

UAB Toksika

MANAGEMENT (01/04/2025)

CEO	Arūnas Dirvinskas
Chairman of the Board	Normantas Marius Dvareckas*
Members of the Board	Giedrius Dusevičius* Agata Šeporaitienė

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Economy and Innovation of the Republic of Lithuania

SHAREHOLDING

94.6%



www.toksika.lt

Collection and management of hazardous waste.



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Sales revenue	7,464	10,015	↑+34.2%
EBITDA	1,507	2,095	↑+39.0%
Net profit	318	582	↑+83.2%
Assets	26,159	30,039	↑+14.8%
Dividends (state share)	225	522	↑+132.0%

KEY EVENTS:

• On 1 March, following amendments to the company's articles of association, an increase in authorised capital was registered.

• On 17 July, Toksika contributed to the clean-up of the aftermath of a tornado that swept through the Šiauliai region – free of charge.

• On 18 October, the reorganisation of GVT LT and Toksika was completed.



FINANSINIAI RODIKLIAI (%)

	2023	2024	Change
ROE	3.9%	5.9%	↑+2.0 p. p.
D/E	33.1%	19.4%	↓-13.7 p. p.
EBITDA margin	20.2%	20.9%	↑+0.7 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	80	95	↑+18.8%

Key financial indicators set by the state

Average annual EBITDA
2022–2024 ≥ EUR 1.5 million

Annual equity ratio to total assets

Between 0.3 and 0.45 times in the period 2022–2024

Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the Ownership Guidelines, depending on the ROE indicator earned.

Net profit

In 2024, the company's net profit increased significantly – by 83.2 %, mainly due to a one-third increase in sales revenue. The largest part of this was revenue from waste collection, transport, temporary storage and the sale of waste with positive value, which grew by 20% over the year. This growth was driven by a higher volume of hazardous waste collected and a higher average waste collection price.

The company's revenue was also boosted by new activities in the field of contaminated soil, sludge and water treatment, which the company took over from the merged UAB GVT LT. Although operating costs also increased, they grew more slowly than revenue, so the Company's results for 2024 are encouraging and reflect successful business development and effective resource management.

Assets / liabilities

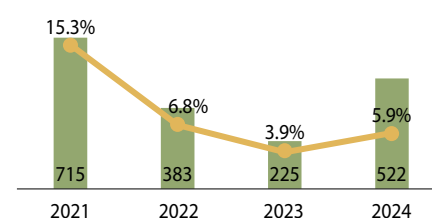
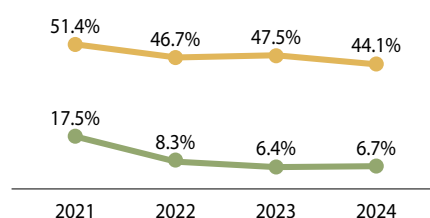
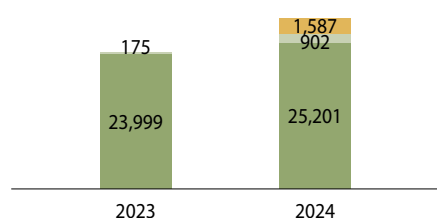
The Company's main asset is a hazardous waste incineration plant, whose balance sheet value at the end of 2024 amounted to EUR 12.7 million. During the reporting period, there was a significant increase in current assets from EUR 1.9 million to EUR 4.5 million, mainly due to the reorganisation and acquisition of GVT LT's assets. The company's equity also increased: in 2024, Toksika's authorised capital was increased from EUR 6.5 million to EUR 9.5 million when, as part of the implementation of the plan for the restructuring and centralisation of state-owned enterprises, shares in UAB GVT LT were invested in the Company's capital. These changes strengthened the Company's financial position and capital structure.

Dividends and investments

For its 2024 results, the Company allocated EUR 522.4 thousand in dividends to the state budget, which was the largest amount in the last three years.

In 2024, the Company invested EUR 2.0 million in fixed assets, mainly using its own funds.

These investments were aimed at developing waste management infrastructure and ensuring its reliable operation, operational safety, equipment modernisation and transport electrification.



Short-term investments Long-term assets

Cash and cash equivalents

Gross profit margin

Operating profit margin

Dividends

ROE

*The figures in the charts are rounded to the thousand euros.

UAB Lietuvos parodų ir kongresų centras LITEXPO

MANAGEMENT (01/04/2025)

CEO	Vilius Vaičekauskas
Chairwoman of the Board	Ramutė Ribinskienė*
Board Members	Mantas Dubauskas*
	Žilvinas Pakeltis*
	Aleksandras Golod*
	Rūta Steckienė

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Economy and Innovation of the Republic of Lithuania

SHAREHOLDING

99,03%



www.litexpo.lt

The main and largest exhibition, conference and other event centre in the Baltic States.



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Sales revenue	6,365	5,292	↓ -16.9%
EBITDA	1,295	615	↓ -52.5%
Net profit	657	434	↓ -34.0%
Assets	15,008	15,731	↑ +4.8%
Dividends (state share)	-	-	-

KEY EVENTS:

• **In September**, a practical conference and exhibition for businesses, "Sustainability Plan," was organised.

• **In October** A new director, Vilius Vaičekauskas, was elected.



FINANCIAL INDICATORS (%)

	2023	2024	Change
ROE	10.7%	5.4%	↓ -5.3 p. p.
D/E	64.3%	52.3%	↓ -12.0 p. p.
EBITDA margin	20.3%	11.6%	↓ -8.7 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	59	67	↑ +13.6%

Key financial indicators set by the state

Annual EBITDA

2022 – (–0.7) million euros
2023 ≥ EUR 0.3 million
2024 – ≥ EUR 1.3 million

Annual ratio of financial debt to equity:

≤ 1.6 times in 2022,
2023–2024 range 0.6–1.4 times

Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the *Ownership Guidelines*, depending on the ROE indicator.

Net profit

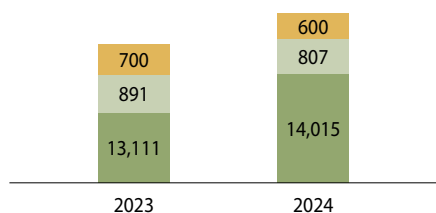
In 2024, the Company's net profit decreased by one third, mainly due to a 17% drop in sales revenue. Although some areas of activity recorded growth – exhibition organisation revenue increased by 22% and conference and event organisation revenue grew by 17% – the negative difference in the overall financial result was due to the NATO summit held at the LITEXPO premises in 2023, which brought the Company approximately EUR 1.3 million in revenue. This factor contributed to the overall decline in profit, despite growth in certain segments. This factor contributed to the overall decline in profit, despite growth in certain segments.

Assets / liabilities

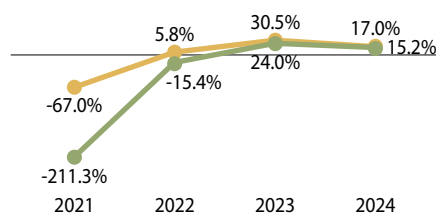
In 2024, the Company's assets grew by 4.8%, reaching EUR 15.7 million at the end of the year. The value of non-current assets increased by EUR 900 thousand (+7%), mainly due to a EUR 681 thousand increase in share capital with non-current assets.
At the end of 2024, the Company had EUR 4.2 million in long-term liabilities. The largest part of these liabilities was a bank loan, which was used to renovate the central building and build a car park.

Investments

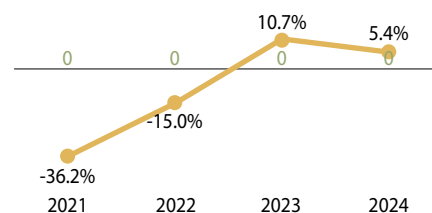
In 2024, the Company invested EUR 878.8 thousand in long-term intangible and tangible assets. These investments were used to upgrade conference equipment and halls, as well as to purchase new furniture and computer equipment in order to modernise the infrastructure and improve operational efficiency.



Short-term investments Long-term assets
Cash and cash equivalents



Gross profit margin
Operating profit margin



Dividends ROE

*The figures in the charts are rounded to the thousand euros.

AB Jonavos grūdai

MANAGEMENT (01/04/2025)

CEO	Darius Karpavičius
Chairman of the Board	Andrejus Cedronas*
Members of the Board	Alenas Gumuliauskas* Linas Lapinskas Rūta Pupkaitė-Jurgutienė Tomas Urbonas Jonas Vankevičius*

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Agriculture of the Republic of Lithuania	70.1%
UAB Agrokoncerno grūdai	25.1%
Other shareholders	4.8%

SHAREHOLDING



www.jonavosgrudai.lt

Grain and rapeseed storage and trade



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Sales revenue	20,712	18,754	↓ -9.5%
EBITDA	1,550	1,039	↓ -33.0%
Net profit	617	283	↓ -54.1%
Assets	15,567	13,453	↓ -13.6%
Dividends (state share)	390	274	↓ -29.7%

KEY EVENTS:

• In 2024, the company loaded a ship with grain for the first time at the Port of Klaipėda



FINANCIAL INDICATORS (%)

	2023	2024	Change
ROE	9.9%	4.6%	↓ -5.3 p.p.
D/E	116.2%	101.5%	↓ -14.7 p.p.
EBITDA margin	7.5%	5.5%	↓ -2.0 p.p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	36	37	↑ +2.8%

Key financial indicators set by the state

Average annual EBITDA
for 2022–2024 ≥ EUR 900,000

The annual ratio of total liabilities to equity
in 2022–2024 will be ≤ 1.5 times.

Dividends allocated to all shareholders for the calendar year
2022 ≥ EUR 280 thousand,
2023–2024 +3 % annual growth

Net profit

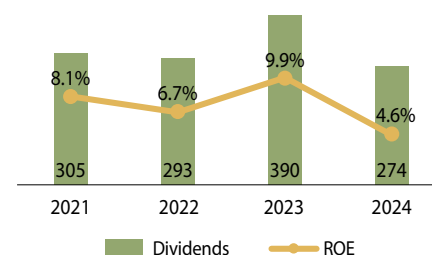
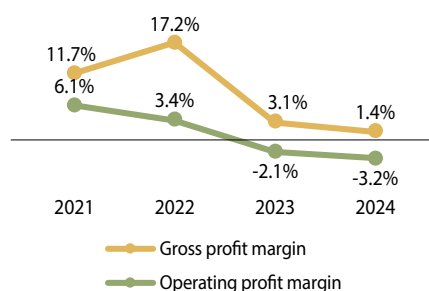
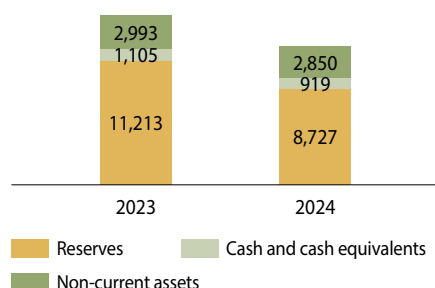
Although the company sold 18.8% more grain and rapeseed, a 20% decrease in the selling price of these grains resulted in lower sales revenue, which led to a 54.1% decrease in net profit, which amounted to EUR 283,100 during the reporting period. By comparison, in 2023 the company earned a net profit of EUR 616.5 thousand.

Liabilities

The company successfully reduced its short-term liabilities from EUR 9.1 million to EUR 7.3 million. Ongoing liabilities to credit institutions and suppliers led to a decrease in the D/E ratio from 116.2% to 101.5%.

Investments

In 2024, the company invested EUR 539.8 thousand, of which EUR 314.8 thousand was allocated to ensuring the company's assets and a safe working environment, and EUR 225 thousand was allocated to modernising the technical base.



*figures in the charts are rounded to the nearest thousand euros

AB Lietuvos veislininkystė

MANAGEMENT (01/04/2025)

CEO	Acting Marija Šironienė
Chairwoman of the Board	Ligita Ralienė*
Board Members	Giedrius Palubinskas* Petras Jurkuvėnas* Karolis Tvaskus Modestas Vaznevičius

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Agriculture of the Republic of Lithuania

Other shareholders

PRIKLAUSANTI AKCIJŲ DALIS

98.95%

1.05%



www.veislininkyste.lt

Selection of breeding bulls, their rearing and semen collection



FINANCIAL RESULTS (EUR thousand)

	2023	2024	Change
Sales revenue	2,514	1,818	↓ -27.7%
EBITDA	106	-120	↓ -
Net profit	89	-77	↓ -
Assets	2,062	1,757	↓ -14.8%
Dividends (state share)	97	0	↓ -

KEY EVENTS:

• In April, in order to optimise and improve efficiency, it was decided to sell the assets of the Marijampolė branch.

• In May, a decision was made to discontinue bull semen production and sell the breeding bulls.



FINANCIAL INDICATORS (%)

	2023	2024	Change
ROE	5.4%	-5.0%	↓ -
D/E	1.1%	0.8%	↓ -0.3 p. p.
EBITDA margin	4.2%	-6.6%	↓ -
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	22	17	↓ -22.7%

Key financial indicators set by the state

Average net profitability in 2022–2024 ≥ 7.0%

Annual ratio of total liabilities to equity capital in 2022–2024: 0.15–0.2 times

Dividends allocated to all shareholders for the calendar year

In accordance with the requirements of the Ownership Guidelines, depending on the ROE.

Net profit

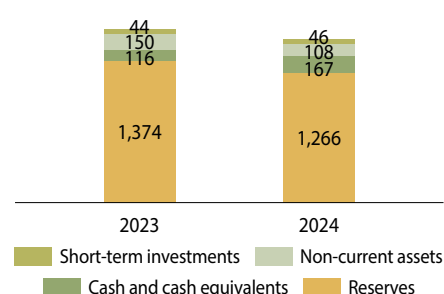
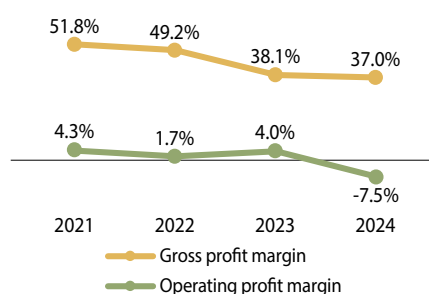
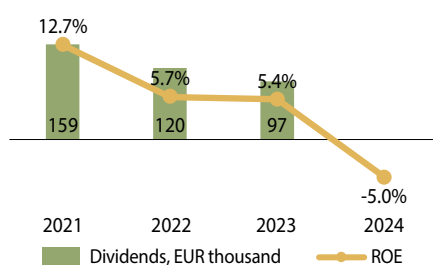
The company incurred a loss of EUR 76.5 thousand in 2024, compared to a net profit of EUR 88.7 thousand in 2023. The negative change in net profit was mainly due to a 27.3% decrease in bull semen sales.

Assets

The company's assets decreased by 14.8% during 2024 and amounted to EUR 1,756.8 thousand at the end of the year. The decline in the value of the company's assets was due to a decrease in receivables (€207.8 thousand) and inventories (€108.2 thousand) over the year.

Significant changes

In the first half of 2024, the company was included in the list of companies to be privatised, with its shares transferred to the State Enterprise Turto Bankas, but at the end of the year a decision was made to remove the company from the list of companies to be privatised. In April 2025, the Ministry of Agriculture of the Republic of Lithuania once again became the manager of the shares.



*figures in the charts are rounded to the nearest thousand euros

UAB Lietuvos žirgynas

MANAGEMENT (01/04/2025)

CEO	Acting Gerda Žibūdaite
Chairman of the Board	Not appointed
Members of the Board	Not appointed

INSTITUTION REPRESENTING THE STATE

Ministry of Agriculture of the Republic of Lithuania	89.61%
Other shareholders	10.39%

SHAREHOLDING



www.lietuvoszirgynas.lt

Preservation and improvement of the gene pool of Lithuanian horse breeds, provision of horse care services, organisation of horse-related entertainment, horse training, horse sales, organisation of competitions, insemination and breeding services



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Sales revenue	860	920	↑+6.9%
EBITDA	48	240	↑+400.2%
Net profit	-85	106	↑-
Assets	2,366	2,337	↓-1.2%
Dividends (state share)	0	0	-

KEY EVENTS:

• In February, the company's subsidiary Nemuno žirgynas was deregistered and continued to operate as a separate division.



FINANCIAL INDICATORS (%)

	2023	2024	Change
ROE	-6.2%	7.7%	↑+13.9 p. p.
D/E	30.8%	26.5%	↓-4.3 p. p.
EBITDA margin	5.6%	26.1%	↑+20.5 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	73	70	↓-4.1%

Key financial indicators set by the state

Average annual net profitability
2022–2024 ≥ 2.4 %

The annual ratio of total liabilities to equity
in 2022–2024 was ≤ 0.7 times.

Dividends allocated to all shareholders for the calendar year
In accordance with the requirements of the Ownership Guidelines, depending on the amount of ROE earned.

Net profit

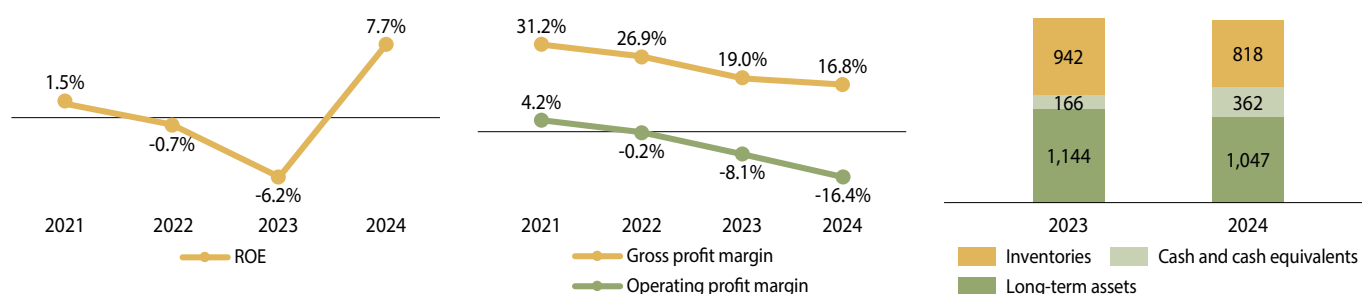
At the end of 2024, the company recorded a net profit of €105,600. This is a significant change, considering that a loss of EUR 84.8 thousand was incurred a year ago. This change was due to the profit generated from the disposal of fixed assets during the reporting year (the disposal profit amounted to EUR 252.5 thousand).

Assets

The value of assets remained stable and amounted to EUR 2.3 million at the end of the reporting period. Following the sale of fixed assets, the value of the Company's current assets increased by 4.9%, but the value of fixed assets decreased by 8.5%.

Operating indicators

In 2024, the Company's horses participated in 40 competitions and trials: 21 show jumping, 5 carriage driving, and 1 dressage. A total of 61 prizes were won in these competitions. During the reporting period, the company sold 182 horses, with the average selling price per horse being 35.3% lower than a year ago. At the end of 2024, the company owned 808 horses.



*figures in the charts are rounded to the nearest thousand euros

UAB Genetiniai ištekliai

MANAGEMENT (01/04/2025)

CEO	Audrius Zalatoris
Chairman of the Board	Vygantas Sliesoraitis*
Members of the Board	Kęstutis Butkus* Regina Mininienė Virginija Žoštautienė

*Independent member

INSTITUTION

REPRESENTING THE STATE

Ministry of Agriculture of the
Republic of Lithuania

SHAREHOLDING

100.0%



www.genetiniaiistekliai.lt

Cattle breeding, plant seed production, experimental, educational and trial farming activities, implementation of farm animal genetic resource conservation programmes



FINANCIAL RESULTS

(EUR Thousand)

	2023	2024	Change
Sales revenue	2,437	2,395	↓ -1.7 %
EBITDA	200	192	↓ -4.2 %
Net profit	34	21	↓ -40.3 %
Assets	3,312	3,302	↓ -0.3 %
Dividends (state share)	36	21	↓ -40.3 %

KEY EVENTS:

- On 29 April, the privatisation of the Company's shares was announced.
- In July, 339 ha of agricultural land was taken from the Company's sheep farming division.
- In September UAB Genetiniai ištekliai, together with the Lithuanian Sheep Breeders' Association, organised a specialised anniversary exhibition entitled "Sheep Will Clothe and Feed You".
- On 15 October 2024, three plots of land with a total area of 271 ha were taken from the Company's Uptytė division and transferred to the investment reserve.



FINANCIAL INDICATORS

(%)

	2023	2024	Change
ROE	1.3%	0.8%	↓ -0.5 p. p.
D/E	2.3%	2.0%	↓ -0.3 p. p.
EBITDA margin	8.2%	8.0%	↓ -0.2 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	58	57	↓ -1.7%

Key financial indicators set by the state

Average annual operating profitability:

2022–2024 ≥ 2.8 %

Annual ratio of total liabilities to equity:

2022–2024 range 0.2–0.3 times

Dividends allocated to all shareholders for the calendar year:

In accordance with the requirements of the Ownership Guidelines, depending on the ROE indicator.

Net profit

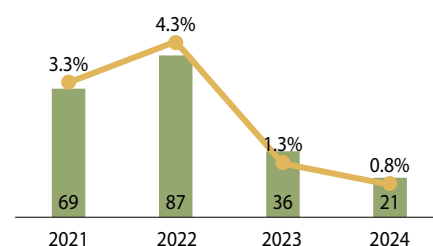
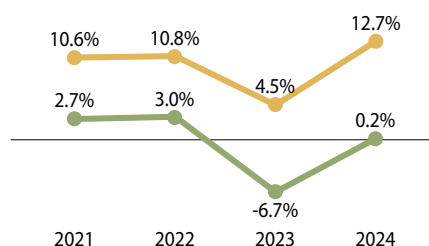
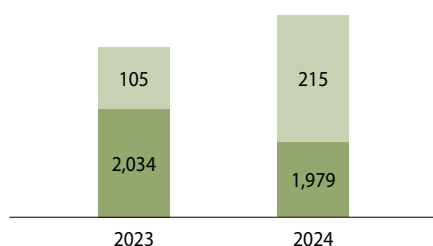
The company's sales revenue decreased by 1.7 % during the reporting period, mainly due to lower crop production revenues caused by falling grain prices and a 34.1 % decrease in support for dairy and beef cattle farmers. At the same time, general and administrative expenses increased by 10 %, mainly due to higher labour costs, as well as rising prices for services and raw materials and increased energy costs. These changes, together with the negative dynamics of receivable dividends, resulted in a 40.3% decrease in the Company's net profit, which had a negative impact on the amount of dividends paid to the state.

Assets / liabilities

During the reporting period, the value of fixed assets decreased, but insignificantly – by 2.7 % – due to higher depreciation costs exceeding the value of investments made. The opposite change was recorded in the Company's cash flow dynamics – at the end of 2024, the Company had accumulated twice as much of this asset (EUR 214.8 thousand) as it had a year ago. **Current liabilities increased by 12.1% during the reporting period, mainly due to growing debts to suppliers and employment-related liabilities.**

Other significant changes and investments

Successful management of sales-related costs and the sale of long-term assets led to improved gross profit and operating profit indicators. However, due to the reasons discussed above for the decline in net profit, the Company's return on equity was the lowest in the last four years, reaching only 0.8%. In 2024, the Company invested EUR 66.8 thousand in equipment upgrades.



Cash and cash equivalents Short-term investments

Gross profit margin Operating profit margin

Dividends ROE

*The figures in the graphs are rounded to the thousand euros.

UAB Pieno tyrimai

MANAGEMENT (01/04/2025)

CEO	Laima Urbšienė
Chairman of the Board	Anatolijus Jadovas*
Members of the Board	Vilma Skrypnikovaitė* Rolandas Stankevičius* Neringa Gujytė Andrius Burlėga

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Agriculture of the Republic of Lithuania

SHAREHOLDING

100.0%



www.pieno-tyrimai.lt

Composition and quality testing of all milk purchased in the country and milk from test animals and quality, animal productivity tests and other milk testing and related services



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Sales revenue	6,163	6,674	↑+8.3%
EBITDA	735	829	↑+12.7%
Net profit	284	377	↑+32.8%
Assets	5,186	5,644	↑+8.8%
Dividends (state share)	306	350	↑+14.5%

KEY EVENTS:

• **In January**, a new milk fatty acid testing service was launched, integrated with animal productivity testing or commercial testing.

• **In February**, an electronic transfer service was introduced, allowing feed test results to be automatically transferred to the NorFor ration calculation programme.



FINANCIAL INDICATORS (%)

	2023	2024	Change
ROE	6.7%	8.8%	↑+2.1 p. p.
D/E	0.6%	0.1%	↓-0.5 p. p.
EBITDA margin	11.9%	12.4%	↑+0.5 p. p.
INFORMATION ABOUT EMPLOYEES	2023	2024	Change
Number of employees at the end of the period	225	201	↓-10.7%

Key financial indicators set by the state

Average annual return on equity (ROE)
for 2022–2024 ≥ 5%.

Annual ratio of total liabilities to equity
2022–2024 limit 0.2–0.3 times

Dividends allocated to all shareholders for the calendar year
70–75 % of distributable profit in 2022–2024

Net profit

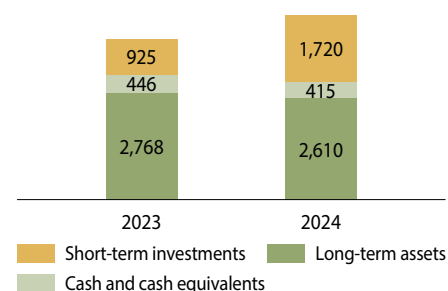
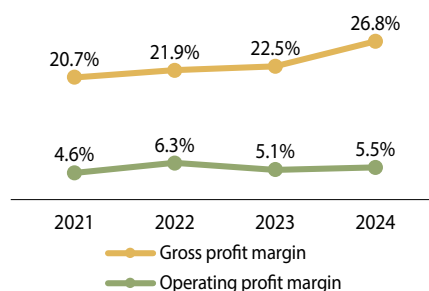
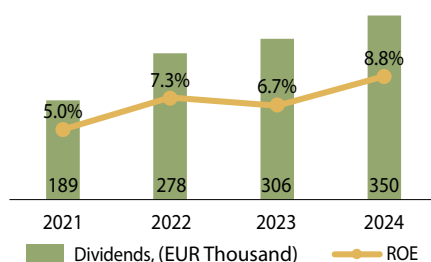
In 2024, the company earned a net profit of EUR 377.1 thousand, which is almost a third more than in the previous reporting period. The profitable year was driven by stable service volumes, successful pricing, and the search for new services and markets, which allowed the company to expand the range of services it provides.

Assets / liabilities

At the end of 2024, the book value of the company's assets amounted to EUR 5.6 million, which is 8.8% more than a year ago. The growth in the company's assets was driven by an increase in cash reserves in term deposits, both due to financial and investment activities and the sale of administrative premises in Vilnius.

Investments

In 2024, the company invested in improving the efficiency and sustainability of its operations: the feed mill was modernised, an 80.08 kWp solar power plant was installed, and sample collection vehicles were upgraded. An assessment of the technological wastewater system was also carried out in order to prepare the technical conditions for its renovation in 2025.



*figures in the charts are rounded to the nearest thousand euros

UAB Valstybės investicinis kapitalas

MANAGEMENT (01/04/2025)

CEO Vaidas Daktariūnas

Chairwoman of the Board Jolanta Diaukštienė*

Members of the Board Mindaugas Kekys*
Edmundas Kiškis

*Independent member

INSTITUTION REPRESENTING THE STATE

Ministry of Finance of the Republic of Lithuania

SHAREHOLDING

100.0%



www.vika.lt

A state investment company that invests in Lithuania's economic growth and strategic areas through management companies, funds and other financial instruments.



FINANCIAL RESULTS (EUR Thousand)

	2023	2024	Change
Income from financial and investment activities	19,988	9,426	↓ -52.8%
EBITDA	19,804	9,137	↓ -53.9%
Net profit	18,809	8,136	↓ -56.7%
Assets	200,258	208,432	↑ +4.1%
Dividends (state share)	0	34	↑ -

KEY EVENTS:

• In December, paid 459.4 thousand euros for the shares of UAB EPSO-G Invest under a shareholder agreement, and in February 2025, the second instalment of 17.9 million euros was paid.

• In December, the company received a €20 million return on its limited partnership investment from KŪB Pagalbos verslui fondas, and in February 2025, it received an additional €26 million.



FINANSINIAI RODIKLIAI (%)

	2023	2024	Change
ROE	20.8%	7.8%	↓ -13.0 p. p.
D/E	100.5%	93.0%	↓ -7.5 p. p.

INFORMATION ABOUT EMPLOYEES

	2023	2024	Change
Number of employees at the end of the period	1	1	-

Key financial indicators set by the state

Average annual return on equity ROE

2022-2024 >0 %

The return on equity (ROE) of UAB Valstybės investicinis kapitalas will be finally assessed when the investment cycles end and all investments are recovered, therefore, the interim target indicator is a positive cash flow, i.e. the funds received from the Fund exceed the company's actual costs (excluding investments).

The average dividend for the calendar years

2022-2024 is set at 75-85 % of distributable profit.

Net profit

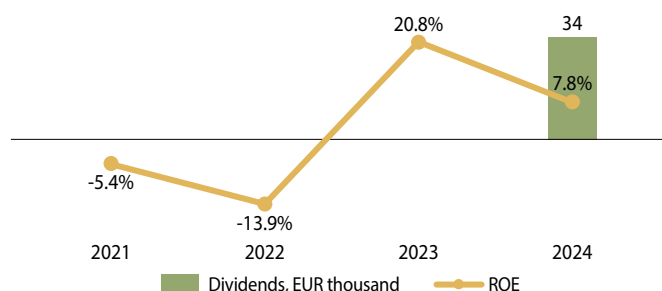
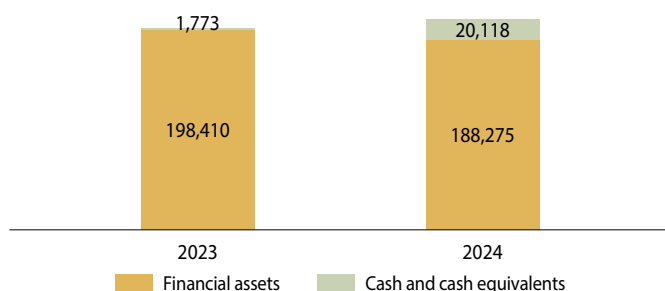
In 2024, the Company earned a net profit of EUR 8.1 million, which is half as much as in the previous reporting period. However, the higher profit in 2023 was due not so much to the Company's operating results as to a significant revaluation of financial assets.

Assets

The value of the Company's assets grew by 4.1% to EUR 208.4 million in 2024. The growth was driven by an increase in the value of long-term financial assets during the reporting period.

Significant changes

At the end of 2024, the Company signed a share subscription agreement and a shareholders' agreement with UAB EPSO-G Invest regarding participation in the capital of UAB EPSO-G Invest and UAB Rheinmetall Defence Lietuva with a view to investing in UAB Rheinmetall Defence Lietuva and successfully develop the artillery ammunition factory construction and ammunition sales business. Currently, investments of up to EUR 71.1 million in UAB EPSO-G Invest have been approved.



*The figures in the charts are rounded to the nearest thousand euros.



Evaluation methodology

1. When analysing the results of the SOE portfolio, the summary financial data of SOEs presented in the audited annual financial statements of the companies is evaluated. The value of state-owned real estate that is not managed by SOEs and is not included in their balance sheets is not included in the value of the SOE portfolio assets. When analysing the results of the portfolio, individual sectors or individual companies in the report, the data is presented in accordance with business accounting standards. For this reason and due to the application of different accounting standards, the disclosure of information provided by some companies may not correspond to the data published in the companies' audited financial statements, but this does not affect the companies' results.
2. The results of the SOE portfolio include the consolidated financial results of the **AB Ignitis, AB EPSO-G, AB Lietuvos Geležinkeliai, AB KN Energies and UAB ILTE groups**.
3. Taking into account the changes in the companies' activities and for objective reasons, adjustments are made to the audited data for the previous reporting period, the information presented in the report for 2023 may differ from the data for the 2023 period published in the previous year's summary report "Activities of Lithuanian State-Owned Companies 2023/2024".
4. The report indicates atypical taxes payable to the state – these are taxes paid by state-owned enterprises for the use of state property under a trust agreement (property tax) and mandatory deductions paid by forest enterprises from the sale of raw timber and standing timber (raw material tax). These tax obligations generate additional revenue for the state budget and apply only to the above-mentioned companies, so when assessing the profitability of these companies and their return to the state, atypical taxes to the state are eliminated from operating costs, increasing net profit (reducing net losses) by the amount of non-standard taxes to the state, reduced by the amount of income tax (15 %), or by the total amount of non-standard taxes to the state if the company did not pay income tax in accordance with the procedure established by law. This adjustment is presented for informational purposes and its impact on the balance sheet values is not disclosed in the report.
5. The report presents the net profit result of the SOE portfolio, individual sectors and each company, and its assessment is adjusted by eliminating non-standard taxes to the state (if any). This adjusted net profit result is used for further analysis, i.e. to calculate indicators, etc.
6. The information on employees presented in the report includes the number of employees actually working at the end of the reporting period, excluding employees on maternity or childcare leave, paternity leave, performing compulsory military service or alternative national defence service, persons who have concluded copyright or other civil contracts, students or pupils undergoing practical training who do not have employment contracts.

Methodology for calculating company, SOE portfolio and sector indicators.

Return on assets (ROA). The return on assets ratio is calculated by dividing the net profit (loss) for the last twelve months by the average balance sheet value of assets at the beginning and end of the reporting period.

Return on equity (ROE). The return on equity ratio is calculated by dividing the net profit (loss) for the last twelve months by the average balance sheet value of equity at the beginning and end of the reporting period.

Financial leverage ratio (D/E). This ratio is calculated by dividing the sum of long-term and short-term financial liabilities by equity.

Earnings before interest, taxes, depreciation and amortisation (EBITDA). This ratio is calculated by adding interest expenses and depreciation and amortisation of long-term assets to pre-tax profit.

Operating profit before interest, taxes, depreciation and amortisation (EBITDA margin). A ratio calculated by dividing EBITDA by sales revenue.

Net profit margin. A ratio calculated by dividing net profit by net turnover.

The net profit margin, ROE and ROA ratios presented in the report are calculated using adjusted profit values, i.e. after eliminating the impact of atypical taxes on the state.

When presenting data on companies, sectors and the SOE portfolio, as well as derived financial ratios and other aggregated results, there may be a margin of error due to the rounding and presentation of data in thousands of euros.

This annual report was prepared by the Management Coordination Centre in accordance with Resolution No. 1052 of the Government of the Republic of Lithuania of 14 July 2010 "On the Approval of Guidelines for Ensuring the Transparency of State-Owned Enterprises and the Appointment of a Coordinating Authority" and Resolution No. 665 of 6 June 2012 "On the Approval of the Procedure for the Exercise of State Property and Non-Property Rights in State-Owned Enterprises" of 6 June 2012.

This annual report was prepared based on external sources of information: publicly available information on state-owned enterprises and institutions representing the state, annual financial and activity reports and annual reports submitted by enterprises, State Data Agency, State Energy Regulatory Council, Communications Regulatory Authority of the Republic of Lithuania, NASDAQ OMX Vilnius Stock Exchange, Nord Pool AS, SJSC RIGA International Airport, Tallinn Airport Ltd, PostNord AB, Sveaskog AB, SJSC "LATVIJAS GAISA SATIKSME", Lennuliiklusteeninduse AS, Central Statis-

tical Bureau of Latvia, SJSC Latvijas dzelzceļš, Nærings- og fiskeridepartementet (Ministry of Trade, Industry and Fisheries), Näringsdepartementet (Ministry of Enterprise and Innovation), Eesti Statistika and Eurostat. The information presented in the report has not been verified by independent auditors, and the authors of the report have not independently verified the information contained in this report, including calculations or forecasts, and if necessary, when relying on this information in making decisions, a person must rely on their own independent assessment. The authors of the report, the Government and any state institution or other entity controlled by it are not and will not be responsible under any circumstances for the decisions of third parties based on the information, conclusions and opinions expressed in this review. Past performance of companies is not a guarantee and cannot be linked to future results. This annual report is not an offer to sell or a solicitation to buy securities or any assets, nor will it form part of any investment decision or any decision to enter into any transaction.

List of state-owned companies

The table shows data for the end of 2024

No	Company name	State-owned share*	Accountability	Sector	Category**	Dividends/ profit distribution (state share) for 2024 (EUR Thousand)	Assets (EUR Thousand)	Sales revenue (EUR Thousand)	EBITDA (EUR Thousand)	Net profit (EUR Thousand)	ROE	Number of employees (31 DEC 2024)
1	AB Ignitis Group	75.0%	Ministry of Finance	Energy	Large	71,981	5,706,041	2,307,024	528,326	276,154	11.8%	4,688
2	UAB EPSO-G Group	100.0%	Ministry of Energy	Energy	Large	392	1,207,780	480,888	94,305	54,887	16.4%	1,353
3	AB KN Energies ¹	72.5%	Ministry of Energy	Energy	Large	6,248	535,174	93,655	49,337	15,366	9.8%	395
4	VĮ Ignalinos atominė elektrinė	-	Ministry of Energy	Energy	Large	0	232,015	91	-2,72	-3,397	-11.6%	1,511
5	AB Lietuvos geležinkeliai group	100.0%	Ministry of Transport and Communications	Transport	Large	33,284	2,694,443	496,741	165,517	37,023	3.1%	5,703
6	AB Lietuvos paštas Group	100.0%	Ministry of Transport and Communications	Transport	Large	2,167	120,297	99,37	10,256	242	0.7%	2,491
7	AB Lietuvos radijo ir televizijos centras	100.0%	Ministry of Transport and Communications	Transport	Medium	1,18	61,462	17,447	4,497	1,227	3.1%	146
8	AB Smiltynės perkėla	99.0%	Ministry of Transport and Communications	Transport	Medium	753	21,314	9,595	3,528	1,249	15.1%	93
9	AB Kelių priežiūra	100.0%	Ministry of Transport and Communications	Transport	Large	3,125	158,364	135,778	20,844	6,962	6.3%	2,214
10	AB Oro Navigacija	100.0%	Ministry of Transport and Communications	Transport	Large	2,028	64,638	32,11	6,552	2,442	4.8%	307
11	AB Klaipėdos valstybinio jūrų uosto direkcija	100.0%	Ministry of Transport and Communications	Transport	Large	18,977	839,44	60,316	38,172	25,303	4.7%	221
12	AB Lietuvos oro uostai	100.0%	Ministry of Transport and Communications	Transport	Large	6,943	396,288	65,471	21,714	11,202	6.3%	736
13	AB Vėdaus vandens kelių direkcija	100.0%	Ministry of Transport and Communications	Transport	Medium	0	41,928	1,851	425	9	0.1%	96
14	AB Via Lietuva ²	100.0%	Ministry of Transport and Communications	Transport	Large	0	132,42	22,248	4,723	2,018	12.1%	319
15	VĮ Valstybinių miškų urėdija	-	Ministry of the Environment	Forestry	Large	26,279	300,96	272,851	54,563	75,076	39.6%	2,311
16	UAB Būsto paskolų draudimas	100.0%	Ministry of Finance	Other	Small	10	9,074	270	24	10	0.2%	10
17	VĮ Turto bankas	-	Ministry of Finance	Other	Medium	4,733	554,719	41,35	14,183	5,93	1.6%	256
18	AB Giraitės Ginkluotės Gamykla	100.0%	Ministry of Finance	Other	Medium	2,023	40,074	22,959	4,724	3,002	14.1%	114
19	UAB ILTE ⁶	100.0%	Ministry of Finance	Other	Medium	5,763	252,506	32,934	10,324	7,684	5.6%	330
20	UAB Valstybės investicinis kapitalas***	100.0%	Ministry of Finance	Other	Small	34	208,432	9,426	9,137	8,136	7.8%	1

No	Company name	State-owned share *	Accountability	Sector	Category**	Dividends/ profit distribution (state share) for 2024 (EUR Thousand)	Assets (EUR Thousand)	Sales revenue (EUR Thousand)	EBITDA (EUR Thousand)	Net profit (EUR Thou- sand)	ROE	Number of em- ployees (31 DEC 2024)
21	UAB Lietuvos monetų kalykla	100.0%	Bank of Lithuania	Other	Small	0	5,623	10,099	94	-384	-10.4%	43
22	AB Detonas	100.0%	Ministry of Transport and Communications	Other	Small	634	5,737	4,903	1,357	900	21.1%	42
23	AB VIAMATIKA	100.0%	Ministry of Transport and Communications	Other	Small	1,593	8,692	9,359	3,2	2,325	31.3%	103
24	VĮ Registrų centras	-	Ministry of Economy and Innovation	Other	Large	1,505	97,899	62,06	7,96	2,355	6.6%	1,563
25	UAB Toksika ³	94.6%	Ministry of Economy and Innovation	Other	Medium	522	30,039	10,015	2,095	582	5.9%	95
26	UAB Lithuanian parodų ir kongresų centras LITEXPO ⁴	99.0%	Ministry of Economy and Innovation	Other	Medium	0	15,731	5,292	1,614	434	5.4%	67
27	AB Regitra ⁵	100.0%	Ministry of the Interior	Other	Medium	428	26,104	33,626	8,018	5,149	30.5%	576
28	AB Jonavos Grūdai	70.1%	Ministry of Agriculture	Other	Small	274	13,453	18,754	1,039	283	4.6%	37
29	AB Lietuvos veislininkystė ⁷	99.0%	Ministry of Agriculture	Other	Small	0	1,757	1,818	-120	-77	-5.0%	17
30	UAB Lietuvos žirgynas	89.6%	Ministry of Agriculture	Other	Small	0	2,337	920	240	106	7.7%	70
31	UAB Genetiniai ištekliai ⁷	100.0%	Ministry of Agriculture	Other	Small	21	3,302	2,395	192	21	0.8%	57
32	UAB Pieno tyrimai	100.0%	Ministry of Agriculture	Other	Small	350	5,644	6,674	829	377	8.8%	201
33	VĮ Žemės ūkio duomenų centras	-	Ministry of Agriculture	Other	Medium	0	16,743	5,347	-66	-96	-1.7%	329

*State-owned enterprises (SOEs) are owned by the state

**Category determined in accordance with the Law on Accounting of Companies and Groups of Companies of the Republic of Lithuania

*** The column "Sales revenue" shows revenue from financial and investment activities.

- 10 January 2024** AB Klaipėdos Nafta changed its legal name and continues its activities as AB KN Energies. After all the necessary corporate decisions were made, a new version of the articles of association of AB KN Energies (hereinafter referred to as the Company) was registered in the Register of Legal Entities, changing the name of the Company. The legal name of the Company's subsidiary UAB SGD logistika has also been changed – it continues its activities as UAB KN Global Terminals.
- 5 March 2024** AB Lietuvos automobilių kelių direkcija (company code 188710638) changed its name and officially became AB Via Lietuva.
- 7 March 2024** UAB Toksika completed its consolidation with another state-owned company, UAB GVT LT. After increasing Toksika's authorised capital, the state contributed 100% of GVT LT shares to the company, for which it acquired more Toksika shares. The state's share of shares increased from 92.51% to 94.56%. These shares are held in trust by the Ministry of Economy and Innovation. From 18 October 2024. The new articles of association of UAB Toksika are registered in the Register of Legal Entities. From now on, the assets, rights and obligations of UAB GVT LT are transferred to UAB Toksika, UAB GVT LT ceases its activities, and the activities carried out by the companies are continued under the name of a single legal entity (UAB Toksika).
- 11 June 2024** The shares of UAB Lietuvos parodų ir kongresų centras "LITEXPO" (Lithuanian Exhibition and Congress Centre), managed by the Ministry of Economy and Innovation of the Republic of Lithuania, increased from 98.76% to 99.03%.
- 1 July 2024** VĮ Regitra was reorganised into AB Regitra (company code 110078991).
- 30 August 2024** The name of UAB Investicijų ir verslo garantijos (Investment and Business Guarantees) has changed. Following the registration of the changes in the Register of Legal Entities, the company will now continue its activities as UAB ILTE.
- 7 March 2025** Following the entry into force of the new version of Resolution No. 161 of the Government of the Republic of Lithuania – Resolution No. 171 "On the Amendment of Resolution No. 161 of the Government of the Republic of Lithuania of 11 February 2015 on the approval of the list of privatisation objects and the transfer of state-owned shares", the companies AB Lietuvos veislininkystė and UAB Genetiniai ištekliai were removed from the list of privatisation objects, and the controlling stakes were transferred to the Ministry of Agriculture (transfer and acceptance acts signed on 7 April 2025).

List of first-tier subsidiaries of state-owned enterprises

No	Company name	Percentage of shares owned	Accountability	Sector	Dividends (thousand euros)	Assets (thousand euros)	Sales revenue (thousand euros)	EBITDA (thousand euros)	Net profit (thousand euros)	ROE	Number of employees
1.	AB Ignitis gamyba	100.0%	AB Ignitis Group	Energy	156,103	656,644	345,846	199,907	155,691	44.9%	402
2.	AB Energijos skirstymo operatorius	100.0%	AB Ignitis Group	Energy	29,97	2,413,627	703,512	202,232	62,592	8.4%	2,62
3.	UAB Ignitis renewables	100.0%	AB Ignitis Group	Energy	0	1,659,495	85,207	37,066	4,608	1.9%	270
4.	UAB Ignitis	100.0%	AB Ignitis Group	Energy	0	479,369	1,226,970	38,978	21,529	31.6%	450
5.	UAB Ignitis grupės paslaugų centras	100.0%	AB Ignitis Group	Energy	0	44,234	51,354	9,753	2,025	13.9%	677
6.	UAB Elektroninių mokėjimų agentūra	100.0%	AB Ignitis Group	Energy	0	1,783	925	312	219	17.3%	7
7.	UAB Vilniaus kogeneracinė jėgainė	100.0%	AB Ignitis Group	Energy	0	423,647	88,813	38,58	17,513	18.1%	126
8.	UAB Kauno kogeneracinė jėgainė	51.0%	AB Ignitis Group	Energy	0	172,111	53,862	36,955	26,418	37.7%	43
9.	LITGRID, AB	97.5%	UAB EPSO-G Group	Energy	0	820,32	378,326	59,931	49,028	19.7%	449
10.	UAB TETAS	100.0%	UAB EPSO-G Group	Energy	0	22,278	46,078	1,951	734	32.2%	412
11.	AB Amber Grid	96.6%	UAB EPSO-G Group	Energy	0	327,196	74,583	26,6	8,306	4.6%	343
12.	BALTPOL, UAB	67.0%	UAB EPSO-G Group	Energy	0	62,565	2,057	149	-40	-8.8%	24
13.	UAB Energy cells	100.0%	UAB EPSO-G Group	Energy	350	18,16	9,178	4,119	2,133	84.1%	23
14.	UAB EPSO-G invest	51.0%	UAB EPSO-G Group	Energy	0	1,354	0	1,074	-61	-9.1%	1
15.	UAB KN Global Terminals	100.0%	AB KN Energies	Energy	0	6,928	0	-9	961	15.0%	2
16.	UAB KN New Energy Solutions	100.0%	AB KN Energies	Energy	0	34	0	-6	-6	-21.0%	2
17.	UAB Geležinkelio tiesimo centras	100.0%	AB Lietuvos geležinkeliai group	Transport	0	28,6	15,107	-35	-1,83	-6.8%	194
18.	UAB Rail Baltica statyba	100.0%	AB Lietuvos geležinkeliai group	Transport	0	2,853	58	3	-158	-5.4%	3
19.	AB LTG Cargo	100.0%	AB Lietuvos geležinkeliai group	Transport	13,921	334,6	306,278	61,326	23,21	18.9%	1,658
20.	UAB LTG Link	100.0%	AB Lietuvos geležinkeliai group	Transport	12,427	196,023	96,315	35,235	19,119	11.4%	633
21.	AB LTG Infra	100.0%	AB Lietuvos geležinkeliai group	Transport	0	2,035,645	184,808	55,198	-8,826	-1.4%	2,353
22.	UAB Kofinansavimas	100.0%	UAB ILTE	Other	0	224,183	283,488	3	-779	-1.6%	5
23.	UAB Valstybės investicijų valdymo agentūra	100.0%	UAB ILTE	Other	0	1,223	1,719	-4	1	0.1%	1

Abbreviations and definitions

Governance Coordination Centre / GCC	An analytical centre established by the Government for the implementation of good governance principles, performing the functions of an institution coordinating the implementation of management policy for state- and municipality-owned enterprises
SOE	State-owned enterprise (a state-owned enterprise, public limited company or private limited company engaged in economic and commercial activities, in which the state owns shares entitling it to more than half of the votes at the general meeting of shareholders of that company)
VAI	An institution exercising the rights and obligations of the owner of the company or the manager of the shares
VĮ	State enterprise (different judicial status of an enterprise that is fully owned and controlled by state)
OECD	Organisation for Economic Co-operation and Development
The Government	Government of the Republic of Lithuania
Ownership guidelines	Procedures for the exercise of state property and non-property rights in state-owned enterprises, approved by Resolution No. 665 of the Government of the Republic of Lithuania on 6 June 2012
Nomination guidelines	Resolution No. 631 of the Government of the Republic of Lithuania of 17 June 2015 Approved by Resolution No. 631 of the Government of the Republic of Lithuania on 17 June 2015 Procedure for the Selection of Candidates for the Board of a State-Owned or Municipally-Owned Enterprise and Candidates for a Collegial Supervisory or Management Body Elected by the General Meeting of Shareholders of a State-Owned or Municipally-Owned Company
Transparency guidelines	Approved by Resolution No. 1052 of the Government of the Republic of Lithuania on 14 July 2010 Guidelines for ensuring the transparency of state-owned enterprises
Letter of expectations	A letter submitted by the institution representing the state to the enterprise regarding the state's objectives for the state-owned enterprise and its expectations of it
SO	Special obligations or non-commercial functions; functions performed by SOEs that the company would not undertake on a commercial basis or would do so at a higher price than that set, and which are assigned to companies by decisions of the shareholder/owner, i.e. the state
Non-standard taxes to the State	Property tax and raw materials tax
Property tax	Tax paid by state-owned enterprises for the use of state property under a trust agreement
Raw material tax	Mandatory deductions paid by the State Forest Enterprise from the income from the sale of raw timber and uncut forest
D/E	Ratio of financial liabilities to equity
Net profit margin	An indicator calculated by dividing net profit by net turnover.
EBITDA	Earnings before interest, taxes, depreciation and amortisation, calculated by adding interest expenses and depreciation and amortisation of fixed assets to pre-tax profit.
EBITDA margin	Operating profitability before interest, taxes, depreciation and amortisation, calculated by dividing EBITDA by sales revenue.
Return on assets (ROA)	This is a financial indicator showing the efficiency of a company's asset utilisation, calculated by dividing the net profit (loss) for the last twelve months by the average balance sheet value of assets at the beginning and end of the reporting period.
Return on equity (ROE)	A financial indicator showing the efficiency of shareholders' invested capital, calculated by dividing the net profit (loss) for the last twelve months by the average balance sheet value of equity at the beginning and end of the reporting period.
Operating profit margin	An indicator calculated by dividing operating profit by net turnover.
LNG terminal	Liquefied natural gas terminal
VERT	National Energy Regulatory Council
KPI	Key Performance Indicators
CB	Collegial supervisory or management bodies (collegial bodies)



STATE-OWNED ENTERPRISES IN LITHUANIA 2024/2025

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