AB â€œIgnitis grupÄ—â€ (hereinafter â€“ the Group) informs that, pursuant to the Methodology for determining the price caps for electricity transmission, distribution and public supply services (linkâ€¯in Lithuanian) and to the Methodology for determining the regulated prices in the natural gas sector (link in Lithuanian), on 17 October 2024 National Energy Regulatory Council (hereinafter â€“ NERC) adopted the resolutions on the price caps for electricity distribution services of AB â€œEnergijos skirstymo operatoriusâ€ (hereinafter â€“ ESO) for 2025, on the income cap for gas distribution service of ESO for 2025 and on other regulatory components for 2025 (hereinafter â€“ the Resolutions) (link in Lithuanian).

â€¯Â	â€¯Â	**2025Â**	**2024Â**	***D*Â**	***D, %*Â**
TotalÂ	â€¯Â	â€¯Â	â€¯Â	*â€¯Â*	*â€¯Â*
Â Â Â Â Income capÂ	EURmÂ	378.6Â	373.6Â	*5.0Â*	*1.3%Â*
Â Â Â Â RAB1Â	EURmÂ	1,795Â	1,584Â	*210.7Â*	*13.3%Â*
Â Â Â Â WACC (weighted average)Â	%Â	5.79Â	5.08Â	*0.71 ppÂ*	*n/aÂ*
Â Â Â Â D&A (regulatory)Â	EURmÂ	99.5Â	79.2Â	*20.3Â*	*25.6%Â*
Â Â Â Â Additional tariff componentÂ	EURmÂ	37.5Â	40.0Â	*(2.5)Â*	*(6.2%)Â*
Electricity distributionÂ	â€¯Â	â€¯Â	â€¯Â	*â€¯Â*	*â€¯Â*
Â Â Â Â Income capÂ	EURmÂ	321.6Â	309.1Â	*12.5Â*	*4.0%Â*
Â Â Â Â RAB[1]Â	EURmÂ	1,541Â	1,332Â	*208.9Â*	*15.7%Â*
Â Â Â Â WACCÂ	%Â	5.82Â	5.09Â	*0.73 ppÂ*	*n/aÂ*
Â Â Â Â D&A (regulatory)Â	EURmÂ	88.6Â	67.6Â	*21.0Â*	*31.1%Â*
Â Â Â Â Additional tariff componentÂ	EURmÂ	37.5Â	40.0Â	*(2.5)Â*	*(6.2%)Â*
Natural gas distributionÂ	â€¯Â	â€¯Â	â€¯Â	*â€¯Â*	*â€¯Â*
Â Â Â Â Income capÂ	EURmÂ	57.1Â	64.6Â	*(7.5)Â*	*(11.6%)Â*
Â Â Â Â RAB[1]Â	EURmÂ	254Â	253Â	*1.9Â*	*0.7%Â*
Â Â Â Â WACCÂ	%Â	5.64Â	5.03Â	*0.61 ppÂ*	*n/aÂ*
Â Â Â Â D&A (regulatory)Â	EURmÂ	11.0Â	11.7Â	*(0.7)Â*	*(6.3%)Â*

1 Regulated asset base (RAB) at the beginning of the period.

According to the Resolutions, NERC established an allowed income level for ESOâ€™s electricity distribution services for 2025, comprising EUR 321.6 million, which is 4.0% higher compared to the income level set for the year 2024 (EUR 309.1 million), and an income level for the natural gas distribution service for 2025, comprising EUR 57.1 million, which is 11.6% lower compared to the income level set for the year 2024 (EUR 64.6 million).Â Â

The changes in income level were primarily caused by:

1. lower electricity technological expenses, which have decreased due to lower electricity purchase prices (the electricity technological expenses decreased by 19.9% compared to the electricity technological expenses in 2024);

2. lower natural gas technological expenses, which have decreased due to lower natural gas prices (the natural gas technological expenses decreased by 22.0% compared to the natural gas technological expenses in 2024);Â Â

3. the income level for the year 2025 has increased due to the growth in operating costs, which reflects the tendencies of macroeconomic indicators and the additional repair costs required for the electricity distribution network for the year 2025;Â

4. higher return on investment, which increases as a result of investments into ESO assets and the higher weighted cost of capital (weigthed average cost of capital, WACC).

The information provided in this announcement does not affect the Groupâ€™s Adjusted EBITDA and Investments guidance for 2024.

For additional information, please contact:Â

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