

EPSO-G

Nauji energetika



Integrated Annual Report

2025



Integrated Report of Energy Cells for 2025 comprising the
Management Report
and the Financial Statements prepared in accordance with
International Financial Reporting Standards, as adopted by the
European Union, presented together with the independent Auditor's
Report

Andrius Gudzinskas
CEO

Rita Smaguraskaitė
Accountant of EPSO-G UAB acting under
the power of attorney No 25]-2 issued on 08/05/2025

Table of contents

| | |
|---|-----------|
| Table of contents | 2 |
| Chairman's Foreword | 4 |
| Rimvydas Štilinis' Foreword | 6 |
| CEO's Foreword..... | 7 |
| 1. General information about the Company | 9 |
| 1.1. Structure of the EPSO-G Group | 10 |
| 1.2. The Company's contact details..... | 10 |
| 1.3. Company's activities and business (operating) model | 11 |
| 1.4. Organisational structure..... | 13 |
| 2. Company's strategy and objectives | 14 |
| 2.1. Vision, mission, purpose and values | 14 |
| 2.2. Strategy and objectives..... | 15 |
| 2.3. Services provided by the Company..... | 20 |
| 2.4. Key events in 2025..... | 21 |
| 2.5. Events after the end of the reporting period..... | 22 |
| 3. Financial information..... | 25 |
| 3.1. References to and additional explanations of information reported in the financial statements..... | 27 |
| 3.2. The number of all own shares acquired and held by the Company, their nominal value and the proportion of the share capital that those shares represent | 27 |
| 3.3. The number of own shares acquired and disposed during the reporting period, their nominal value and the proportion of the share capital that those shares represent..... | 27 |
| 3.4. Information on the payment for own shares if they are acquired or disposed in exchange for a consideration | 27 |
| 3.5. Reasons for acquiring the Company's own shares during the reporting period..... | 27 |
| 3.6. Information on the Company's branches and representative offices..... | 27 |
| 3.7. Information on research and development activities of the Company | 27 |
| 4. Corporate Governance..... | 30 |
| 4.1. Information on the issued capital, shareholders and dividends..... | 30 |
| 4.2. The General Meeting of Shareholders | 31 |
| 4.3. The Board of the Company | 31 |
| 4.4. Company's CEO..... | 35 |
| 4.5. Information on internal and external audit..... | 36 |
| 4.6. Risk management..... | 36 |
| 4.7. Information on Compliance with the Transparency Guidelines | 42 |
| 4.8. Remuneration Policy..... | 43 |
| 4.9. Environmental area | 45 |
| 4.10. Dialogue and involvement of local communities | 46 |
| 4.11. Privacy..... | 46 |
| 4.12. Compliance Management | 47 |
| 4.13. Corruption prevention | 47 |
| 4.14. Management of Conflicts of Interest | 48 |
| 4.15. Cyber security and data protection | 49 |
| 4.16. Public procurement and sustainable supply chain | 50 |
| 4.17. Other policies | 53 |
| 5. Personnel..... | 55 |
| 5.1. Breakdown of employees by age group, gender and turnover..... | 55 |
| 5.2. Fostering a culture of diversity, equality and inclusion | 56 |
| 5.3. Employee well-being, rewards and job satisfaction | 57 |
| 5.4. Professional development for staff | 60 |
| 5.5. Occupational health and safety..... | 61 |

| | |
|---|-----------|
| 6. Information on Sustainability Matters | 63 |
| 7. Financial Statements | 69 |
| 7.1. Statement of financial position | 69 |
| 7.2. Statement of comprehensive income | 70 |
| 7.3. Statement of changes in equity | 71 |
| 7.4. Statement of cash flows..... | 72 |
| 7.5. Notes to the financial statements..... | 73 |

Chairman's Foreword

The year 2025 went down in history for the energy sector and energy professionals in the Baltic states as a year that consolidated their energy independence and autonomy. After decades of preparation, the synchronisation with the continental European networks took place on 9 February, just as we had planned. But along with the joy of achieving this goal, the reality of the new energy landscape has emerged: rapidly growing renewable energy generation capacity, an increasing demand for flexibility, and the urgent need to enhance the security and resilience of critical infrastructure.

Against this backdrop, Energy Cells successfully carried out the functions entrusted to it in 2025, making a significant contribution to the stability of the Lithuanian power system. The Company reliably delivered an isolated operation reserve service and contributed its capacity to the isolated load test in the Baltic States, as well as to connection and synchronisation with Europe. In addition, upon joining the European system, Energy Cells launched a limited-capacity power system balancing service—an important step that allows the system to respond more effectively to changes in the market and generation while reducing costs for consumers, as we await the deployment of commercial battery farms. Alongside this, Energy Cells has expanded its range of services to include consultancy, sharing its wealth of experience in implementing and managing battery energy storage solutions.

The year 2025 was also exceptional for the entire Lithuanian electricity market. The country is experiencing record-breaking growth in solar and wind power capacity, indicating an ever-increasing need for flexibility solutions and battery energy storage facilities. Consequently, we predict a significant increase in commercial storage projects by 2026. Signalling the start of a new wave, the first commercial battery farms are set to connect to the transmission network in 2025, with batteries connected to the distribution network starting to provide balancing services. The provision of balancing services is being undertaken by an increasing number of virtual power plants. These changes reflect the Baltic countries' balancing market becoming more technologically mature, competitive and supplied.

We will continue to monitor market developments, and, with a view to promoting the growth of the commercial battery energy storage market and following agreements among the regulatory authorities of the Baltic states, decisions are likely to be made regarding a reduction in the scope of Energy Cells' balancing services. Another important factor will be Litgrid's planned auction for isolated operation reserve service, with the results having a significant impact on the Company's future operational decisions.

Given the complex geopolitical situation and threats, we have placed, and will continue to place, a particular focus on resilience, strengthening both the physical and cyber security of Energy Cells' infrastructure and implementing operational resilience measures. We are thrilled that the European Commission is making this a priority by allocating extra funding from the Connecting Europe Facility (CEF).

As 2026 gets underway, it will also be a period of internal change within the Company. The Company's leadership and management are being revamped, with Andrius Gudzinskas, the new CEO appointed by the Board, having taken office, and the Board selection process underway. I would like to thank Rimvydas Štilinis, who has been at the helm of the company since its founding—it is his strong leadership that enabled us to undertake an unprecedented project and build an exceptional team.



Energy Cells is guided by a clearly defined long-term strategy, which ensures stability and continuity of operations in an ever-changing environment.

Paulius Butkus

Chair of the Company's Board

Energy Cells is guided by a clearly defined long-term strategy, which ensures stability and continuity of operations in an ever-changing environment. The essence of the company's mission remains the same: to ensure a reliable, safe, and resilient electricity system in Lithuania, thereby paving the way for further energy transformation.

I would like to thank Energy Cells' team, partners and shareholders for their professionalism, sense of responsibility and collective efforts in ensuring the reliability of Lithuania's electricity system.

Rimvydas Štilinis' Foreword

The year 2025 turned out to be historic for both the Lithuanian and the broader Baltic energy sectors. After nearly two decades of consistent preparation, the Baltic countries' electricity systems now operate in synchronisation with the continental European networks, thereby firmly establishing their energy independence and assuming full responsibility for the balance, stability, and reliability of their own electricity systems.

In February, the synchronisation with the continental European networks went beyond being merely a technical or political decision—it also tested the maturity of the entire energy sector. During the isolated operation test of the Baltic electricity systems, launched on 8 February for around a day, and the subsequent transition to synchronous operation, fast-responding and reliable power reserves played a crucial role. During this period, Energy Cells-managed battery energy storage system served as an important component in ensuring system stability. We participated successfully in all the scheduled tests and contributed to the uninterrupted operation of the power system and frequency regulation during the transition period. And, at 2:05 p.m. on 9 February, the Baltic countries' electricity system finally began operating in synchronisation with the rest of Europe.

This historic milestone also marked the start of a new chapter for Energy Cells. 2025 was also the first year in which we started using the balancing functionalities of our battery energy storage systems at a limited capacity, with the aim of ensuring more favourable electricity prices for consumers and contributing to the stable operation of the electricity system. At the same time, the team's expertise in a new field—the Baltic balancing market—was developed and strengthened by focusing on customer expectations, tailoring technological solutions, ensuring smooth operation of the system, analysing price trends, and maintaining high-quality output. Energy storage solutions have become an integral part of modern, flexible and resilient energy systems, while by openly sharing our unique expertise since Energy Cells' inception, we believe we have contributed significantly to the growth of the battery energy storage market, which is expected to surge significantly by 2026.

Needless to say, the primary task of Energy Cells as the storage system operator remains the provision of isolated operation reserve service to Litgrid as the transmission system operator. As the only company providing this service to the transmission system operator, we have devoted the most attention to this area, maintaining the highest performance indicators for our battery farms and strengthening our cybersecurity and resilience.

The year 2025 also marks a personal milestone in my career—my five-year term as CEO of Energy Cells is coming to an end. I extend sincere thanks to Energy Cells' team for the professionalism and accomplishments. Thank you for your joint efforts in writing the history of energy.



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Rimvydas Štilinis

Company's CEO
until 26 January 2026

CEO's Foreword

I would like to begin this message by expressing my respect and gratitude to the company's team and management for the work they have done so far. At the start of my five-year term with the Company, and as a long-standing member of the energy sector and the energy community, I am profoundly grateful for the company's pivotal function within the Lithuanian power system—Energy Cells makes a significant contribution to the security, reliability, and resilience of the country's electricity system as the energy sector undergoes a major transformation. What I particularly appreciate is that the Company has a strong team of exceptional experts, whose know-how and expertise is the Company's greatest asset.

The year 2025 will be a period of intense activity and significant decision-making for Energy Cells. The Company has successfully contributed to the synchronization process, launched electricity system balancing services, and expanded its operations by offering consulting services. These actions demonstrate the organisation's ability to adapt to market changes while maintaining its primary focus of ensuring the reliable operation of the electricity system.

As the Company's CEO, my priority is business continuity and a high level of service reliability. At the same time, we aim to continue strengthening the physical and cyber resilience of operations, while focusing on developing consulting services and partnerships. Given the rapidly growing battery energy storage market, a key priority is to ensure the Company is prepared for potential future solutions related to bringing battery energy storage system to market.

Looking ahead, 2026 will be a year of change and growth, which I see as an opportunity to further strengthen Energy Cells through a clear strategy, a professional team and responsible management. I am confident that the Company will persist in making a substantial contribution to the reliable, safe and robust operation of Lithuania's electricity system and will facilitate the success of the energy transition.



I am confident that the Company will persist in making a substantial contribution to the reliable, safe and robust operation of Lithuania's electricity system and will facilitate the success of the energy transition.

Andrius Gudzinskas
CEO of Energy Cells

01

General information about the Company



1. General information about the Company

The principal role of Energy Cells, the storage system operator, is to ensure the provision of the isolated power system operation reserve service to Litgrid, the Lithuanian transmission system operator, which creates the conditions for reliable, stable and user-friendly operation of the Lithuanian power system until the completion of the program projects for the synchronisation with the Continental European networks. Energy Cells provides this service at a full planned capacity of 200 MW from October 2023.

Energy Cells manages system of battery energy storage facilities consisting of four battery farms with an equal capacity of 50 MW and power of 50 MWh each in Vilnius, Šiauliai, Alytus and Utena districts. The operation of the system consisting of four battery parks is monitored without interruption (24/7) from a control centre in Vilnius. In the event of disruptions in the transmission system network, the battery energy storage system can automatically, within 1 second, respond to the transmission system operator Litgrid's need to ensure the security and stability of the electricity system by injecting or withdrawing power into or out of the network, thereby helping to regulate the frequency of the transmission system's network. Once activated, the instant power reserve (i.e isolated operation reserve) service would continue to be available until facilities of other market participants that are capable of providing the service are ready to respond.

In line with the Law on Interconnection of the Electricity System of the Republic of Lithuania with the continental European networks for Operation in Synchronous Mode of the Republic of Lithuania (hereinafter the "Lithuanian Law on Synchronisation") Energy Cells additionally:

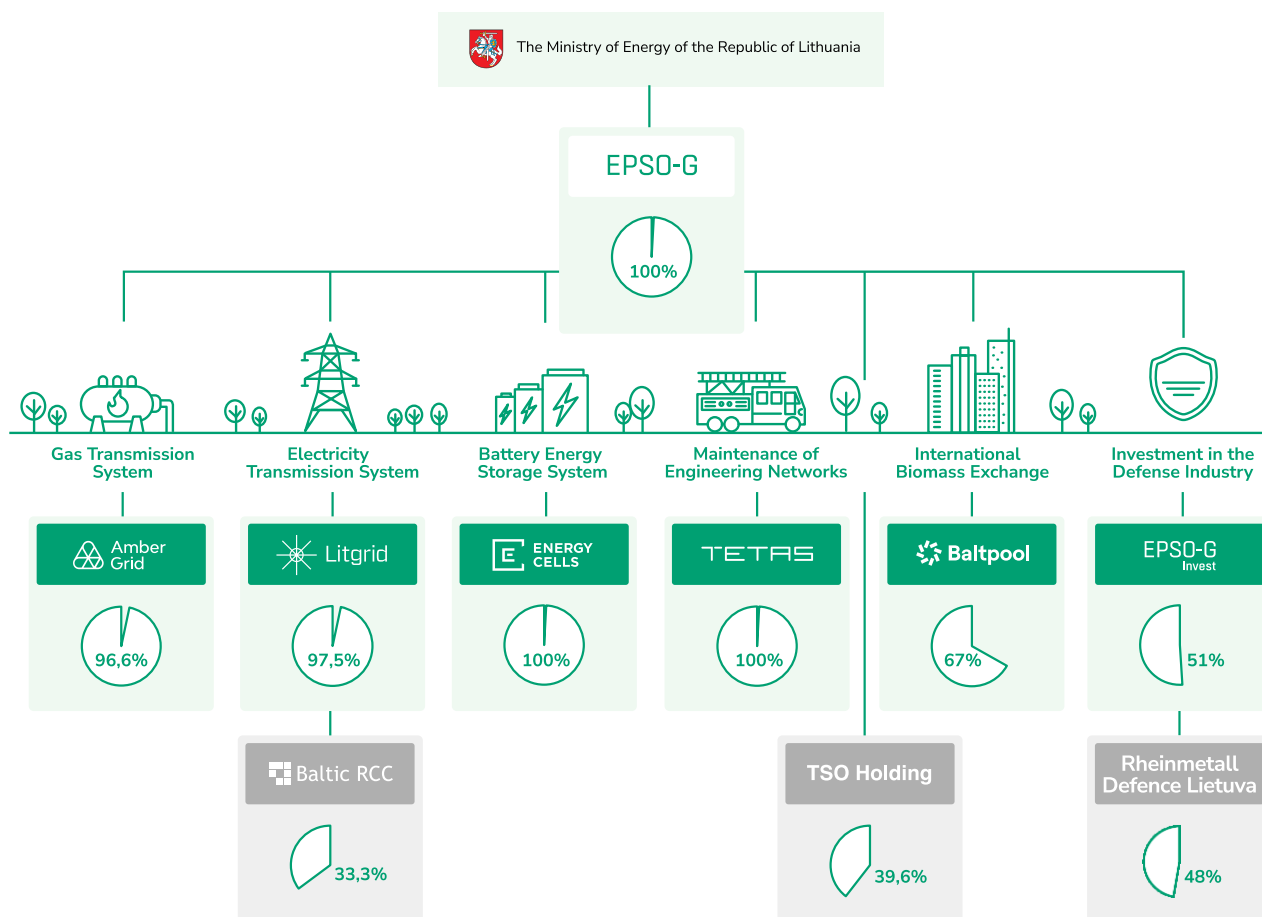
- can provide other non-frequency regulation ancillary services necessary to ensure the security of the Lithuanian Energy System (LES), when Litgrid, a transmission system operator (TSO), is unable to purchase such services from electricity market participants;
- must enable Litgrid, a transmission system operator, to carry out the function of reducing the cost of technological losses (which is the functionality of the Battery Energy Storage System (BESS));
- has the right to provide (energy system) balancing services during the period specified in the Law on Electricity of the Republic of Lithuania, i.e. for a maximum of three years from the date of the interconnection of the electricity system of the Republic of Lithuania with the Continental European networks for operation in synchronous mode (this period may be extended, in agreement with the European Commission, by a maximum of five years if necessary to ensure the security of electricity supply);
- has the right to carry out other activities for which the battery energy storage system operated by the designated storage system operator is not used.

After signing the agreement with the Central Project Management Agency (CPMA) in Q2 2022, Energy Cells was granted EUR 87.6 million to install the energy storage facility system under the main "NextGenerationEU" plan of the EU's Recovery and Resilience Facility (RRF) "Next Generation Lithuania". In September 2024, Energy Cell closed the procedures related to the financial part and funding of the Europe's largest battery energy storage system. The project for a 200 MW system to ensure the security of Lithuania's energy system is valued at EUR 96.3 million. This amount is around EUR 8.9 million less than Energy Cells had planned at the start of the project. After reviewing reports and conducting audits, the European Commission (EC) confirmed in 2024 that the project was implemented by Energy Cells properly with all project indicators being met. For its part, CPMA, which administers the funding, has confirmed and granted EUR 79.5 million (82.6% of the project value) in funding with RRF.

The Lithuanian Law on Synchronisation provides for that the provision of the isolated operation reserve service, the performance of the function of reducing the cost of technological losses of the transmission system operator, and the provision of other non-frequency regulation ancillary services necessary to ensure the security of the Lithuanian Energy System (LES), other than related to frequency regulation, aimed at the implementation of the objectives of the Lithuanian Law on Synchronisation, when a transmission system operator is unable to purchase such services from electricity market participants and/or the provision of balancing services is terminated upon the entry into force of the Government's resolution on the revocation of the designation of the designated storage system operator. The Government's resolution on the revocation of the designation of the designated battery energy storage system operator shall be adopted upon the recommendation of the Ministry of Energy of the Republic of Lithuania, when the implementation of the electricity system synchronisation project is fully completed and the Ministry of Energy of the Republic of Lithuania evaluates the conclusion received from the transmission system operator on the completion of the electricity system synchronisation project. After completion of the synchronization project, and in the line with the Lithuanian Law on Synchronisation, the battery parks will be available for transfer to market players (entity/s) meeting national security and other government requirements to provide other services to and contribute to the integration of energy produced from renewable energy sources (RES).

1.1. Structure of the EPSO-G Group

Provided below is the EPSO-G Group's (hereinafter the "Group") structure.



1.2. The Company's contact details

| | |
|--------------------------------|--|
| Company name | Energy Cells UAB (hereinafter the "Company") |
| Legal form | Private limited liability company |
| Date and place of registration | 26 January 2021, the Register of Legal Entities of the Republic of Lithuania |
| Company code | 305689545 |
| Registered office address | Ozo st. 12A-1, 08200 Vilnius |
| Email | info@energy-cells.eu |
| Website | www.energy-cells.eu |
| Sole shareholder | EPSO-G UAB |

1.3. Company's activities and business (operating) model



The Company's core activity is to provide the Lithuanian electricity transmission system operator Litgrid with an isolated operation reserve service (hereinafter, the isolated operation reserve service), which is necessary for the preparation for the isolated operation of the power system¹ or during the operation of such system, and which ensures the stability of the electricity system in the event of an unexpected emergency due to the unforeseen or uncoordinated actions or omission of third parties.

The operation of the Company as the Designated Storage System Operator (DSSO) during the period of appointment of the DSSO until the completion of the implementation of the program projects for synchronisation of the electricity system of the Republic of Lithuania with the Continental European networks (CEN), including the prices of the regulated services and permitted return on investments set for the services, are regulated by the State. The regulatory function is performed by the National Energy Regulatory Council (NERC) by setting the price cap for the isolated operation reserve service for the Company, issuing related operating permits, monitoring the technical condition of the Company's facilities, etc.

Details on business (operating) model

In accordance with Article 6¹ of the Law on Synchronisation of the Republic of Lithuania, the Company, as DSSO, until the completion of the implementation of the program projects for synchronisation with CEN, must provide the transmission system operator (TSO) with an isolated operation reserve service and the function of reducing the cost of technological losses incurred by TSO (which is the functionality of the Battery Energy Storage System (BESS)), provide other non-frequency regulation ancillary services necessary to ensure the security of the Lithuanian Electricity System (LES), other than related to frequency regulation, aimed at the implementation of the objectives of the Law on Synchronisation of the Republic of Lithuania, when TSO cannot purchase such services from electricity market participants. Furthermore, in accordance with Article 6¹(6) of the Lithuanian Law on Synchronisation, it is entitled (as also specified in section "1 General information about the Company" of this report) to provide balancing services during the period provided for in the Law on Electricity of the Republic of Lithuania, i.e. for a maximum of three years from the date of the interconnection of the electricity system of the Republic of Lithuania with CEN for operation in synchronous mode (this period may be extended, in agreement with the European Commission, for a maximum of five years if necessary to ensure the security of electricity supply), and to carry out other activities for which the battery energy storage system operated by the designated storage system operator is not used.

After the completion of all the program projects for synchronisation with CEN, all the Company's activities will become non-regulated as the Company's facilities will have to be transferred/sold to market players (entity/s) meeting national security and other government requirements and will be operated at arms' length.

During the period of provision of the isolated operation reserve service, performance of TSO's technological loss mitigation function and provision of other non-frequency regulation ancillary services necessary to ensure the security of LES, the costs incurred by the DSSO, including the return on investment, are recognised as economically justified costs of DSSO and are included in the prices of the regulated services based on the procedure laid down by NERC (Article 12(4) of the Law on Synchronisation), i.e. the price cap for the isolated operation reserve service is determined on the basis of the NERC's Methodology for Pricing of Electricity, Reserve Capacity, Isolated Power System Operation and Prevention or Remediation of a Total Power System Accident, and the Service Ensuring Isolated Operation of the Power System² (hereinafter the "NERC Methodology"). This price forms part of the price of the ancillary services (referred to as the "systemic" services up to the end of 2021) provided to Lithuania's TSO³.

In accordance with the NERC's Methodology, the Company's isolated operation reserve service is subject to a price cap mechanism. The price cap, which is set annually for the year by NERC, is equal to the relationship between the level of allowed revenue of

¹Article 2(5) of the Law on Interconnection of the Electricity System of the Republic of Lithuania with the Continental European networks for Operation in Synchronous Mode of the Republic of Lithuania: Isolated operation of a power system—operation of a power system when the alternating current interconnection with the power systems of other countries is disabled, including the continental European networks and the IPS/UPS system.

²Section V¹ of the NERC's Methodology.

³Article 13(4¹) of the Law on Synchronisation, Paragraph 2 of the NERC's Methodology for Pricing Ancillary Services Acquisition Component to the Transmission Service.

Energy Cells (the projected annual depreciation expenses, the return on investment (ROI) (calculated as the product between the value of the Company's Regulated Asset Base (RAB)) and the annual rate of return on investment (ROI) determined for the Company in accordance with NERC's Methodology for Determining the Rate of Return on Investment⁴, corresponding to the weighted average cost of capital (WACC, %) the amount of operating costs, including technology costs, and the planned services to be provided per year. Actual tolerable deviations of the Company's revenues, expenses, return on investment from the rates set by NERC is compensated by NERC, when determining a price cap for the next year. This regulatory regime ensures that Energy Cells does not incur losses or earn unjustified revenue from its activities until the completion of the program projects for synchronisation with CEN project (as provided for in Article 6¹(5) of the Lithuanian Law on Synchronisation).

Provision of balancing services (new since the start of 2025)

In accordance with Article 48³(2³) of the Law on Electricity of the Republic of Lithuania, the eligibility of the costs incurred by DSSO for the provision of balancing services (in accordance with Article 61(6)(2) of the Lithuanian Law on Synchronisation), including return on investment, shall be recognised based on the procedure laid down by NERC, and, if the costs are recognised as economically justified costs of DSSO, they are included in the prices of the regulated services (acquisition component of ancillary services to the transmission service price and/or other prices). The specific prices for balancing services are determined under the isolated operation reserve service purchase/sale agreement between DSSO and Litgrid, which lays down the principles for the use of the Energy Cells' facilities and the terms and conditions for the provision of balancing services (automatic frequency restoration reserve (aFRR) service) after the technical synchronisation with CEN. This agreement (its terms and conditions) was coordinated by NERC's Resolution No O3E-112 of 30 January 2025⁵.

Litgrid, having assessed that there are not enough participants in the market capable of providing balancing services properly, on time and at a reasonable price, at the end of 2025, initiated the extension of the purchase of balancing services with a capacity of up to 40 MW from DSSO until 31 December 2026. Accordingly, Annex 5 to the isolated operation reserve purchase and sale agreement (on the principles and conditions for the use of Energy Cells facilities for the provision of balancing services) was amended on 29 December 2025 by a resolution of NERC⁶ and the relevant amendments to Annex 5 of the agreement were signed between DSSO and Litgrid on 29 December 2025. According to NERC, the amendments to the agreement will allow for a more effective assessment of the supply of suppliers in the balancing market – Annex 5 provides for three mandatory market assessments to be carried out by Litgrid in 2026, which, if they show that there is sufficient supply in the Baltic balancing capacity market, balancing services from DSSO will be discontinued. It is also provided that NERC has the right to perform the same market assessment at any time. Taking into account the results of the assessment of the sufficiency of supply in the Baltic balancing capacity market, the scope of DSSO's aFRR services (which, according to Annex 5, will reach up to 40 MW in 2026) may be gradually reduced in 2026 until these services are completely discontinued. The updated price calculation formula will also ensure more competitive service prices, as the previously applicable single price limit for the entire year will now be calculated on a monthly basis, taking into account the previous month's local aFRR price data for the Baltic countries.

Consultations

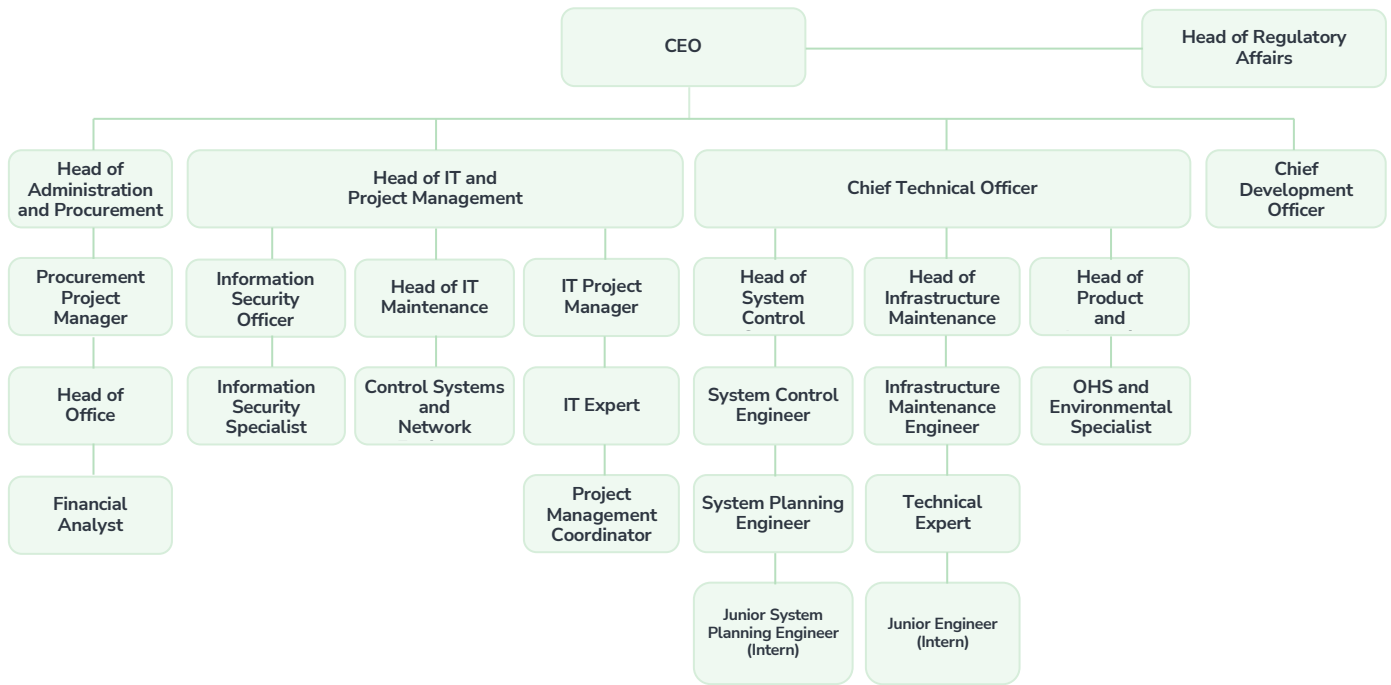
Regarding other activities (services): in accordance with Article 6¹(6)(1) of the Lithuanian Law on Synchronisation, the services that do not involve the use of a battery energy storage system operated by DSSO and which, at the time of preparing this report, include energy consultancy services, in line with the Company's new operational strategy until 2030 (for more details, see section "1.5 Business strategy, objectives, vision, mission, purpose and values"), necessary to emphasise that the prices of these services are not regulated by the State, and the business model for the provision of such services is considered to be the Company's confidential information constituting commercial (trade) secret, as the Company operates in a competitive environment, where disclosure of the information could harm the Company's business and its competitiveness in the provision of such services.

⁴ NERC's Methodology for Determining the Rate of Return on Investment is accessible [here](#).

⁵ NERC's Resolution No O3E-112 of 30 January 2025 is accessible [here](#).

⁶ NERC's Resolution No O3E-1948 of 29 December 2025 is available [here](#).

1.4. Organisational structure



2. Company's strategy and objectives

In 2024, aiming to contribute to the development of a reliable and climate-neutral energy system, to foster the growth of high value-added industries and to support the development of exports of green energy and its products, the EPSO-G Group of companies updated/prepared Strategy to 2035. More details on the new Energy Strategy to 2035 of the EPSO-G Group are available on EPSO-G [website](#).

Consequently, the Company's operational strategy to 2030⁷ was approved by a decision of the Company's Board of 14 January 2025 which replaced the operational strategy to 2024-2026 approved by decision of the Company's Board of 08 January 2024. Moreover, on 14 January 2025, the Company's Board approved a slightly updated Company's operational strategy to 2030⁸ (hereinafter the "Company's Strategy"), bringing it up to date with the latest information and key performance indicators, and aligning it with the updates to the EPSO-G Group's new energy strategy for 2035.

2.1. Vision, mission, purpose and values

The Company's Strategy to 2030 provides for that Energy Cells is guided by the **purpose, vision and mission** of the EPSO-G Group of companies:



We exist

OUR PURPOSE

To power a confident and green future in an ever-changing world



We seek

OUR VISION

To enable green transformation simultaneously safe guarding energy and national security interests



Our action now

OUR MISSION

To accelerate energy independence and enhance system security

⁷ Accessible [here](#)

⁸ Accessible [here](#)

Values

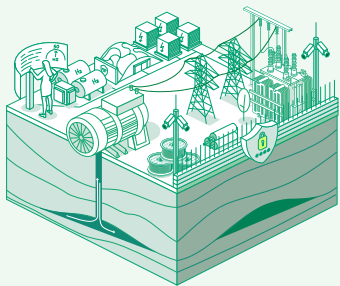
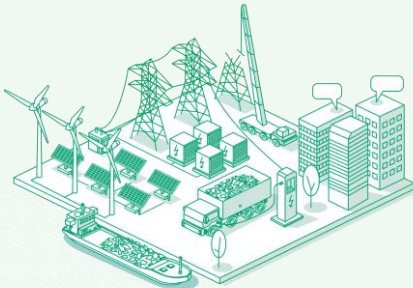

Implementation of the mission, pursuit of the vision and all activities of the Company, as well as those of the EPSO-G Group, are based on the fundamental human and professional values: openness, responsibility and reliability. The Company and the EPSO-G Group team's behaviour is reflected in values.

| | | |
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| <div style="background-color: #008080; color: white; padding: 10px; text-align: center;">  <h3 style="margin: 0;">Open</h3> </div> <ol style="list-style-type: none"> 1. I accept diversity, listen to other people's and express my own opinion, and treat everyone with respect. 2. I am growing, engaging, learning, and helping others to grow. 3. I share knowledge and expertise, collaborate and endeavour for consensus. | <div style="background-color: #008080; color: white; padding: 10px; text-align: center;">  <h3 style="margin: 0;">Responsible</h3> </div> <ol style="list-style-type: none"> 1. I respect others' time, effort and work. 2. I take initiative and act after evaluating the impact on people and nature. 3. I do what I commit to and more, and I perform efficiently. | <div style="background-color: #008080; color: white; padding: 10px; text-align: center;">  <h3 style="margin: 0;">Reliable</h3> </div> <ol style="list-style-type: none"> 1. I act professionally, work safely and follow best practice. 2. I create value for clients, colleagues and partners by offering solutions and acting on them. 3. I care about our customers and partners, our colleagues and society. |
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2.2. Strategy and objectives

Three fundamental commitments and strategy structure

The Company's Strategy to 2030 is based on three fundamental commitments, which will serve further business developments of the Company.

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| <div style="background-color: #008080; color: white; padding: 10px; text-align: center;"> <h3 style="margin: 0;">Provider of security and reliability</h3> </div>  <div style="display: flex; align-items: center; margin-top: 20px;"> <div style="font-size: 48px; margin-right: 10px;">1</div> <p>We aim to enhance security and reliability within and beyond the energy sector, strengthening system flexibility and national security. Our work is essential for a reliable future</p> </div> | <div style="background-color: #008080; color: white; padding: 10px; text-align: center;"> <h3 style="margin: 0;">Reliable and skilled strategic partner</h3> </div>  <div style="display: flex; align-items: center; margin-top: 20px;"> <div style="font-size: 48px; margin-right: 10px;">2</div> <p>Energy transition requires a close cooperation of various industry peers, investors and governments. Our goal is to be vital and skilled strategic partners in developing environmentally friendly infrastructure and markets.</p> </div> | <div style="background-color: #008080; color: white; padding: 10px; text-align: center;"> <h3 style="margin: 0;">Enabling sustainable and effective progress</h3> </div>  <div style="display: flex; align-items: center; margin-top: 20px;"> <div style="font-size: 48px; margin-right: 10px;">3</div> <p>To achieve our goals, we need to transform and improve our organisation, processes and respond to sustainability priorities. Our aim is to create sustainable and efficient progress through our actions, fostering financial stability, sustainable performance and continuous improvement.</p> </div> |
|---|--|---|

The Company's strategic commitments consist of increasing the efficiency and/or expanding its current activities and developing new ones.

Sustainability commitments are integral to the Company's Strategy. This year, sustainability information is disclosed in the Group's consolidated sustainability report.

Value created by the Company:

The Company's, and the EPSO-G Group's, Strategy is based on the value created for the key stakeholders. The Company has defined the value it creates through strategic indicators (financial and non-financial, e.g. sustainability and performance (operational)), which are grouped according to their benefits to stakeholders. They represent the Company's main objectives to 2030 that will be used as a benchmark in assessing the Company Strategy's implementation success.

Describing success to 2030: value proposition for stakeholders.



The Company's Strategy has been prepared in accordance with the updated EPSO-G Group's Strategy and on the basis of the Guidelines for the Evaluation of Draft Strategic Business Plans of State-Owned Enterprises 2025-2026⁹ issued by the Governance Coordination Centre (GCC), considering the exemptions applicable to small and micro-subidiaries. It is provided that the strategy of such vehicles may be narrower in scope (abridged version¹⁰), excludes SWOT analysis (including the analysis of internal and internal environmental factors, competitive environment), and assessment of risks.

The Company's Strategy to 2030 is focused on ensuring the provision of an isolated operation reserve service, as well as the development of services to enable the country's energy transformation, and sustainability and efficiency objectives:

- Energy security. The Company's primary objective continues to be the provision of an isolated operation reserve service in according to the requirements of the transmission system operator.
- Sustainability. The aim is to reduce Company's Scope 1 and 2 GHG emissions by 50% by 2030 and to reach net-zero by 2050.
- Transformation. Our goal is to be a vital and skilled strategic partner in the transformation of Lithuania's energy system by developing cooperation with market players.
- Employee well-being. Our focus is on building a team that is professional, competent and inquisitive. Our employees stand out for their expertise, commitment to continuous learning and ability to work independently in a constantly changing environment. Another goal is to consistently maintain a high level of employee engagement, with the target being at least 70%.

⁹ Accessible [here](#).

¹⁰ The drafting of the shortened version of the Strategy of Energy Cells was approved by the GCC on 7 December 2021, and repeatedly on 11 October 2022.

Achievement of the strategic objectives in 2025 set out in the Company's Operational Strategy to 2030:

The table below presents the strategic objectives, targets and their implementation in 2025, as set out in the Company's Operational Strategy to 2030 approved on 14 January 2025 (up to the updated Company's Strategy to 2030 approved by decision of the Company's Board on 14 January 2026):

| Strategic direction | Strategic objective | Strategic objective KPIs and target values | Indicator's target for 2025, as set in the Company's Strategy to 2030 | Actual indicator achievement in 2025 |
|--|--|---|--|--|
| 1. Provider of security and reliability | Ensuring a flexible and resilient energy system | Ensuring availability of BESS, by providing isolated operation reserve (ISOR) service under the agreement on purchase/sale of ISOR service, %/year | ≥97% | 99.42% (in 2025, actual BESS availability during the calendar year, when providing ISOR service; the lowest availability value among BESS farms is assessed based on unplanned and emergency scenarios) (100% IMPLEMENTATION) |
| | | Actual provision of other services contracted by TSO after the actual technical synchronisation with CEN under the agreement on purchase/sale of ISOR service | ≥97% | 98.53% (in 2025, actual BESS availability for aFRR services as of 10 February 2025 (the first day following technical synchronisation with CEN, when the aFRR balancing service was launched); the lowest availability value among BESS farms is assessed based on available market time units (MTU) (15 min) as of 10 February 2025; actual provision of all aFRR services contracted by TSO (via controller control signals)) (100% IMPLEMENTATION) |
| | Strengthening national security | Cyber security incidents addressed and contained in timely manner (annual rate, %) | ≥98% | 100% (In 2025, no cybersecurity incidents meeting the classification criteria of the Law on Cybersecurity were identified. Incidents were addressed and contained) (100% IMPLEMENTATION) |
| 2. Vital and skilled strategic partner | Expand the product range | Income from energy consultancy services, EUR million | ≥0.14 | 0.03 (PARTIAL IMPLEMENTATION - 21.4% (=0.03/0.14) achievement) |
| | To create a customer-oriented organisation | Customer satisfaction rating among the companies of the leading standard (GCSI*) (score) * Global Customer Satisfaction Index | -* * A target for 2025 was not set. The assumption was made the need for a GCSI assessment would arise in 2026, following the launch of consultancy services in 2025. | * N/A for 2025 |
| 3. Enabling sustainable and effective progress | Effective finance and resource management | Adjusted EBITDA, EUR million | ≥1.8 | 1.8* (100% IMPLEMENTATION*) <i>The assessment of the adjusted EBITDA also depends/will depend on NERC's decisions (since NERC sets the price cap for the Company's ISOR service, taking into account adjustments for deviations in revenue, and/or return of previous years; and the Company's calculated adjusted EBITDA may be revised).</i> |
| | Build a unified, sought-after organisation | Number of fatal and serious accidents involving Energy Cells' employees and/or contractors, units | 0 | 0 (100% IMPLEMENTATION) |
| | | Energy Cells' employee engagement level, % | ≥70% | 83% (based on the employee engagement survey conducted on 01/2026) (100% IMPLEMENTATION) |
| | Operate with sustainably and responsibly in mind | Reduction of GHG emissions from the Company's operations compared to 2023, % | -* * A target for 2025 was not set, relevant for 2026 and beyond. | * N/A for 2025 |

Achievement of performance objectives in 2025:

The Company's Board has set the following performance objectives for the Company for 2025:

| No | Strategic direction | Strategic objective | Annual objective | Objective weight (%) | Indicator weight (%) | Objective achievement rate by its weight (%) |
|----|---|---|--|----------------------|----------------------|--|
| 1. | Provider of security and reliability | Ensuring a flexible and resilient energy system | Ensuring availability of BESS, by providing isolated reserve (ISOR) service under the agreement on purchase/sale of ISOR service | 60% | 50% | 60% |
| | | | At the invitation of PSO, participating in the isolated operation test of the Baltic electricity systems (ES) and providing other services contracted by PSO after the actual technical synchronization with CEN | | 40% | |
| | | Strengthening national security | Reducing information security risks | | 10% | |
| 2. | Vital and skilled strategic partner | Expand the product range | Service development | 10% | 100% | 0% |
| 3. | Enabling sustainable and effective progress | Effective finance and resource management | Financial sustainability | 10% | 100% | 10% |
| | | | Developing an action plan for the exemption under the EU Electricity Market Design (EMD) (Directive (EU) 2024/1711) and taking the necessary substantive actions | 20% | 100% | 0% |

The Company's manager reports to the Company's Board on the achievement of the set objectives. The objectives set for the Company are identical to those of the Company's manager. The Board of the Company annually assesses the progress achieved in respect of the implementation of the objectives.

In 2025, the achievement rate for objectives set for the Company for 2025, based on the Company Board's decision of 14 January 2026, was 70.0%. This decision was prompted by the lower-than-expected results of the 2025 consultancy activities and the longer-than-planned completion of the measures under Directive (EU) 2024/1711. In 2024, the Company achieved 99.1% of its objectives.

Operational objectives for 2026:

Based on the strategic directions and planned initiatives defined in the Company's Strategy to 2030, the Company's Board has set the following objectives for the Company 2026:

| No | Strategic direction | Strategic objective | Annual objective | Objective weight (%) | Indicator weight (%) |
|----|---|---|--|----------------------|----------------------|
| 1. | Provider of security and reliability | Ensuring a flexible and resilient energy system | Provision of isolated operation reserve (ISOR) service and automatic frequency restoration reserve (aFRR) contracted by TSO | 30% | 70% |
| | | Resilience of critical infrastructure | Cybersecurity and information security | | 20% |
| | | | Increasing resilience of critical infrastructure and operations | | 10% |
| 2. | Vital and skilled strategic partner | Expand the product range | Service development | 20% | 100% |
| 3. | Enabling sustainable and effective progress | Effective finance and resource management | Financial sustainability | 15% | 100% |
| | | | Conducting preparatory work for the transfer of BESS and finalising a plan for the separation and continuity of the Company's operations | 30% | 100% |
| | | Build progressive business environment | Progressive business environment | 5% | 100% |

2.3. Services provided by the Company

The Company's main objective in 2025 was to provide the electricity transmission system operator (TSO) with the necessary isolated operation reserve service. Also, another key objective for 2025 was to participate, at the invitation of PSO, in the isolated operation test of the Baltic electricity systems (ES) and to provide frequency control (balancing) services contracted by PSO after the actual technical synchronisation with CEN. Everything went smoothly on 8–9 February 2025, when we successfully participated in the isolated operation test of the Baltic ES with BESS and made a significant contribution to LES connection to CEN on 9 February 2025. In addition, from 10 February 2025, through the end of 2025, we successfully provided balancing services with a capacity of up to 40 MW to TSO under the isolated operation reserve service purchase/sale agreement concluded between SSO and Litgrid on 7 February 2025. The provision of balancing services in accordance with the aforementioned amendments to Annex 5 of the isolated operation reserve purchase and sale agreement continues from the beginning of 2026 and will continue until the end of 2026 or until there are enough participants in the market who can provide such services properly, on time and at a reasonable price. In accordance with the provisions of the aforementioned agreement, the portion of Energy Cells' balancing service revenue that exceeds Energy Cells' balancing service costs (including the permissible return on investment, calculated the principles set out in the description of the Energy Cells regulatory accounting system, as agreed with NERC), is returned to Litgrid. In other words, the general principles applicable to regulated energy activities (companies) apply to Energy Cells' balancing services.

Also, in accordance with the amendments to the Law on Synchronisation of the Republic of Lithuania¹¹ adopted on 27 April 2023, the Company had to ensure the function of reducing the cost of technological losses incurred by TSO (which is BESS functionality), provide other non-frequency regulation ancillary services necessary to ensure the security of the Lithuanian Energy System (LES), other than related to frequency regulation, aimed at the implementation of the objectives of the Law on Synchronisation of the Republic of Lithuania, when TSO cannot purchase such services from electricity market participants. During 2024, the Company carried out the function of reducing the cost of technological losses incurred by TSO. However, there was no such request from

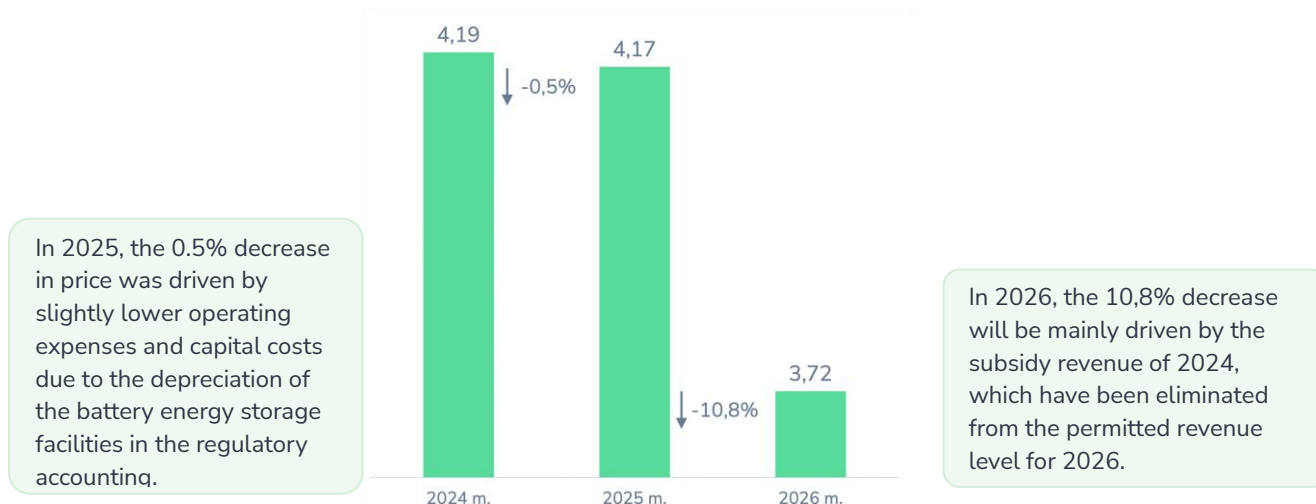
¹¹Amendments to the Lithuanian Law on Synchronisation of 27 April 2023 are accessible [here](#).

TSO in 2025, hence the Company did not carry out this function in 2025. In addition, there was no need to provide other non-frequency regulation ancillary services necessary to ensure the security of the Lithuanian Energy System, other than related to frequency regulation, therefore the Company did not provide such services.

All services the Company can provide under the Lithuanian Law on Synchronisation (which is one of the key legal acts regulating the Company's activities and services provided) are listed in the section "1 General Information about the Company" of this management report.



NERC-approved price cap for Energy Cells' isolated operation reserve service, Eur/MW/hour



2.4. Key events in 2025

01

JANUARY

02

FEBRUARY

- On 14 January 2025, the Company's Operational Strategy to 2030 was approved.
- On 17 January 2025, amendments to the Law on Electricity and the Law on Synchronisation, adopted by the Lithuanian Parliament (Seimas) on 19 December 2024, came into force, which allow Litgrid, after the synchronisation with the Continental European networks (since 10 February 2025), to purchase a small portion of the balancing services necessary for the management of the electricity transmission system from the energy storage system operator Energy Cells for a limited period. Accordingly, on 30 January 2025, the European Commission adopted a decision, enabling Energy Cells to provide balancing services for a limited period of time, and, on 30 January 2025, NERC adopted a decision on coordination of the isolated operation reserve service purchase/sale agreement (its terms and conditions) between Litgrid and Energy Cells. These decisions enabled Litgrid to purchase a small part of the balancing services from Energy Cells on a temporary basis, until the market is able to offer a sufficient supply of balancing services. The agreement provides that Energy Cells will provide 40 MW of aFRR balancing capacity in 2025 and will participate in the balancing energy (aFRR) market, where its bid will be placed at the end of the auction, i.e. Energy Cell's batteries are only activated when these services cannot be provided by other market participants.
- Another key objective for 2025 was to participate, at the invitation of PSO, in the isolated operation test of the Baltic electricity systems (ES) and to provide frequency control (balancing) services contracted by PSO after the actual technical synchronisation with CEN. Everything went smoothly on 8–9 February 2025, when we successfully participated in the isolated operation test of the Baltic ES with BESS and made a significant contribution to LES connection to CEN on 9 February 2025. In addition, from 10 February 2025, through the end of 2025, we successfully provided balancing services with a capacity of up to 40 MW to TSO under the isolated operation reserve service purchase/sale agreement signed between Energy Cells and Litgrid on 7 February 2025. Taking into account the decision adopted by NERC on 29 December 2025 regarding the amendment and coordination of Annex 5 to the isolated operation reserve purchase and sale agreement (its terms and conditions) between Litgrid and Energy Cells concerning the principles for the use of the Energy Cells' BESS facilities and the terms and conditions for the

provision of balancing services, and the relevant amendments to Annex 5 of the agreement signed between Energy Cells and Litgrid on 29 December 2025, the provision of balancing services from SSO facilities continues from the beginning of 2026 and will continue until the end of 2026 or until there are enough participants in the market who can provide such services properly, on time and at a reasonable price.

11

NOVEMBER

- On 20 November 2025, at the Public Procurement Leaders Awards organised by the Ministry of the Economy and Innovation (EIMIN) together with the Ministry of the Environment and the Public Procurement Office, Energy Cells was named the winner in the Best Procurement Practice category.

Energy cells was recognised for applying an environmental quality criterion in an electricity procurement process—assessing not only price, but also the CO₂ emissions savings offered by suppliers. The selected model made it possible to measure, in real terms, how much emissions can be reduced by using electricity from renewable sources: the supplier provided quarterly CO₂ savings reports, allowing the company to track the actual environmental impact throughout the contract period. In this way, the procurement became not a formal “price and quality” assessment, but a practical tool for reducing pollution and encouraging more sustainable energy choices. The Company demonstrated that even a relatively modest environmental commitment in public procurement can deliver tangible results and serve as a catalyst for broader change in the energy sector.



- By decision No O3E-1744¹² of 26 November 2025, based on NERC's certificate No O5E-1397 of 24 November 2025 On Setting the Price Cap for the Isolated Power System Operation Reserve Service of Energy Cells UAB for 2026¹³, in 2026, NERC approved the permitted revenue level of EUR 6.52 million and the price cap for the isolated power system operation reserve service of 3.72 Eur/MW/h (excl. VAT). In 2025, the level of allowed revenue and the price cap were set at EUR 7.31 million and EUR 4.17/MW/hour (excluding VAT), respectively. Consequently, the price of EUR 3.72/MW/hour (excluding VAT) for isolated operation reserve service is applied from 1 January 2026, which is in line with the adjusted price cap for the Energy Cells's isolated operation reserve service approved by NERC in November 2025, which is EUR 3.72/MW/hour (excluding VAT). This price is approximately 10.8% lower than the price set for 2025. The decrease in the permitted revenue level and price was primarily influenced by Energy Cells' revenue from providing isolated operation reserve service, which was EUR 0.74 million higher in 2024 (compared to the price cap set by NERC for 2024) due to the recognition of grants, which were eliminated from the permitted revenue level for 2026. The prices (price forecasts) of the isolated operation reserve service for 2023-2026 were and are included in the acquisition component of Litgrid's ancillary services to the Transmission Service Price approved by NERC for 2023-2026.

12

DECEMBER

- On 29 December 2025, NERC adopted the decision regarding the amendment and coordination of Annex 5 to the isolated operation reserve purchase and sale agreement (its terms and conditions) between Litgrid and Energy Cells concerning the principles for the use of the Energy Cells' BESS facilities and the terms and conditions for the provision of balancing services. On 29 December 2025, the relevant amendments to Annex 5 of the agreement was signed between Energy Cells and Litgrid, whereby the provision of balancing services from SSO facilities continues until the end of 2026 or until there are enough participants in the market who can provide such services properly, on time and at a reasonable price.

2.5. Events after the end of the reporting period

01

JANUARY

- On 14 January 2026, the updated Company's Operational Strategy to 2030 was approved.
- Since the beginning of 2026, the Company has been successfully providing balancing services with a capacity of up to 40 MW. The Company will provide balancing services to TSO at the current capacity during 2026 and/or at a

¹² NERC's decision No O3E-1555 of 28 November 2024 is available here.

¹³NERC's certificate No O5E-1141 of 21 November 2024 is accessible here (the certificate information was revised by minutes No O2E-84 of 28 November 2024, see Question 28 in Section II of the minutes.)

gradually reduced capacity until the end of 2026, or until there are enough market participants capable of ensuring the provision of such services properly, timely and at a reasonable price.

- On 26 January 2026, Rimvydas Štilinis, who has been at the helm of the company since its founding, resigned after the end of his five-year term of office.
- On 27 January 2026, Andrius Gudzinskas, the Company's new CEO, has taken office.

02

Financial information



3. Financial information

The Company's revenue in 2025 totalled EUR 14,282 thousand (2024: EUR 9,178 thousand). In 2025, the Company provided an isolated electricity system operation reserve service, which generated EUR 7,276 thousand or 51% of total revenue for the reporting period. In 2025, the increase in revenue was determined by EUR 6,774 thousand of penalties received. In 2025, the Company incurred a EUR 4,756 thousand operating expenses (2024: EUR 5,059 thousand), the decrease in which is attributed to lower maintenance costs in 2025 (less by EUR 365 thousand than in 2024). Net profit for the reporting period amounted to EUR 8,721 thousand (2024: EUR 2,133 thousand).

Key performance indicators of Energy Cells (EUR thousand):

| | 2025 | Change | | 2024 | 2023 | 2022 |
|--------------------------------------|--------|--------|-----|--------|--------|--------|
| | | +/- | % | | | |
| Revenue | 14,282 | 5,104 | 56 | 9,178 | 2,717 | 93 |
| Operating expenses | 4,756 | -303 | -6 | 5,059 | 2,320 | 611 |
| EBITDA ¹ | 9,526 | 5,407 | 131 | 4,119 | 397 | -518 |
| Adjusted EBITDA ² | 1,804 | -112 | -6 | 1,916 | n/a | n/a |
| Net profit | 8,721 | 6,588 | 309 | 2,133 | -207 | -509 |
| Assets | 20,600 | 2,440 | 13 | 18,160 | 29,870 | 39,399 |
| ROE | 115% | | | 90% | -14% | -28% |
| Adjusted ROE | 16% | | | 15% | n/a | n/a |
| Current liquidity ratio ³ | 0.63 | | | 0.15 | 0.48 | 0.75 |
| Net debt ⁴ | 55 | -357 | -87 | 412 | 13,910 | 2,920 |

¹ EBITDA = profit/(loss) before tax + finance costs - finance income + depreciation and amortisation expenses + asset impairment loss + a negative revaluation of property, plant and equipment + write-offs of assets

² Regulated revenue, expenses and profitability indicators are recalculated due to temporary regulatory deviations from the regulated profitability indicator approved by NERC, and eliminating other gain/loss from non-ordinary activities. In 2025, the indicator was calculated based on the figures in the unaudited regulated activity report.

³ Current liquidity ratio = total current assets/total current liabilities

⁴ Net debt = long-term financial debt + short-term financial debt + lease liabilities - cash and cash equivalents. It should be noted that the calculated indicator has the opposite sign (in this case, "+") to the net financial debt indicator presented in the financial statements. In the financial statements, the company's liabilities are presented with a minus sign. This does not change the meaning of the indicator.

Energy Cells statement of financial position (EUR thousand):

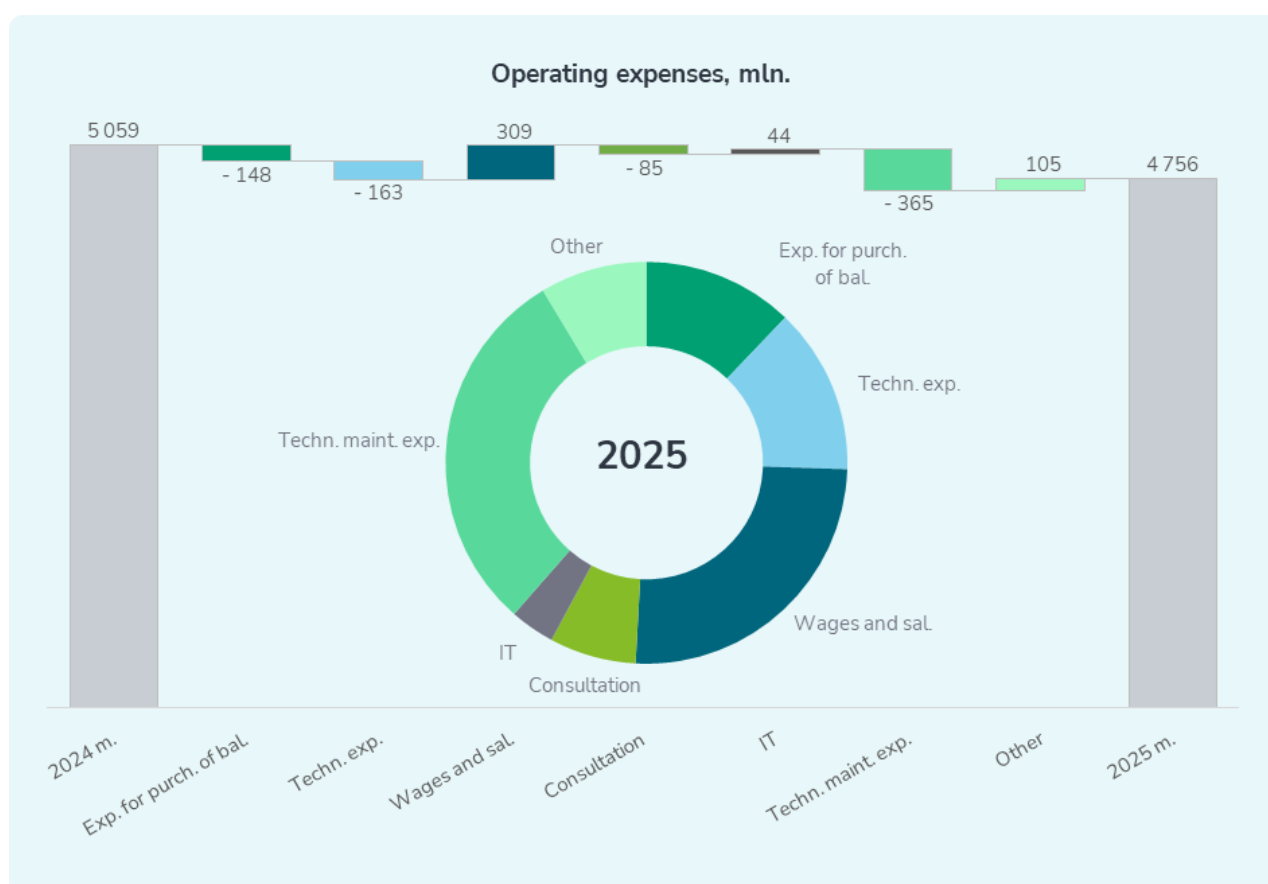
| | 2025 | Change | | 2024 | 2023 | 2022 |
|-------------------------------------|---------------|--------------|-----------|---------------|---------------|---------------|
| | | +/- | % | | | |
| Non-current assets | 15,115 | -908 | -6 | 16,023 | 16,551 | 11,006 |
| Current assets | 5,485 | 3,348 | 157 | 2,137 | 13,319 | 28,394 |
| Total assets | 20,600 | 2,440 | 13 | 18,160 | 29,870 | 39,399 |
| Equity | 11,741 | 8,370 | 248 | 3,371 | 1,354 | 1,561 |
| Payables and liabilities | 8,859 | -5,930 | -40 | 14,789 | 28,516 | 37,839 |
| Total equity and liabilities | 20,600 | 2,440 | 13 | 18,160 | 29,870 | 39,399 |

In 2025, the Company's non-current assets amounted to EUR 15,115 thousand (2024: EUR 16,023 thousand). It consisted of property, plant and equipment and intangible assets, such as battery energy storage facilities, related buildings, structures, equipment and other property, plant and equipment and intangible assets. In 2025, the change in current assets was determined by a decrease of EUR 3,083 thousand increase in the amount of loans granted. As at 31 December 2025, payable and liabilities, amounting to EUR 8,859 thousand (2024: EUR 14,789 thousand), mostly consisted of trade payables of EUR 5,861 thousand (2024: EUR 1,753 thousand), as well as of debt provisions of EUR 730 thousand (2024: EUR 9,038 thousand) and other payables of EUR 2,143 thousand (31 December 2024, EUR 2,237 thousand).

Operating expenses of Energy Cells (EUR thousand):

| | 2025 | Change | | 2024 | 2023 | 2022 |
|--|--------------|-------------|-----------|--------------|--------------|------------|
| | | +/- | % | | | |
| Expenses for purchase of balancing and imbalance electricity | 14 | -148 | -91 | 162 | 202 | 0 |
| Expenses for electricity technological needs | 914 | -163 | -15 | 1,077 | 286 | 0 |
| Wages and salaries and related expenses | 1,491 | 309 | 26 | 1,182 | 591 | 254 |
| Technical maintenance expenses | 1,417 | -365 | -20 | 1,782 | 605 | 21 |
| Consultation services | 334 | -85 | -20 | 419 | 279 | 136 |
| Telecommunications and IT maintenance expenses | 123 | 44 | 56 | 79 | 42 | 38 |
| Rent of premises and utility services | 30 | -4 | -12 | 34 | 25 | 37 |
| Taxes (other than income tax) | 39 | 5 | 15 | 34 | 31 | 5 |
| Other expenses | 394 | 104 | 36 | 290 | 258 | 120 |
| Total operating expenses | 4,756 | -303 | -6 | 5,059 | 2,319 | 611 |

In 2025, operating expenses decreased by 6% compared to those in 2024. The main elements of operating costs in 2025 were payroll expenses and technical maintenance expenses, as well as expenses for electricity technological needs, which accounted for 80% of all operating expenses (2024: 80%), whereas consultancy expenses accounted for 7% (2024: 8%), telecommunications and IT system expenses - 3% (2024: 2%), and other expenses - 8% (2024: 6%) of all operating expenses.



3.1. References to and additional explanations of information reported in the financial statements

More detailed financial information is presented in the notes to the financial statements for 2025.

3.2. The number of all own shares acquired and held by the Company, their nominal value and the proportion of the share capital that those shares represent

The Company does not own any shares.

3.3. The number of own shares acquired and disposed during the reporting period, their nominal value and the proportion of the share capital that those shares represent

The Company had not acquired its own shares.

3.4. Information on the payment for own shares if they are acquired or disposed in exchange for a consideration

None.

3.5. Reasons for acquiring the Company's own shares during the reporting period

None.

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

The Company has no branches or representative offices.

3.7. Information on research and development activities of the Company

Research and Development Activities

As Energy Cells, the storage system operator, began operating and managing battery farms and providing isolated operation reserve service, a need arose for new operational planning and management tools.

An assessment has been carried out on the feasibility of implementing and testing the Operational Planning and Management System (OPMS): the system would forecast technological electricity needs at BESS based on historical data and other factors, plan and optimize charging and discharging modes, facilitate electricity ordering on the electricity supplier's and market operator's platforms, collect operational data, and monitor battery status in real time. The solution should be readily configurable and adaptable for the development and implementation of new functionality.

In 2025, procurement documents were drawn up for the technical specifications of the new OPMS system and for the development of such a system. Following a market study, a call for tenders for the development of OPMS was announced, which is planned to be completed and the system implemented in 2026–2027.

Investments

Given the updated Company's Strategy to 2030, approved on 14 January 2026, the preliminary estimates show that investments in existing and new activities (strategic directions) could reach up to ~EUR 4 million by 2030, with the main focus on BESS functionality (IT, establishing emergency reserve, etc.), providing battery energy storage services necessary for the synchronization with CEN, as well as on the development of consulting services. Specific investments planned by Energy Cells until 2030 may be adjusted in the future, taking into account the progress of the planned strategic directions and possible legal restrictions on

activities. In 2026, the Company's planned investments are scheduled to be renewed/re-planned until a potential update of the Company's actions strategy is approved, i.e. until start of 2027 (inclusive).

On 20 October 2022, the Company's investment project¹⁴ Installation of the battery energy storage facilities (200 MW) (hereinafter the "Project") was coordinated with NERC. A 200 MW and 200 MWh battery energy storage system was successfully installed in 2023.

The project's objective is to meet the need for emergency power and frequency restoration reserve through secure and independent technical measures compatible with the country's energy and national security objectives.

Project's tasks:

1. to mitigate the threat of black-out arising due to unintended or uncoordinated action/omission of third parties;
2. to ensure the reliable operation of the Lithuanian electricity system in an isolated mode;
3. in long term, to contribute to the integration of renewable energy sources.

The expected and achieved result is the 200 MW and 200 MWh battery energy storage system, which has been installed in Lithuania's electricity system and is ready to function. The Project's objectives, tasks, expected result and more detailed Project information are also set out in NERC's certificate No O5E-1210 of 17 October 2022 On Coordination of Energy Cells' Investment Project "Installation of Electricity Storage Facilities (200 MW)".¹⁵ The coordinated Project includes planned investments of EUR 100.7 million for the installation of battery energy storage facilities (200 MW), of which:

- EU financial support funds – around EUR 83.9 million (83.3%) (based on agreement with the CPMA, financial support of up to EUR 87.6 million was allocated in Q2 2022 under the RRF; a precise amount of EU financial support – based on expected actual capital expenditures);
- Own/borrowed funds – around EUR 16.8 million (16.7%) (this amount was included in regulated asset base (RAB)) as at 31 December 2022, as the price/price cap¹⁶ for the Company's isolated operation reserve service was set and approved by the NERC for 2023. Given the actual investments and depreciation costs planned for the end of 2023, the price/price cap of the Company's isolated operation reserve service for 2024 was set and approved by NERC by including the planned RAB of EUR 15.9 million as at 31 December 2023.¹⁷ Given the actual investments and NERC's assessment of the Company's depreciation expenses, the price/price cap of the Company's isolated operation reserve service for 2025 was set and approved by NERC by including the planned RAB of EUR 15.3 million as at 31 December 2024.¹⁸ Given the actual investments and NERC's assessment of the Company's depreciation expenses, the price/price cap of the Company's isolated operation reserve service for 2026 was set and approved by NERC by including the planned RAB for the isolated operation reserve service of EUR 14.2 million as at 31 December 2025 (the Company's total planned RAB as at 31 December 2025 was approx. EUR 14.6 million, as part of RAB was allocated to balancing services).

¹⁴ NERC's decision No O3E-1450 of 20 October 2022 On Project Coordination is accessible [here](#).

¹⁵ Detailed Project's information is provided in NERC's certificate No O5E-1210 of 17 October 2022 which is accessible [here](#).

¹⁶ NERC's certificate No O5E-1324 of 17 November 2022 regarding the price cap applicable to the Company in 2023 is accessible [here](#) (for RAB, see table 5).

¹⁷ NERC's certificate No O5E-997 of 20 November 2023 regarding the price cap applicable to the Company in 2024 is accessible [here](#) (for RAB, see table 6).

¹⁸ NERC's certificate No O5E-1141 of 21 November 2024 regarding the price cap applicable to the Company in 2025 is accessible [here](#) (for RAB, see table 4). (by NERC's minutes No O2E-84, the certificate information was revised, by correcting RAB in the table 4 from incorrectly indicated amount of EUR 14.3 million to EUR 15.3 million).

04

Corporate Governance



4. Corporate Governance

The Company's Articles of Association (a new wording registered on 13/05/2024) set forth that the Company's governance structure comprises the General Meeting of Shareholders, the Board, and the Company's manager. The Company's Articles of Association are available on the Company's website <https://www.energy-cells.eu>, in the section "About company".

The main principles of the Company's governance are established in the Civil Code of the Republic of Lithuania, the Law on Companies of the Republic of Lithuania, and the Company's Articles of Association. The following matters shall fall within the competence of the Company's General Meeting of Shareholders: amendment of the Company's Articles of Association and the authorised capital, election of the Board and the auditor, approval of the annual financial statements, appropriation of profit, adoption of decisions on the most significant transactions and other matters. The Company's Board decides on the organisational structure of the Company, elects the Company's manager, approves the operational strategy, the budget, makes decisions on the most significant transactions and other important governance matters. The Company's manager is a single-person management body of the Company who organises the Company's activities and concludes the Company's transactions.

A description of the competencies of the Company's management bodies is presented in the Company's Articles of Association.

The Company's Articles of Association stipulate that the group of companies consists of the Company and the parent company EPSO-G UAB, and other legal entities directly and indirectly controlled by the parent company. The Audit Committee and the Remuneration and Nomination Committee are formed at the Parent Company, and they function at the entire group level as they fulfil, inter alia, the functions of the Audit Committee and the Remuneration and Nomination Committee at the Company level.

The Remuneration and Nomination Committee (RNC):

- assists in carrying out the selections of candidates to the members of the bodies in all companies of the EPSO-G Group;
- Provides the EPSO-G group companies with recommendations regarding the nomination of the members to the management bodies, signing of contracts with them, and setting the amount of remuneration;
- provides recommendations on corporate governance documents of the EPSO-G group related to the issues of remuneration of the members of the collegial bodies and employees of the companies of the EPSO-G group, their performance assessment;
- Provides recommendations regarding the system for planning succession of collegial bodies, management and employees holding critical functions at EPSO-G group companies.

The Audit Committee (AC):

- Conducts supervision of the preparation and audit of the financial statements of EPSO-G group companies;
- is responsible for ensuring compliance with the independence and objectivity principles by the auditors and audit firms of the companies of EPSO-G group;
- Bears responsibility for supervising the effectiveness of process relating to internal control, risk management and internal audit systems, and operations at EPSO-G group companies;
- Bears responsibility for monitoring the provision of non-audit services by an auditor or audit firm of EPSO-G group companies.

At the Company level, similarly as at the EPSO-G Group level, corporate governance is carried out in accordance with the corporate governance guidelines of the EPSO-G Group, as approved by the Lithuanian Ministry of Energy on 24 April 2018 (a new wording approved on 29 December 2022), as well as with reference to the EPSO-G Group's corporate governance policy. All these documents are available to public on the EPSO-G website. It is set forth in the Company's Articles of Association that the Company in its operations is subject to the policies of the group to a full extent, unless otherwise stated in exemptions approved by the Company's Board. During 2025, there were no exemptions approved by the Company's Board in relation to the adoption of the group policies.

4.1. Information on the issued capital, shareholders and dividends

Based on the Company's Articles of Association registered on 13 May 2024, the Company's authorised share capital amounts to EUR 126,000, and it is divided into 126,000 ordinary shares with par value of EUR 1 each. All shares are owned by a sole

shareholder, EPSO-G. During 2025, the Company did not acquire any own shares and did not enter in any transactions involving the acquisition or disposal of own shares.

The Company's management members hold no shares of the Company.

On 30 April 2025, the Ordinary General Meeting of Shareholders resolved to allocate EUR 350,406 thousand for payment of dividends.

4.2. The General Meeting of Shareholders

The procedure for convening the General Meeting of Shareholders, decision-making process, and the powers of the General Meeting of Shareholders are consistent with those stipulated in the Law on Companies of the Republic of Lithuania, except for the additional powers of the General Meeting of Shareholders, stipulated in Article 23 of the Articles of Association.

Article 23 of the Articles of Association provides that the General Meeting of Shareholders shall also decide on (additional competence of the Meeting):

- (i) appointment and removal of the Board members, remuneration of the Board members, conclusion of contracts with the Board members and standard terms and conditions;
- (ii) the suspension or non-suspension of the Board members and on the adoption of a decision on a relevant matter from which all members of the Board have been suspended by the General Meeting of Shareholders, in the cases provided for in Article 46 of the Articles of Association;
- (iii) approval of the Board's decisions referred to in Article 34(iii) to (viii) of the Company's Articles of Association if the value, price or amount of the transaction concerned exceeds EUR 500,000 (five hundred thousand euros), as well as decisions referred to in Article 34(ix) to (xi).

The following decisions were adopted by the sole shareholder EPSO-G in 2025:

| Date | Key decisions |
|------------|---|
| 17/04/2025 | Approval of the set of financial statements of Energy Cells UAB for the year ended 31 December 2024. Approval of the distribution of profit/loss of Energy Cell UAB for 2024. |
| 26/09/2025 | Consent to Energy Cell UAB Board's decision of 19 September 2025 to make the settlement agreement and to approve the material terms and conditions of the agreement. |
| 15/12/2025 | Consent to Energy Cell UAB Board's decision of 15 December 2025 to conclude an agreement for the implementation of the SCADA control system and for software support and maintenance services, and to approve the material terms and conditions of the agreement. |

4.3. The Board of the Company

The Board consists of 3 (three) members, including the Chair of the Board.

The Board is elected for the tenure of office of 4 (four) years; the members of the Board are appointed and recalled by the General Meeting of Shareholders in accordance with the procedure set forth in the Law on Companies of the Republic of Lithuania and the Articles of Association, and with reference to the recommendations provided by the Remuneration and Nomination Committee and the Selection Commission within the limits of competences conferred upon them.¹⁹

The Board fulfils its functions for the period stipulated in the Articles of Association of the Company and the Regulations of the Board or until a new Board is elected, but not longer than until the Ordinary General Meeting of Shareholders held in the year of expiry of the tenure of office of the Board. An uninterrupted tenure of office of a member of the Board will not exceed 2 (two)

¹⁹ The term "Selection Commission" shall be interpreted as it is defined in Resolution No 631 of the Government of the Republic of Lithuania on the Approval of the Description of the Procedure for the Selection of Candidates to the Collegial Supervisory Body or Management Body of Municipal Enterprise, State or Municipal Company or Subsidiary.

consecutive tenures of office, i.e. no more than 8 (eight) consecutive years. If individual members of the Board are elected, they are elected only until the expiry of the tenure of office of the current Board.

The powers of the Board are consistent with those stipulated in the Law on Companies, except for the additional powers stipulated in Articles 32–39 of the Articles of Association.

The Company's Board reserves the competence to:

- approve the Company's business strategy (including long-term and short-term, financial and non-financial targets and/or performance indicators);
- approve the Company's budget;
- approve the Company's annual performance objectives;
- take decisions on the Company's significant transactions in an amount of EUR 6,300 or higher, and approves the material terms and conditions of such transactions;
- adopt decisions on the humanitarian aid provision transactions, provided for in the Law on the Development Cooperation and Humanitarian Aid of the Republic of Lithuania;
- adopt decisions on the Company's participation in a joint venture with other entities, if the Company's participation in the joint venture involves financial commitments;
- adopt decisions on the commencement of a new activity of the Company or on the discontinuation of a specific ongoing activity (unless it is provided in the Articles of Association);
- adopt decisions on the transfer or pledge of the shares (ownership interest, member contributions) held by the Company, on the disposal or mortgage of the Company's undertaking as a complex of assets or a substantial part thereof;
- adopt decisions on the Company becoming a founder of or participant in other legal entities (except for entities specified in Article 34(xii) of the Articles of Association), as well as decisions on increasing and reducing the number of shares (ownership interest, member contributions) held by the Company or any other change in the rights attached to such shares (ownership interest, member contributions); and confirming the material terms and conditions of share subscription agreements;
- adopt decisions on the Company becoming a founder of, or participant in, legal entities, such as associations, public organizations, groupings, confederations, unions, societies, or other non-profit organizations, the purpose of which is to coordinate the activities of the members of such legal entity, to satisfy, represent and defend their interests or to pursue other common goals;
- the initiation of strategic projects, issue of bonds (except for convertible bonds);
- on the non-application to the Company or the application with exceptions of the documents applicable at the level of the Group of Companies approved by the Board of the Parent Company;
- take other decisions within the competence of the Board as provided for in the Articles of Association and the Law on Companies of the Republic of Lithuania.

The Board performs the following supervisory functions:

- (i) supervises the performance of CEO, provides feedback and proposals to the General Meeting of Shareholders on CEO's performance;
- (ii) considers whether CEO is fit to hold the office in case the Company is operating at a loss;
- (iii) submits suggestions to CEO on revocation of the decisions that are in conflict with the laws and other legal acts, the Articles of Association, and decisions adopted by the General Meeting Shareholders or the Board;
- (iv) decides on other matters pertaining to supervision of activities of the Company and the Company's CEO that are assigned to the authority of the Board under the Articles of Association or by the decision of the General Meeting of Shareholders.

The Board adopts its decisions at the Board meetings held as often as necessary so that the Board could properly fulfil its functions and adopt the decisions within the limits of competence conferred upon it. In total 16 Board meetings were held during the reporting period. All the Board members attended and voted at all the Board meetings.

The General Meeting of Shareholders may recall the entire Board or its individual members before the expiry of their tenure of office. The Board is accountable to the General Meeting of Shareholders.

Board's term of office: From 13/04/2022 to 13/04/2026

Composition of the Company's Board as at 31 December 2025:

| Full name | Position held | Term of office | Other positions | Education |
|-----------------------------|---------------------------------------|------------------|---|--|
| Paulius Butkus | Chair of the Board (since 16/05/2023) | Since 11/05/2023 | Head of Development and Innovation at EPSO-G UAB, company code 302826889 (main workplace), since February 2023. Member of the Board at Amber Grid AB since April 2023. | Vilnius Gediminas Technical University, PhD in Electrical and Electronics Engineering. |
| Dovilė Kapačinskaitė | Board member – public servant | Since 13/04/2022 | Ministry of Energy of the Republic of Lithuania, code 302308327, Senior Advisor at Strategic Change Management Group since May 2019 | Vilnius University, Master in Law. |
| Darius Klimašauskas | Independent member of the Board | Since 13/04/2022 | Independent consultant at the consultancy firm Talismanai UAB, company code 305668227 (main workplace) since 2020. Member of Association of Financial Analysts (Lithuania). | Vilnius University, Master in Economic Analysis and Planning (The Faculty of Economics) and Minor in Mathematical Economics (EuroFaculty). |

Attendance of the Board meetings in 2025:

| Paulius Butkus | Dovilė Kapačinskaitė | Darius Klimašauskas |
|----------------|----------------------|---------------------|
| 16/16 | 16/16 | 16/16 |

Key decisions of the Board adopted in 2025:

| | |
|---------|--|
| 2025-01 | <p>01-14</p> <ul style="list-style-type: none"> Approval of the annual operational objectives of Energy Cells UAB for 2025. Approval of the Operational Strategy of Energy Cells UAB to 2030, and consent to its submission to the Governance Coordination Centre for review. Approval of the budget of Energy Cells UAB for 2025. |
| 2025-02 | <p>02-26</p> <ul style="list-style-type: none"> No major decisions were adopted at the meeting of the Board of Energy Cells UAB on 26 February 2025. |
| 2025-03 | <p>03-07</p> <ul style="list-style-type: none"> Approval of the report on the implementation of the annual operational objectives of Energy Cells UAB for 2024. Adoption of the decision on the assessment of the achievement of annual operational objectives of Energy Cells UAB in 2024. <p>03-25</p> <ul style="list-style-type: none"> Adoption of the decision on the conclusion of the amendment to Cash-Pooling Agreement for lending and borrowing from the Group's cash pool account, and the approval of the amended material terms and conditions thereof. Approval of the Management Report of Energy Cells UAB for 2024. Authorisation of the set of financial statements of Energy Cells UAB for the year ended 31 December 2024. Authorisation of the draft distribution of profit/loss of Energy Cell UAB for 2024. Adoption of the decision for convening the Ordinary General Meeting of Shareholders of Energy Cells UAB (regarding the reading of the independent auditor's report, the financial statements and management report of Energy Cells UAB |

| | |
|---------|---|
| | <p>for the year ended 31 December 2024; approval of the financial statements of Energy Cells UAB for the year ended 31 December 2024, and approval of the draft profit/loss of Energy Cells UAB of 2024 for distribution).</p> <ul style="list-style-type: none"> Approval of the report on the implementation of the Actions Strategy 2024-2026 of Energy Cells UAB for 2024. |
| 2025-04 | <p>04-30</p> <ul style="list-style-type: none"> Decision on the review of the performance evaluation, financial incentives and remuneration of Energy Cells UAB's CEO for 2024. |
| 2025-05 | <p>05-22</p> <ul style="list-style-type: none"> Adoption of the decision to conclude the Management Holding Services Agreement and approve the material terms and conditions thereof. <p>05-29</p> <ul style="list-style-type: none"> Adoption of the decision to conclude an agreement for the sale and purchase of two-tier firewall and software, and to approve the material terms and conditions thereof. |
| 2025-06 | <p>06-19</p> <ul style="list-style-type: none"> No major decisions were adopted at the meeting of the Board of Energy Cells UAB on 19 June 2025. |
| 2025-07 | <p>07-23</p> <ul style="list-style-type: none"> Adoption of the decision to conclude the electricity sale and purchase agreement with Ignitis UAB, subject to the approval of the General Meeting of Shareholders, as well as to approve the material terms and conditions of the agreement and convene Extraordinary General Meeting of Shareholders of Energy Cells UAB. |
| 2025-08 | <p>08-21</p> <ul style="list-style-type: none"> Adoption of the decision to conclude service sale and purchase agreements with law firm TEGOS and to approve material terms and conditions thereof. Adoption of the decision to terminate the existing Cash-Pooling Agreement from the conclusion date of a new Cash-Pooling Agreement with EPSO-G UAB, and to conclude a new Cash-Pooling Agreement with EPSO-G UAB for lending and borrowing from the Group's cash pool account, and to approve material terms and conditions thereof. Adoption of the decision to initiate a public selection procedure for the position of Energy Cells UAB's CEO, and the list of requirements for the Energy Cells UAB's CEO selection process. Adoption of the decision to approve a new version of the Rules of Procedure of the Board of Energy Cells UAB. |
| 2025-09 | <p>09-19</p> <ul style="list-style-type: none"> Adoption of the decision to conclude an amicable agreement, subject to the approval of the General Meeting of Shareholders, with Fluence Energy GmbH, operating through Siemens Energy Oy branch in Lithuania, and to approve the material terms and conditions thereof; to amend the agreement for purchase and sale of technical maintenance services concluded with Fluence Energy GmbH and Siemens Energy Oy, operating through Siemens Energy Oy branch in Lithuania, to amend the material terms and conditions thereof, and to convene the extraordinary General Meeting of Shareholders of Energy Cells UAB. <p>09-23</p> <ul style="list-style-type: none"> Adoption of the decision to conclude a verbal agreement for the sale and purchase of the satellite communications equipment and services with Dicto Citius UAB, and to approve the material terms and conditions thereof. Adoption of the decision to approve the list of confidential and commercial (production) secrets of Energy Cells UAB. |
| 2025-10 | <p>10-21</p> <ul style="list-style-type: none"> Adoption of the decision to conclude a verbal agreement for the sale and purchase of the server and configuration services with Blue Bridge MSP, UAB, and to approve the material terms and conditions thereof. |
| 2025-11 | <p>11-14</p> <ul style="list-style-type: none"> Approval of the Draft Operational Strategy of Energy Cells UAB to 2030, and consent to its submission to the Governance Coordination Centre for review. <p>11-20</p> <ul style="list-style-type: none"> No major decisions were adopted at the meeting of the Board of Energy Cells UAB on 20 November 2025. |
| 2025-12 | <p>12-15</p> <ul style="list-style-type: none"> Adoption of the decision to conclude an agreement for the implementation of the SCADA control system and for software support and maintenance services, subject to the approval of the General Meeting of Shareholders, as well as to approve the material terms and conditions of the agreement and convene Extraordinary General Meeting of Shareholders of Energy Cells UAB. |

- Adoption of the decision to determine Energy Cells UAB's risk appetite for 2026, and to approve the Plan of Risk Management Measures.
- Adoption of the decision to amend the material terms and conditions of the cash-pool agreement with EPSO-G UAB.

Information on remuneration of the Board members

By the decision of the sole shareholder of 22 December 2022, the following monthly fixed pay components (excluding payable taxes) were established for the Board members, which apply as of 22 December 2022:

| Job position | Monthly fixed pay component (EUR) |
|--|-----------------------------------|
| Chairman of the Board (independent) | 2,326 |
| Member of the Board (independent) | 1,744 |
| Member of the Board (civil servant), if the civil servant does not hold the position and is not engaged in activities of the collegial body of another SE/SOE and/or ME/MOE* | 1,395 |
| Member of the Board (civil servant), if the civil servant holds the position and is engaged in activities of the collegial body of another SE/SOE and/or ME/MOE | 872 |

* SE - state enterprise, SOE - state-owned enterprise, ME - municipal enterprise, MOE - municipality-owned enterprise

Remuneration for the functions fulfilled at the Board is payable only to independent Board member and public servant acting as the Board member. In 2025, EUR 37.7 thousand (before taxes) was paid to the independent member and civil servant for their functions fulfilled at the Company's Board in accordance with the remuneration amounts approved by the decision of the General Meeting of Shareholders of 22 December 2022. In 2025, EUR 37.7 thousand was paid to the members of the Board.

Based on the Company's Articles of Association, the Board conducts self-assessment and competence needs analysis at least once per year. The purpose of such assessment is to determine what competences are necessary for the achievement of the objectives of the Company and EPSO-G Group, and for the improvement of the Board's performance.

In view of the Guidelines on the Annual Self-Assessment of the Activities of the Group's Collegial Management Bodies approved by the Remuneration and Nomination Committee of EPSO-G, at the beginning of 2026, the Company's Board performed the self-assessment of its activities for 2025, and discussed aspects of the implementation of the action plan for 2025. The summarised assessments of each member of the Board were discussed during the session on the self-assessment of the activities of the Board, during which the areas for improvement were identified and directions for improving business processes were determined by setting up an action plan for 2026, agreeing to focus on the cooperation between the Board and management, and training in key areas.

4.4. Company's CEO

Rimvydas Štilinis, the Company's CEO, held the position of the Company's CEO since 26 January 2021. He was permanently appointed to the position of the Company's CEO by the decision of the sole shareholder on 21 September 2021. A five-year term office of Mr. Štilinis expired on 26 January 2026. On January 27, the Company's newly elected CEO, Andrius Gudzinskas, took office.

The remuneration of the Company's manager is set by the Company based on the EPSO-G Group's Remuneration, Performance Appraisal and Training Policy. Under the version of the policy in force at the Company in 2025, the remuneration of the Company CEO's included: (i) Monthly remuneration, (ii) bonuses established in the Labour Code of the Republic of Lithuania, internal company regulations and collective agreements, (iii) financial incentive dependent on the achievement of the Company's annual performance targets, (iv) one-off bonuses for exceptional performance and innovation (if granted by decision of the Company's Board), (v) additional benefits; (vi) non-financial remuneration.

4.5. Information on internal and external audit

Internal audit

There is a centralised internal audit system at the EPSO-G Group level, the functioning of which is ensured through the internal audit unit formed by EPSO-G, which is accountable to EPSO-G Board.

The mission of EPSO-G internal audit function is to create added value for all entities of the Group, and to contribute to the achievement of their operational goals through systematic and comprehensive assessment of the effectiveness of governance, risk management and control processes, and through assistance with the improvement thereof. These functions are implemented through an independent and objective assurance and advisory activity.

The auditors of the holding company EPSO-G are not subordinate to the administration of a company audited. This creates better preconditions for identifying possible deficiencies in order to eliminate them and to highlight the areas for increasing efficiency.

As the internal audit team members fulfil their functions and carry out internal audits on a systematic basis, they also monitor, on a regular basis, whether the recommendations are implemented, and whether other weaknesses in internal controls, which were noted by the external auditors, regulatory or national audit authorities, are eliminated. More detailed information on the internal audit is disclosed in the consolidated and the Company's activity report of EPSO-G for 2025, which is published on EPSO-G website www.epsog.lt, in section "Objectives and Accountability".

External audit

In 2023, PricewaterhouseCoopers UAB was selected as the audit firm of financial statements 2023-2025 of Energy Cells UAB through a public procurement procedure by recommendation of the EPSO-G Group's Audit Committee and based on the decision of the sole shareholder.

A fee payable by the Company for audit services in 2025 amounted to EUR 17 thousand. The fee paid by the Company for audit services in 2024 amounted to EUR 17 thousand.

The Company will have to pay EUR 4.5 thousand to the audit firm for the non-audit services in 2025, i.e. verification services of regulated activity reports. In 2024, the Company paid Eur 4 thousand for such services.

4.6. Risk management

The EPSO-G Group understands risk management as a structured approach to uncertainties management by methodologically evaluating risk effect and probability, and by applying the proper measures of management.

4.6.1. Risk Management System

The EPSO-G Group followed the Group's Risk Management Policy and Risk Management Methodology. These documents embed a uniform risk management system that is based on common principles and meeting good practice according to COSO ERM (Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management) methodology applicable in the international practice.

The Risk Management Policy defines the key risk management principles and responsibilities for the EPSO-G Group companies to ensure a unified corporate risk management process based on common principles. The EPSO-G Group companies define risk management principles and responsibilities in the Risk Management Policy. The Policy is published on EPSO-G website.

The Company's risk appetite, as defined in the Risk Management Policy, is the level of risk that is below the highest level of risk that is equal to or greater than a score of 15 (the product of the probability and the impact of the risk on the Company), or the level of risk the Company's governing bodies willing to accept to achieve the strategy and performance objectives set. Risks exceeding the score set for the risk appetite are subject to additional management measures.

The Company has adopted the following risk management process:



1. Identification of environment:

The Company identifies aspects that may have an impact on the Company's failure to achieve its objectives based on the Company's internal and external environment, planning documents, the Risk Assessment history and the monitoring of the implementation of the risk management measures. Regular environmental assessments are carried out to adapt to changes and to prepare in advance for unexpected threats.



1. Assessment of risks:

The Company identifies, analyses and assesses risks on regular basis, identifies Key Risk Indicators, and prepares the List of Risks. The Company also identifies the risk appetite, and categorizes risks according to their priority and the appetite identified.



3. Developing a Plan on risk Management Measures.

The Company develops a Plan on Risk Management Measures for risks exceeding risk appetite.



4. Monitoring of risks and the implementation of the Plan on Risk Management Measures:

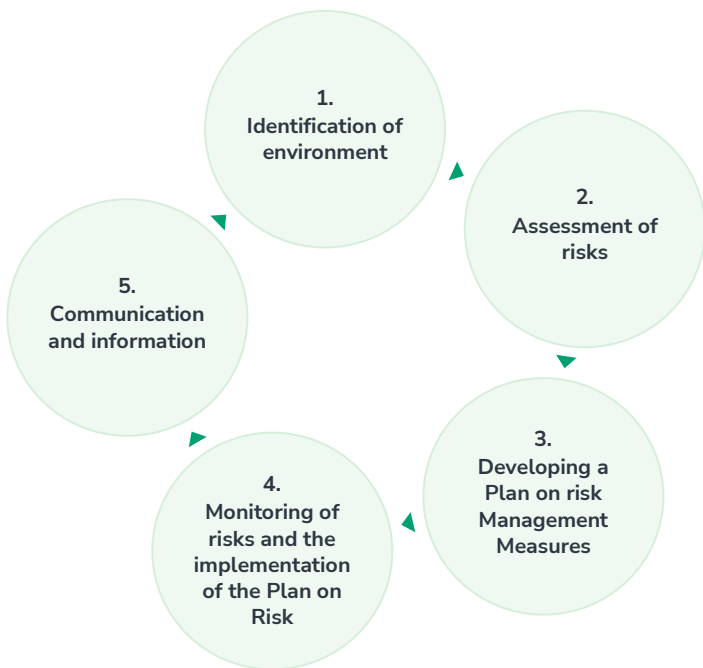
continuous monitoring of the Company's List of Risks and the Plan on Risk Management Measures, as well as monitoring of the Group-level risks and the list of the Group-level risks management measures. The monitoring results are communicated to the Company's manager, the Board, the Audit Committee, in accordance with the remit of each of them.



5. Communication and information:

Regular and effective sharing of information among the participants in the Risk Management process that has impact on the assessment of the Company's risks and their management. Relevant information on risks and their management is communicated to the Company's employees during staff meetings.

Risk management process



The Company identified operational risks for 2025, assessed them, set risk monitoring indicators and provided risk management measures.

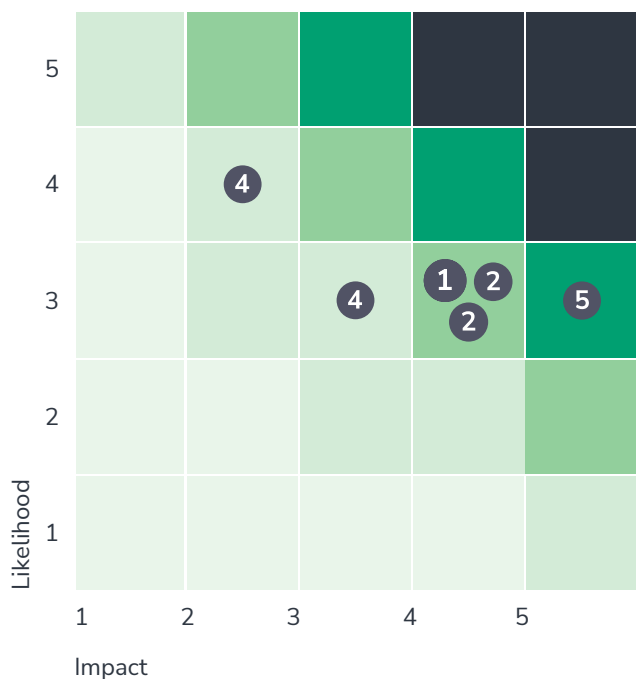
After assessing the risks identified and managed in the Company and their level (impact on the Company’s activities), the Board of the Company approved the EPSO-G group-level risk list.

In each quarter of 2025, the Audit Committee of EPSO-G assessed the changes in the key risk indicators of the Company, the effectiveness of risk management and presented its conclusions and recommendations to the Company’s Board.

To improve risk management and integrity within the Group, *Power App*, the Risk Management Information System, has been installed. Using the tool, users can enter relevant risk information, depending on their role, to generate relevant content from a common dataset, and to send reminders or

comments related to risk management.

Sustainability risks are treated as an integral part of the Company’s day-to-day operations and are integrated into the risk management process. The Company assess all the risks against the criteria set for the sustainability risks. Risks that meet these criteria are assigned to the relevant sustainability risk type.



| | | | |
|-----|---|---|---|
| ESG | 1 | Regulatory risk | ■ |
| | 2 | Risk of ensuring insufficient level of the Company’s revenue (expenses) | ▼ |
| ESG | 3 | Cybersecurity and physical security risk | ▲ |
| | 4 | Failure to secure required level of BESS availability (not less than 97%) | ■ |
| ESG | 5 | Risks of non-compliance with occupational safety requirements | ■ |
| ESG | 6 | Environmental impact mitigation risk | ▼ |

ESG—Environmental, Social, and Governance

Risk Assessment Matrix:

| | |
|-----------|-------|
| Very high | 20-25 |
| High | 15-19 |
| Medium | 10-14 |
| Low | 5-9 |
| Very low | 0-4 |

Trends in a risk level:

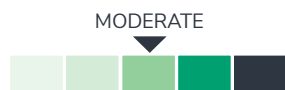
- ▲ Increase
- No change
- Decrease

4.6.2. Full description of the Group's risks



1. Regulatory risk

Risk level



Risk factors

External - economic, political

Risk impact

Finances, reputation

ESG type

Governance

Risk area

Regulatory

Risk description

Energy Cells operations are closely linked to regulatory decisions made at the national and European Union levels. Following the synchronisation of the Baltic countries' energy systems with the Continental European networks, the Company is operating during the transitional period, when balancing (aFRR) and isolated operation reserve services are provided under temporary regulatory mechanisms. Regulatory decisions regarding the scope, duration, or pricing of services, or the applicable regulatory model, may have a significant impact on the Company's scope of operations, revenue, and long-term business prospects.

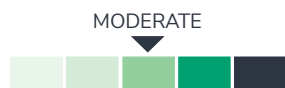
Management measures

- Active and ongoing dialogue with NERC, the Ministry of Energy, and other relevant authorities.
- Participation in legislative processes to assess the impact of proposed regulatory decisions on the Company.
- Analysis of potential regulatory scenarios and their integration into operational and financial planning.



2. Risk of ensuring insufficient level of the Company's revenue (expenses)

Risk level



Risk factors

External - economic

Risk impact

Finances, reputation

ESG type

-

Risk area

Finance management

Risk description

Every year, NERC analyses and monitors the investments implemented and planned, and costs incurred and planned by the Company, and sets the price cap for the Company's regulated service(s) and, respectively, the permitted revenue level.

The majority of the Company's revenue comes from regulated activities, the scope and pricing of which are subject to regulatory decisions. This concentration of revenue creates a risk of actual revenue and/or cost recovery levels deviating from projections, which could affect the Company's financial sustainability, budget execution, and the implementation of its investment plans. The development of non-regulated consultancy activities currently accounts for a small portion of total revenue and is aimed at diversifying the Company's activities. However, it does not have a significant impact on the Company's financial stability in the short-term.

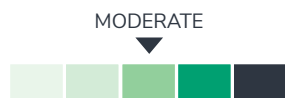
Management measures

- Regular (in accordance with legal requirements) submission of reasoning and information to NERC, CPMA and/or other Lithuanian and/or EU institutions regarding the investments made and planned, costs incurred and planned, and income received and planned by the Company.
- Regular updates to revenue and expense forecasts and the evaluation of alternative scenarios.
- Consistent cost and investment planning, based on the projected level of regulated revenue.
- Step-by-step development of non-regulated activities, considering their economic viability.



3. Cybersecurity and physical security risk

Risk level



Risk factors

External - technological
Internal - IT

Risk impact

Finances, reputation,

ESG type

Governance

Risk area

Information security

Risk description

Energy Cells manages information and physical infrastructure of critical importance related to the operation of battery energy storage systems (BESS). Cybersecurity incidents, disruptions to information systems, or breaches of physical security could have a negative impact on service delivery, the reliability of the power system, national security, and the Company's reputation.

The growing scale of digitisation and systems integration makes cyber threats a constant concern, while in the field of physical security, additional risks arise from the need to protect critical infrastructure facilities against unauthorised access or intentional conduct.

Management measures

- In order to prevent cyber incidents, threats to the information systems, physical protection and security management systems of the Company are regularly assessed, existing security measures, systems and/or tools are constantly updated and new ones are introduced to comply with the strict requirements of the EU and the Republic of Lithuania's legislation on information security.
- Employees actively participate in cybersecurity exercises to train how to manage and respond to cyber incidents targeting critical information systems and networks, and to ensure the functioning of their services.
- Strengthening physical security through the implementation of the EPSO-G Group's resilience program, including the reinforcement of perimeter security at BEES farms (installation of concrete fences and gates).
- Cooperation with Litgrid in implementing additional critical infrastructure safeguards, including the deployment of anti-drone systems at BEES farms and electrical substations.



4. Failure to secure required level of BESS availability (not less than 97%)

Risk level



Risk factors

External - economic
Internal - processes

Risk impact

Finances, reputation

ESG type

-

Risk area

Management of the assets attributed to the transmission system

Risk description

2025 marks the first full year of operation for battery energy storage systems (BESS), during which balancing services are also provided. There is a risk that the required level of BEES availability may not be ensured due to technical malfunctions, contractors' failure to fulfil their obligations, the availability of spare parts, or failure to respond effectively to incidents. Such disruptions could have a negative impact on the provision of services, the Company's reputation, and its financial performance.

Management measures

- Implementation of preventive maintenance and operational processes.
- Improving incident management procedures and establishing a clear assignment of responsibilities.
- Collaboration with technology providers and contractors to ensure availability.



5. Risks of non-compliance with occupational safety requirements

Risk level



Risk factors

Internal - personnel

Risk impact

Human health, finances, reputation

ESG type

Corporate Social Responsibility

Risk area

Occupational Safety

Risk description

Group companies place great emphasis on occupational safety. Given the applicable and most relevant occupational safety requirements and the current implementation situation, there is a risk of non-compliance with the OHS requirements. The Company places great emphasis on the health and safety of its employees and contractors. Although occupational health and safety requirements are enforced and monitored, any incidents or accidents that occur at work could significantly impact people's health, the Company's reputation and its business continuity.

Management measures

- Proper installation of workstations, timely maintenance and control of systems, equipment, work tools.
- Internal documents on health and safety have been approved.
- Staff training, certification and briefings on safety and health issues.
- Continuous monitoring and supervision of employees' and contractors' compliance with OHS requirements.



6. Mitigation of environmental impacts

Risk level



Risk factors

External - environmental
Internal - infrastructure

Risk impact

Finances, reputation, environment

ESG type

Environmental

Risk area

Environmental, Sustainability development

Risk description

Untimely or inaccurate recording and reporting of sustainability-related indicators, inaccurate calculation of GHG emissions from the Group's operations, or delays in reporting compliance with requirements to institutional investors may result in sanctions from the exchange authorities, and fines for defaulting on commitments to investors. There is also a risk of non-achievement of EPSO-G's long-term strategic objectives and its commitments (sustainability indicators) related to the issued bonds when the regulatory approval for the necessary investments to reduce environmental impacts (GHG emissions) is not obtained due to regulatory restrictions or lack of cost-effectiveness.

Management measures

- In line with EPSO-G's Sustainability Policy, the Company is required to collect and, at least annually, publish sustainability-related data in accordance with the global GRI and/or other disclosure standards.
- The Company is provided with the list of ESG indicators to be selected. Additional measures are also being put in place: ESG system (IT solution) is developed for the timely collection of sustainability-related indicators.

In 2025, corruption, compliance, going concern risks were included in the Company's key risk register. All of these risks are medium or low level because of applied effective risk management measures. Being aware of the importance of these risks for the achievement of the sustainability objectives, the Company pays particular attention to the management and disclosure of these risks.

4.6.3. Climate change risks

Given the importance of climate-change challenges in the energy sector, the EU regulations (the EU Taxonomy Regulation, the European Sustainability Reporting Standards (ESRS), etc.), climate-related risk disclosures and to improve related risk management, in 2023, the EPSO-G Group in partnership with consulting firm Deloitte conducted a comprehensive analysis of the

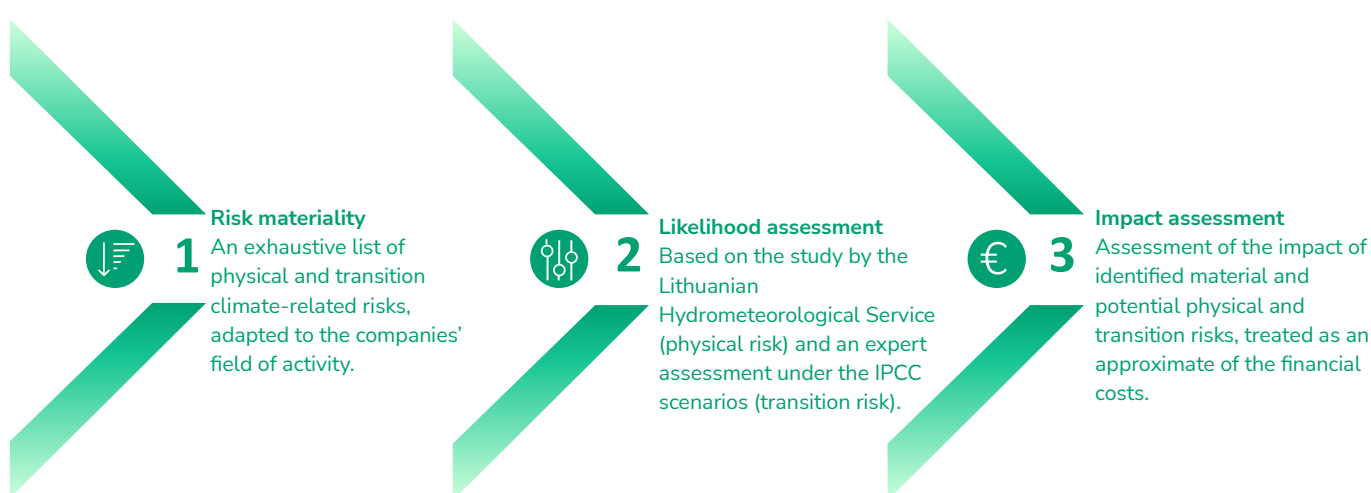
Group's climate-related risks (physical and transition), opportunities and climate scenarios (based on IPCC climate change scenarios) in the short-term (2026), medium-term (2030) and long-term (2050).

The evaluation was carried out in the Group for the first time and was guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The evaluation report and methodology drawn up will help to improve the assessment and management of climate change risks, improve disclosures to the Group's stakeholders and strengthen the sustainability risk management in the Group.

The assessment comprised climate-related physical risks (impact of occurrence of extreme weather events on transmission infrastructure, buildings, offices) and transition risks (regulatory, technology, reputation, market, public pressure), measures and indicators were developed to manage these risks.

Climate-related issues fall within the wide range of sustainability topics and are integrated into the Group's decision-making process (see earlier in Section "Risk management framework").

Assessing climate change risks



The scale for assessing climate risks is based on the EPSO-G Group's risk management methodology (the same scale is being used), and the impact is understood as the financial impact compared to the income level. The impact assessment was carried out at the individual level of each Group company, and then aggregated in the Group-level analysis.

Due to the risk management measures already in place and applied in the Group, physical and transition risks are identified as moderate or low. However, the Group, being aware of the importance of these risks for the achievement of the sustainability objectives, will pay particular attention to the management these risks, better disclosures and integration of risk-related opportunities into business strategy.

Detailed information is disclosed in the Report on Climate Change Risks 2022/2023, which is available on EPSO-G's website, section "Sustainability" (see the link to [Report](#)).

4.7. Information on Compliance with the Transparency Guidelines

The Company complies with Resolution No 1052 of 14 July 2010 of the Government of the Republic of Lithuania On the approval of the description of guidelines for ensuring the transparency of state-owned enterprises ("the Transparency Guidelines"). In order to ensure compliance with the Transparency Guidelines, the Company has in place the Business Transparency and Communication Policy, which considers in detail the requirements set forth in the Transparency Guidelines, and defines the extent of their applicability to the group companies.

Implementation of the Transparency Guidelines is largely ensured by the Company through disclosure of information in the integrated annual report, official website www.energy-cells.eu, and the Company's account on LinkedIn, where information is disclosed in the format that is accessible and comprehensible to the stakeholders.

4.8. Remuneration Policy

The Company, as other EPSO-G Group of companies, implements the Employee Remuneration, Performance Review and Training Policy (hereinafter the “EPSO-G remuneration policy”) based on the principles of responsibility, transparency and accountability. The objective of the remuneration policy is to establish clear and transparent principles for remuneration and performance appraisal and a remuneration system based on these principles, which (i) creates incentives to achieve better results and contribute to the Group's objectives, (ii) helps to attract and retain qualified staff, and (iii) ensures equal pay for equal work or work of equal value, based on objective and transparent criteria.

In 2025, the EPSO-G remuneration policy was reviewed and updated to maintain the principles of transparency and clarity, respond to the changed context and processes of remuneration management, and prepare for the entry into force of the EU Pay Transparency Directive. The new version of the remuneration policy was approved by the EPSO-G Board on 28 October 2025, and came into force in other Group companies on 7 December 2025.

The main changes in the updated EPSO-G remuneration policy are as follows:

- **Uniform remuneration scales** for the entire **Group**—the remuneration scales for all Group companies are approved by the EPSO-G Board at Group level, ensuring uniform rules and internal fairness.
- **Transparency of pay scales**—the updated pay scales are published on the intranet and are available to all Group employees.
- **Greater remuneration transparency.** Employees are guaranteed the right to information about their own remuneration (annual and hourly) and average remuneration levels by gender in the same job group. This clause will come into force on 8 June 2026 (together with the EU Pay Transparency Directive).
- The principle that **only one form of incentive** may be awarded for the same achievement is established in order to ensure transparency, proportionality and organisational fairness.
- **Faster decisions on project and innovation incentives**—decisions are made by the Company's CEO within the approved budget, and the Board is informed through summary reports.
- **More training opportunities at Group level**—in addition to the companies' training plans, Group-level plans and programmes are also provided, offering more horizontal and vertical career opportunities.

More detailed information on the EPSO-G's Remuneration, Performance Review and Training Policy available [here](#).

4.8.1. Principles of Remuneration Policy

All EPSO-G Group companies apply the same EPSO-G remuneration policy principles, which apply equally to both managers and employees. The EPSO-G remuneration policy stipulates that the remuneration system consists of financial and non-financial remuneration.

Financial remuneration comprise: (i) Monthly remuneration, (ii) bonuses established in the Labour Code of the Republic of Lithuania, internal company regulations and collective agreements, (iii) financial incentives, (iv) project incentives, (v) incentives for results of particular importance, (vi) incentives for the implementation of innovations and (vii) additional benefits of a financial nature.

Non-financial remuneration comprise additional non-financial benefits to employees (e.g. flexible working hours, the opportunity to work remotely, etc.) and recognition and emotional rewards, which consist of targeted actions by the employer to promote employee well-being, empowerment, engagement and organisational transparency.

FINANCIAL REMUNERATION

Monthly remuneration

- Monthly remuneration is determined according to the level of the position, which is assessed using a methodology recognised in international practice and calibrated within the Group to ensure consistency and organisational fairness. Employees' monthly remuneration is determined within the remuneration range for the relevant job level (exceptions are possible only in justified cases), and remuneration ranges are published in the internal information system and are available to all Group employees.
- Monthly remuneration may vary within the remuneration range for the position level, depending on the employee's competencies and qualifications, experience and knowledge, level of responsibility and independence in performing the duties assigned to the position, as well as performance results (including value-based behaviour).
- The remuneration fund is approved by the companies' boards.

Financial incentive

- Financial incentives are a part of remuneration paid at the employer's initiative and discretion, linked to the achievement of the company's objectives, financial results and financial capabilities. Financial incentives may only be awarded when at least 80% of the company's annual targets are achieved (or when the board, after assessing objective and reasonable circumstances, decides to apply a lower threshold).
- Individual financial incentives for employees depend on the results of performance evaluations, which include the achievement of objectives, ethical behaviour and performance quality criteria. Financial incentives are not awarded to employees when their performance results do not meet expectations according to the established evaluation criteria.
- Financial incentives for the Company's CEO are allocated by the Board of the Company (the body responsible for electing the Company's CEO, if the Board is not formed), and for other employees – by the Company's CEO.
- The amount of a financial incentive is estimated in the Company's budget and recorded in the financial result, which is audited and made public.

Other forms of incentive

- The EPSO-G remuneration policy also defines other forms of incentives: project incentives, incentives for innovation and incentives for results of particular importance. Funds for these forms of incentives must be provided for in the company's annual budget.
- Decisions on project-based incentives, incentives for innovation and incentives for results of exceptional importance are taken by the company's CEO within the limits of the approved budget, in accordance with the policy provisions. Once a year, the company's board of directors is provided with summary information on the funds paid out in the previous year for project incentives, incentives for innovation and incentives for results of particular importance.

NON-FINANCIAL REWARD

- EPSO-G Group companies use a wide range of non-financial reward measures to encourage employee engagement and loyalty. These include voluntary health insurance, additional days off, seminars on health, physical and psychological well-being and motivation, vaccinations against seasonal illnesses, events and traditions for employees, flexible working hours and remote working options, recognition programmes and internal career opportunities within the Group.

OTHER INFORMATION

- Severance payments for managers and employees do not exceed the amounts specified in the laws of the Republic of Lithuania.
- No advance agreements on the amount of severance pay (except for company managers whose working conditions are determined by the board) are made.
- Severance payments to employees are paid in accordance with the Labour Code and employment contracts.

COLLEGIAL BODIES

- The EPSO-G remuneration policy does not provide for any remuneration mechanism that would entitle a manager, member of a collegial body or employee to shares, share options or remuneration linked to changes in share prices or other financial instruments.
- Members of the collegiate bodies are not paid a financial incentive.

To ensure the effectiveness of the Remuneration Policy, the amounts of fixed remuneration and financial incentives are made public by functional groups. This practice enables the Company to adequately reward employees for achieving their goals and exceeding expectations. The competitiveness of remuneration of the Company's employees is assessed based on market research data. No external consultants were used in developing the EPSO-G remuneration policy.

Employee performance assessment is one of the most important conditions of management and effective leadership that helps achieving the objectives of the Company, as well as of the entire EPSO-G Group of companies, and creating a positive and trust based relationship between the leaders and their subordinates, allows planning employee careers, increasing their motivation and engagement. Energy cells' staff performance is evaluated once a year against pre-set targets.

In 2025, the individual objectives of the Company's employees were set and evaluated in accordance with the Company's approved Description of the Procedure for Employee Remuneration, Performance Review and Development.

In the Company, as in other EPSO-G Group companies, individual objectives are discussed with each employee and set annually. Target implementation has a direct impact on the financial incentive, which also depends on the overall achievement of the Company's objectives. The annual and interim performance appraisal meetings are held with employees to ensure that individual objectives of the Company's employees are tailored to the objectives of the Company. The annual performance appraisal meetings involve discussing and evaluating employees' performance over the past year and recording the overall performance evaluation result, i.e. the result of the achievement of annual objectives, the assessment of the compliance with the value behaviours and quality criteria, with an overall performance evaluation result being determined. New measurable, time-defined, and motivating annual objectives are also agreed upon with employees. During the year, as part of mid-year performance appraisal meetings with employees, the progress of objective achievement is discussed based on the indicators set, and, if necessary, annual objectives are updated and adjusted. The annual appraisal meetings also include discussions on the employees' training programme, where possible, planning of their activities, consideration of the need for competence development and further professional growth, and career opportunities, as well as progress monitoring.

4.9. Environmental area

In the environmental area, Energy cells has the ultimate goal of enabling climate-neutral energy, while also reducing the environmental impacts and greenhouse gas emissions from its operations. In 2021, the EPSO-G Group companies, including Energy Cells, committed in an Environmental [Policy](#) approved by the Board to monitor the environmental impact of their activities,

and to implement modern technologies and measures to reduce their significant environmental impact. The Group companies are committed to ensuring the protection of biodiversity when operating, expanding or modernising the infrastructure of energy systems.

All EPSO-G Group companies, including Energy cells, have a goal of zero tolerance to environmental pollution and zero environmental incidents. It also aims to oblige contractors and other business partners to take responsibility for the environmental impact of their activities and to strive to reduce it.

The implementation of the environmental policy is the responsibility of EPSO-G's corporate managers and functional mentors for environmental issues, who ensure that environmental aspects are identified in a timely manner, environmental objectives are set, plans are drawn up, targets are set for environmental improvement and sufficient resources are allocated to their implementation, and the results are monitored periodically, and the processes, technologies and working methods used are audited.

During 2024, there were no environmental breaches in Energy Cells, and no fines for non-compliance with environmental requirements were imposed. There were also no significant environmental incidents reported during the reporting period, either by the Company's employees or contractors.

Environmental topics relevant to the Company's operations are disclosed in more detail in the Group's Consolidated Sustainability Report 2025.

4.10. Dialogue and involvement of local communities

The battery energy storage systems (farms) of Energy Cells are installed in districts of Vilnius, Šiauliai, Alytus and Utena. From the inception of the project, the Company communicated to the neighbouring communities the nature of the project, its importance for the energy sector, and the phases of the project. The awareness of communities was raised through meetings in their municipalities, the media and face-to-face meetings with residents, as well as through the Company's website. Given that battery energy storage facilities were the first of their kind in the Baltic region and that residents raised questions about the operation and environmental impact of such facilities, the Company put great emphasis on describing, explaining and presenting these questions. During the construction phase of the project, efforts were made to minimise inconvenience to residents as a result of the works, and to plan the routes and timing of heavy transport movements accordingly, in order to preserve the peace of mind of residents during their leisure time. A great deal of attention was paid to noise issues. Once testing of the battery farms was launched, the representatives of the Vilnius Battery Farm's neighbouring communities were offered the opportunity to visit the battery farm to look at the acoustic sound-absorbing walls installed. Moreover, acoustic measurements were carried out in all four battery farms, which, as confirmed by representatives of the National Public Health Centre, showed that the noise abatement measures installed around the battery farms were adequate.

In 2025, as in previous years of project implementation and subsequent years of operation, Energy Cells continued to foster open, transparent, and socially responsible relationships with communities, communicating about planned resilience-building projects and their progress.

Energy Cells also maintains a dialogue, and shares best practices, with the companies in energy sector (and beyond) and Lithuanian and foreign authorities, thereby promoting the implementation of storage projects. Between 2022 and 2025, Energy Cells welcomed international and Lithuanian delegations, as well as energy storage system developers, at its battery energy storage farms, as well as participated in informational and communication projects to promote the growth of the battery energy storage market and the development of a sustainable energy ecosystem.

4.11. Privacy

The Group has a Personal Data Protection Policy based on the principles of the General Data Protection Regulation, which defines the measures taken by the Group companies to ensure the security of personal data processed and the roles and responsibilities of individuals ensuring compliance with the personal data protection requirements.

The personal data processing requirements are covered in more detail in the internal legislation of all Group companies. These Group-wide documents, drawn up on a uniform basis, form a consistent practice across the Group companies when managing personal data security incidents, entering into personal data processing agreements, transferring personal data to third parties, and in other processes.

The Group adheres to the principle of accountability laid down in the General Data Protection Regulation. The Group companies keep records of their personal data processing activities, prepare privacy notices, and carry out and document other actions required by the General Data Protection Regulation.

Personal data protection risks are managed by implementing technical and organisational measures, conducting compliance audits to assess the adequacy of these measures, as well as by unifying personal data protection across the Group.

During the reporting period, three compliance audits were conducted in the Group, in the area of personal data protection. Although these audits did not identify significant non-compliance issues, they highlighted the areas of personal data processing agreements concluded with data processors where improvement is needed.

4.12. Compliance Management

The EPSO-G Group has compliance management system in place designed to:

- protect the Group companies from financial or reputational damage that may result from behaviour that does not meet internal and external requirements;
- manage the risks of non-compliance and mitigate their impact and likelihood of occurrence;
- promote a culture of compliance, i. e. encourage the Group's employees to work in accordance with the set requirements and to justify their application on the Group's values.

The Group's compliance is based on the Three Lines Principle and principle governing the use of the risk-based approach.

Compliance activities are governed by the Group's Compliance Management Policy. On 25 of April 2025, the EPSO-G Board approved a new version of the Compliance Management Policy, introducing the establishment of a three-year compliance management programme and the preparation of annual compliance management plans in the Group companies. The Policy clarifies and supplements the main compliance management processes and specifies the responsibilities of entities participating in compliance management.

During the reporting period, training was organized for experts of the Compliance Management function to increase the level of expertise. The Compliance Management Information System was launched, which will allow for effective management of information related to compliance management actions. During the reporting period, the process of developing the Group's three-year compliance management programme and the process of drawing up and monitoring the implementation of the Group's annual Compliance Management Action Plan were approved, and compliance audits were conducted..

4.13. Corruption prevention

The EPSO-G Group's business decisions are guided by the principles of objectivity, impartiality, transparency, accountability and the rule of law, combined with the Group's zero tolerance to corruption or any other forms and manifestations thereof. We aim to build a transparent and trust-based Group, therefore continuously assess corruption risks and implement measures to manage these risks.

The EPSO-G Group's anti-corruption activities are based on the international standard ISO 37001:2016 Anti-bribery management systems — Requirements with guidance for use, as well as the following measures implemented in the Group companies:

- Setting restrictions on gifts and donations
- Implementing measures to manage conflicts of interest
- Identifying risks of corruption

- Operating a Helpline
- Applying contract transparency measures
- Conducting internal investigations
- Screening of business partners
- Ensuring the credibility of staff
- Conducting employee training
- Ensuring transparency of procurement

The following were approved during the reporting period: The Description of the Trust Line Operation and Administration Procedure, and the Description of the Business Partner Screening Procedure, applicable in the Group companies. The Company has identified corruption-related risks and conducts an annual corruption tolerance survey among its employees.

Key anti-corruption indicators

| | 2025 | 2024 | 2023 | 2022 |
|--|------|------|------|------|
| Identified incidents of corruption | 0 | 0 | 0 | 0 |
| Staff members sanctioned and dismissed for corruption | 0 | 0 | 0 | 0 |
| Legal cases brought against Group companies or employees related to corruption | 0 | 0 | 0 | 0 |
| Identified corruption incidents resulting in contracts with business partners not being concluded/ renewed | 0 | 0 | 0 | 0 |

Energy Cells has the Trust line pranesk@epsog.lt, where employees and other stakeholders can directly or anonymously report, without fear of negative consequences, potential violations, unethical or unfair behaviour. In 2025, Trust Line did not received any reports.

4.14. Management of Conflicts of Interest

Energy Cells' governance framework promotes avoidance of conflicts of interest among and members of collegial bodies, and ensures a transparent and an effective conflict of interest disclosure mechanism. Energy Cells has an integrated model for the declaration of private interests as defined in the Policy of Management of Interests of Employees and Members of Collegial Bodies. It requires to disclose all private interests of Energy Cells' employees and members of the collegiate bodies in an internal declaration form prescribed by the Group, and, when applicable to the job position and functions, in PINREG, the register of private interests.

Energy Cells implements active monitoring, control and supervision of private interests: assessing potential conflict of interest situations during the job application process, reviewing and analysing declarations, recommending on potential conflicts of interest management and actions and/or decisions requiring refraining.

At the end of the reporting period

- The declarations of interests of all members of the collegial management bodies of the Company, members of the Board of EPSO-G and the Company's CEO, are submitted and published in the Register of Private Interests ([PINREG](#)), on the website of the Chief Official Ethics Commission (COEC), and at www.energy-cells.eu. The Company's CEO has submitted declarations of interest to the holding company to the extent and according to the procedure set out in the Group's Policy of Management of Interests of Employees and Members of Collegial Bodies, which is available at www.epsog.lt in the menu item "Operating Policies".
- No any potential conflicts of interest of the members of the collegial management bodies and the Company's CEO as regards their obligations to the EPSO-G Group and their private interests and/or other duties have been identified.
- There were no family relationships between members of the collegial management bodies and the Company's administrative staff.

- Members of the collegial management bodies and the Company's CEO have not been convicted of any criminal offence, have not been subject to any indictment or sanction by any regulatory authority in the last five years, have not been barred by a court from holding any office as a member of the Company's administrative, management or supervisory bodies of the Company or from holding any managerial position or from managing the affairs of any issuer.
- The Company has not entered into any transactions with the above-mentioned persons which are outside the operating activities of the Company or which have not been duly notified to and authorised by the Company's collegial management bodies.

4.15. Cyber security and data protection

EPSO-G group companies, including Energy cells, regularly draw up, update and assess lists of critical information infrastructures, and carry out their assessment.

Important steps were made in line with the methodology for assessing cybersecurity risks to secure a high level of cyber resilience and cybersecurity compliance of the information infrastructure. A due diligence was carried out to fully identify the information systems and their components. This allows us to pinpoint the aspects that need to be strengthened to increase cyber resilience.

Risks related to information and cyber security were carefully identified. This risk analysis allowed for understanding and assessing potential threats and vulnerabilities that should be addressed to strengthen cyber resilience. Based on the results, specific control measures were developed to mitigate the identified risks and prevent potential cyber-attacks. The adoption of a plan and budget for the acquisition of technical tools was an important achievement. The plan specified technological tools and systems that need to be installed or upgraded to ensure effective cybersecurity management and infrastructure protection. The approval of the budget ensured availability of necessary resources for the implementation of these tools, allowing the organisation to successfully carry out cybersecurity strengthening actions.

The actions and decisions taken during this period demonstrate a commitment to ensuring the security and resilience of critical information infrastructure to cyber threats, as well as confirming the organisation's strategic approach to cybersecurity management.

In ensuring the protection of personal data, the Company is guided by the Group's Personal Data Protection Policy and the Description of the Personal Data Management Procedure outlining the basic requirements for the processing of personal data in the Company. All employees of the Company are introduced to the Description. The Company adheres to the principle of accountability laid down in the General Data Protection Regulation and keeps records of its personal data processing activities, prepares privacy notice, and carries out and document other actions required by the General Data Protection Regulation.

Personal data protection risks are managed by implementing technical and organisational measures, conducting compliance audits to assess the adequacy of these measures. In addition, the Company conducts periodic training and knowledge tests for its employees to ensure compliance with personal data protection requirements in practice and to promote a culture of personal data protection.

In 2025, no any personal data breaches were identified in the Company, and no complaints related to the protection of personal data were received neither from external organisations, nor from supervisory or regulatory authorities. The EPSO-G group companies, including Energy Cells, regularly draw up, update and assess lists of critical information infrastructures, and carry out their assessment. In accordance with the Law on Cyber Security of the Republic of Lithuania, transposing Directive (EU) 2022/2555 of the European Parliament and of the Council (NIS2 / TIS2), in 2025, the Company continued and expanded its efforts to enhance the cyber resilience of its information infrastructure and ensure compliance with legal requirements. Updates were made to the inventory of information systems and their components, along with a periodic review of their significance and risks, helping to fine-tune the priorities for strengthening cybersecurity.

In 2025, Energy Cells UAB continued to gradually improve its cybersecurity maturity. The implementation of risk management plans for the Centralised Battery Energy Storage Facility Management System and the equipment operated at the facilities continued, based on previous risk assessments and reviews conducted in 2025. Particular attention was paid to expanding network segmentation, improving access controls for privileged users, and strengthening technical and organisational security measures in IT and OT environments.

In 2025, the company implemented a centralised Security Information and Event Management (SIEM) platform that covers both information technology (IT) and operational technology (OT) environments. This solution ensures the centralised collection, analysis, and correlation of security events, system logs, and technical alerts from different layers of the infrastructure. The SIEM platform enabled security incidents to be identified and prioritised in a timely manner, facilitating an effective response, while also strengthening ongoing cybersecurity monitoring and the Company's compliance with TIS2 requirements. In 2025, the inventory and monitoring of IT and OT networks and devices continued to be carried out using centralised management and monitoring tools that enable real-time assessment of equipment status, load, and performance, as well as the rapid identification of potential vulnerabilities. Measures were taken to ensure that the primary operating system and other critical software at all facilities remained up to date with the latest versions supported by the manufacturer, while adhering to the established deadlines for installing security patches. In 2025, preparations took place in the Company for the implementation of information security management system in accordance with the ISO/IEC 27001 standard. This involved analysing the maturity of the existing information security system, identifying the scope of the information security management system, key information assets and stakeholders, and reviewing and aligning its key processes, policies and risk management principles. These actions paved the way for the systematic implementation of the ISO/IEC 27001 requirements, integrating them into the Company's information security management practices.

In 2025, the Company was assessed for compliance with the Law on Cyber Security of the Republic of Lithuania and the organisational and technical cybersecurity requirements applicable to its implementation. The analysis covered the Company's cybersecurity management processes, technical security measures, the security status of information systems and infrastructure, and their compliance with applicable legal requirements. An Information Security Measures Plan for the period 2025–2028 was developed at the EPSO-G Group level, with an implementation rate of 82% by the end of 2025. The implementation of the plan involved the introduction of organisational and technical information security measures, process improvements, and the enhancement of cybersecurity maturity across the Group companies, including Energy Cells.

Cybersecurity training for employees in 2025 was conducted on a regular basis, addressing topics such as recognizing social engineering attacks, managing passwords and access credentials securely, and raising general awareness of cyber threats. The training contributed to strengthening employees' resilience to cyber threats and fostering a consistent culture of security within the Company. Incident management processes were implemented and continuously improved in 2025, ensuring a timely response to cyber incidents, their logging, and, where necessary, notification of the relevant parties. Data backups were made daily and stored both on local servers and cloud-based environments. Recovery tests conducted in 2025 confirmed the reliability of the Company's data recovery procedures and its readiness to ensure business continuity. During the reporting period, the Company underwent an audit in the area of personal data protection. While the audit did not reveal any major non-compliances, it did highlight areas that need attention for improvement. No personal data breaches were identified, nor were any complaints received regarding the processing of personal data.

4.16. Public procurement and sustainable supply chain

As in the entire Group, the majority of the Company's procurement activities are carried out in accordance with the requirements of the Law on Public Procurement of the Republic of Lithuania or the Law of the Republic of Lithuania on Procurement by the entities, operating in the Field of Procurement, Waste Water Management, Energy, Transport or Postal Services, therefore, the procurement process is open only to suppliers who meet the environmental and/or social requirements set forth by law. Any public procurement is subject to at least one green criterion, and 100% of public procurement is green. Since 2024, the companies have been applying social criteria, with the percentage of such purchases reaching more than 10% in 2025. The same target has been set for 2026. It is also worth noting that, in May 2025, the EPSO-G Group of companies received a letter of appreciation from the Public Procurement Service for promoting socially responsible procurement. It should be noted that the majority of the Group's suppliers are local (more than 80% in terms of number of contracts), thereby promoting the growth of local businesses. The Group has contract performance controls in place that enables companies to monitor and assess the ability of suppliers to perform their contracts, including vulnerable suppliers. The most significant procurements are carried out by certified procurement officers, thus ensuring risk management. The companies organise in-house training on social and environmental efficiency.



Procurement Policy and Supplier Code of Conduct

The Group's Procurement Policy and the Supplier Code of Conduct (SCC) define the minimum standards of conduct that the Group companies expect all its suppliers and sub-suppliers to adhere to in order to promote legitimate, professional, sustainable and fair business practices that incorporate the principles of environmental protection, human rights, labour standards, and business ethics. Suppliers are encouraged to integrate sustainability principles into their operations in the above areas. By participating in the Group's procurement, suppliers declare that they are aware of the SCC and undertake to comply with it. In 2024, the Group (except for Tetas) implemented a supplier screening process whereby suppliers, prior to the conclusion of the contract, complete a screening questionnaire in the Group's screening system and provide information on the policies and standards they apply in their operations regarding the issues specified in SCC. The information collected is analysed to help suppliers identify areas in their business processes for improvement.

In 2025, the questionnaires were sent to ~80% of suppliers. ~63% of the suppliers voluntarily responded to the questionnaire and provided details on their activities. It should be noted that completion of the questionnaire will become mandatory starting in Q2 2026.

Performance of contracts

The Group applies a harmonised Contract Management and Control Process which allows contract performance issues to be dealt with in the most efficient way, ensuring consistency in decisions, equivalence of suppliers and overall management of the contract list, by identifying critical contracts, potential risks etc. It should be also noted that:

- the provisions of contracts with suppliers require maintaining compliance with SCC during the contract performance;
- the contracts provide for contract performance mechanisms, including fines, default interest and bank guarantees;
- the contracts include provisions regarding environmental, social and governance requirements.

International and national sanctions

The Group adheres to the systematic implementation of international sanctions. In all ongoing procurements, the suppliers contracts are planned to be concluded are screened for the applicability of sanctions. Where such a fact is established, contracts are be concluded or are terminated if the fact comes to light during the performance of the contract.

As part of national security policy, the Group avoids awarding and performing procurement contracts with suppliers having links to hostile states or territories:

- the Group companies important for ensuring national security or companies managing critical infrastructure or information systems are subject to additional requirements for the purchase of hardware, software, maintenance or support services.
- The Group aims to reduce its dependence on manufacturers and suppliers of products that do not meet the criteria for the European and transatlantic integration, i.e., are not established or registered in the Member States of the European Union, the North Atlantic Treaty Organisation, the European Economic Area and/or the Organisation for Economic Cooperation and Development.

SCC sets contractual duties for the supplier to:

- Zero tolerance of bribery, graft, influence peddling, money laundering, abuse of office and (or) other forms of corruption.
- Avoid engaging in any illegal agreements or arrangements that hinder fair competition, including entering into cartels with competitors, such as sharing or allocating markets or customers, or colluding on prices.
- Reducing dependence on product manufacturers and suppliers which do not meet the criteria for European and transatlantic integration, i.e. are not established or registered in the Member States of the European Union, the North Atlantic Treaty Organisation, the European Economic Area and/or the Organisation for Economic Co-operation and Development.
- Maintaining transparent, harmonious and cooperative business relationships in line with the SCC and the Anti-Corruption Policy.

SCC implementation measures

- Publicly available SCC
- Supplier confirmations of awareness and compliance
- Completion of questionnaires
- Screening information system
- Data analysis and recommendations
- Supplier events

4.17. Other policies

The Company, as other EPSO-G Group companies, are guided by common Group-wide policies governing the unified management of environmental, social and governance issues:

- Sustainability Policy
- Occupational Safety and Health policy
- Equal Opportunities Policy
- Environmental Policy
- Operational Transparency and Communication Policy
- Anti-Corruption Policy
- Recruitment Policy
- Remuneration, Performance Appraisal and Development Policy
- Procurement Policy
- Interest Management Policy
- Financial Support and Humanitarian Aid Policy
- Personal Data Protection Policy.
- Environmental Policy
- Compliance Management Policy.
- Code of Ethics
- Supplier Code of Conduct

The EPSO-G Group's policies are available here.

05

Personnel



5. Personnel

As at 31 December 2025, the Company had 25 employees (2024: 23 employees).

Energy Cells aims to create a socially progressive, sustainable organisation culture. Integral elements of this culture include the well-being and development of employees, the promotion of a culture of safe working practices, equal opportunities, the development of open and mutually trusting relationships with local communities and ensuring customer satisfaction with the services provided. Energy cells aims to become an organisation that is perceived by the majority of suppliers, producers, consumers, employees, communities and other stakeholders as a sustainable organisation.



5.1. Breakdown of employees by age group, gender and turnover

At the end of 2023, the Company had 19 employees, of which 6 were part-time and 3 were fixed-term employees. At the end of 2023, the Company had 2 female and 17 male employees, 4 employees aged under 30, 14 employees aged between 30-50 years and 1 employee aged over 50. During the entire period of activity, the Company did not have employees on parental leave. As the Company moved to the operational phase and launched consulting services in 2024, the organizational structure, employee responsibilities changed, and the need for additional employees emerged. At the end of 2024, the Company had 23 employees, of which 5 were part-time and 3 were fixed-term employees. At the end of 2024, the Company had 3 female and 20 male employees, of which 5 employees aged under 30, 17 employees aged between 30-50 years and 1 employee aged over 50. At the end of 2025, the Company had 25 employees, of which 1 was fixed-term and 5 were part-time employees. At the end of 2025, the Company had 3 female and 22 male employees, of which 3 employees aged under 30, 19 employees aged between 30-50 years and 3 employees aged over 50.

As at 31 December 2025, all Company employees had up to 5 years of service with the Company (the Company was founded in 2021).

Number of employees by age groups and gender in 2023-2025

| | Women | | | Men | | |
|------|----------------|-------------|---------------|----------------|-------------|---------------|
| | Under 30 years | 30-50 years | Over 50 years | Under 30 years | 30-50 years | Over 50 years |
| 2025 | 0 | 3 | 0 | 3 | 16 | 3 |
| 2024 | 0 | 3 | 0 | 5 | 14 | 1 |
| 2023 | 0 | 2 | 0 | 4 | 12 | 1 |

Gender distribution at top management level

| Gender distribution at top management level | | | | | | |
|---|---------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
| | 2025 | | 2024 | | 2023 | |
| | Number of employees | Share of employees, % | Number of employees | Share of employees, % | Number of employees | Share of employees, % |
| Men | 1 | 4% | 1 | 4% | 1 | 5% |
| Women | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 1 | 4% | 1 | 4% | 1 | 5% |

Comment: The Company's CEO is the term used to describe the top management.

Employee turnover

| Employee turnover | | |
|-------------------|--|--------------------------|
| | Employees resigned or dismissed* (headcount) | Employee turnover rate** |
| 2025 | 5 | 20% |
| 2024 | 1 | 4% |
| 2023 | 33 | 174%*** |

* Employees who left voluntarily or due to dismissal, retirement, or death in service (headcount) A full-time equivalent was calculated as follows: A full-time equivalent was calculated as follows: In accordance with the Labor Code of the Republic of Lithuania, the standard working week is 40 hours, and a full working day is 8 hours.

Accounting method:

** Employees who left voluntarily or due to dismissal (headcount) during the reporting period divided by the number of the **COMPANY'S EMPLOYEES** (headcount) at the end of the reporting period (as at 31 December of the current year)

*** At the end of 2023, the Company had 19 employees, and 33 employees left the Company during 2023. The high percentage of turnover is due to the fact that, according to the sustainability reporting standard, it is calculated by dividing the number of employees who left during the calendar year by the number of employees on the payroll at the end of the year, and then multiplying this figure by 100%.

In 2023, major work on the energy storage system project was completed, therefore employment contracts with employees hired for the duration of the project were terminated as planned, leading to a reduction in the number of employees. Compared to 2024, employee turnover increased in 2025 due to organisational changes and the voluntary departure of some employees.

5.2. Fostering a culture of diversity, equality and inclusion

Both the Company and the EPSO-G Group welcomes motivated candidates, without rejecting applicants solely on the grounds of disability, thereby ensuring equal opportunities and non-discrimination. This is regularly emphasised through public communication channels, including job advertisements and the Company's website.

There are a few employees in the EPSO-G Group and the Company who have disclosed a disability. There were no any need to adapt workplaces to accommodate these people, but could be adapted, if needed.

In 2025, the Diversity Charter was signed at the EPSO-G Group level. The Group companies participated in the social employment agency SOPA project "DuoDay", as well as in training sessions organised by the agency on the employment of people with disabilities. This topic will remain relevant in the years to come. The Equal Opportunities Ruler was carried out within the Company

to evaluate its current situation and, based on the recommendations received, to ensure equal opportunities in the workplace. In 2025, the Company developed an action plan to promote engagement.

Share of employees with disabilities

| | 2025 | 2024 | 2023 |
|---------------|---|---|---|
| | Share of employees with disabilities, % | Share of employees with disabilities, % | Share of employees with disabilities, % |
| All employees | 4% | 4% | no data collected |

Notes: the data are based on information provided by employees, subject to any restrictions on the collection of such information.

Energy cells aims to actively contribute to the implementation of the human rights and equal opportunities goals of the United Nations' 2030 Agenda for Sustainable Development and the equal opportunities commitments provided in national laws.

Energy Cells prohibits any form of violence, discrimination, instruction to discriminate, harassment, and sexual harassment. The Company also has a policy of zero tolerance for any form of mobbing, psychological violence, bullying or abuse of position. The Company respects and protects the rights of every employee, treats them with respect and fairness, provides safe and secure working conditions that are appropriate to their needs, promotes their personal and professional development, and does not discriminate against them.

Energy Cells allows you to report possible cases of discrimination both anonymously, especially in cases where identification is not necessary to investigate the report, as well as by disclosing your identity.

All reports received shall be recorded and must be investigated. The investigation shall be carried out within the shortest possible time, but not more than 30 calendar days from the date of receipt of the report, with the possibility of an extension of another 30 calendar days. The findings of the Commission of Inquiry are submitted to the Head of the Commission, who shall decide whether to open an investigation into the breach of labour law or to take any other measures that may be necessary. The persons concerned (the victim and the complainant) shall be informed in writing of the conclusion. Depending on the nature of the breach, the employee may be subject to disciplinary action for breach of his/her duties.

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|--|------|------|------|------|------|
| Reports received through the helpline on possible cases of discrimination, mobbing at work and human rights violations | 0 | 0 | 0 | 0 | 0 |
| Investigating reports of possible cases of discrimination, mobbing at work and human rights violations | 0 | 0 | 0 | 0 | 0 |
| Confirmed cases of discrimination, mobbing at work and human rights violations | 0 | 0 | 0 | 0 | 0 |

In 2022, Energy Cells acceded the updated EPSO-G Group Equal Opportunities Policy and, in 2023, adopted the Description of the Procedures for Setting up and Maintaining Internal Whistleblowing Channels. The policy describes possible forms of violence, discrimination, harassment and sexual harassment, how to identify and prevent them, as well as the procedures for reporting and dealing with possible inappropriate behaviour observed or actually experienced. The Procedures provide for the confidentiality of whistleblowers and victims and the protection of the whistleblower.

5.3. Employee well-being, rewards and job satisfaction

The EPSO-G Group of companies, of which Energy Cells is a part, is building an open, progressive and sustainable organisation, where there is a professional partnership between employer and employees, where every employee has the opportunity for self-fulfilment, grows with the organisation, and is able to take responsibility for his or her own decisions and actions.

Energy Cells has a remuneration policy based on the principles of responsibility and accountability. Employees' monthly remuneration is determined according to the level of the position to ensure consistency and organisational fairness in the Company and the Group, the situation on the labour market and the competence and skills of the employee in fulfilling the requirements set

for the job. Employees' monthly remuneration is determined within the remuneration range for the relevant job level, and remuneration ranges are published in the Company's internal information system and are available to all employees.

In 2025, the remuneration fund totalled EUR 1,421 thousand (2024: EUR 1,140 thousand).

Average monthly remuneration of employees by job position, EUR

| Categories of employees | Number of employees at the end of the period | | | Average monthly remuneration (including the variable pay component) (EUR) | | |
|---------------------------------|--|------|------|---|--------|-------|
| | 2025 | 2024 | 2023 | 2025 | 2024 | 2023 |
| Company's CEO | 1 | 1 | 1 | 11,558 | 11,864 | 9,974 |
| Middle and lower level managers | 3 | 4 | 3 | 7,107 | 7,077 | 5,536 |
| Experts-specialists | 21 | 18 | 15 | 4,291 | 4,533 | 3,320 |
| Total employees | 25 | 23 | 19 | 5,096 | 5,402 | 4,068 |

Average monthly remuneration of employees by gender and age (EUR)

| | Women | | Men | | | | |
|------|-------------|----------------|-------------|---------------|--------------------|---------------------------------|-------------|
| | 30-50 years | Under 30 years | 30-50 years | Over 50 years | Top level managers | Middle and first-level managers | Specialists |
| 2025 | 4,453 | 3,673 | 7,183 | 3,501 | 11,558 | 7,545 | 4,359 |
| 2024 | 4,403 | 4,024 | 6,505 | 3,355 | 11,865 | 7,661 | 4,727 |
| 2023 | 3,811 | 2,946 | 4,674 | 2,916 | 9,985 | 5,858 | 3,312 |

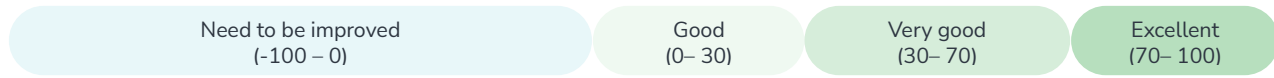
As the 30-50 years age group includes the Company's top and mid-level managers, the average remuneration of employees in this age group is higher than for employees in other age groups. As there were no women in the Company's top level positions, and there is 1 woman in a mid-level management position as of 2022, a breakdown of women's remuneration by group of positions is not provided to ensure personal data confidentiality.

Energy Cells manages its payroll budget responsibly as to ensure efficiency and optimum operating costs. Staff is paid a performance-related salary, as well as incentives for achieving challenging targets. Energy Cells also provides employees with additional non-financial incentives: (i) supplemental health care cover, (ii) flexible work schedules, (iii) 4 days leave at the average wage in addition to the standard 20 days annual leave, (iv) 3rd pillar pension savings, where contributions to a pension fund of the employee's choice are paid by the employer, (v) accessibility to the discount platform, and (vi) social benefits in specific life situations of employees, (vii) reimbursement of vaccination against seasonal diseases, e.g. influenza, tick-borne encephalitis, and ensures strict compliance with occupational health and safety requirements. Various communications for employees on healthy lifestyles and physical activity are delivered, both directly and remotely, allowing them to access the records at their convenience.

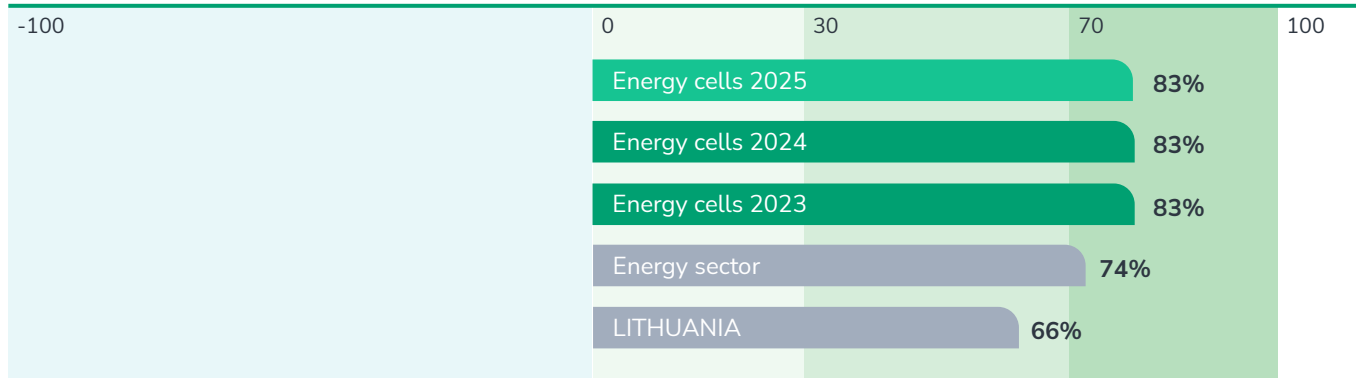
Energy Cells also organises team building and professional development training on diversity, equal opportunities and inclusion, as well as sustainability training, and encourages employees to participate in social initiatives (e.g. the forest planting, weaving camouflage nets for Ukrainian soldiers in cooperation with Vilnius Vorai) and external events (e.g. visits to the Group's companies and other special-purpose energy facilities).

Each year, the Company, as other EPSO-G Group companies, measures employee loyalty (Employer Net Promoter Score, eNPS), engagement and empowerment. The eNPS measures the number of employees willing to recommend their employer and believe that the employer meets their image of the best employer. Employee engagement measures the number of employees who are

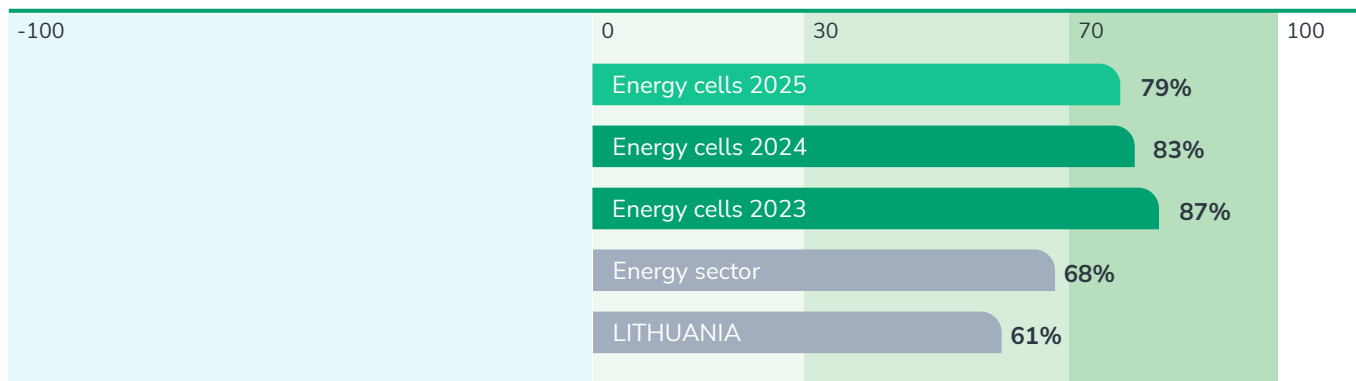
motivated at work, satisfied with the content of the job and willing to go beyond what is formally expected. Employee empowerment measures the number of employees who believe they have all the necessary authority and tools to make decisions within the scope of their job. These indicators have remained high at the Company since 2022. In 2025, the number of training hours also increased, driven by the EPSO-G Group’s internal training offerings as well as changes in the number of employees and their responsibilities.



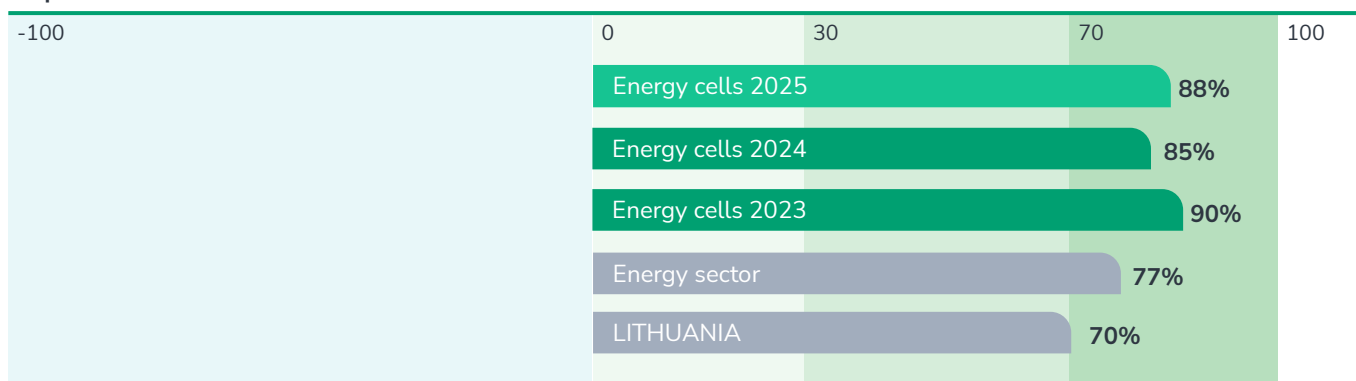
Work engagement:



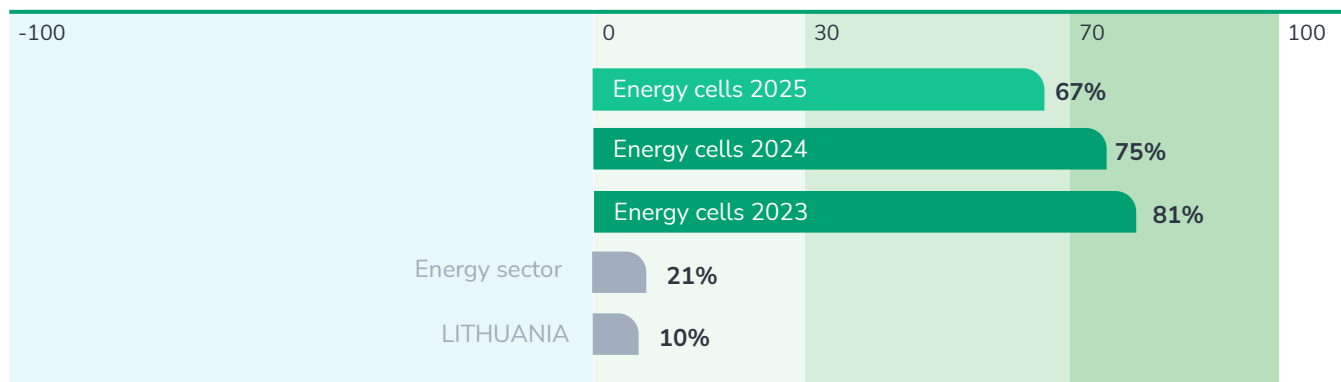
Job satisfaction:



Empowerment:



eNPS:



The survey was conducted by Addelse.

Energy Cells does not have a Works Council. In November 2024, the Company formed the Works Council Election Panel and launched the process of electing Works Council members. In January 2025, a Works Council consisting of three members (three men) started operating at the Company. Due to the size of the Company, all employees have direct contact with the Company's management and the opportunity to express their expectations on working conditions, work organisation and other concerns.

5.4. Professional development for staff

Seeking to retain prominent professionals in their fields and maintain their level of professional competence, the Company pays particular attention to the employee learning and development, as well as for upskilling required for effective performance. Employee individual development activities are planned consistently in line with the Company's strategy, values, performance appraisal, competency model in use, shift planning and assessment of professional and technical skills.

The Company encourages employees to develop and improve their skills, provides opportunities to acquire new professional, leadership, and general competencies required for their roles, while also anticipating future competency. In 2025, the Company joined a leadership training programme developed and implemented by the Group based on competence levels. Employees were invited to participate in in-person and remote training sessions, choosing from a training catalogue prepared by the Group. The program will continue in the coming years.

As in every year, in 2025, the Company's employees developed their skills by participating in internal and external training sessions, conferences, seminars and team-building workshops based on the knowledge and competencies required for their respective positions.

In 2025, following the guidelines of the Group's succession planning program, the Company developed a succession and training plan for management and critical positions, which contributes to the development and maintenance of the competencies that are important to the Company and essential for its employees. Based on the assessment of the competencies of management and critical positions, development plans were drawn up and discussed with employees, and approved during the annual performance review. This objective is also subject to a periodic assessment during the year.

The performance of Energy Cells' employees is evaluated once a year against pre-set targets. The Company also conducts interim performance evaluations of the individual phases of the Battery Energy Storage System project, along with performance and career review meetings.

Percentage of employees that participated in regular performance and career development reviews

| | 2025 | 2024 | 2023 | 2022 |
|---|------|------|------|------|
| Share of employees that participated in regular performance and career development reviews, % | | | | |
| All employees | 100% | 100% | 100% | 100% |
| Men | 100% | 100% | 100% | 100% |
| Women | 100% | 100% | 100% | 100% |

Average number of training hours per employee and by gender

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|------|------|-------|------|------|
| Average number of training hours per employee | | | | | |
| All employees | 64 | 46 | 52.42 | 6.5 | 6.3 |
| Men | 65 | 28 | 54.06 | 2.9 | 5.1 |
| Women | 59 | 30 | 38.5 | 55 | 9.8 |

Comment: "Average number of training hours per employee and by gender" refers to the number of hours of actual (completed) and training. Training was held in person and/or remotely.

5.5. Occupational health and safety

One of the key strengths of the EPSO-G Group as a whole and of each of its companies, including Energy cells, is its experienced and competent workforce, whose safe working environment, well-being and health are a prerequisite for the achievement of the strategies and objectives of EPSO-G and of its companies, including Energy Cells, and for the maintenance of an excellent business reputation.

The Occupational Safety and Health Policy adopted by EPSO-G's Board of Directors, to which Energy Cells acceded and which applies to all the Group's companies, sets out the objective of providing employees with safe and healthy working conditions in their workplaces, to prevent work-related injuries and occupational diseases, and to create a company-wide culture of fostering safe and healthy working environments, with the obligation for each employee to strive for, and to make a contribution towards achieving this.

There were no serious and/or fatal accidents involving the Company's employees in 2021-2024.

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|--------|--------|--------|--------|--------|
| The number of fatalities as a result of work-related injuries and work-related ill health | 0 | 0 | 0 | 0 | 0 |
| The number of reportable work-related accidents | 0 | 0 | 0 | 0 | 0 |
| Total actual hours worked by all employees per year | 42,786 | 32,712 | 37,307 | 27,689 | 13,873 |
| The rate of reportable work-related fatalities and accidents per 1,000,000 hours worked | 0 | 0 | 0 | 0 | 0 |

06

Information on Sustainability Matters



6. Information on Sustainability Matters

The relevant sustainability information of Energy Cells UAB is presented in the integrated annual report of the group of companies of EPSO-G UAB, registered address Laisvės ave. 10, 04215 Vilnius. The integrated annual report, which includes the Consolidated Sustainability Report and the assurance opinion on sustainability reporting, is available on website at www.epsog.lt. Energy Cells UAB is a subsidiary whose sustainability information is included in the EPSO-G UAB's Consolidated Sustainability Report, therefore, in accordance with Article 23(1)(1) of the Law on the Reporting of Undertakings and Groups of Undertakings of the Republic of Lithuania, qualifies for not reporting the sustainability information specified in the Law on the Reporting of Undertakings and Groups of Undertakings of the Republic of Lithuania. The EPSO-G UAB's Consolidated Sustainability Report presents the sustainability information of EPSO-G UAB and its subsidiaries, including Energy Cells UAB. The Group's Sustainability Report has been prepared in accordance with the Corporate Sustainability Reporting Directive, and the information disclosed complies with the European Sustainability Reporting Standards. The disclosures are based on a double materiality assessment, which identifies Group-level material impacts, risks, and opportunities related to sustainability. The Group Sustainability Report has been prepared on a consolidated basis, aligning with the scope of the financial statements for 2025.

The EPSO-G's Consolidated Management Report is available on EPSO-G's website, in section "Objectives and Accountability", at <https://www.epsog.lt/en/reports/financial-reports>.

07

Financial Statements for 2025 and Independent Auditor's Report





Translation note: This version of the report is a translation from the original, which was prepared in Lithuanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the document takes precedence over this translation

Independent auditor's report

To the shareholder of Energy cells, UAB

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of Energy cells, UAB (the "Company") as at 31 December 2025, and of the Company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

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

Uždaroji akcinė bendrovė „PricewaterhouseCoopers“

Company code 111473315
Lvivo st. 21-101, LT-09309 Vilnius, Lithuania
Registered with the Register of Legal Entities of the Republic of Lithuania
+370 (5) 239 2300, lt_vilnius@pwc.com

Independence

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

Reporting on other information including the management report

Management is responsible for the other information. The other information comprises the management report (but does not include the financial statements and our auditor's report thereon).

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

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

With respect to the management report, we considered whether the management report includes the disclosures required by the Law of the Republic of Lithuania on Reporting by Undertakings and by Groups of Undertakings.

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

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

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the management report. We have nothing to report in this regard.

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

On behalf of Uždaroji akcinė bendrovė „PricewaterhouseCoopers”

Rasa Radzevičienė

Partner

Auditor's Certificate No.000377

Vilnius, Republic of Lithuania

27 February 2026

Original report is signed in Lithuanian language.

7. Financial Statements

7.1. Statement of financial position

| | Notes | As at 31 December 2025 | As at 31 December 2024 |
|-------------------------------------|--|------------------------|------------------------|
| Assets | | | |
| A | Non-current assets | 15,114,678 | 16,022,700 |
| I | Intangible assets | 130,486 | 201,618 |
| II | Property, plant and equipment | 14,690,044 | 15,646,456 |
| III | Right-of-use assets | 122,463 | 147,952 |
| IV | Deferred tax asset | 128,240 | 16,940 |
| V | Receivables after one year | 43,445 | 9,734 |
| B | Current assets | 5,485,678 | 2,137,538 |
| I | Prepayments | 143,042 | 104,434 |
| II | Trade receivables | 755,809 | 906,111 |
| III | Other amounts receivable | 974,725 | 496 |
| VI | Prepaid income tax | 459,083 | - |
| V | Loans granted | 3,083,392 | - |
| VI | Cash and cash equivalents | 69,627 | 1,126,497 |
| Total assets | | 20,600,356 | 18,160,238 |
| Equity and liabilities | | | |
| C | Equity | 11,741,586 | 3,371,043 |
| I | Issued capital | 126,000 | 126,000 |
| II | Share premium | 1,434,944 | 1,434,944 |
| III | Reserves | 1,459,694 | 26,938 |
| III 1 | Legal reserve | 12,600 | 12,600 |
| III 2 | Other reserves | 1,447,094 | 14,338 |
| IV | Retained earnings | 8,720,948 | 1,783,161 |
| D | Payables and liabilities | 8,858,770 | 14,789,195 |
| I | Non-current liabilities | 80,260 | 101,063 |
| I 1 | Lease liabilities | 80,260 | 101,063 |
| II | Current liabilities | 8,778,510 | 14,688,132 |
| II 1 | Current borrowings | - | 1,397,547 |
| II 2 | Current portion of finance lease liabilities | 43,999 | 39,758 |
| II 3 | Trade payables | 5,861,343 | 1,753,221 |
| II 4 | Income tax liabilities | - | 222,281 |
| II 5 | Provisions | 730,150 | 9,038,390 |
| II 6 | Other payables and current liabilities | 2,143,018 | 2,236,935 |
| Total equity and liabilities | | 20,600,356 | 18,160,238 |

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

7.2. Statement of comprehensive income

| | Notes | 2025 | 2024 |
|--|-------|--------------------|--------------------|
| Revenue | | | |
| Revenue from contracts with customers | 17 | 7,505,423 | 7,476,793 |
| Other income | 18 | 6,776,411 | 1,700,710 |
| Total revenue and other income | | 14,281,834 | 9,177,503 |
| Expenses | | | |
| Expenses for purchase of balancing and imbalance electricity | | (13,768) | (162,407) |
| Expenses for electricity technological needs | | (913,744) | (1,076,757) |
| Wages and salaries and related expenses | | (1,490,689) | (1,181,950) |
| Consultation service expenses | | (334,098) | (418,682) |
| Technical maintenance expenses | | (1,417,315) | (1,782,356) |
| Other expenses | 19 | (586,003) | (436,624) |
| Total expenses | | (4,755,617) | (5,058,776) |
| EBITDA | | 9,526,217 | 4,118,727 |
| Depreciation and amortisation | 4,5,6 | (1,147,925) | (1,135,196) |
| Operating profit (EBIT) | | 8,378,292 | 2,983,531 |
| Finance income | | 28,549 | - |
| Finance costs | | (23,322) | (498,044) |
| Total finance costs, net | 20 | 5,227 | (498,044) |
| Profit (loss) before income tax | | 8,383,519 | 2,485,487 |
| Income tax | | | |
| Current year income tax income/(expenses) | 13 | 226,129 | (233,824) |
| Deferred income tax benefit (expenses) | 13 | 111,300 | (118,613) |
| Total income tax | | 337,429 | (352,437) |
| Net profit | | 8,720,948 | 2,133,050 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 8,720,948 | 2,133,050 |

Definitions of additional indicators used in the statement of comprehensive income are presented in Note 2. The accompanying notes form an integral part of these financial statements.

7.3. Statement of changes in equity

| | Notes | Issued capital | Share premium | Legal reserve | Other reserves | Retained earnings (deficit) | Total equity |
|--|----------|----------------|------------------|---------------|------------------|-----------------------------|-------------------|
| Balance at 31 December 2023 | | 126,000 | 1,434,944 | - | | (206,505) | 1,354,439 |
| Profit for the period | | | | | | 2,133,050 | 2,133,050 |
| Total comprehensive income for the period: | | | | | | 2,133,050 | 2,133,050 |
| Transfers to reserves | | | | 12,600 | 14,338 | (26,938) | - |
| Dividends | | | | | | (116,446) | (116,446) |
| Total transactions with the Company's shareholder recognised directly in equity | | | | 12,600 | 14,338 | (143,384) | (116,446) |
| Balance as at 31 December 2024 | 9 | 126,000 | 1,434,944 | 12,600 | 14,338 | 1,783,161 | 3,371,043 |
| Profit for the period | | | | | | 8,720,948 | 8,720,948 |
| Total comprehensive income for the period: | | | | | | 8,720,948 | 8,720,948 |
| Transfers to reserves | 10 | | | | 1,432,756 | (1,432,756) | - |
| Dividends | | | | | | (350,405) | (350,405) |
| Total transactions with the Company's shareholder recognised directly in equity | | | | | 1,432,756 | (1,783,161) | (350,405) |
| Balance as at 31 December 2025 | 9 | 126,000 | 1,434,944 | 12,600 | 1,447,094 | 8,720,948 | 11,741,586 |

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

7.4. Statement of cash flows

| | Notes | 2025 | 2024 |
|--|-------|--------------------|---------------------|
| Operating activities | | | |
| Profit (loss) for the period | | 8,720,948 | 2,133,050 |
| Reversal of non-monetary expenses (income): | | | |
| Depreciation and amortisation expenses | 4,5,6 | 1,147,925 | 1,135,196 |
| Income tax expense (benefit) | 12 | (337,429) | 352,437 |
| Elimination of results of financing activities | 20 | (5,227) | 498,044 |
| Provisions used | 14 | (6,859,710) | - |
| | | (6,054,441) | 1,985,677 |
| Changes in working capital: | | | |
| (Increase) decrease in receivables | | (1,000,072) | 96,456 |
| (Increase) decrease in prepayments | | (38,608) | (33,266) |
| Increase (decrease) in payables | | 5,082,190 | 1,382,139 |
| Settlement of obligation for provisions | 14 | (1,964,580) | - |
| Income tax paid | 13 | (455,235) | (11,543) |
| Effect of changes in working capital: | | 1,623,695 | 1,433,786 |
| Net cash flows from operating activities | | 4,290,202 | 5,552,513 |
| Investing activities | | | |
| (Acquisition) of property, plant and equipment and intangible assets | 4,5,6 | (475,908) | (1,659,248) |
| Grants received | | - | 10,218,963 |
| Loans (granted) to Group companies | 8 | (3,083,392) | - |
| Interest received | 20 | 28,549 | - |
| Net cash flows used in investing activities | | (3,530,751) | 8,559,715 |
| Cash flows from financing activities | | | |
| Loans repaid to Group companies | | (1,397,547) | (13,742,580) |
| Lease payments | | (45,047) | (39,947) |
| Interest paid | 20 | (23,322) | (498,044) |
| Dividends paid | | (350,405) | (116,446) |
| Cash flows from/used in financing activities | | (1,816,321) | (14,397,017) |
| Increase (decrease) in cash and cash equivalents | | (1,056,870) | (284,789) |
| Cash and cash equivalents at the beginning of the year | | 1,126,497 | 1,411,286 |
| Cash and cash equivalents at the end of the period | | 69,627 | 1,126,497 |

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

7.5. Notes to the financial statements

1. General information

Energy Cells UAB (hereinafter the “Company”) is a private limited liability company registered in the Republic of Lithuania, in the Register of Legal Entities on 26 January 2021. The Company’s office is located at address: Ozo st. 12A-1, LT- 08200 Vilnius, the Republic of Lithuania. Company code 305689545, VAT payer’s code LT100013813219.

An energy storage system operator Energy Cells is a designated storage system operator designated by Decision [No 590](#) of the Government of the Republic of Lithuania of 28 July 2021. The principal role of Energy Cells is to ensure the provision of the isolated operation reserve service to Litgrid, the transmission system operator, which creates the conditions for reliable, stable and user-friendly operation of the Lithuanian power system until the completion of the CEN synchronisation project. Energy Cells provides this service at a full planned capacity of 200 MW from October 2023.

Energy Cells manages system of battery energy storage system consisting of four battery farms with an equal capacity of 50 MW and power of 50 MWh each in Vilnius, Šiauliai, Alytus and Utena districts. The operation of the system consisting of four battery parks is monitored without interruption (24/7) from a control centre in Vilnius. In the event of disruptions in the transmission system network, the battery energy storage system can automatically, within 1 second, respond to the transmission system operator Litgrid’s need to ensure the security and stability of the electricity system by injecting or withdrawing power into or out of the network, thereby helping to regulate the frequency of the transmission system’s network. Once activated, the instant power reserve (i.e isolated operation reserve) service would continue to be available until facilities of other market participants that are capable of providing the service are ready to respond.

Concerning the pricing of the isolated operation reserve service, it should be noted that by decision No O3E-1744 Of NERC of 26 November 2025, based on NERC’s certificate No O5E-1397 of 24 November 2025 On Setting the Price Cap for the Isolated Power System Operation Reserve Service of Energy Cells UAB for 2026, in 2026, NERC approved the permitted revenue level of EUR 6.52 million and the price cap for the isolated power system operation reserve service of 3.72 Eur/MW/h (excl. VAT). In 2025, the level of allowed revenue and the price cap were set at EUR 7.31 million and EUR 4.17/MW/hour (excluding VAT), respectively. Consequently, the price of EUR 3.72/MW/hour (excluding VAT) for isolated operation reserve service is applied from 1 January 2026, which is in line with the adjusted price cap for the Energy Cells’s isolated operation reserve service approved by NERC in November 2025, which is EUR 3.72/MW/hour (excluding VAT). This price is approximately 10.8% lower than the price set for 2025. The decrease in the permitted revenue level and price was primarily influenced by Energy Cells’ revenue from providing isolated operation reserve service, which was EUR 0.74 million higher in 2024 (compared to the price cap set by NERC for 2024) due to the recognition of grants, which were eliminated from the permitted revenue level for 2026. The prices (price forecasts) of the isolated operation reserve service for 2023-2026 were and are included in the acquisition component of Litgrid’s ancillary services to the Transmission Service Price approved by NERC for 2023-2026.

In line with the Law on Interconnection of the Electricity System of the Republic of Lithuania with the continental European networks for Operation in Synchronous Mode of the Republic of Lithuania (hereinafter the “Lithuanian Law on Synchronisation”) Energy Cells additionally:

- can provide other non-frequency regulation ancillary services necessary to ensure the security of the Lithuanian Energy System (LES), when Litgrid, a transmission system operator, is unable to purchase such services from electricity market participants;
- must enable Litgrid, a transmission system operator, to carry out the function of reducing the cost of technological losses (which is the functionality of the Battery Energy Storage System);
- has the right to provide (energy system) balancing services during the period specified in the Law on Electricity of the Republic of Lithuania (hereinafter the “Law on Electricity”), i.e. for a maximum of three years from the date of the interconnection of the electricity system of the Republic of Lithuania with the continental European networks for operation in synchronous mode (this period may be extended, in agreement with the European Commission, for a maximum of five years if necessary to ensure the security of electricity supply) (details are given below);
- has the right to carry out other activities for which the battery energy storage system operated by the designated storage system operator is not used.

Following the entry into force of the amendments to the Law on Electricity and the Lithuanian Law on Synchronisation on 17 January 2025, adopted by the Lithuanian Parliament (Seimas) on 19 December 2024, and after finalising the synchronisation

with the Continental European networks, since 10 February 2025, Litgrid has the ability to purchase a part of the balancing services necessary for the management of the electricity transmission system from the storage system operator Energy Cells for a limited period. On 30 January 2025, the European Commission adopted a decision, enabling Energy Cells to provide balancing services for a limited period of time, and, on 30 January 2025, NERC adopted a decision on coordination of the isolated operation reserve purchase/sale agreement (its terms and conditions) between Litgrid and Energy Cells. These decisions enabled Litgrid to purchase a part of the balancing services from Energy Cells on a temporary basis, until the market is able to offer a sufficient supply of balancing services. The agreement provided that Energy Cells will provide 40 MW of aFRR balancing capacity in 2025 and will participate in the balancing energy (aFRR) market, where its bid will be placed at the end of the auction, i.e. Energy Cell's batteries are only activated when these services cannot be provided by other market participants. Accordingly, from 10 February 2025 (following the actual technical synchronisation of the Baltic countries' electricity systems with the CEN on 9 February 2025, to which Energy Cells contributed significantly, 2025-02-08/09 by successfully participating in the isolated operation test of the Baltic electricity systems with BESS), until the end of 2025, Energy Cells successfully provided up to 40 MW of balancing services to the electricity transmission system operator Litgrid under the isolated operation reserve purchase and sale agreement signed between Energy Cells and Litgrid on 7 February 2025.

Litgrid, having assessed that there are not enough participants in the market capable of providing balancing services properly, on time and at a reasonable price, at the end of 2025, initiated the extension of the purchase of balancing services with a capacity of up to 40 MW from DSSO until 31 December 2026. Accordingly, Annex 5 to the isolated operation reserve purchase and sale agreement (on the principles and conditions for the use of Energy Cells facilities for the provision of balancing services) was amended on 29 December 2025 by a resolution of NERC²⁰ and the relevant amendments to Annex 5 of the agreement were signed between DSSO and Litgrid on 29 December 2025. According to NERC, the amendments to the agreement will allow for a more effective assessment of the supply of suppliers in the balancing market – Annex 5 provides for three mandatory market assessments to be carried out by Litgrid in 2026, which, if they show that there is sufficient supply in the Baltic balancing capacity market, balancing services from DSSO will be discontinued. It is also provided that NERC has the right to perform the same market assessment at any time. Taking into account the results of the assessment of the sufficiency of supply in the Baltic balancing capacity market, the scope of DSSO's aFRR services (which, according to Annex 5, will reach up to 40 MW in 2026) may be gradually reduced in 2026 until these services are completely discontinued. The updated price calculation formula will also ensure more competitive service prices, as the previously applicable single price limit for the entire year will now be calculated on a monthly basis, taking into account the previous month's local aFRR price data for the Baltic countries.

Accordingly, the provision of balancing services in accordance with the aforementioned amendments to Annex 5 of the isolated operation reserve purchase and sale agreement continues from the beginning of 2026 and will continue until the end of 2026 or until there are enough participants in the market who can provide such services properly, on time and at a reasonable price.

In accordance with the provisions of the aforementioned agreement, the portion of Energy Cells' balancing service revenue that exceeds Energy Cells' balancing service costs (including the permissible return on investment, calculated the principles set out in the description of the Energy Cells regulatory accounting system, as agreed with NERC), is returned to Litgrid. In other words, the general principles applicable to regulated energy activities (companies) apply to Energy Cells' balancing services.

After signing the agreement with the Central Project Management Agency (CPMA) in Q2 2022, Energy Cells has been granted EUR 87.6 million to install the energy storage facility system under the main "NextGenerationEU" plan of the EU's Recovery and Resilience Facility (RRF) "Next Generation Lithuania". In September 2024, Energy Cell closed the procedures related to the financial part and funding of the Europe's largest battery energy storage system. The project for a 200 MW system to ensure the security of Lithuania's energy system is valued at EUR 96.3 million. This amount is around EUR 8.9 million less than Energy Cells had planned at the start of the project. In 2024, the European Commission (EC) has also confirmed, through its evaluation of the reports and audits, that Energy Cells has implemented the project properly and that all the project's indicators have been met. For its part, CPMA, which administers the funding, has confirmed and granted EUR 79.5 million (82.6% of the project value) in funding with RRF.

²⁰ NERC's Resolution No O3E-1948 of 29 December 2025 is available [here](#).

The Lithuanian Law on Synchronisation provides for that the provision of the isolated power system operation reserve service, the performance of the function of reducing the cost of technological losses of the transmission system operator, and the provision of other non-frequency regulation ancillary services necessary to ensure the security of the Lithuanian Energy System (LES), other than related to frequency regulation, aimed at the implementation of the objectives of the Lithuanian Law on Synchronisation, when a transmission system operator is unable to purchase such services from electricity market participants and/or the provision of balancing services is terminated upon the entry into force of the Government's resolution on the revocation of the designation of the designated storage system operator. The Government's resolution on the revocation of the designation of the designated storage system operator shall be adopted upon the recommendation of the Ministry of Energy of the Republic of Lithuania, when the implementation of the electricity system synchronisation project is completed and the Ministry of Energy of the Republic of Lithuania evaluates the conclusion received from the transmission system operator on the completion of the electricity system synchronisation project. After completion of the synchronization project, and in the line with the Lithuanian Law on Synchronisation, the battery parks will be available for transfer to market players (entity/s) meeting national security and other government requirements to provide other services to and contribute to the integration of energy produced from renewable energy sources (RES).

As at 31 December 2025 and 2024, the Company's share capital amounted to EUR 126,000, and it was divided into 126,000 ordinary registered shares with par value of EUR 1 each. All the shares have been fully paid.

At the end of the year, the Company's shareholder structure was as follows:

| | As at 31 December 2025 | | As at 31 December 2024 | |
|------------|------------------------|-----|------------------------|-----|
| | Number of shares held | % | Number of shares held | % |
| EPSO-G UAB | 126,000 | 100 | 126,000 | 100 |

The Republic of Lithuania is a sole shareholder of EPSO-G UAB (the rights and obligations of the shareholder are exercised by the Ministry of Energy of the Republic of Lithuania).

As at 31 December 2025, the Company had 25 employees (as at 31 December 2024, 23 employees).

2. Accounting policies

The Company's financial statements for the year ended 31 December 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

These financial statements have been prepared on a historical cost basis, except for property, plant and equipment which is recorded at revalued amount, less accumulated depreciation and estimated impairment loss.

The Company's financial year coincides with the calendar year.

Amounts in these financial statements are presented in euros (EUR), unless otherwise stated.

Alternative financial indicators used in the statement of comprehensive income

The Company presented alternative financial ratios of EBITDA and EBIT in the statement of comprehensive income, as the Company believes that these financial ratios provide valuable information to the Company's management and stakeholders in making operational decisions. These financial ratios are not a substitute for the mandatory items in the statement of comprehensive income as defined by IFRS, but are presented in addition to the required information. EBITDA is profit before interest, taxes, depreciation and amortisation, loss on revaluation, impairment and write-off of property, plant and equipment. EBIT is operating profit before interest, taxes and passive income from investment activities. EBIT measures the operating profit of the Company, by ignoring finance expenses.

The Company's management approved these financial statements on 27 February 2026. The shareholder of the Company has a statutory right not to approve these financial statements and require that the management prepares a new set of financial statements.

Basis of preparation

The accounting policies adopted in the preparation of these financial statements have taken into consideration the requirements of IFRSs and their interpretations effective for 2025 and later periods:

(a) Adoption of new and/or amended IFRSs and interpretations of the International Financial Reporting Interpretations Committee (IFRIC)

For the year ended 31 December 2025 the Company for the first time have been adopted these IFRS and their amendments and IFRIC:

Amendments to IAS 21 Lack of Exchangeability (issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences.

Based on the Company's assessment, these amendments do not have significant impact on the financial statements.

(b) Standards, amendments and interpretations endorsed by the European Union on 1 January 2026, but have not been early adopted by the Company:

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

Based on the Company's assessment, these amendments do not have significant impact on the financial statements.

Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (issued on 18 December 2024 and effective for annual periods beginning on or after 1 January 2026). The IASB issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB issued the related amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments. Disclosure*. The targeted amendments include: (a) clarifying the application of the 'own-use' requirements; (b) permitting hedge accounting if these contracts are used as hedging instruments; and (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Based on the Company's assessment, these amendments do not have significant impact on the financial statements.

(c) Standards, amendments and interpretations that have not been endorsed by the European Union and early adopted by the Company:

IFRS 18 Presentation and Disclosures in Financial Statements (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures);
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

The Company's management is currently assessing the impact of these amendments on the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027). The IASB issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. Subsidiaries using IFRS Accounting Standards for their own financial statements provide disclosures that maybe disproportionate to the information needs of their users. IFRS 19 will resolve these challenges by: enabling subsidiaries to keep only one set of accounting records—to meet the needs of both their parent company and the users of their financial statements; and

- reducing disclosure requirements—IFRS 19 permits reduced disclosures better suited to the needs of the users of their financial statements.

Based on the Company's assessment, these amendments do not have significant impact on the financial statements.

Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025 and effective from 1 January 2027).

In August 2025, IASB issued amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures, which help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically: IFRS 18 Presentation and Disclosure in Financial Statements; Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12); Lack of Exchangeability (Amendments to IAS 21); and Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable.

Based on the Company's assessment, these amendments do not have significant impact on the financial statements.

Intangible assets

Intangible assets are measured initially at acquisition cost. Intangible assets are recognised if it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. Subsequently, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised on a straight-line basis over the estimated useful lives. The useful lives of assets are reviewed at each reporting date and, if necessary, adjusted.

The Company applies the following useful lives to its non-current intangible assets:

| Category of intangible assets | Useful life (years) |
|-------------------------------|---------------------|
| Software | 4 |
| Other intangible assets | 4 |

Maintenance and subsequent costs related to intangible assets are expensed during the period when expenditure is incurred.

Property, plant and equipment

Property, plant and equipment are stated at revalued amount, less accumulated depreciation and impairment. Property, plant and equipment are subject to periodic revaluation that is performed at least every 5 years to ensure that their carrying amount does not significantly differ from their fair value at the end of the reporting period.

Depreciation of assets is calculated using the straight-line method to write down their cost or revalued amounts to their residual values over their estimated useful lives as follows:

| Group of non-current assets | Useful life (years) |
|-----------------------------|---------------------|
| Buildings | 10-35 |
| Structures and equipment | 35-55 |
| Plant and machinery | 8-35 |
| Other PP&E | 3-10 |

The useful lives, residual values and depreciation method are reviewed annually to ensure that they are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Impairment of non-financial assets

Amortised and depreciated assets are reviewed with a view of determining their impairment, if certain events or changes in circumstances indicate that the carrying amount of assets may be unrecoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Financial assets

Expected credit losses

Credit losses incurred by the Company are calculated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument, including cash flows from the collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses represent the weighted average credit loss rate based on the relevant default risk (probability).

The expected credit losses for loans and trade receivables are assessed based on the individual basis. The Company's management decides on the performance of the assessment on an individual basis reflecting the possibility of obtaining information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling making judgement on the recognition of lifetime expected credit losses in respect of that particular borrower.

The expected credit losses for loans and trade receivables are recognised at the time of recognition of amounts receivable.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

1. significant financial difficulties for the debtor;
2. breach of contract, such as late payment of instalments or full amount of debt;
3. a concession granted to the borrower due to economic or contractual reasons relating to the borrower's financial difficulties, which otherwise would not be granted by the lender;
4. increased likelihood of bankruptcy or other financial reorganisation of the debtor;
5. active market no longer exists for financial assets as a result of financial difficulties;
6. financial assets are purchased or granted at a deep discount that reflects the incurred credit losses.

The combined effect of several events that may occur simultaneously or subsequently throughout the term of the agreement on the financial assets may have caused financial assets to become credit-impaired.

The lifetime expected credit losses of loans receivable and trade receivables are recognised in profit or loss through the contrary account of doubtful receivables.

The Company derecognises loans receivable and trade receivables when it loses the right to receive contractual cash flows from financial assets.

Cash and cash equivalents

Cash includes cash at bank and cash in transit. Cash equivalents represent short-term highly liquid investments easily convertible to a known amount of cash. The original term of such investments does not exceed three months and the risk of changes in value is quite insignificant. Bank overdrafts and withdrawn amount of the Group credit limit are recognised in the statement of financial position as current borrowings.

Grants

Grants represent financial and material support provided by the government and the European Union for the specific purpose. Gratuitous assets are also classified as grants.

Grants are recognised when the Company complies with all the conditions attached to the grants, as set out in the respective grant agreement, and when there is a reasonable assurance that the grant will be received.

Grants may be of two types:

1. grants related to assets;
2. grants related to income.

Government grants or grants received from the EU in a form of non-current assets or intended for purchase of non-current assets are considered as grants related to assets.

At the Company level, grants are recognised by deducting them from the asset's carrying amount. For the purpose of the statement of profit or loss and other comprehensive income, grants are recognised over the useful life of the related asset as a deduction from depreciation expenses.

Accumulated grants receivable are classified as other receivables when, according to the agreement, the European Commission undertakes a commitment to fund strategic projects and there is strong evidence that the funding will be received.

Grants received as a compensation for the expenses or unearned income in the current or previous reporting periods, also all grants other than grants related to assets, are considered as grants related to income. Income-related grants are recognised as used in parts to the extent of expenses incurred during the reporting period or there is a reasonable assurance that the grant will be received to compensate expenses incurred in previous periods.

For the purpose of the statement of comprehensive income, income-related grants are recognised when related costs are incurred, for which the grant was intended to compensate, by adding them to other income. If no connection can be established between the grants and incurred costs or deferred expenses, they are recognised as income during the period they are received or when the Company meets all the conditions attached to grants, as established in the respective grant agreement, and there is a reasonable assurance that the grant will be received.

Lease

Initial measurement of lease liability

The amount of the initial measurement of lease liability is calculated as the present value of lease payments not paid at the commencement date.

The lease payments are discounted using the incremental borrowing rate. The incremental borrowing rate is determined by the rate at which the Company would be able to borrow funds for the purpose of acquiring certain assets for a respective period.

Subsequent measurement of lease liability

Subsequent to initial recognition, changes in the value of the Company's lease liability are reflected by:
increasing the value of the liability by the amount of interest charged;
reducing the carrying amount by the lease payments made;
remeasuring the liability for lease modifications or revised payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The periodic interest rate is the discount rate or, if applicable, the revised discount rate.

Right-of-use assets

Right-of-use assets are assets that the Company has the right to manage during the lease term. The Company recognises right-of-use assets for all types of leases, including the lease of a right-of-use asset in case of sublease, but excluding leases of intangible assets, short-term leases and leases of low value assets.

Initial measurement of right-of-use assets

At the commencement date, the Company measures right-of-use assets at cost, which consists of: the present value of the initial measurement of the lease liability, initial costs incurred directly attributable to the underlying asset, any lease payments at the commencement date, less any lease incentives.

Subsequent measurement of right-of-use assets

After the initial recognition, the Company applies a cost method for right-of-use assets: the carrying amount of the asset at the respective date is calculated as the difference between the acquisition cost and the accumulated depreciation, plus any subsequent adjustments for the remeasurement of lease liability.

The calculation of depreciation of right-of-use assets is started from the date on which the assets are transferred for the use (the commencement date) until the earlier of these dates: the end of the lease term and the end of the useful life.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are recognised for an estimated amount of expenses necessary for the settlement of the obligation ('expected value'). Where the effect of the time value of money is material, the amount of a provision is discounted using a pre-tax effective interest rate that, if necessary, reflects the risks specific to the liability. Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as borrowing cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the changes in circumstances. If the amount of the provision is discounted, the amount reversed at each reporting period is equal to the discounting effect (interest expenses). If circumstance change and the provision is no longer necessary, the provision is reversed in the statement of profit or loss and other comprehensive income through the expense line item where it has been recorded initially at the time of establishment.

At each date of the statement of financial position, provisions are classified as non-current liabilities, if the Company's management expects to settle them after more than twelve months from the date of the statement of financial position, and as current liabilities, if the Company's management expects to settle them within the period of 12 months from the date of the statement of financial position.

Income tax

Income tax expenses comprise current income tax and changes in deferred income tax assets or liabilities.

Current income tax

The income tax expense for the current year is calculated on the current year's profit before tax, as adjusted for certain non-deductible expenses/non-taxable income and losses of previous tax periods. Income tax is calculated using the tax rate effective as at the date of issue of the financial statements. The income tax rate was 16% in 2025, and 15% in 2024.

Current income tax may be reduced by the tax losses carried forward. The tax losses can be carried forward for indefinite period, except for the losses incurred as a result of disposal of securities and/or derivative financial instruments. The losses from disposal of securities and/or derivative financial instruments can be carried forward for 5 years and only be used to reduce the taxable income earned from the transactions of the same nature. Tax losses carried forward can be used to reduce the taxable income earned during the reporting year by maximum of 70%.

Deferred income tax

Deferred income tax is recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts reported in the financial statements. Deferred income tax liabilities are recognised for all temporary differences, whereas deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are recognised for future tax purposes to reflect differences between the carrying amount of assets and liabilities reported in the financial statements and their tax base.

Deferred tax liabilities are recognised for all temporary differences that will subsequently increase taxable profit, and deferred tax assets are recognised to the extent to which they are expected to reduce taxable profit in the future.

Deferred tax assets and liabilities are estimated using the tax rate that has been applied when calculating income tax for the year when the related temporary differences are to be realised or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when deferred taxes relate to the same taxation authority.

Revenue and expense recognition

Revenue

The Company's revenue is recognised according to a single, principles based five-step model that is applied to all contracts with customers. Revenue from services rendered is recognised over relevant period of time.

Revenue from isolated power system operation reserve services

This revenue is classified as revenue from contracts with customers. The isolated power system operation reserve services are provided to Litgrid, the electricity transmission system operator. Once activated, the instant energy reserve service would continue to be available until the start up of power generation sources of the other market participants. The prices of the isolated power system operation reserve services are regulated by NERC by setting the price caps for these services.

By providing reserve services, the Company participates in the balancing of the transmission system and, in the event of system imbalance, trades in balancing and disbalancing energy.

Revenue from balancing services

Since February 2025, following the commencement of balancing services for the electricity transmission system operator Litgrid, the Service Provider performs activities aimed at ensuring the real-time power system balance and frequency stability. Balancing energy is supplied until the reserve capacities of other market participants are activated, with the prices of balancing capacities and energy being regulated by the National Energy Regulatory Council (NERC), setting price caps.

In accordance with the provisions of the Isolated Operation Reserve Agreement concluded in 2025, the Company must submit a report on revenue and costs from balancing services to Litgrid every six months and, based on the data therein, adjust its revenue by returning any excess revenue over regulated costs and the return on investment.

In 2025, insufficient market liquidity led to Energy Cells' facilities being activated as a "last resort" balancing energy source with a capacity of up to 40 MW, resulting in a significant turnover of revenue and costs from balancing services. However, due to the aforementioned regulatory mechanism, a significant portion of the revenue and costs was adjusted to the level of regulated costs and return on investment due to the excess revenue.

In the balancing/imbalance service transactions with Litgrid, the Company acts as an agent, because it is limited in its ability to control the balancing/imbalance services being provided, it has no economic interest due to the limited scope and profitability of the services provided, because only reasonable costs with a limited return on investment are compensated, it has no power to establish the price of balancing services, because pricing rules are prescribed by law, and it is unable to regulate demand, choose a counterparty, or expand the scope of services.

3. Accounting estimates

The preparation of financial statements according to International Financial Reporting Standards requires management to make estimates and assumptions that affect the accounting policies applied, the reported amounts of assets, liabilities, income and expenses, and the disclosures of contingencies. Actual results may differ from those estimates. The significant management estimates and assumptions and the main sources for uncertainties used in the preparation of these financial statements that might cause substantial changes in the carrying amounts of the related assets and liabilities in the next financial year are presented below:

Estimates of recoverable amounts of property, plant and equipment

In 2025, the Company tested assets for the indications of impairment. Based on the management's assessment, no impairment indications exist for non-current assets, as there were no negative changes in the regulatory environment, there are no indications that there will be no return on investments. The operating losses projected for 2026, as indicated below, are one-time in nature and result from pricing adjustments made in previous periods.

In determining the Company's permitted revenue level for the isolated power system operation reserve service for 2026, NERC assessed operating expenses from previous periods (2024) and those projected for 2026. For previous periods, the Company's permitted expenses were reduced by EUR 0.865 million (one-off adjustment). The Company estimates that its net adjusted profit for 2026 will be EUR 0.432 million, after taking into account deviations in regulated activities (the permitted rate of return) At the end of 2026, NERC will assess the deviations of actual revenue and costs from the forecast in accordance with the NERC methodology, and will make compensations when determining the revenue level for 2028. The permitted revenue level for future periods will consist of projected costs for 2027 and beyond, as well as the return on regulated assets (which amounts to 5.63% in 2026 as the pre-tax WACC [determined by NERC](#)). Given the Company's profit-making operations over a continuous period, no adjustments are made to the recoverable amount of its property, plant and equipment.

The Company also assessed the useful life of its property, plant, and equipment, which, in the opinion of management, is consistent with the requirement.

Provisions

A material amount of provision was recognised as at 31 December 2024, after the Company assessed the probability of reimbursement of penalties estimated and charged (offset) to the contractors for the delays of works. After the Company and the Contractor reached an amicable agreement on 29 September 2025, and after both parties fulfilled their obligations by the dates specified in the agreement, the amount of the provision was significantly reduced (further disclosed in Note 14).

Deferred tax asset

After receiving a response from STI on 6 January 2026, regarding the application of the income tax incentive for investments, the Company determined that the investments made in the BESS investment project could qualify for a maximum income tax incentive of EUR 2.5 million. However, taking into account the Company's profitability and the incentive period, the Company would utilize approximately EUR 650 thousand of the incentive by 31 December 2027, of which EUR 102 thousand would be recognized as deferred tax assets as at 31 December 2025. The remaining amount of the potential tax incentive and the deferred tax asset would not be realized.

4. Intangible assets

| EUR | Software | Other intangible assets | Total |
|---|-----------|-------------------------|-----------|
| ACQUISITION COST | | | |
| Balance as at 1 January 2024 | 280,500 | 11,400 | 291,900 |
| Correction of the grant acquisition value | 10,448 | - | 10,448 |
| Balance as at 31 December 2024 | 290,948 | 11,400 | 302,348 |
| Additions | 4,749 | - | 4,749 |
| Balance as at 31 December 2025 | 295,697 | 11,400 | 307,097 |
| AMORTISATION | | | |
| Balance as at 1 January 2024 | (18,946) | (5,495) | (24,441) |
| Amortisation | (73,440) | (2,849) | (76,289) |
| Balance as at 31 December 2024 | (92,386) | (8,344) | (100,730) |
| Amortisation | (73,032) | (2,849) | (75,881) |
| Balance as at 31 December 2025 | (165,418) | (11,193) | (176,611) |
| NET BOOK AMOUNT | | | |
| As at 1 January 2024 | 261,554 | 5,905 | 267,459 |
| As at 31 December 2024 | 198,562 | 3,056 | 201,618 |
| As at 31 December 2025 | 130,279 | 207 | 130,486 |

5. Property, plant and equipment

| EUR | Buildings | Structures and machinery | Other PP&E | Construction-in-progress | Total |
|---|-----------|--------------------------|------------|--------------------------|-------------|
| ACQUISITION COST | | | | | |
| Balance as at 1 January 2024 | 109,134 | 15,165,313 | 946,497 | - | 16,220,944 |
| Additions | - | 29,645 | 81,677 | - | 111,322 |
| Correction of the grant acquisition value | 4,065 | 564,903 | 34,931 | - | 603,899 |
| Balance as at 31 December 2024 | 113,199 | 15,759,861 | 1,063,105 | - | 16,936,165 |
| Additions | - | - | 61,658 | - | 61,658 |
| Balance as at 31 December 2025 | 113,199 | 15,759,861 | 1,124,763 | - | 16,997,823 |
| DEPRECIATION | | | | | |
| Balance as at 1 January 2024 | (844) | (233,751) | (31,916) | - | (266,511) |
| Depreciation | (3,266) | (901,987) | (117,945) | - | (1,023,198) |
| Balance as at 31 December 2024 | (4,110) | (1,135,738) | (149,861) | - | (1,289,709) |
| Depreciation | (3,234) | (886,933) | (127,903) | - | (1,018,070) |
| Balance as at 31 December 2025 | (7,344) | (2,022,671) | (277,764) | - | (2,307,779) |
| NET BOOK AMOUNT | | | | | |
| As at 1 December 2024 | 108,290 | 14,931,562 | 914,581 | - | 15,954,433 |
| As at 31 December 2024 | 109,089 | 14,624,123 | 913,244 | - | 15,646,456 |
| As at 31 December 2025 | 105,855 | 13,737,190 | 846,999 | 14 | 690,044 |

6. Right-of-use assets

The Company has entered into lease agreements for premises, cars and land. The lease term for premises is 4 years, for a cars – 4 years, and for land - 100 years.

| EUR | Premises | Vehicles | Land | Total |
|---|----------|----------|--------|----------|
| Net book amount as at 1 January 2024 | 74,223 | 39,586 | 69,852 | 183,661 |
| Depreciation | (20,594) | (14,395) | (720) | (35,709) |
| Net book amount as at 31 December 2024 | 53,629 | 25,191 | 69,132 | 147,952 |
| New contracts | 28,485 | - | - | 28,485 |
| Depreciation | (38,880) | (14,395) | (699) | (53,974) |
| Net book amount as at 31 December 2025 | 43,234 | 10,796 | 68,433 | 122,463 |

As the useful life of the right-of-use assets is longer than the lease term, depreciation is calculated from the commencement date of the lease till the end of the lease term.

7. Receivables

| EUR | As at 31 December 2025 | As at 31 December 2024 |
|-----------------------------------|------------------------|------------------------|
| Financial assets | | |
| Trade receivables | 755,809 | 906,111 |
| Total financial assets | 755,809 | 906,111 |
| Non-financial assets | | |
| Grants receivable | - | - |
| Input value added tax | 974,725 | 496 |
| Prepaid income tax | 459,083 | - |
| Total non-financial assets | 1,433,808 | 496 |
| Carrying amount | 2,189,617 | 906,607 |

The Company's receivables from customers consisted mainly of a receivable for isolated operation reserve services, which are settled within 30-days. As at 31 December 2025, the value-added tax receivable resulted from an adjustment to revenue for H2 2025 made in connection with balancing activities. The corporate income tax overpayment resulted from the income tax investment incentive applied in 2025 for prior periods (further disclosed in Note 13).

The ageing analysis of trade receivables is presented below.

| | As at 31 December 2025 | As at 31 December 2024 |
|------------------------------------|------------------------|------------------------|
| Not past due | 755,809 | 763,677 |
| Past due up to 1 month | - | - |
| Past due from 1 to 3 months | - | - |
| Past due for more than 3 months | - | 142,434 |
| Of which impairment of receivables | - | - |
| Carrying amount | 755,809 | 906,111 |

As at 31 December 2024, the amount past due consisted of the receivable from contractors for the electricity transmission services and imbalance energy resold to them. Following the signing of an amicable agreement with the contractor on 26 September 2025, the receivable was offset against the amount repayable to the contractor.

8. Loans granted

| | As at 31 December 2025 | As at 31 December 2024 |
|---|------------------------|------------------------|
| Loan to the parent company (under the cashpool agreement) | 3,080,204 | - |
| Interests accrued | 3,188 | - |
| Loans from related parties | 3,083,392 | - |

On 28 August 2025, the Company and EPSO-G UAB entered into a new open-ended cash-pool agreement, effective as of 1 September 2025. The cash-pool agreement provides for the option to loan the Company's temporarily available cash balance to finance the EPSO-G Group's working capital, in return for a variable interest rate linked to ESTR (euro short-term rate).

Under the group account (cashpool) agreement the Company's positive funds balance transferred to the disposal of EPSO-G UAB is accounted for as amounts receivable (loans granted) in the statement of financial position and is not included in the line item of cash and cash equivalents. The positive cash balance in 2026 will be used by the Company in the near future to settle accounts with Litgrid AB, by refunding the overpayment for balancing services.

As at 31 December 2025, the Company assessed and did not identify any indications that credit risk of the EPSO-G Group companies, i.e. recipients of short-term loans, could be increased. Consequently, lifetime ECL were not recognised for current borrowings. [a](#)

9. Issued capital

| Number of shares, units | Price, EUR |
|-------------------------|------------|
| 126,000 | 1.00 |

As at 31 December 2025 and 2024, the Company's share capital consisted of 126,000 ordinary registered shares with the nominal value of EUR 1 each. All the shares were fully paid.

As at 31 December 2025 and 2024, the Company's share premium amounted to EUR 1,434,944.

10. Reserves

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of not less than 5 per cent of net profit are required until the reserve reaches 10 per cent of the authorised capital. By the Company sole shareholder's decision of 30 April 2025, the legal reserve of EUR 12,600 was made from retained earnings.

By the Company sole shareholder's decision of 30 April 2025, EUR 1,447,094 was transferred from retained earnings to other reserves dedicated to the development of the Company's operations.

11. Lease liabilities

Movement in lease liabilities during 2025 and 2024:

| Lease liabilities, EUR | As at 31 December 2025 | As at 31 December 2024 |
|--|-------------------------------|-------------------------------|
| Carrying amount at 1 January | 140,821 | 180,768 |
| New contracts | 28,485 | - |
| Interest charged | 1,186 | 1,538 |
| Lease payments | (45,047) | (39,947) |
| Interest paid | (1,186) | (1,538) |
| Carrying amount as at 31 December | 124,259 | 140,821 |
| Non-current lease liabilities | 80,260 | 101,063 |
| Current lease liabilities | 43,999 | 39,758 |
| Lease liabilities, EUR | As at 31 December 2025 | As at 31 December 2024 |
| Current portion | 43,999 | 39,758 |
| Non-current liabilities by maturity: | | |
| Between 1 and 2 years | 11,085 | 32,631 |
| Between 2 and 3 years | 586 | 583 |
| Between 3 and 5 years | 591 | 586 |
| Over 5 years | 67,998 | 67,263 |

Interest charged on lease liabilities and included in finance costs amounted to EUR 1,186 in 2025, and to EUR 1,538 in 2024. The Company had no leases with variable payments not included in the value of lease liabilities.

12. Trade and other payables:

| | As at 31 December 2025 | As at 31 December 2024 |
|--|------------------------|------------------------|
| Trade payables | 5,861,343 | 1,753,221 |
| Other payables and current liabilities: | 2,143,018 | 2,236,935 |
| Payroll-related liabilities | 136,290 | 172,327 |
| Vacation reserve | 154,353 | 105,875 |
| Accrued expenses | 1,852,375 | 1,958,733 |
| Total trade and other payables | 8,004,361 | 3,990,156 |

By the close of 2025, the rise in trade payables was due to the obligations to Litgrid, the electricity transmission system operator, regarding the provision of balancing services.

As at 31 December 2025 and 2024, accrued expenses primarily comprised technical maintenance services for BESS under contracts.

13. Income tax

The standard income tax rate was 16% in 2025, and 15% in 2024. The calculation of income tax is as follows:

| EUR | 2025 | 2024 |
|--|----------------|------------------|
| Profit (loss) before income tax | 8,383,519 | 2,485,487 |
| Tax calculated at a rate of 16%/15% | (1,341,363) | (372,823) |
| Effect of non-taxable income | 1,083,883 | 22,863 |
| Effects of non-deductible expenses | (5,201) | (9,254) |
| Benefit of deferred tax asset recognition for investment incentive | 102,000 | - |
| Benefit of deferred tax asset recognition for vacation accruals | 9,300 | 6,777 |
| Effect of investment incentive in current year | 262,681 | - |
| Benefit of adjustment to income tax of previous periods | 226,129 | - |
| Income tax benefit (expenses) | 337,429 | (352,437) |
| Current income tax | 226,129 | (233,824) |
| Change in deferred income tax | 111,300 | (118,613) |
| Income tax benefit (expenses) | 337,429 | (352,437) |

In 2025, taking into account the response received from the State Tax Inspectorate on 6 January 2026, regarding the possibility of applying a corporate income tax incentive for the BESS investment project, the Company reviewed the amounts of investments made in 2022-2023 and determined that more than EUR 16 million of investment qualify for the tax incentive. The amount of the corporate income tax incentive for investments made could amount to approximately EUR 2.5 million, however, due to the Company's limited profitability and the incentive period, the investment incentive was utilized in 2024 to reduce taxable income to 0, to exempt taxable income from taxation in 2025, and to recognise a deferred tax asset of EUR 102,000 to reduce taxable profit in future periods. The value of deferred tax asset not being realized due to corporate income tax investment incentive not being utilised amounted to EUR 1.9 million.

The movement in deferred income tax assets is as follows:

| Deferred tax asset | Tax loss | Vacation reserve | Investment incentive | Total: |
|------------------------------|-----------|------------------|----------------------|-----------|
| As at 31 December 2023 | 125,390 | 10,163 | - | 135,553 |
| Recognised in profit or loss | (125,390) | 6,777 | - | (118,613) |
| As at 31 December 2024 | - | 16,940 | - | 16,940 |
| Recognised in profit or loss | - | 9,300 | 102,000 | 111,300 |
| As at 31 December 2025 | - | 26,240 | 102,000 | 128,240 |

| Deferred tax asset: | As at 31 December 2025 | As at 31 December 2024 |
|---|------------------------|------------------------|
| Deferred tax assets to be realised within 12 months | 26,240 | 16,940 |
| Deferred tax assets to be realised after 12 months | 102,000 | - |
| Total: | 128,240 | 16,940 |

14. Provisions

| Provisions | |
|---|-------------|
| As at 1 January 2024 | 9,038,390 |
| Change in provisions for litigations/claims | - |
| As at 31 December 2024 | 9,038,390 |
| Offset against the debt to contractor to cover penalties receivable | 658,484 |
| Repaid to contractor under amicable agreement | (1,964,580) |
| Offset of receivable from contractor | (142,434) |
| Use of provision by recognising income | (6,774,270) |
| Use of provisions to cover expenses | (85,440) |
| As at 31 December 2025 | 730,150 |

In previous periods, a purchase agreement was in effect whereby the buyer, i.e., the Company, calculated a penalty of EUR 9,696,873 against the contractor in accordance with the terms of the purchase agreement and recognized a related provision of EUR 9,038,390. Since a dispute arose regarding the total amount of the penalty and the remuneration for contract work, the remaining amount of EUR 658,484 was recorded as an obligation to the contractor in the Company's statement of financial position as at 31 December 2024.

On 26 September 2025, the Company and contractor reached an amicable agreement, whereby the Company undertook to pay the contractor EUR 3,558,000, subject to the parties' fulfillment of their obligations under the agreement by the specified dates. As of 31 December 2025, the Company had paid the contractor EUR 2,827,850, of which EUR 863,270 are trade payables and EUR 1,964,580 are provisions. EUR 6,774,270 of unused provisions was recognised as other income, representing compensation for damages to the Company. The remaining amount of EUR 730,150 will be paid in 2026 after contractor rectifies the defects and completes the additional work.

As at 31 December 2025, the balance of provisions was EUR 730,150. The Company intends to pay the contractor the remaining amount specified in the amicable agreement in full during 2026, once the contractor has fulfilled its obligations under the contract.

15. Net debt

Reconciliation of net debt balances and cash flows from financing activities in 2025 and 2024:

| | Cash | Borrowings | Lease | Total |
|---|------------------|---------------------|------------------|---------------------|
| Net debt at 31 December 2023 | 1,411,286 | (15,140,127) | (180,768) | (13,909,609) |
| (Decrease) in cash and cash equivalents | (284,789) | - | - | (284,789) |
| Proceeds from borrowings | - | 13,742,580 | - | 13,742,580 |
| Interest charged | - | (496,506) | (1,538) | (498,044) |
| Interest paid | - | 496,506 | 1,538 | 498,044 |
| Lease payments | - | - | 39,947 | 39,947 |
| Net debt at 31 December 2024 | 1,126,497 | (1,397,547) | (140,821) | (411,871) |
| (Decrease) in cash and cash equivalents | (1,056,870) | - | - | (1,056,870) |
| Repayments of borrowings | - | 1,397,547 | - | 1,397,547 |
| Interest charged | - | (22,136) | (1,186) | (23,322) |
| Interest paid | - | 22,136 | 1,186 | 23,322 |
| Lease payments | - | - | 45,208 | 45,208 |
| New contracts | - | - | (28,646) | (28,646) |
| Net debt at 31 December 2025 | 69,627 | - | (124,259) | (54,632) |

16. Financial risk management

The Company is exposed to financial risks in its operations. In managing these risks, the Company seeks to mitigate the effect of factors that might have negative impact on its financial performance.

| Financial assets | As at 31 December 2025 | As at 31 December 2024 |
|--|------------------------|------------------------|
| Non-current receivables | 12,602 | 9,734 |
| Trade receivables | 755,809 | 906,111 |
| Grants receivable | - | - |
| Other amounts receivable | - | 496 |
| Loans granted | 3,083,392 | - |
| Cash and cash equivalents | 69,627 | 1,126,497 |
| Financial assets at amortised cost | 3,921,430 | 2,042,838 |
| Financial liabilities | | |
| Borrowings | - | 1,397,547 |
| Lease liabilities | 124,259 | 140,821 |
| Payables to suppliers | 5,861,343 | 1,753,221 |
| Other payables and liabilities | 1,852,375 | 1,849,222 |
| Financial liabilities at amortised cost | 7,837,977 | 5,140,811 |

Liquidity risk management

In the course of its operations, the Company is exposed to liquidity risk.

Liquidity risk is managed continuously by making short-term and long-term cash flow forecasts of the Company. Where necessary, the Company relies on the forecasts to make decisions aimed at ensuring its solvency, i.e. uses the credit limit on the parent's cash pool account to balance its working capital. The cash-pool agreement of 28 August 2025 provides for the option to loan the Company's temporarily available cash balance to finance the EPSO-G Group's working capital, in return for a variable interest rate

linked to ESTR (euro short-term rate). The agreement also provides for the possibility for Energy Cells UAB to borrow up to EUR 10,000 thousand.

The Company's liquidity ratios as at 31 December 2025 and 2024 were as follows:

| | As at 31 December 2025 | As at 31 December 2024 |
|-----------------------|------------------------|------------------------|
| Current ratio | 0.63 | 0.15 |
| Quick liquidity ratio | 0.63 | 0.15 |

The current ratio is calculated by dividing current assets by current liabilities. Quick ratio is calculated as the difference between current assets and inventory divided by current liabilities.

The improvement in liquidity ratios was mostly due to a fall in provisions in 2025. As disclosed in this Note, to secure liquidity, the Company was granted a EUR 10,000 thousand credit limit as of 1 September 2025 by the Group under the cash-pool agreement.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on undiscounted contractual payments.

| EUR | Up to 3 months | From 4 to 12 months | From 1 to 5 years | More than 5 years | Total |
|---------------------------------------|------------------|---------------------|-------------------|-------------------|------------------|
| Lease liabilities | 14,191 | 31,130 | 15,936 | 86,303 | 147,560 |
| Trade and other payables | 6,296,403 | 1,417,315 | - | - | 7,713,718 |
| Balance as at 31 December 2025 | 6,310,594 | 1,448,445 | 15,936 | 86,303 | 7,861,278 |
| Lease liabilities | 10,374 | 32,176 | 36,327 | 87,358 | 166,235 |
| Trade and other payables | 2,121,116 | 1,481,315 | - | - | 3,602,431 |
| Loans from related parties | - | 1,417,431 | - | - | 1,417,431 |
| As at 31 December 2024 | 2,131,490 | 2,930,922 | 36,327 | 87,358 | 5,186,097 |

Credit and interest rate risks

The Company's exposure to credit risk is minimal as it did not have receivables from entities with limited solvency.

The Company's receivables consist of trade receivables from Litgrid, a financially stable and state-owned electricity transmission operator, which also belongs to the EPSO-G Group, and VAT refundable from the state budget.

As at 31 December 2025, the Company did not have any financial liabilities to the parent company. As at 31 December 2025 and 2024, the Company had no financial instruments designated to hedge against the interest rate risk.

As at 31 December 2024, interest rate-linked financial instruments included lease liabilities and liabilities to the parent company under the cash pool contract. The contract is subject to variable interest rate linked to 3-month EURIBOR.

As at 31 December 2025, the Company's interest bearing receivables comprised the loan to the parent company under the cash-pool agreement. The agreement is subject to variable interest rate linked to ESTR (euro short-term rate), as described in Note 8. The following table demonstrates the sensitivity of the Company's pre-tax loss to reasonably possible changes in interest rates with all other variables held constant (through the impact on floating rate borrowings). There is no impact on the Company's equity, other than effect of current year loss.

| | Increase/decrease, % | Total change | Impact on property, plant and equipment | Impact on profit before tax |
|------------------------|----------------------|--------------|---|-----------------------------|
| As at 31 December 2025 | | | | |
| EUR thousand | +1 | 30.8 | - | 30.8 |
| EUR thousand | -1 | (30.8) | - | (30.8) |
| As at 31 December 2024 | | | | |
| EUR thousand | +0.5 | (51) | - | (51) |
| EUR thousand | -0.5 | 51 | - | 51 |

17. Revenue

| Revenue from contracts with customers | 2025 | 2024 |
|--|------------------|------------------|
| Isolated power system operation reserve services | 7,275,847 | 7,360,992 |
| Revenue from balancing service | 186,718 | - |
| Revenue from imbalance service | 12,958 | 115,801 |
| Consulting services | 29,900 | - |
| | 7,505,423 | 7,476,793 |

In 2025, the Company also received revenues from the imbalance energy sales related to the deviation of the transmission system energy balance.

All the Company's revenue is recognised over the period.

18. Other income

| | 2025 | 2024 |
|-----------------------|------------------|------------------|
| Revenue grant | - | 1,546,828 |
| Income from penalties | 6,774,270 | 152,422 |
| Other income | 2,141 | 1,460 |
| | 6,776,411 | 1,700,710 |

On 26 September 2025, the Company and contractor reached an amicable agreement, whereby the Company undertook to pay the contractor EUR 3.6 million. The remaining amount in dispute was recognised as income from penalties, as disclosed in Note 14.

In 2024, the Company recognised the amount of the eligible costs, which are not classified as capital grant, reimbursed through the State aid from the RRF, as a revenue grant.

19. Other expenses

| Other expenses | 586,003 | 436,624 |
|--|----------------|----------------|
| Telecommunications and IT maintenance expenses | 123,199 | 78,742 |
| Insurance expenses | 123,069 | 97,678 |
| Taxes (other than income tax) | 39,249 | 27,439 |
| Remuneration of Board members | 37,668 | 37,668 |
| Professional service fee | 30,708 | 30,764 |
| Cleaning services | 30,649 | 30,903 |
| Rent of premises and utility services | 30,183 | 33,870 |
| Personnel development expenses | 29,574 | 15,938 |
| Business trip expenses | 27,142 | 14,656 |
| Marketing and public relations | 25,477 | 18,928 |
| Costs of low-value assets | 18,516 | - |
| Financial audit expenses | 17,000 | 17,000 |
| Transport expenses | 14,973 | 15,247 |
| Other expenses | 23,273 | 9,194 |
| Event organisation | 10,823 | 6,305 |
| Other assurance services | 4500 | 2,292 |

20. Finance expenses, net

| | 2025 | 2024 |
|---|--------------|------------------|
| Finance income | | - |
| Interest income | 28,549 | - |
| Finance costs | | |
| Lease interest expenses | (1,186) | (1,538) |
| Interest on borrowings | (22,136) | (496,506) |
| Interest on positive account balance | | - |
| Other finance costs | | - |
| Result from financing activities | 5,227 | (498,044) |

21. Related-party transactions

As at 31 December 2025 and 2024, the Company's parent company was EPSO-G UAB, which is directly controlled by the Republic of Lithuania (the body exercising the shareholder's rights and obligations is the Ministry of Energy of the Republic of Lithuania). The disclosures comprise transactions with the companies of the EPSO-G Group, all entities controlled by or under a significant influence of the state and with the management and their close family members, and balances arising from these transactions. The list of entities controlled by or under a significant influence of the state, with which the transactions are disclosed, is available at [All SOES - GCC | Governance Coordination Centre \(governance.lt\)](#).

The related party transactions during 2025 and balances at the end of reporting period were as follows:

| 2025 | Purchases | Loans granted | Sales | Payables | Receivables | Finance income | Finance costs |
|--|----------------|------------------|------------------|------------------|----------------|----------------|---------------|
| EPSO-G UAB, parent company | 278,469 | 3,080,204 | - | 54,596 | 3,188 | 28,549 | 22,136 |
| LITGRID AB (common shareholders) | 138,938* | - | 7,475,523 | 5,217,844* | 755,809 | - | - |
| TETAS UAB (common shareholders) | - | - | - | - | - | - | - |
| Ignitis UAB (other state-owned enterprise) | 342,236 | - | - | 89,035 | - | - | - |
| Other state-owned enterprises | - | - | - | - | - | - | - |
| Total: | 759,643 | 3,080,204 | 7,475,523 | 5,361,475 | 758,997 | 28,549 | 22,136 |

* The amount payable arose not only from purchases, but also from credit refunds related to sales.

| 2024 | Purchases | Loans received | Sales | Payables | Receivables | Finance income | Finance costs |
|----------------------------------|------------------|------------------|------------------|----------------|----------------|----------------|----------------|
| EPSO-G UAB, parent company | 302,365 | 1,397,547 | - | 71,377 | - | - | 495,651 |
| LITGRID AB (common shareholders) | 373,818 | - | RRF | 31,473 | 763,678 | - | - |
| TETAS UAB (common shareholders) | 371,041 | - | - | - | - | - | - |
| Ignitis UAB | 410,492 | - | - | - | - | - | - |
| Other state-owned enterprises | - | - | - | - | - | - | - |
| Total: | 1,457,716 | 1,397,547 | 7,476,793 | 102,850 | 763,678 | - | 495,651 |

22. Compensation to management and other benefits

| | 2025 | 2024 |
|-------------------------------|---------|---------|
| Employment-related payments | 138,699 | 143,175 |
| Whereof: termination benefits | | - |
| Payments to Board members | 37,668 | 37,668 |

The Company's Chief Executive Officer is considered to be management of the Company. The Company's management received no share-based payments, nor were any assets transferred free of charge, nor were any loans or guarantees granted to the Company's management. As at 31 December 2025, the accrued vacation reserve and social security insurance liabilities attributable to the Company's management totalled EUR 26,740.16.

23. Events after the reporting period

In January 2026, after the five-year term of the Company's CEO, Rimvydas Štilinis, came to an end, Andrius Gudzinskas was appointed to the position of CEO for a new five-year term.

On 14 January 2026, the updated Company's Operational Strategy to 2030 was approved.

Since the beginning of 2026, the Company has been successfully providing balancing services with a capacity of up to 40 MW. The Company will provide balancing services to Litgrid at the current capacity during 2026 and/or at a gradually reduced capacity until the end of 2026, or until there are enough market participants capable of ensuring the provision of such services properly, timely and at a reasonable price.