CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION AND CONSOLIDATED MANAGEMENT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2025

KN ENERGIES

Consolidated Annual Report 2025

FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2025

You can find an official Consolidated Annual Report in .zip format with XBRL tag on the website of the Company in the financial reports section and as annex to the Nasdaq notification on the audited annual information.

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Business Overview

A FOREWORD OF THE CEO

Dear All,

We closed 2025 with confidence and clear evidence that the chosen strategic development direction of KN Energies (KNE) is working. The annual revenue of the KN Energies Group exceeded EUR 105 million, EBITDA continued to grow by 10% to EUR 53.5 million, and net profit (IFRS) reached EUR 18.2 million, 19% higher than last year.

2025 also stood out for its results in the capital market. We became a prominent leader on the Baltic stock exchange – our share price increased by more than 71%, returning to a level not seen in the past six years. This jump stood out even amid the strengthening overall stock market: in 2025 the Vilnius Stock Exchange index grew by nearly 26%, yet KN Energies recorded the best individual share price growth across the entire Baltic market.

The recovery of the share price reflects the consistent and focused efforts of recent years to diversify revenue sources, expand income in foreign markets, and improve efficiency across all segments. Since 2021, when geopolitical circumstances caused us to lose some of our main and most profitable cargo flows, we have managed to increase revenue by as much as 70%, returning to the EUR 100+ million revenue range and reaching a profitability level that we had previously achieved only five years earlier.

Internationally, in 2025 we continued the successful operation of LNG terminals in Brazil and Germany. Today we are recognized among the key owners of floating LNG storage units, major LNG shipping companies, and international energy corporations. By providing technical and commercial operation services, we hold around a 7% market share in the global floating LNG terminal market – enough to feel confident, but not enough to stop moving forward. Therefore, alongside Europe and South America, we are now actively exploring opportunities in Asia.

We continue expanding our list of potential partnerships and projects in the Asia-Pacific region, where strong demand for LNG infrastructure development is emerging. We see that the experience we have accumulated is of interest to this region, as demonstrated by the extension of the strategic cooperation agreement with South Korea's SK Innovation E&S (SKI E&S) in Hanoi last summer.

At the same time, the geography of our consulting services has expanded. Today we count more than ten countries, from Europe to Latin America. These are often projects we cannot discuss publicly due to confidentiality, but in many cases our value proposition is similar: the market is looking not for theoretical advice, but for real-world LNG infrastructure operating experience and innovative solution developers who deeply understand this market and its specifics.

Importantly, this international activity has never been separated from Lithuania. KNE remains a strategically important company for Lithuania and the surrounding region's energy sector. The competencies and experience accumulated here are successfully capitalized in international projects.

In recent years, we have also placed strong focus on new energy solutions and decarbonization technologies – including CO_2 infrastructure development, flow batteries, hydrogen and hydrogen carriers. Our aim is to invest in solutions that contribute to more sustainable energy supply and value chains, while continuing to strengthen energy security in the markets where we operate.

An important milestone in October 2025 was the successful completion of the virtual liquefaction operation of biomethane at the Klaipėda LNG terminal. With this milestone, the terminal became one of the first in Europe to provide such a service. Using the terminal's infrastructure for biomethane flows enables economically viable access to liquefaction capacity that would otherwise be unavailable. This strengthens the competitiveness and further development of the regional biomethane sector, while also contributing to the growth of sustainable energy and participation in the rapidly expanding market for green marine fuels.

Changes within the company are continuous – we are developing several projects simultaneously. These range from relatively fast-to-implement solutions, such as biomethane integration, where it is sufficient to properly establish the process without major investments, to complex and large-scale projects such as carbon capture and storage (CCS), where the value chain and regulatory environment are still evolving.

The CCS Baltic Consortium project, implemented together with partners and financed by the European Union under the CEF Energy funding instrument, is highly important both for expanding our company's scope of activities and for helping hard-to-decarbonize sectors, such as the cement industry, ensure business continuity, reduce CO_2 emissions, and maintain the long-term competitiveness of the region's industry.

In 2025, several important milestones were achieved: the project's Project of Common Interest (PCI) status was renewed, and more than EUR 3 million in EU funding was secured for technical and commercial studies. The initial feasibility study for the planned CO_2 transshipment terminal in Klaipėda was completed, environmental impact assessment procedures were launched, and the procurement for front-end engineering design (FEED) is being finalised. The work underway will enable a final investment decision in the coming years and the start of construction.

Last year we also launched the shore electricity connection project for the Klaipėda LNG terminal, which is supported by the EU. Once implemented, the FSRU Independence will be supplied with electricity generated from renewable energy sources, reducing the need to use diesel and natural gas. It is estimated that this will reduce the LNG terminal's CO_2 emissions by approximately one third. I am confident that this project will further strengthen our know-how portfolio and enhance our value proposition in international LNG projects, while the Klaipėda LNG terminal, together with the FSRU Independence, will become one of the first LNG terminals in the world to be electrified in this way.

We are also encouraged by other smaller but consistent steps taken by the company to reduce the CO_2 footprint of our operations. In March 2023, a 300 kW solar power plant started operating at the Subačius Liquid Energy Products Terminal, fully covering the terminal's electricity demand, and last year we expanded its capacity by an additional 100 kW. In 2025, a 500 kW solar power plant was also installed at the Klaipėda Liquid Energy Products Terminal. Our goal is to ensure that the infrastructure we manage not only reliably serves our customers' needs but also operates as efficiently as possible, with part of our operations powered by self-generated green energy.

2025 was also a year of renewed and extended partnerships in our liquid energy products segment. At the beginning of the year, we signed an important three-year agreement with our strategic partner and one of our largest clients – ORLEN Lietuva, managed by the Polish capital group ORLEN. This agreement is important for both parties: it enables the continued stable operation of the Klaipėda liquid energy products terminal and supports consistent investments in the reliability, safety, security and flexibility of the infrastructure.

The liquid energy products segment is one of the areas undergoing the most visible transformation. More than six decades ago, the company began its operations as a heavy fuel oil handling company, whereas today we work with more than 15 different products. The transformation is progressing in a clear direction: we are shifting from heavy oil products toward light products and biofuels. At the same time, the infrastructure is evolving as well – whereas most storage capacity used to be dedicated to heavy oil products, the proportions are now being gradually rebalanced. Currently, around 12% of KN Energies' capacity is already allocated to biofuels.

This transformation is accompanied by consistent investments in efficiency. We aim to ensure that the services we provide remain competitive and aligned with our clients' needs. We continuously review where and how we consume energy, while steadily advancing in digitalisation and the application of artificial intelligence in our operations. The constant search for efficiency has become part of our organisation's DNA. Compared to the 2019–2021 period, natural gas consumption has been reduced by more than half, while the intensity of electricity consumption has decreased by almost half. From a financial perspective, this has translated into more than EUR 1 million in annual savings in variable costs, as well as a significant reduction in greenhouse gas emissions in our operations.

2025 was also an important year for us as a year of community engagement. We sought to maintain a balance between environmental stewardship, social well-being and economic prosperity, placing strong emphasis on dialogue with stakeholders – both through philanthropy and through sincere efforts to listen to expectations and create mutual value.

We directed EUR 100,000 in support to areas where it creates real impact: sports, education and local communities. We continue to provide scholarships to engineering students at higher education institutions in Klaipėda, support young athletes, and contribute to initiatives of neighbouring communities as well as other activities that benefit society.

We also continued our consistent support for Ukraine. Seeing how russia is brutally and systematically destroying the country's energy infrastructure, we contributed by providing alternative electricity supply and heat generation equipment, as well as sending vehicles, various electronics and medical supplies. We will continue to support Ukraine in every way we can and for as long as necessary. Our LNG terminal in Klaipėda has also repeatedly served as a critical gateway for supplying gas to this war-affected country facing massive attacks on its energy infrastructure.

With geopolitical tensions persisting in 2025, continued focus was placed on strengthening infrastructure protection and resilience against physical and cyber threats.

Despite these tensions, KN Energies also maintained attention on other areas of corporate responsibility, with achievements recognised nationally and internationally: global environmental organisation CDP awarded B rating for climate change management impacts, actions and processes; in Lithuania's National Responsible Business Awards, KN Energies won the large companies category as a "Company promoting transparency and corruption prevention". The Governance Coordination Centre awarded KN Energies its highest sustainability practices rating A+, while in the largest corporate reputation assessment in Lithuania, the Reputation Index, KN Energies was ranked as the second organisation with the greatest improvement in reputation. In the Lithuanian Business Leaders ranking (LVL 500) recently published by Verslo žinios, we secured an honourable 4th place among the TOP 500 companies, standing alongside Lithuanian unicorns and innovative high-tech companies.

Looking ahead, our priority is to continue the directions already underway to achieve our strategic goals. We will focus on further identifying business opportunities in international markets, improving efficiency in existing businesses, exploring expansion into new energy areas and developing decarbonisation (CCS) infrastructure. The energy transition is a long-term evolution, therefore we will continue building human and organisational competencies which, together with our infrastructure, will maximise value both today and in the long term.

Darius Šilenskis

CEO of KNE Energies

SIGNIFICANT EVENTS OF THE REPORTING PERIOD

January

1st January 2025. KNE has signed a new agreement with AB ORLEN Lietuva, part of the Polish capital group ORLEN, for loading at the Klaipėda liquid energy products terminal for three years period, with a possibility to extend it.

March

17th March 2025. KN Energies, marked a significant milestone in mid-March – since the start of operations, 500 ship-to-ship LNG transfer operations have been completed at the terminal.

April

7th April 2025. By decision of the Supervisory Council of the Company, Gediminas Almantas has been elected as an independent member of the Company's Board, for the period from April 11, 2025, until the end of the current Board's term of office on April 25, 2026.

9th April 2025. In the country's largest organizational reputation study, KN Energies was named the second most improved organization in the national reputation ranking. In the Lithuanian Reputation Index 2025 event the Company was awarded as "A rising star".

May

2nd May 2025. KNE received a formal notice from Supervisory Council member Dovilė Kavaliauskienė regarding her resignation from the position, effective May 31, 2025.

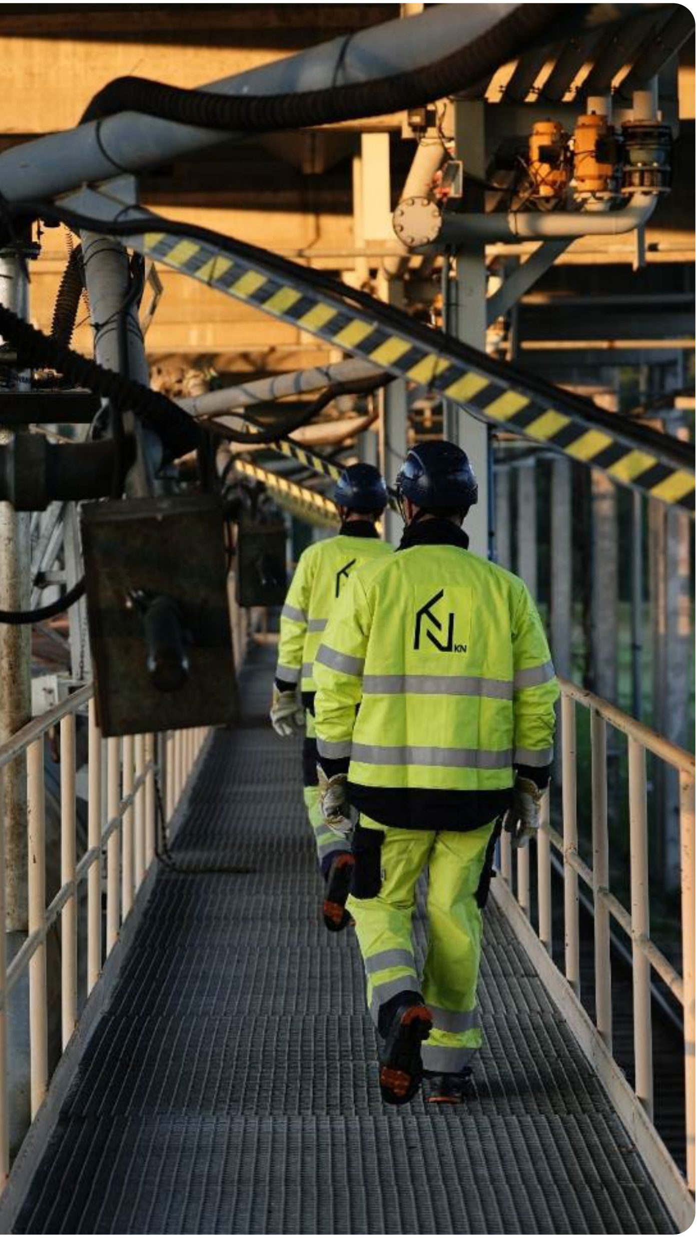
5th May 2025. KNE has selected a contractor to implement Klaipėda LNG terminal electrification project. Following the company's international public procurement process for engineering, procurement and construction (EPC) works, AB Kauno tiltai, a specialist in roads, bridges, and infrastructure project, was selected as the winner.

June

12th June 2025. KNE has signed a Grant Agreement with the European Commission to conduct technical and commercial studies for a planned CO2 terminal in Klaipėda. The terminal is a part of the CCS Baltic Consortium's cross-border carbon dioxide (CO2) capture, transport and storage value chain currently under development across Lithuania and Latvia.

Under the agreement, The European Commission will contribute more than EUR 3 million for the CO2 terminal in Klaipėda technical and commercial studies from the Connecting Europe Facility programme for Energy (CEF).

13th June 2025. During a business visit in Hanoi, KN Energies and South Korea's SK Innovation E&S ("SKI E&S") signed an extension of their Strategic Framework Agreement. The agreement strengthens cooperation in LNG and green energy projects across the Asia-Pacific region.



July

9th July 2025. KN Energies, responding to growing market interest and pursuing its strategic goal to expand the LNG value chain, is preparing to introduce a virtual biomethane liquefaction service at the Klaipėda LNG terminal. This service will enable biomethane producers and suppliers to efficiently integrate their operations into the LNG logistics chain and monetize gases produced in Lithuania and across Europe that are injected into the common European gas grid.

August

1st August 2025. NERC has published updated data for the natural gas sector for calculation of weighted average cost of capital. According to NERC data, the WACC calculated for the Company in 2026 will be 6.39 percent (6.59 percent in 2025).

2nd August 2025. The first cargo of sustainable aviation fuel (SAF) has been delivered to KN liquid energy terminal. KN is expanding its capabilities in Klaipėda to handle the growing biofuel market and in 2025 completed the infrastructure adaptation project for SAF handling.

18th August 2025. A 500 kW solar power plant will be installed at the Klaipėda liquid energy products terminal. This plant will contribute to more sustainable and efficient terminal operations. KN Energies will allocate nearly €350,000 for the project, part of which has been secured under the Lithuania's Recovery and Resilience Plan 'New Generation Lithuania'.

28th August 2025. Deutsche Energy Terminal GmbH's (DET) second LNG terminal in Wilhelmshaven commenced commercial operations on August 29, following a successful commissioning phase. This was preceded by several weeks of test operation with a series of functional and performance tests. The terminal had already received its approval under hazardous incident regulations from the Oldenburg Trade Supervisory Authority (GAA) on August 1 without any objections.

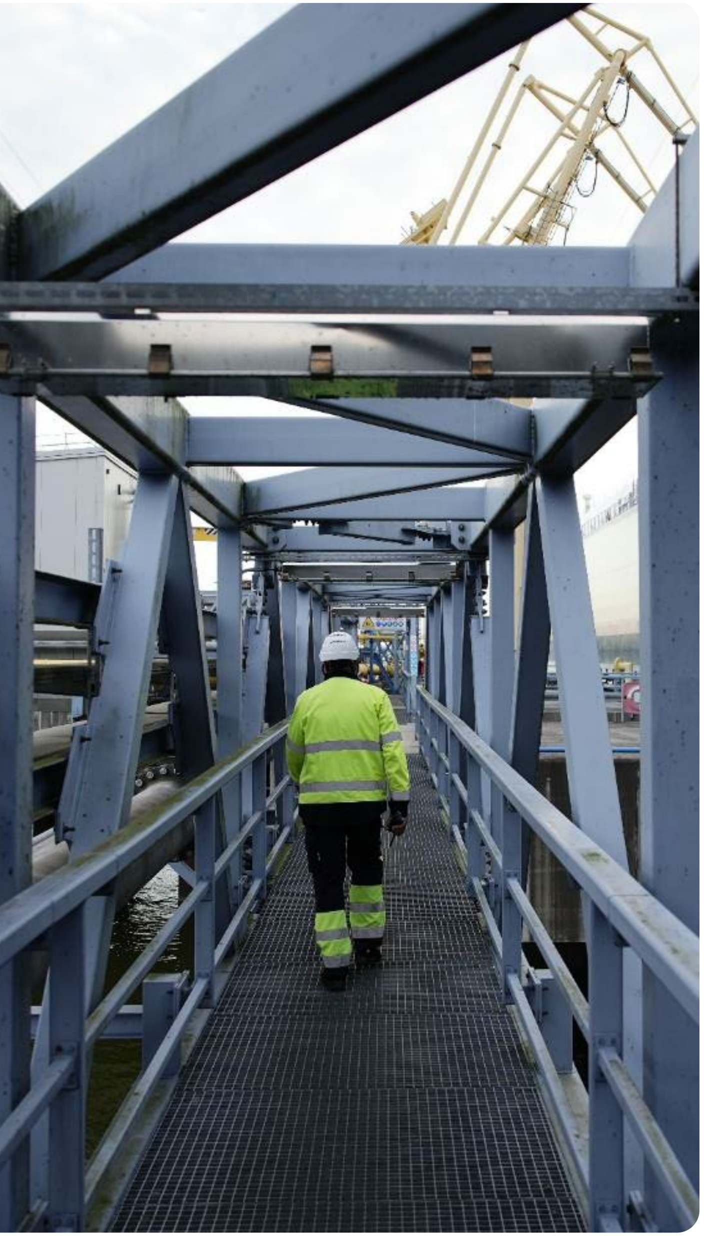
September

17th September 2025. By the decision of the Supervisory Council of KNE, until the end of term of office of Company's acting Supervisory Council, Aurimas Salapėta was elected as a member of the Company's Remuneration and Nomination Committee.

October

1st October 2025. KN Energies, with the aim of promoting the optimization of renewable energy infrastructure and the efficient use of energy resources, submitted an application to the Lithuanian Energy Agency and secured funding for the implementation of a project under Call No. 03-009-J-0001-J06 "Investment Support for Individual Electricity Storage Devices." The funding will be used for the acquisition and installation of a lithium iron phosphate electricity storage system at the Subačius liquid energy products terminal. KN Energies intends to complete the project by March 31, 2026. The project is being implemented under the Recovery and Resilience Plan "New Generation Lithuania", financed by the European Union through the Recovery and Resilience Facility NextGenerationEU.

9th October 2025. KN Energies recognized for achievements in developing a strong employee safety culture. In the national best practice competition for employee safety and health, "DSS360°", organized by the State Labor Inspectorate, KN Energies received a recognition for its consistent contribution to improving employee health and safety.



October

15th October 2025. the first virtual liquefaction operation of biomethane was successfully completed at the Klaipėda liquefied natural gas (LNG) terminal.

The operation was conducted in cooperation with partners: bioLNG was loaded onto the Coral Energy vessel chartered by Nordic energy company Gasum OY (the buyer), while virtual biomethane liquefaction at the terminal was carried out by Norwegian energy company Equinor ASA (the seller).

December

31st December 2025. 2025 turned out to be a defining year for KN Energies on the Baltic market: share price increased by more than 70% over the year, making KN Energies the best-performing stock on the local market and placing it at the top of the exchange performance rankings.

AFTER THE END OF THE REPORTING PERIOD

January

16th January 2026. KN Energies celebrates 30 years listed on Nasdaq Vilnius (since 16 January 1996).

29th January 2026. KN Energies was awarded as the Company Promoting Transparency and Corruption Prevention at the National Responsible Business Awards 2025. This award highlights the company's systematic, open, and accountable anti-corruption approach, which has led to a consistent decline in corruption tolerance within the company from 6.67% in 2022 to 2.35% in 2025.

8th January 2026. KN Energies has improved its CDP score from D in 2024 to B in 2025.

February

10th February 2026. KN Energies has established scholarships for students of the Klaipėda Football School. The initiative is designed to encourage promising athletes to aim higher, achieve stronger results, and prepare purposefully for a professional career. Since January, 2026, monthly scholarships of EUR 200 have been awarded to seven students – nearly all of them are members of, or candidates for, Lithuania's national teams across different age groups.

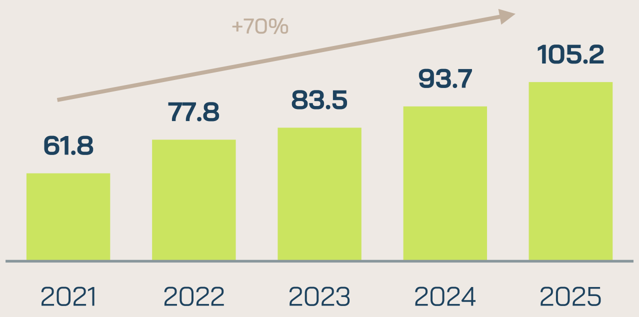
19th February 2026. KN Energies ranked 4th out of 500 in the Lithuanian Business Leaders Ranking (LVL 500), published by Lithuanian business daily Verslo žinios. LVL 500 is compiled from financial statements submitted to the Centre of Registers and ranks companies using 2024 revenue and profitability indicators, employee productivity, wage competitiveness, and Verslo žinios readership attention.

INFORMATION ABOUT PUBLIC ANNOUNCEMENTS

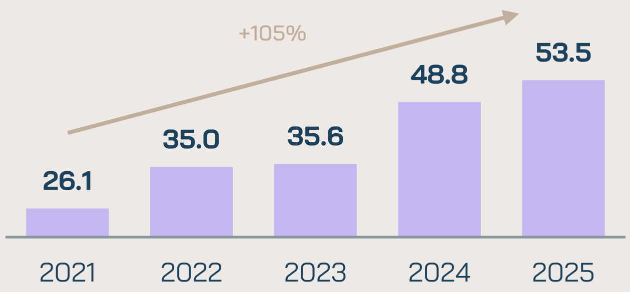
Following the requirements of the Law of the Republic of Lithuania, all main events concerning the Company and information about the time and venue of the General Meeting of Shareholders are published on the website of the Company www.knenergies.lt and in AB NASDAQ Vilnius (www.nasdaqomxbaltic.com) Stock Exchange.

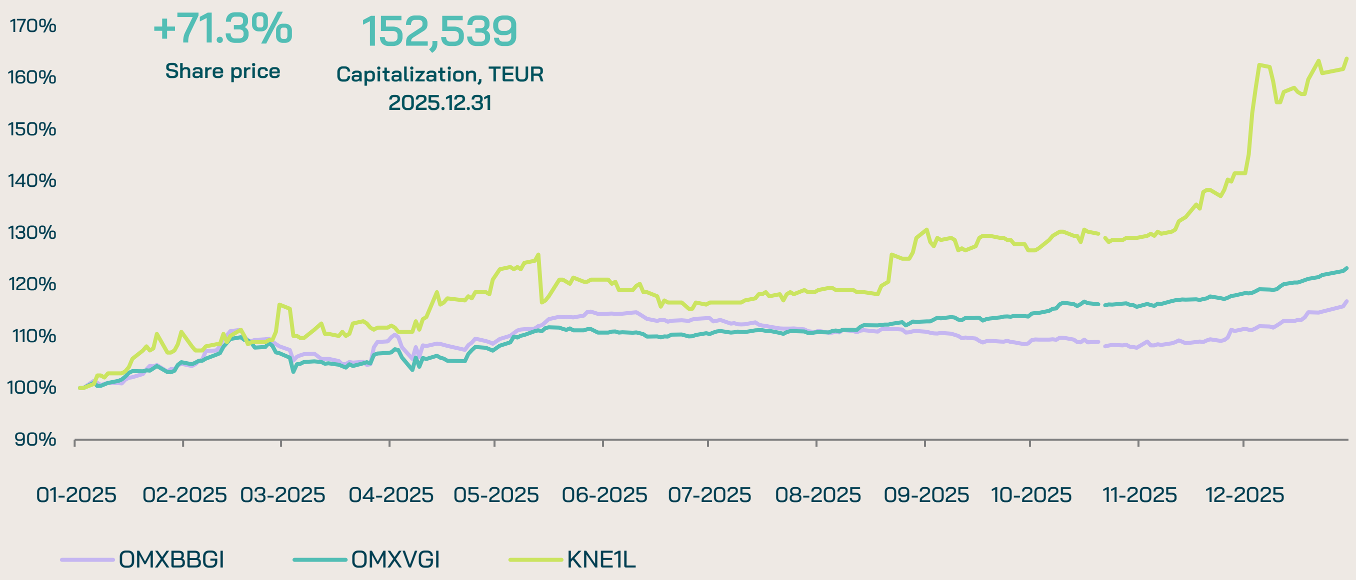
FINANCIAL HIGHLIGHTS

REVENUES, MEUR



EBITDA, MEUR





ROE

10.8	9.7
2025	2024

ROCE, %

6.0	5.2
2025	2024

P/E

8.5	5.8
2025	2024

EPS, EUR

0.05	0.04
2025	2024

ESG HIGHLIGHTS

Focus on where we have the greatest impact.

ENVIRONMENTAL PROTECTION:

- Reducing of GHG emissions
- Investing in infrastructure that enables the green transformation
- Reducing pollutant emissions
- Reducing non-recyclable waste

SOCIAL RESPONSIBILITY:

- Promoting a safe work environment
- Building employee competencies
- Encouraging women's leadership
- Strengthening relationships with local communities

GOVERNANCE:

- Ensuring ethical business and good governance practices
- Strengthening of cybersecurity
- Promoting ESG compliance among suppliers
- Zero tolerance for corruption

Click here for Detailed Sustainability Report

CO_2

GHG emissions intensity in 2025

-5%

per regasified and reloaded MWh
Compared to 2024

Use of renewable resources in 2025

+6%

Compared to 2024

eNPS in 2025

28

2024 – 18
(scale -100 to 100)

TRCF in 2025

0.86

2024 – 0.3

Transparency Partner	Nasdaq
Good Governance Index of the Governance Coordination Centre	A
CDP climate rating	B
Verslo Žinios' Sustainability Index	9.6

VISION

KN envisions a world where sustainable liquid energy as well as chemicals and feedstock solutions empower industries and communities, creating a cleaner, safer, and more prosperous future for all.

We strive to be at the forefront of this transformation, continuously innovating and expanding our portfolio of services to support the global energy transition and achieve climate neutrality by 2050.

MISSION

Enabling safe and reliable liquid energy as well as chemicals and feedstock flows for customers in the Baltic Sea region by:

- Offering storage and transshipment solutions for a variety of liquid energy products, chemicals, and feedstocks for consumption in the region and export into the global market;
- Enabling the decarbonization of the region by focusing on sustainable solutions and energy carriers;
- Providing national energy security to the Lithuanian state for both liquid energy and electricity.

Supporting customers globally with knowledge and capabilities in the development and operations of LNG or other sustainable energy infrastructure projects.

THE CORPORATE STRATEGY

Strategic direction — climate-neutral operations by 2050

KN Energies is steadily moving toward climate-neutral operations. Our strategy covers the renewal of our business model, the development of new energy solutions, and the continuous strengthening of our competitiveness. We are committed to our customers, investors, and society to remain at the forefront of the energy transition — responsibly, boldly, and profitably.

KNE Strategy centred around efficiency, energy transformation, and transitioning to new energy fields. The key goals include achieving complete climate neutrality by 2050, with emission reductions of over 30% by 2030 and approximately 70% by 2040. KNE aims to contribute significantly to the future energy supply, enhance profitability, and ensure energy security.

For more detailed information about the KNE strategy, please refer to the strategy summary following this link: KNE Strategy 2050.

Aim to increase Revenue by 2030

>50%

Compared to 2022

And lay foundations for new energy streams

Reduce emissions by 2030

-30%

Compared to 2022

While setting the right platform to improve operational & commercial excellence

2023-2030

Laying the foundation

- Strengthen the value proposition and cash flows
- Expand LNG business development activities globally
- Establish the basis for new energies solutions

2031-2040

Commercialisation of new energy sources

- CO_2 transfer and energy storage
- Expand LNG business development activities globally
- Improve the performance of LNG and liquid energy terminals
- Leverage the potential of hydrogen carriers

2041-2050

Business expansion

- Decision on the future operation of the Klaipėda LNG terminal
- Expand renewable energy activities at the regional level
- Shift the liquid energy terminal toward renewable energy
- Develop LNG business development activities globally

STRATEGIC GOALS

Based on its 2050 vision, KNE's 2030 strategy aims to improve operations and lay the foundation for new energy businesses.

The view of the management and evaluation of possibilities to achieve strategic goals based on assumptions as at 31 December 2025:

STRATEGIC GOALS BY 2030	STATUS
LIQUID ENERGY TERMINALS	
Increase biofuels transshipment and enter market for chemicals storage and transshipment.	☑ In line with expectations
Ensure vertical diversification of liquid energy and chemicals transshipment business.	☑ In line with expectations
Enhance customer value proposition and operational excellence.	☑ In line with expectations
LNG	
Review Klaipėda LNG terminal regasification capacity based on market demand.	☑ On hold*
Offer additional services and enhance value proposition of Klaipėda LNG hub.	☑ In line with expectations
Assess ssLNG terminal strategy.	☑ In line with expectations
Expand floating LNG footprint in growth markets.	☑ In line with expectations
NEW ENERGIES	
Develop business cases to enter transshipment and storage market of hydrogen carriers.	☑ In line with expectations
Build a CO2 storage and transshipment business to manage and reduce carbon emissions.	☑ In line with expectations
Establish a battery pilot project in the region and develop a sustainable business model for KNE to enter the energy storage/ balancing market.	☑ In line with expectations
ESG	
Improve energy and operational efficiency, reducing GHG emissions, and transitioning towards low-carbon product portfolio to achieve climate neutrality.	☑ In line with expectations

*After assessing the low interest in long-term capacity after 2033 and the potential growth of LNG supply in the region and other risks, KNE decided to postpone the terminal capacity development project for the future and will offer LNG terminal capacity to the market at a later stage.

KEY TARGETS OF BUSINESS TRANSFORMATION:

LNG TERMINALS

Development of green solutions and strengthening
of international business

Increase EBITDA by 2030

+58%

Compared to 2022

NEW ENERGIES

Creation of a basis for the green transformation process in the region

Increase EBITDA

by 2030

+4 MEUR

Compared to 2022

TERMINALS OF LIQUID ENERGY PRODUCTS

Diversification of operations and increase of volumes

Increase EBITDA by 2030

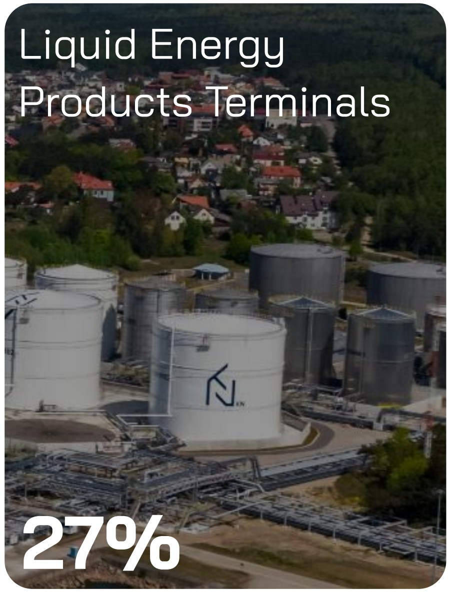
+44%

Compared to 2022

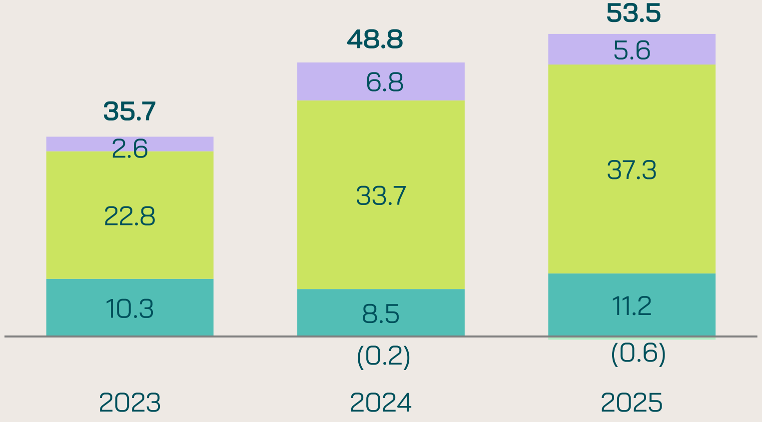
BUSINESS SEGMENTS

REVENUE

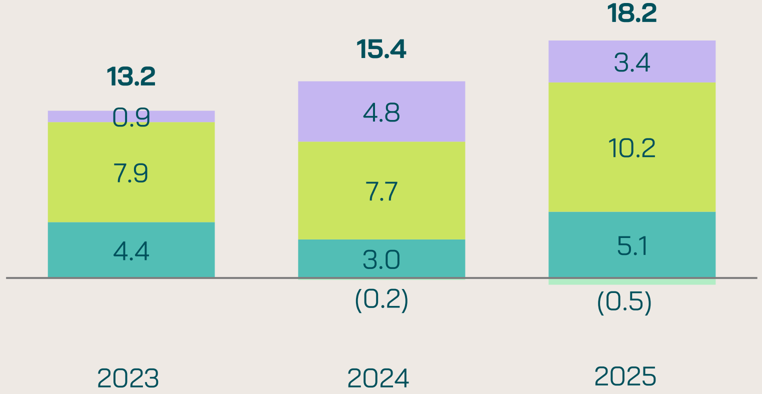
105.2 MEUR +12% vs 2024



EBITDA, MEUR



NET PROFIT, MEUR



- Liquid energy terminals
- Regulated LNG activities (LNGT)
- Commercial LNG activities (comLNG)
- New Energies

LIQUID ENERGY PRODUCTS TERMINALS

Liquid energy products (LEP) terminals segment includes activities of LEP Terminal in Klaipėda, LEP Terminal in Subačius and LEP Terminal in Marijampole which are providing services of liquid energy products transshipment, long-term storage, and other services related to liquid energy products handling.

Klaipėda LEP Terminal

The terminal is one of the largest liquid energy products transshipment terminals in the Baltic States, focusing on transhipping and storing liquid energy products. It handles Light Oil Products, Heavy Oil Products, Biofuels, and other chemical industry products. The process includes loading to/from rail tanks/tank trucks, temporary storage in shore tanks, and loading to/from tankers.

Subačius LEP Terminal

Since June 2012, the Company has been operating Subačius LEP terminal, which has become an integral part of KN's LEP handling infrastructure. KN's services have been diversified and expanded with long-term LEP storage service. The main function of the terminal is the long-term storage of state fuel reserves.

Marijampolė LEP Terminal

KN has been renting Marijampole terminal since mid-2023 for diesel transshipment to trucks operations. This agreement allows KN to obtain additional capacity to meet increased demand of oil products in western destinations.

Transshipment, thousand t

3,592

+5% vs 3,406 thousand t in 2024

Revenue, MEUR

28.6

+7% vs 26.7 MEUR in 2024

EBITDA, MEUR

11.2

+32% vs 8.5 MEUR in 2024

Liquid Energy Terminals' Business Environment and Market

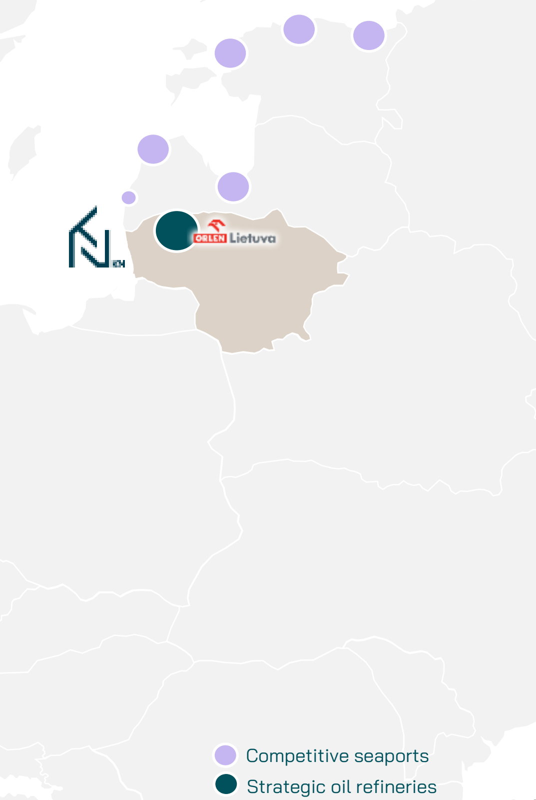
The main clients of KNE Liquid energy business are – crude oil refineries, traders, and producers operating in the regional and global oil, petroleum product and biofuels markets. The strategic oil refinery in the region, part of which oil products are transshipped through KNE liquid energy terminals, is in Mažeikiai, Lithuania and managed by AB ORLEN Lietuva

The main KNE's competitors are liquid fuels terminals operating along the eastern coast of the Baltic Sea.

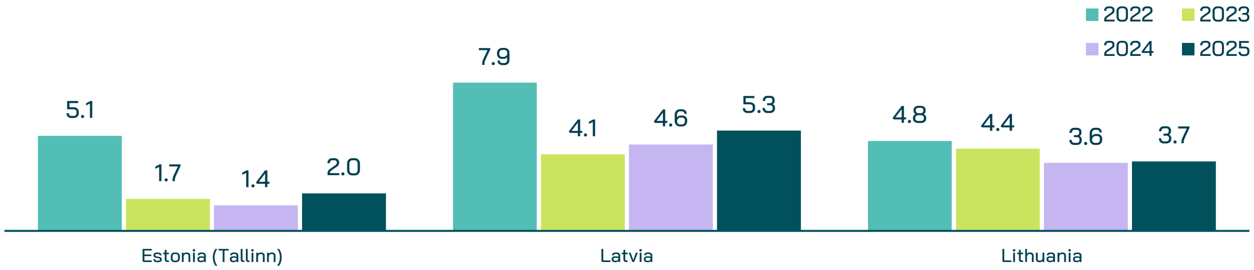
KNE's Liquid energy terminals' activity in 2025 showed stable results and resilience to ongoing geopolitical events and market movements:

- In 2025, refining margins in the global market remained at high levels, driven largely by geopolitical disruptions such as sanctions, refinery outages, and attacks on oil infrastructure.
- The ongoing Russia's invasion of Ukraine in 2025 escalated with Russian strikes heavily damaging Ukraine's only major oil refinery, Kremenchuk, in June. This reinforced Ukraine's complete dependence on European oil product imports, causing redirected Orlen Lietuva light oil products flow to Ukraine rather than export via KNE terminal.
- In Lithuania, fuel consumption increased in 2025: the average monthly gasoline consumption rose by 10%, and diesel consumption increased by 7% compared to 2024. The trends in gasoline and diesel consumption were largely influenced by seasonality – higher fuel consumption during the summer months – while at the beginning of 2025 a decline in consumption was observed, mainly driven by higher fuel prices due to the increased excise tax.
- According to port data, in 2025, ports in the Baltic states transshipped approximately 11 million tons of liquid fuels products, marking a 15% increase compared to 2024.

  This result was driven primarily by a rebound in transshipment volumes at Latvian and Estonian ports – increasing from 4.6 to 5.3 million tons in Latvia and from 1.4 to 2.0 million tons in Estonia between 2024 and 2025. However, despite this recovery, tonnage in both countries remained well below 2022 levels and those of preceding years.
- In 2025, KNE maintained a market share of 28% in oil product throughput among the Baltic ports.
- During 2025, the port of Klaipėda handled approximately 3.7 million tonnes of liquid fuels products, marking a 2% increase compared to the previous year.

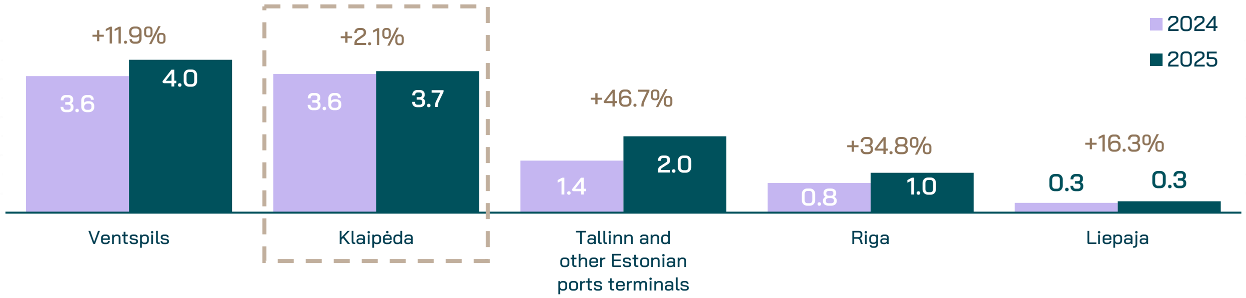


Dynamics of oil products transshipment in the ports of the eastern coast of the Baltic Sea (Millions of tons)



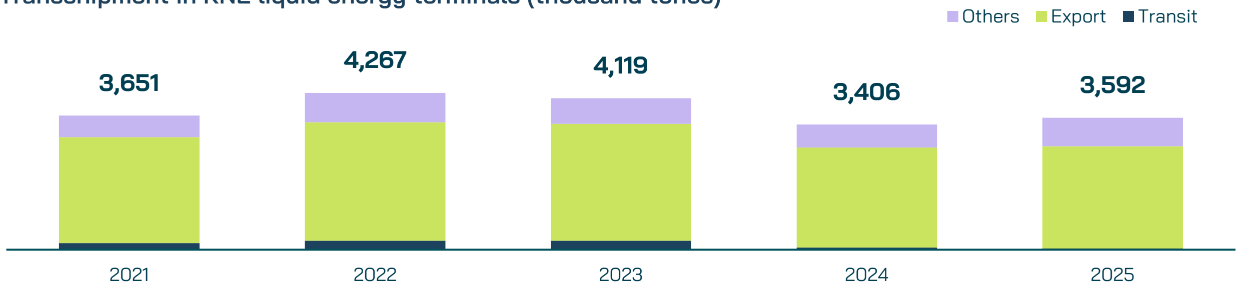
* Figures are based on Klaipėda Port Authority and Tallinn port Authority data

Dynamics of oil product transshipment in the ports of the eastern coast of the Baltic Sea (Millions of tons)



* Figures are based on Klaipėda Port Authority and Tallinn port Authority data

Transhipment in KNE liquid energy terminals (thousand tones)



* Figures based on KNE data

TRANSSHIPMENT OF LIQUID ENERGY PRODUCTS IN KNE TERMINALS

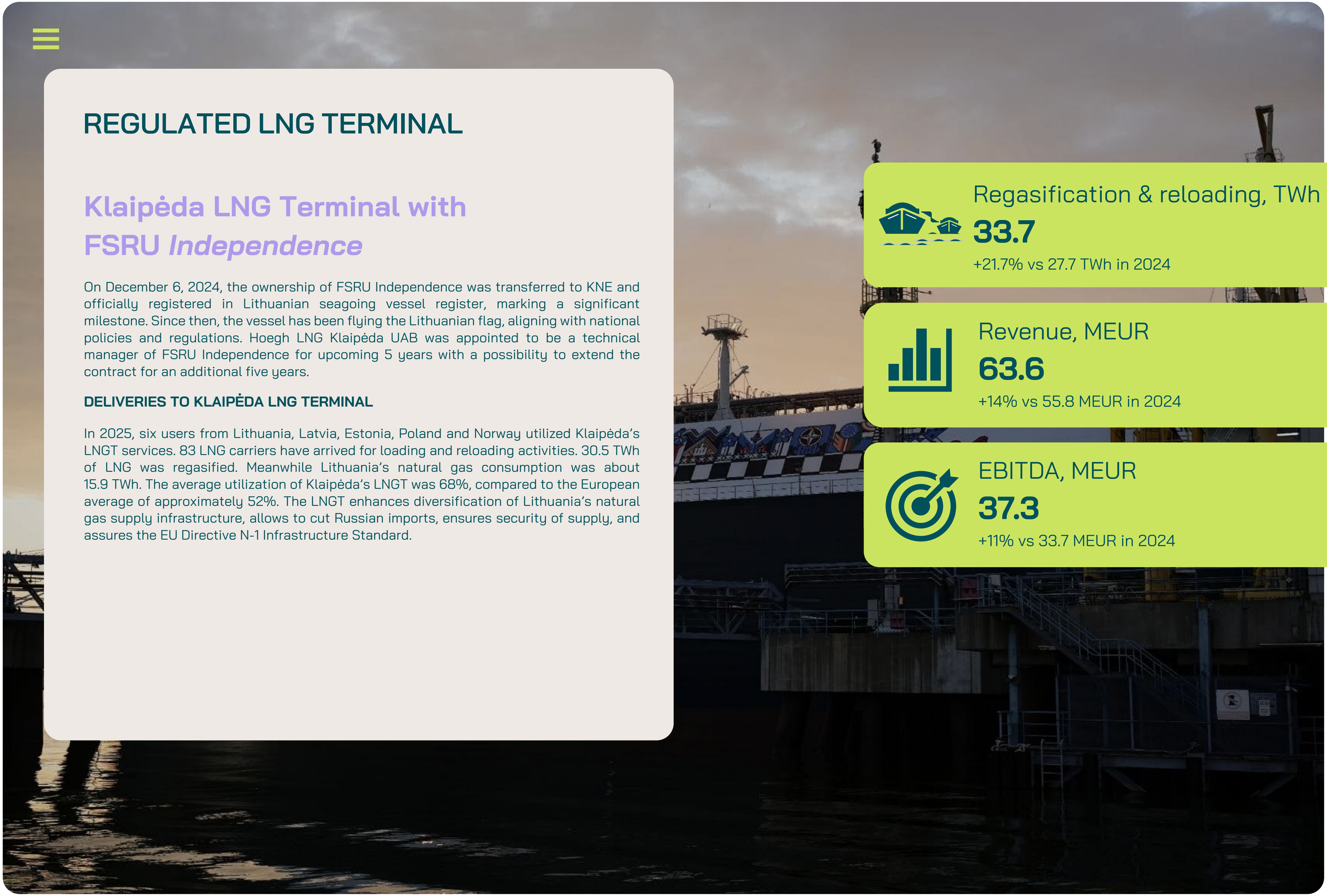
In 2025, the Company's Liquid energy terminals transshipped 3,592 kt of liquid energy products, compared to 3,406 kt in 2024, representing a 5% increase.

Positive result was driven by recently extended cooperation with a long-term partner, AB Orlen Lietuva. Especially diesel shipments, which almost doubled in comparison to 2024 and introduction of isomerate - with most of its flow directed through the Klaipėda terminal.

In 2025, KNE continued expanding the scope of biofuel products loaded in the terminals. Biofuels segment recorded strongest growth in 2025, transshipment increased by 16% when comparing with 2024. KNE remains the region's central biofuel hub, connecting local and Ukrainian producers with international trade.

In 2025 KNE portfolio of serviced products was expanded by UCO (Used Cooking Oil), and SAF (Sustainable Aviation Fuel). By the end of the year, KNE completed the infrastructure necessary for methanol handling at its terminal and signed a service provision agreement for methanol transshipment starting January 2026.

To maximise the utilisation of KNE's Liquid energy terminals, the Company is further developing business relationships with international and regional market players.



REGULATED LNG TERMINAL

Klaipėda LNG Terminal with FSRU *Independence*

On December 6, 2024, the ownership of FSRU Independence was transferred to KNE and officially registered in Lithuanian seagoing vessel register, marking a significant milestone. Since then, the vessel has been flying the Lithuanian flag, aligning with national policies and regulations. Hoegh LNG Klaipėda UAB was appointed to be a technical manager of FSRU Independence for upcoming 5 years with a possibility to extend the contract for an additional five years.

DELIVERIES TO KLAIPĖDA LNG TERMINAL

In 2025, six users from Lithuania, Latvia, Estonia, Poland and Norway utilized Klaipėda's LNGT services. 83 LNG carriers have arrived for loading and reloading activities. 30.5 TWh of LNG was regasified. Meanwhile Lithuania's natural gas consumption was about 15.9 TWh. The average utilization of Klaipėda's LNGT was 68%, compared to the European average of approximately 52%. The LNGT enhances diversification of Lithuania's natural gas supply infrastructure, allows to cut Russian imports, ensures security of supply, and assures the EU Directive N-1 Infrastructure Standard.

Regasification & reloading, TWh

33.7

+21.7% vs 27.7 TWh in 2024

Revenue, MEUR

63.6

+14% vs 55.8 MEUR in 2024

EBITDA, MEUR

37.3

+11% vs 33.7 MEUR in 2024

LNG Terminals' Business Environment and Market

OVERVIEW OF KLAIPĖDA LNG TERMINAL OPERATING ENVIRONMENT

During 2025 NERC adopted the following resolutions related to the operating environment of Klaipėda LNGT:

- On 19 May 2025, decree No. O3E-648 NERC determined the adjustment of the revenue cap for AB "KN Energies" liquefied natural gas re-gasification activities for 2026;
- On 28 November 2025, decree No. O3E-1779 NERC approved variable component of the LNG regasification price (LNG regasification tariff) for the Y2026. LNG regasification tariff is set at 1.69 EUR/MWh;
- On 16 June 2025, decree No. O3E-869 NERC approved KNE investments for Y2024-2026. Total value of investments reaches 6,9 MEUR;
- On 19 June 2025, decree No. O3E-766 NERC approved evaluation of financial capabilities of companies acting in natural gas sector, including KN Energies as sufficient to perform regulated activities.
- On 5 June 2025, decree No. O3E-836 NERC approved LNG reloading service price for the Y2026. LNG reload tariff is set at <15.000 m3 0,81 EUR/MWh, 15.000 – 50,000 m3 0,63 EUR/MWh and >50.000 m3 0,45 EUR/MWh;
- On 28 November 2025, decree No. O3E-1785 NERC approved Security supplement fee for Y2026 equal to -22,27 Eur/(MWh/day/year).
- On 14 July 2025, decree No. O3E-1026 NERC approved amendments to AB "KN Energies" Regulations for use of Klaipėda liquefied natural gas terminal;
- On 20 August 2025, decree No. O3E-1179 NERC approved amendments to AB "KN Energies" Regulations for use of Klaipėda liquefied natural gas terminal;
- On 28 November 2025, decree No. O3E-1798 NERC approved amendments to AB "KN Energies" Regulations for use of Klaipėda liquefied natural gas terminal.

Starting from Y2025, the Company does not expect to organize Annual capacity allocation. The Company plans to allocate LNG regasification capacity for Spot cargoes during the Terminal Gas Year or in case of unused LNG regasification capacity, there might be available capacity on the Secondary market.

LNGT capacity allocated for the Terminal Gas Year 2025:

ALLOCATED CAPACITY	AMOUNT OF ALLOCATED CAPACITY, GWh*	PERIOD
LNG regasification capacity** (summed up in total)	35,899	1 January 2025 – 31 December 2025
LNG reloading capacity (summed up in total)	2,973	1 January 2025 - 31 December 2025

* Combustion / measurement temperature 25/0 °C, pressure 1.01325 bar, natural gas gross calorific value 11.35 kWh/nm3, expansion factor 1: 578 m3 LNG / nm3 of gas).
**During Gas Year LNG regasification capacity may be changed to LNG reloading capacity.

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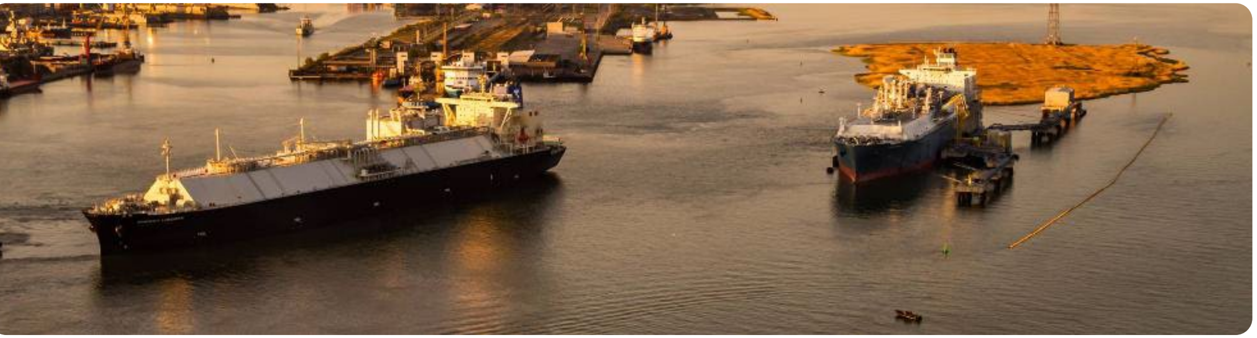
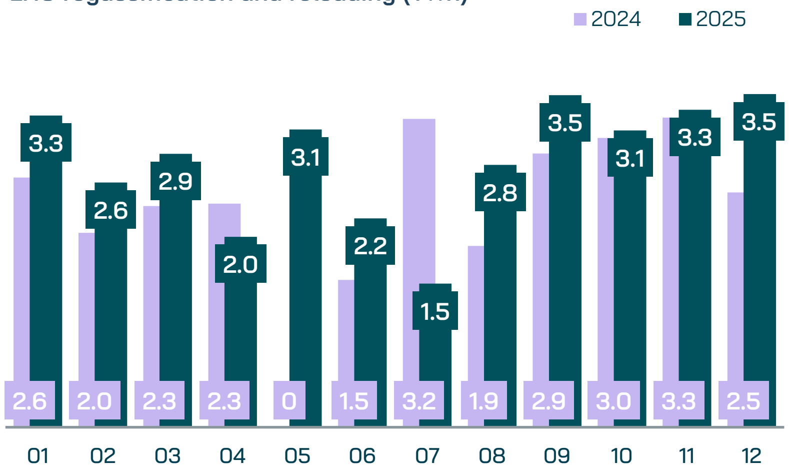


In 2022 and 2023 KNE has successfully allocated long-term capacity to the terminal users from Lithuania, Latvia, Estonia, Poland and Norway:

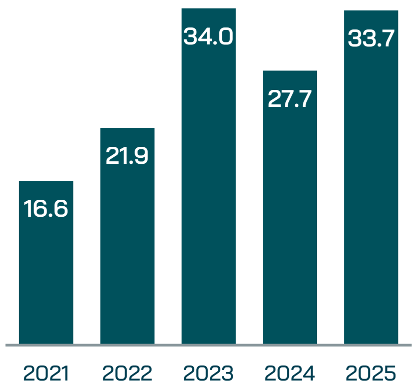
- Long-term capacity of 24 TWh (in 4 packages of 6 TWh) for the period starting from 2023 up until end of 2032;
- Long-term capacity of 9 TWh (in 3 packages of 3 TWh) for the period starting from 2025 up until end of 2032;
- Long-term capacity of 4 TWh (1 package of 4 TWh) for the period starting from 2033 up until end of 2044.

Available long-term capacity of 28 TWh per year from 2033 until the end of 2044.

LNG regassification and reloading (TWh)*

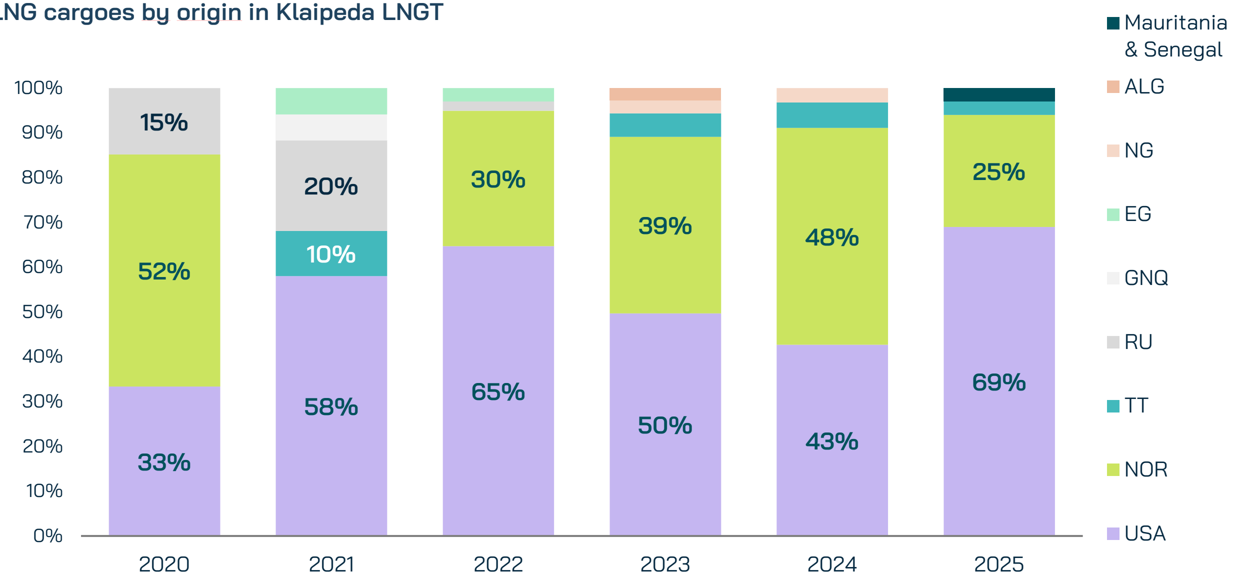


Total LNG regassification and reloading (TWh)*



* Figures include regasification and reloading of Klaipėda LNG terminal and Klaipėda small scale LNG terminal.

LNG cargoes by origin in Klaipeda LNGT



During 2025 the Klaipėda LNGT:

- Performed 83 ship-to-ship operations (same number as in 2024).
- 34 import cargo operations vs. 30 operations in 2024.
- 2,231 thousand tonnes of LNG were received (1,803 thousand tonnes in 2024).
- 2.6 billion nm3 of natural gas were regasified and supplied to the natural gas transmission system (2.1 billion nm3 in 2024).
- 210,085 tonnes of LNG were reloaded into small scale LNG carriers (250,478 tonnes were reloaded in 2024).
- 6 biomethane liquefaction operations were carried out (service is available at Klaipėda LNG terminal from October 2025).

The demand for LNG terminal capacity depends on several key criteria:

- Joint gas demand of Lithuania and other neighboring countries.
- Pricing offered by competing natural gas supply sources (gas supplied by interconnected countries via pipelines or other LNG terminals in the region) and quantity of gas supplied.
- Limitations of the Lithuanian natural gas infrastructure (transmission system capacity) and interconnections.
- Supply of LNG in the global market.
- LNG prices in the region and worldwide.
- Duration and terms of gas supply contracts.
- Availability and freight costs of LNG carrier.

COMMERCIAL LNG

The Commercial LNG business segment (also referred to as comLNG) includes the activities of commercial LNG activities at the Klaipėda small-scale LNG terminal (reloading station) and global LNG projects.

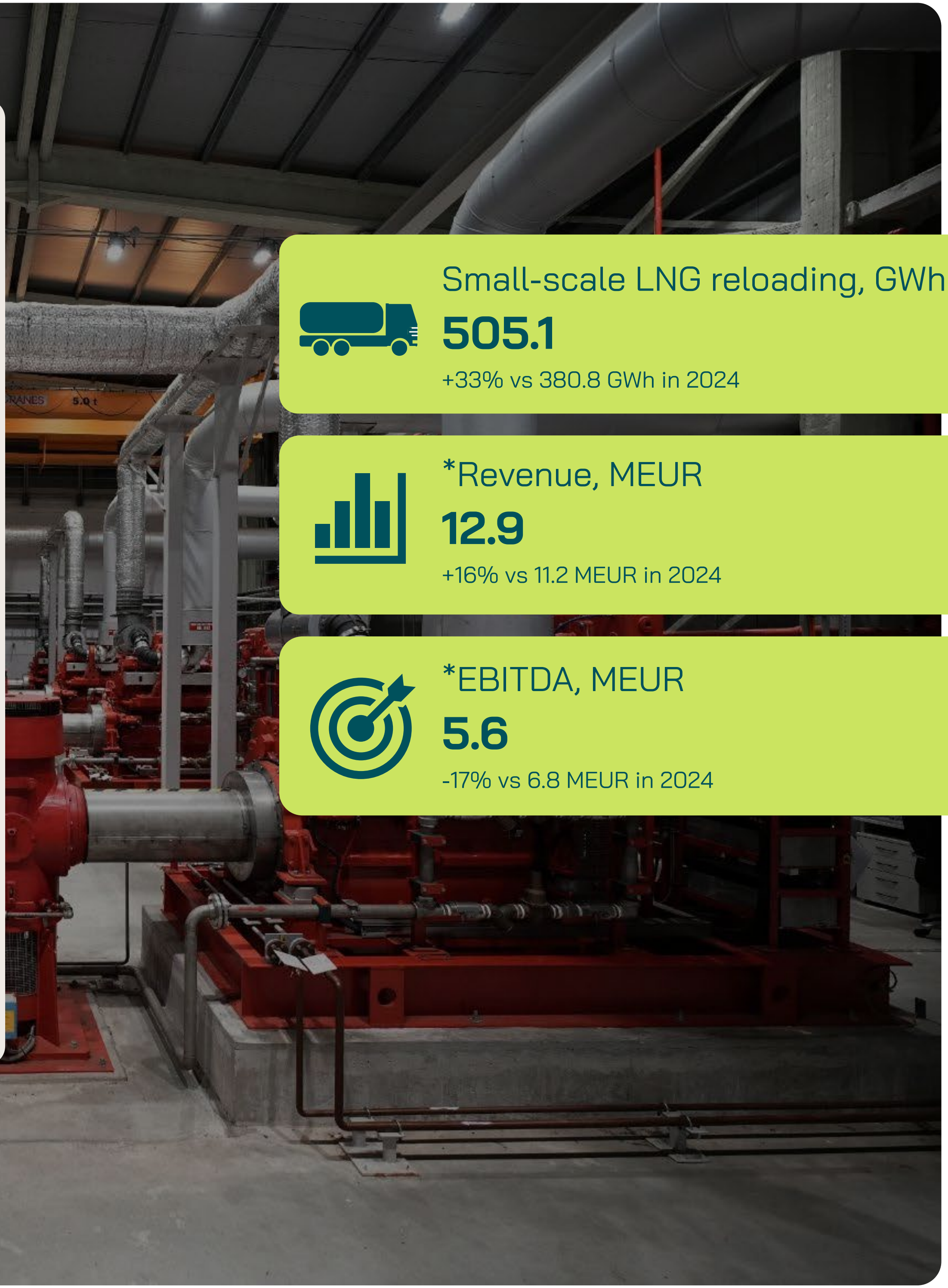
Klaipėda small-scale LNG Terminal

AB KN Energies completed the commissioning of an onshore LNG reloading station in autumn of 2017. This project seeks to develop small-scale LNG infrastructure in the Baltic States and Poland, thereby increasing energy security in regions located further from the gas pipeline network and enabling the provision of clean, alternative energy to a broad range of consumers. This infrastructure also contributes to ensuring the availability of LNG as a clean fuel for shipping and heavy road transport.

On 1st April 2020, Orlen S.A. commenced commercial operations at the KNE-operated LNG reloading station under a five-year capacity agreement valid until 31st March 2025. In September 2024, the Company extended the agreement with Orlen S.A. for a further five-year period, covering 1st April 2025 to 31st March 2030, thereby strengthening the long-term partnership.

DELIVERIES TO KLAIPĖDA SMALL SCALE LNG TERMINAL

In 2025, 26 cargoes were delivered to Klaipėda small scale LNG. The LNG was loaded to LNG Trucks and distributed to consumers in Lithuania, Poland, Latvia and Estonia. In total 1,834 LNG trucks were loaded at the LNG reloading station in 2025.



Small-scale LNG reloading, GWh

505.1

+33% vs 380.8 GWh in 2024

*Revenue, MEUR

12.9

+16% vs 11.2 MEUR in 2024

*EBITDA, MEUR

5.6

-17% vs 6.8 MEUR in 2024

* *Figures on the activities of the Klaipėda small-scale LNG project and the global LNG projects.*

Global LNG Projects

In 2025, KN Energies further strengthened its global LNG footprint and service portfolio, reinforcing its position as a leading operator and service provider for floating LNG import infrastructure. Building on operational delivery in Brazil (since 2020) and the rapid Germany ramp-up (since 2022), KN Energies broadened its technical, commercial, and partnership capabilities across priority LNG markets while also progressing complementary decarbonisation enablers, including electrification solutions, biomethane logistics pathways, and CO_2 infrastructure development.

COMMERCIAL OPERATIONS SERVICES FOR DET LNG TERMINALS IN GERMANY

Throughout 2025, KN Energies continued commercial terminal management services for Deutsche Energy Terminal GmbH (DET) across the German FSRU terminal portfolio-supporting vessel scheduling / cargo interface and broader commercial operations processes for Wilhelmschaven-1, Brunsbüttel and Wilhelmshaven-2 LNG import facilities. DET's Wilhelmshaven 2 (WHV02) reached a major milestone: the terminal commenced commercial operations on 29 August 2025 following commissioning and test operation. Thus, KN Energies Deutschland GmbH progressed from mobilization into execution of technical operation and maintenance (O&M) responsibilities for Wilhelmshaven 2 (WHV02) facility, expanding KN Energies' role from commercial management into full-scope O&M service delivery for the terminal infrastructure under DET contracting.

LNG OPERATIONS IN BRAZIL

The milestone achieved in 2025 by project owner GNA (Gas Natural Açu) highlighted the scale and operational reliability of KN Açu Serviços de Terminal de GNL Ltda's activities in Brazil. The successful commencement of operations at the GNA II power plant and both GNA plants reaching 3 GW capacity further strengthened the strategic importance of the Açu terminal, operated by the KN Energies group, in supporting large-scale power generation for Brazil's national grid. This development reflects KN Energies' proven capability to manage complex energy infrastructure, delivering safe and efficient operations under demanding technical and logistical conditions.

STRATEGIC PARTNERSHIP WITH SK INNOVATIONS E&S

On June 13, 2025, KN Energies and SK Innovation E&S (SKI E&S), a global energy solutions provider and part of South Korea's SK Group, extended their Strategic Framework Agreement in Hanoi, reaffirming their commitment to expand cooperation in LNG infrastructure, hydrogen, carbon capture and energy storage across the Asia-Pacific region.

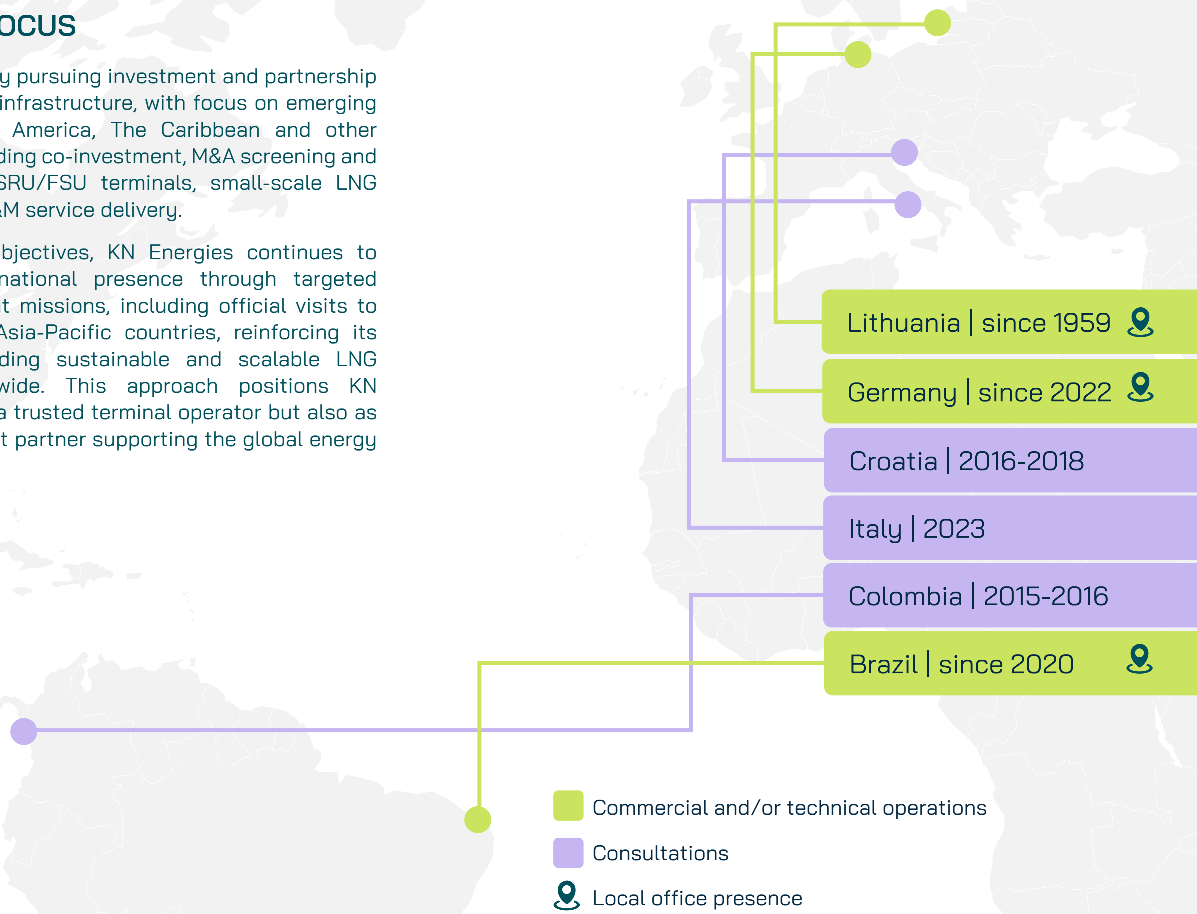
LNG TERMINAL INFRASTRUCTURE INVESTMENT FOCUS

KN Energies is actively pursuing investment and partnership opportunities in LNG infrastructure, with focus on emerging markets (Asia, Latin America, The Caribbean and other growth regions), including co-investment, M&A screening and JV structures for FSRU/FSU terminals, small-scale LNG infrastructure, and O&M service delivery.

In line with these objectives, KN Energies continues to strengthen its international presence through targeted business development missions, including official visits to Vietnam and other Asia-Pacific countries, reinforcing its commitment to building sustainable and scalable LNG infrastructure worldwide. This approach positions KN Energies not only as a trusted terminal operator but also as a strategic investment partner supporting the global energy transition.

KNE operates and maintains 3 floating terminals' infrastructure out of 48 operational terminals worldwide as January 2026 and subsequently holds **6.3% share** of floating LNG terminal global operations.

KNE supported implementation or operation of 46% (6 out of 13) currently operational floating LNG import terminal projects in the European Union.



NEW ENERGIES

CCS

Since 2022, KN Energies and its partners have been collaborating on the CCS Baltic Consortium project, with the aim of establishing a cross-border CO_2 capture, transportation, and storage value chain in the Baltic region. The project focuses on capturing approximately 1.6 million tonnes of CO_2 annually from two major industrial emitters – Akmenės cementas in Lithuania and SCHWENK Latvija in Latvia—and transporting the captured CO_2 to KN Energies' Klaipėda terminal for shipment to designated European storage sites. The infrastructure is designed as an open-access system, enabling additional regional emitters to connect in the future and supporting long-term scalability.

In 2025, the CCS Baltic Consortium achieved several important milestones. The project's status as a Project of Common Interest (PCI) was renewed, reinforcing its strategic importance at the European level. A major breakthrough was reached in January 2025, when the consortium was awarded a Connecting Europe Facility (CEF) grant of more than EUR 3 million to support key technical and commercial studies. The corresponding Grant Agreement with the European Climate, Infrastructure and Environment Executive Agency (CINEA) was signed in June 2025.

During the year, KN Energies completed an initial technical and commercial feasibility study, marking a significant step in evaluating the viability of the full CO_2 value chain. The positive results accelerated project development. In the second half of 2025, two major procurement processes were launched: one for the Environmental Impact Assessment (EIA) and another for the Front-End Engineering Design (FEED) of the liquefied CO_2 (LCO_2) terminal infrastructure. The contract for the EIA was signed in December 2025, while the FEED procurement is scheduled for completion in early 2026.

The project's current phase focuses on strengthening its technical and commercial maturity. A central priority in 2025 was the development and refinement of a comprehensive cost model to support long-term economic viability and operational efficiency. Several carbon capture technologies were tested at cement plants during the year to identify the most suitable solutions, demonstrating SCHWENK Building Materials Group's strong commitment to decarbonizing cement production across Europe. In parallel, project partners continued working together to optimize overall system performance.

To support infrastructure planning, a market consultation was conducted in July 2025 to assess the interest of industrial CO_2 emitters and other market participants. The consultation provided valuable insights into potential users' expected volumes, operational patterns, and timelines. These findings will inform the technical design of the Klaipėda CO_2 terminal, including buffer storage capacity and marine and land-based loading and unloading systems.

Throughout 2025, the consortium also maintained close cooperation with national ministries and regulatory authorities. One of the key priorities of this collaboration was addressing regulatory and policy gaps and highlighting the need to establish a strong legislative and regulatory framework to enable the full implementation of the CO_2 value chain. Discussions in 2025 laid the foundation for the development of primary legal acts and supporting regulations, with the preparation and adoption of these instruments expected to begin in 2026.

Hydrogen Carriers

Lithuania's National Energy Independence Strategy targets full energy self-sufficiency and climate neutrality by 2050. It sets ambitious objectives for the development of green hydrogen and the production of clean energy carriers such as methanol, ammonia, and synthetic methane, while also aiming to significantly increase energy exports. In line with these strategic goals, KN Energies is exploring opportunities related to hydrogen carriers and is preparing the necessary midstream infrastructure for the storage, transshipment, and export of alternative energy products.

In 2025, KN Energies conducted a comprehensive study to evaluate the suitability of its existing infrastructure for hydrogen and its derivatives, with a focus on technical, environmental, and health and safety requirements. The study aimed to assess which products are the most economically viable and technically feasible for future handling. Key findings were discussed with potential hydrogen and hydrogen derivative producers in Lithuania, resulting in a mutual understanding to continue collaboration on the development of a potential value chain. This cooperation will continue in 2026, with the objective of further advancing this emerging sector.

Energy Storage

The global market for networked battery energy storage is expanding rapidly in parallel with the growing deployment of renewable energy sources. The effective integration of renewables into energy systems depends heavily on the availability of scalable, reliable, and flexible energy storage solutions capable of balancing intermittent generation. In this context, long-duration storage technologies are becoming increasingly important for ensuring grid stability and energy security.

KN Energies is prioritizing flow battery technology due to its strong alignment with the company's core expertise in managing liquid energy products and terminal operations. Flow batteries represent a viable long-term energy storage solution, offering advantages such as long operational lifetimes, high safety standards. These characteristics make them well suited for large-scale and industrial applications and compatible with KN's existing infrastructure and operational capabilities.

In 2025, KN Energies conducted a comprehensive analysis of the electricity energy storage market and assessed several potential business cases for flow battery technology deployment. In parallel, the company continued its collaboration with leading technology providers to evaluate innovative flow battery solutions and system configurations. This work focused on technical performance, integration with existing assets, commercial feasibility, and regulatory considerations, laying the groundwork for potential future investments in long-duration energy storage infrastructure.

INVESTMENTS

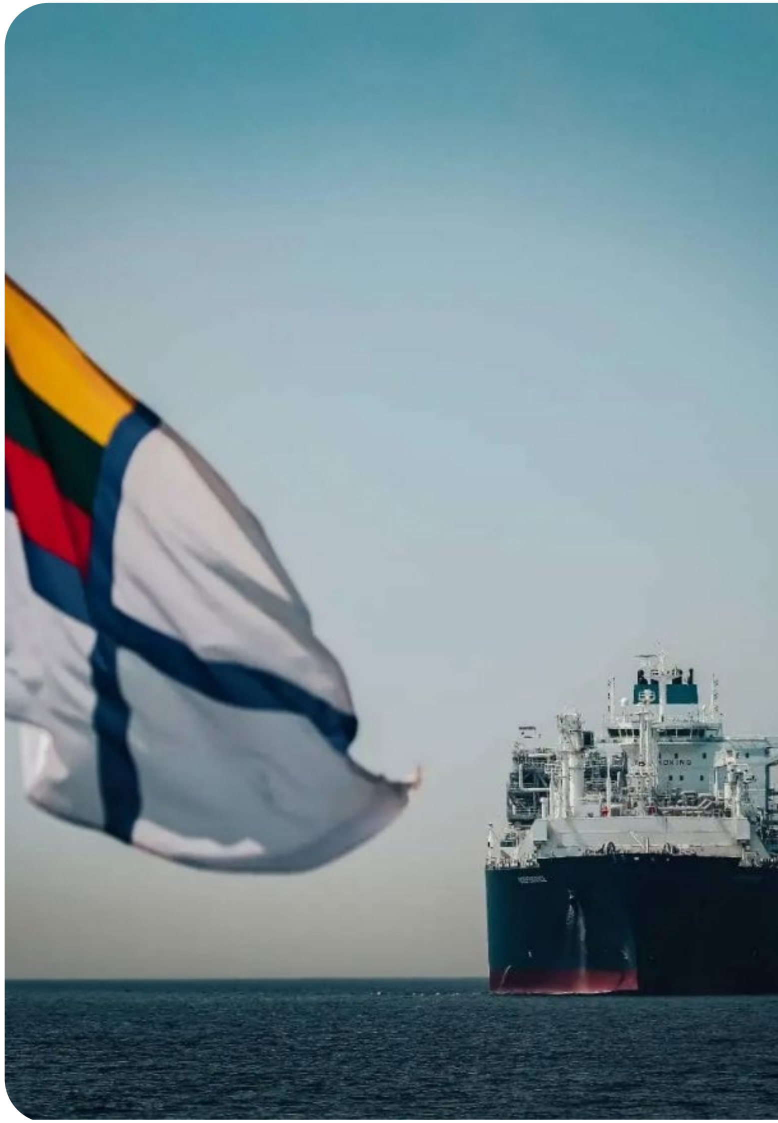
Major investment projects in 2025:

CATEGORY	AMOUNT OF INVESTMENT	DESCRIPTION
Investments in LET infrastructure	5.6 MEUR	Modernization and expansion of LET infrastructure, including upgrades to loading systems, storage facilities, rail and road handling areas, berths, and core mechanical and electrical systems to ensure reliable terminal operations.
Investments in FSRU	3.6 MEUR	Upgrades and maintenance of FSRU-related systems, including electrical, mechanical, monitoring, and ship-to-shore interfaces, ensuring stable and uninterrupted FSRU operational performance.
Investments in safety and compliance	1.6 MEUR	Enhancements to meet safety and regulatory requirements, including improvements to surveillance, perimeter protection, access control, emergency systems, and protective equipment across the terminals.
IT investments	0.8 MEUR	Strengthening of digital infrastructure through updates to servers, workstations, networks, data systems, and software tools to support stable and secure IT operations organization-wide.
Investments in business and processes effectiveness	0.4 MEUR	Implementation of improvements aimed at increasing operational efficiency, including equipment upgrades, on-site system enhancements, and targeted adjustments supporting smoother daily operations.
Other investments	0.6 MEUR	General infrastructure and facility upgrades, including building repairs, component replacements, renovation works, and various small-scale projects required to maintain asset condition and operational continuity.
Total	**12.6 MEUR**	

ACTIVITY PLANS AND FORECASTS

By 2030, KN aims to lay a solid foundation for the future business of new energies. The company will pursue this objective through a phased approach, encompassing the diversification of its activities and the construction of new infrastructure, in addition to the adaptation of existing infrastructure. By 2030, the company aims to develop at least three business opportunities: to enter the hydrogen carrier handling and storage market; to create a CO_2 storage and handling business to help control and reduce carbon emissions; and to create a pilot battery project in the region and a sustainable business model for the company to become a part of the energy storage/balancing market. The company's strategic utilisation of emerging energy sources will progressively position it to transition towards a green economy.

In the face of future changes, the company will continue to focus on its current activities, which will help it to secure the steady income needed to invest in new forms of energy. The development of liquid energy terminals is expected to further diversify the product and customer portfolio. There are plans to increase the handling of biofuels and to enter the storage and handling market for chemical products (methanol, etc.). The LNG business will strive to expand the business development activities of the floating LNG terminals in growth markets. Additionally, KN will continue to focus on operational excellence, commercial and operational efficiency, and creating more value for customers.



FINANCIAL RESULTS

FINANCIAL RESULTS

Net Profit and EBITDA

ADJUSTED FINANCIAL RESULT

Until the end of 2024, KN used alternative performance measures (APM) to provide a more accurate reflection of the Group's and the Company's business performance. During this period, the net profit (loss) of the Group and the Company was significantly affected by material non-cash items. Therefore, adjusted financial indicators were calculated by excluding the following impacts from the net profit (loss): (1) unrealised foreign currency exchange rate (forex) effects arising from IFRS 16 requirements, (2) related deferred income tax effects resulting from forex, and (3) the impact of financial derivatives. As of 2025, following the transfer of ownership of the FSRU to KN, the use of adjusted net profit measures has been discontinued, as these adjustments are no longer relevant.

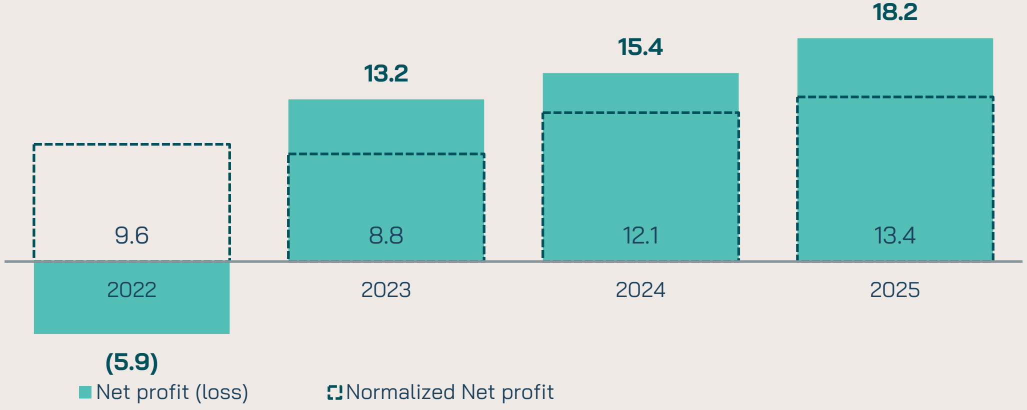
NORMALIZED FINANCIAL RESULT REFLECTING REGULATORY FACTORS

In regulated activities, financial results may fluctuate significantly due to the timing of regulatory decisions, tariff methodologies, changes in allowed revenues, compensation or claw-back mechanisms, and other elements of the regulatory environment. These factors often lead to limited comparability between reporting periods and may not accurately reflect the Company's operational performance or sustainable profitability.

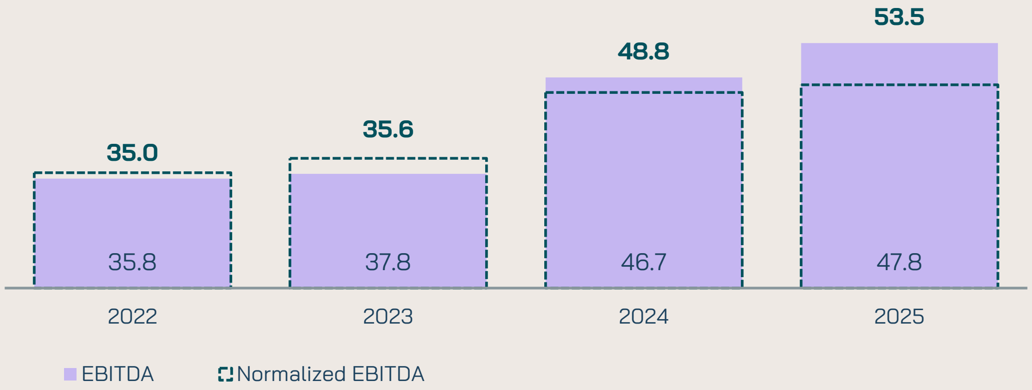
To provide a more comprehensive and transparent view of its performance, the Company presents a Normalized financial result – alternative performance measure (APM). This indicator eliminates the timing impact of regulatory decisions and one-off regulatory effects, offering a clearer picture of the underlying operational performance and improving comparability across periods. KNE eliminates temporary regulatory differences related to prior years and adjustments related to the current years that affect financial results.

The Normalized result is not calculated in accordance with applicable financial reporting standards and is considered an alternative performance measure.

THE GROUP'S NET PROFIT (LOSS) (EUR million)



THE GROUP'S EBITDA (EUR million)



Business Segments Results

RESULT OF LIQUID ENERGY TERMINALS:

Among KNE's four business segments – Liquid Energy Products Terminals, Regulated LNG Activities, Commercial LNG Activities, and New Energies – the Liquid Energy Products Terminals segment delivered the strongest performance in 2025. The segment's net profit increased by 68% compared to 2024 and reached EUR 5.1 million.

This excellent result was driven by the extension of long-term cooperation with AB *Orlen Lietuva* and growing cargo flows from the Mažeikiai refinery, as well as continuous multi-year investments in developing handling capabilities for new products, particularly biofuels. Significant focus was also placed on improving terminal operational efficiency, which has proven effective: for example, operating expenses in the Liquid Energy Products Terminals segment decreased year-on-year compared to 2024.

In 2025, LET handled nearly 3.6 million tonnes of products (3.4 million tonnes in 2024), representing a 5% increase, while biofuel handling volumes grew by 16%. The portfolio of products handled at the company's terminals was expanded last year to include UCO (used cooking oil) and SAF (sustainable aviation fuel).

LET is undergoing a targeted transformation: it is shifting from dark petroleum products toward light products and biofuels. It is estimated that approximately 12% of KNE's capacity is now allocated to biofuels.

RESULT OF REGULATED LNG ACTIVITIES:

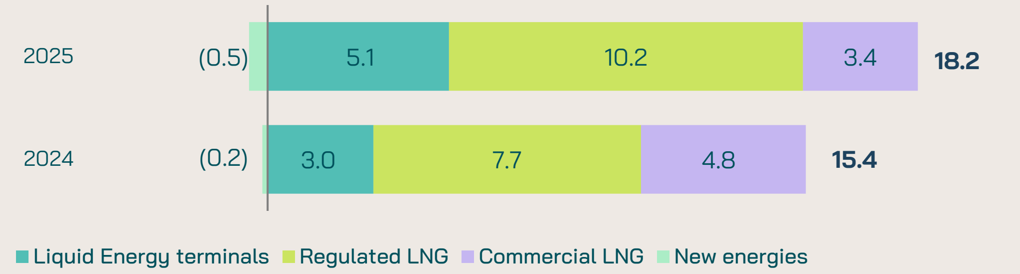
At the end of 2024, following KNE's acquisition and registration of the FSRU Independence in the Lithuanian Ships Registry, the stable and reliable operations of the Klaipėda LNG terminal continued throughout 2025. The terminal served six customers from Lithuania, Latvia, Estonia, Poland, and Norway. 34 LNG carriers were received, 30.5 TWh of LNG were regasified, and the terminal's average utilization rate reached 68%, compared with the European average of approximately 52%.

The high utilization rate was driven by strong regional demand for LNG terminal capacity, the availability of international pipeline interconnections, competitive terminal service pricing, and global LNG market conditions. In addition, the company actively seeks opportunities to offer new services to its clients. For example, in October 2025, the terminal launched a virtual biogas liquefaction service, enabling more efficient use of the LNG infrastructure in Klaipėda and contributing to the development of green fuel supply chains in the region.

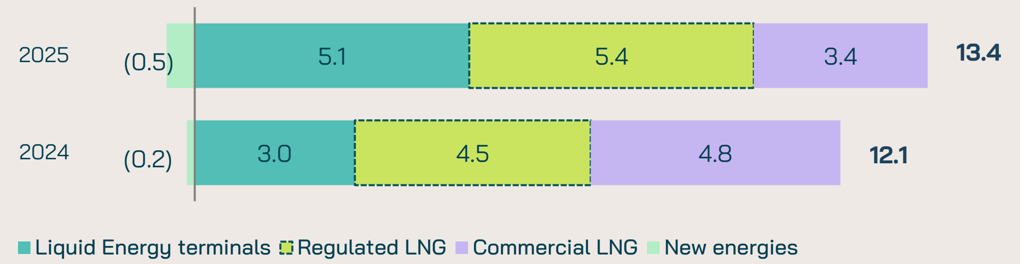
Efficiency improvements are also progressing at the Klaipėda LNG terminal. In 2025, implementation began on the electricity interconnection project, which, once completed, will enable the terminal to be powered by renewable electricity. This will reduce the use of diesel and natural gas and significantly lower terminal emissions.

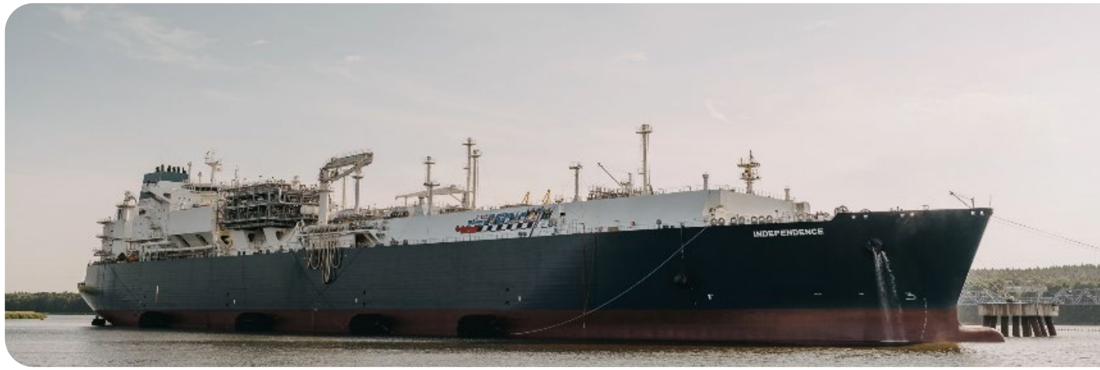
In 2025, the regulated LNG activities segment generated EUR 10.2 million in net profit, an increase of 32% compared to 2024. Normalized net profit amounted to EUR 5.4 million and was 21% higher than in 2024.

THE GROUP'S NET PROFIT (LOSS) BY BUSINESS SEGMENTS (EUR million)



THE GROUP'S *NORMALIZED* NET PROFIT (LOSS) BY BUSINESS SEGMENTS (EUR million)





RESULT OF COMMERCIAL LNG ACTIVITIES:

In the Commercial LNG Activities segment, which includes the Klaipėda LNG reloading station and KN Energies' international operations, net profit reached EUR 3.4 million in 2025.

In 2025, the company continued its commercial operation of four LNG terminals in Germany, and in mid-summer began the technical operation of the second Wilhelmshaven LNG terminal. The technical operation of the LNG terminal at the Port of Açu in Brazil continued to generate stable profit, while the launch of the GNA II gas-fired power plant further strengthened the strategic importance of this infrastructure and our role within it.

In its international operations, the company remains active in seeking opportunities to participate in new floating LNG terminal projects, with the potential to become an investor when feasible. Key strategic regions for international expansion continue to be Latin America, Europe, and the Asia–Pacific region. Last year, cooperation with South Korea's SK Innovation E&S was extended, with the aim of jointly developing LNG infrastructure, hydrogen, CO_2 capture, and energy storage projects. KN Energies also strengthened its international relationships in Vietnam and other Asia–Pacific countries to engage in the rapidly developing LNG projects in the region.

The year 2025 marked exceptionally strong and dynamic performance at the Klaipėda LNG reloading station. In this small-scale LNG terminal, which is commercially operated by the partner ORLEN (Poland), 2025 was the most productive year since the station began operations in 2017. More than 1,800 road tankers were loaded, delivering nearly 260,000 cubic meters of LNG to customers across the Baltic States and Poland.

RESULT OF NEW ENERGIES SEGMENT:

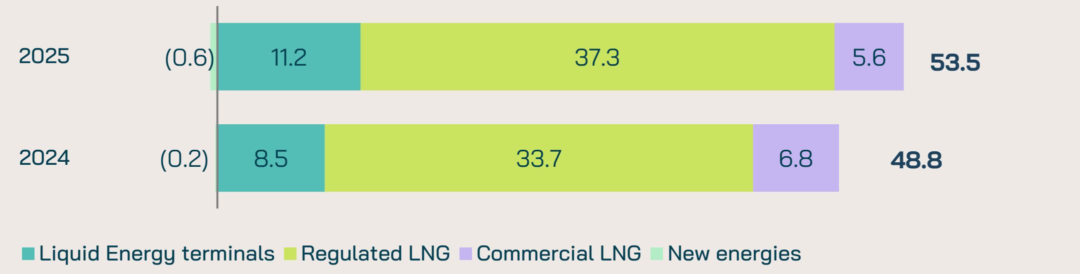
In 2025, KN Energies continued to focus on future energy pathways. Discussions progressed on adapting existing infrastructure for handling hydrogen carriers and for flow-battery projects, while the main attention remained on the rapidly developing CCS (carbon capture and storage) initiative launched in 2022 – the CCS Baltic Consortium project.

Several important milestones were achieved in 2025. The project's PCI (Project of Common Interest) status was renewed, and more than EUR 3 million in EU funding was secured for technical and commercial studies. The initial feasibility study was completed, the environmental impact assessment was launched, and the procurement process for the FEED (front-end engineering and design) phase is nearing completion. These ongoing activities will enable the final investment decision to be taken in the coming years and prepare the project for the start of construction.

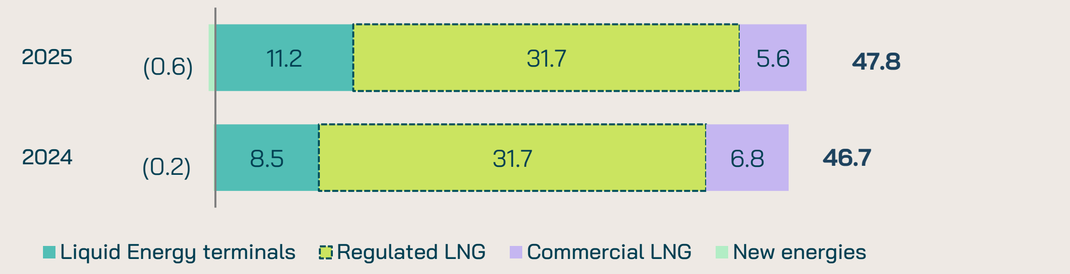
The project makes a significant contribution to the EU's 2050 climate-neutrality targets by enabling hard-to-abate industries to reduce CO_2 emissions, opening up infrastructure access to other companies in the region, and attracting new investment and innovation to the Baltic economies.

As the segment is still in an early stage of development, it does not yet generate revenue. Therefore, in 2025 it recorded a loss due to the resources allocated to business development, market analyses, and other related activities. In 2025, the company invested approximately EUR 0.6 million in advancing this strategic area, compared with around EUR 0.2 million in 2024.

THE GROUP'S EBITDA BY BUSINESS SEGMENTS (EUR million)



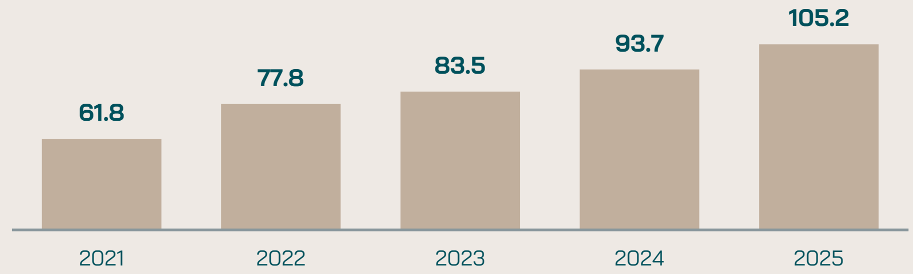
THE GROUP'S *NORMALIZED* EBITDA BY BUSINESS SEGMENTS (EUR million)



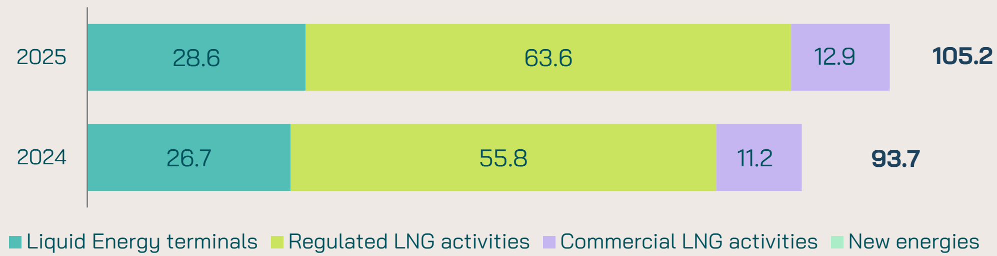
Sales Revenue

In 2025, the Group's revenue grew to EUR 105.2 million, an increase of 12% compared with EUR 93.7 million in 2024. Revenue has expanded steadily over the past four years, rising by a total of 70% from the 2021 level of EUR 61.8 million. The strongest contribution to year-on-year growth came from the regulated LNG activities segment, where revenue increased by 14%, reaching EUR 63.6 million (up from EUR 55.8 million in 2024), driven by consistently high utilization of the Klaipėda LNG terminal. The liquid energy products terminals segment delivered a 7% revenue increase to EUR 28.6 million, while the commercial LNG activities segment grew by 15%, reaching EUR 12.9 million due to expanding operations in Klaipėda and abroad. Revenue remained geographically well balanced, with EUR 52.8 million generated from Lithuanian clients and EUR 52.4 million from foreign clients, demonstrating a resilient and diversified customer portfolio.

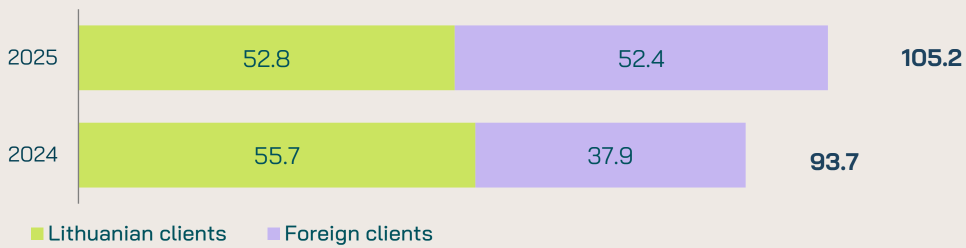
THE GROUP'S SALES REVENUE (EUR million)



THE GROUP'S SALES REVENUE BY SEGMENTS (EUR million)



GROUP SALES REVENUE BY GEOGRAPHY (EUR million)

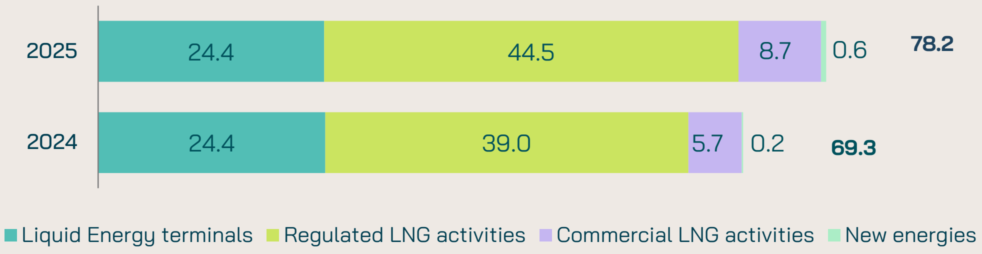


Expenses

In 2025, the Group's total costs amounted to EUR 78.2 million, an increase of 13% compared to 2024, driven mainly by higher activity levels in the regulated and commercial LNG segments. At the same time, costs in the Liquid Energy segment decreased, reflecting the positive impact of ongoing efficiency initiatives.

The overall cost increase was largely attributable to higher personnel expenses, increased FSRU-related costs and higher environmental taxes. Several cost categories, including insurance expenses and impairments, declined and partially offset the overall growth in the cost base. Investments in the New Energies area increased as the segment continued to advance early-stage development activities. At the company level, costs increased from EUR 67.3 million to EUR 75.1 million, following a similar pattern.

THE GROUP'S EXPENSES BY SEGMENTS (EUR million)



The listing of the Group's major expenses by segments is presented in the table below. More detailed information of expenses provided in Financial Statement in chapters "Cost of sales" and "Operating expenses" in the Management Report.

	2025				TOTAL 2025	2024				TOTAL 2024	Change 2025vs2024	
	LET	LNG		New energies		LET	LNG		New energies			
		LNGT	comLNG				LNGT	comLNG			+/-	%
Depreciation and amortization	6,368	18,230	1,340	-	25,938	6,090	16,920	1,289	-	24,299	1,639	6.7%
Wages, salaries, other staff and personnel expenses	10,288	6,389	4,520	189	21,386	10,332	4,792	3,290	115	18,529	2,857	15.4%
Expenses related to FSRU (OPEX element, management, crew cost)	-	9,222	-	-	9,222	-	7,824	-	-	7,824	1,398	17.9%
Emission allowances and tax on environmental pollution	235	5,805	-	-	6,040	227	3,881	-	-	4,108	1,932	47.0%
Variable costs (natural gas, electricity, railway services)	3,124	69	765	-	3,958	3,194	83	35	-	3,312	646	19.5%
Repair and exploitation expenses	1,111	250	579	-	1,940	1,264	266	363	-	1,893	47	2.5%
Port charges	-	1,532	-	-	1,532	-	1,578	-	-	1,578	(46)	(2.9%)
Legal, consultation and audit expenses	288	432	252	347	1,319	583	744	247	35	1,609	(290)	(18.0%)
Telecommunication and IT expenses	443	413	421	-	1,277	432	311	133	-	876	401	45.8%
Insurance expenses	256	561	134	-	951	298	903	118	-	1,319	(368)	(27.9%)
Contribution for National Energy Regulatory Council (NERC)	-	876	-	-	876	-	668	-	-	668	208	31.1%
Impairments (reversal)	750	-	-	-	750	499	-	-	-	499	251	50.3%
Tax on real estate	413	73	12	-	498	406	73	11	-	490	8	1.6%
Other expenses	1,122	672	713	18	2,525	1,085	948	245	1	2,279	246	10.8%
Total costs	**24,398**	**44,524**	**8,736**	**554**	**78,212**	**24,410**	**38,991**	**5,731**	**151**	**69,283**	**8,929**	**12.9%**

Five-Year Summary of Financial Ratios

THE KEY FINANCIAL RATIOS OF THE GROUP (IN EUR THOUSAND, IF NOT INDICATED OTHERWISE)

THE GROUP	2025	2024	2023	2022	2021
Transshipment of liquid energy products, thousand t	3,592	3,406	4,119	4,267	3,651
LNG regasification and reloading, GWh	34,254	28,046	33,958	32,446	16,569
FINANCIAL FIGURES					
Sales	105,209	93,655	83,525	77,818	61,811
EBITDA (APM)	53,531	48,838	35,638	34,987	26,108
Normalized EBITDA (APM)	47,847	46,748	37,770	35,794	28,419
EBIT (APM)	28,342	25,029	12,597	12,322	461
Net profit (loss)	18,211	15,366	13,226	(5,904)	(64,011)
Normalized Net profit (loss) (APM)	13,437	13,590	15,039	(5,218)	(62,047)
PROFITABILITY					
Return on assets (ROA) (APM)	3.3%	2.8%	2.3%	(1.0%)	(10.5%)
Normalized Return on assets (ROA) (APM)	2.4%	2.4%	2.6%	(0.9%)	(10.1%)
Return on equity (ROE) (APM)	10.8%	9.7%	9.0%	(4.2%)	(35.5%)
Normalized Return on equity (ROE) (APM)	8.0%	8.6%	10.3%	(3.7%)	(34.4%)
Return on Capital Employed (ROCE) (APM)	6.0%	5.2%	4.0%	4.4%	0.2%
Normalized Return on Capital Employed (ROCE) (APM)	4.7%	4.8%	4.6%	4.7%	1.0%
EBITDA margin (APM)	50.9%	52.1%	42.7%	45.0%	42.2%
Normalized EBITDA margin (APM)	45.5%	49.9%	45.2%	46.0%	46.0%
EBIT margin (APM)	26.9%	26.7%	15.1%	15.8%	0.7%
Net profit margin (APM)	17.3%	16.4%	15.8%	(7.6%)	(103.6%)
Normalized Net profit margin (APM)	12.8%	14.5%	18.0%	(6.7%)	(100.4%)
FINANCIAL STRUCTURE					
Debt ratio (D/E) (APM)	222%	235%	268%	313%	295%
Debt to EBITDA (APM)	7.1	7.9	11.5	12.4	16.4
Debt to Normalized EBITDA (APM)	8.0	8.2	10.9	12.1	15.0
Net Debt/EBITDA (APM)	4.9	5.8	8.3	9.6	13.2
Net Debt/Normalized EBITDA (APM)	5.5	6.1	7.9	9.4	12.2
Debt service coverage ratio (DSCR) (APM)	1.4	1.9	3.1	4.1	4.2
Normalized Debt service coverage ratio (DSCR) (APM)	1.3	1.8	3.3	4.2	4.6
Gross liquidity ratio (APM)	1.8	1.9	0.5	1.3	1.3
MARKET VALUE RATIOS					
Price-Earnings Ratio (P/E)	8.5	5.8	5.8	(15.4)	(1.8)
Normalized Price-Earnings Ratio (P/E)	11.5	6.6	5.1	(17.4)	(1.9)
Earnings per share (EPS)	0.048	0.040	0.035	(0.016)	(0.168)
Normalized Earnings per share (EPS)	0.035	0.036	0.040	(0.014)	(0.163)

KN ENERGIES

THE KEY FINANCIAL RATIOS OF THE COMPANY (IN EUR THOUSAND, IF NOT INDICATED OTHERWISE)

THE COMPANY	2025	2024	2023	2022	2021
Transshipment of liquid energy products, thousand t	3,592	3,406	4,119	4,267	3,651
LNG regasification and reloading, GWh	34,254	28,046	33,958	32,446	16,569
FINANCIAL FIGURES					
Sales	99,916	89,407	80,356	74,722	58,633
EBITDA (APM)	51,186	46,436	34,346	33,696	24,582
Normalized EBITDA(APM)	45,502	44,346	36,478	34,503	26,893
EBIT (APM)	26,109	22,739	11,409	11,129	(984)
Net profit (loss)	16,727	13,797	12,370	(6,732)	(64,917)
Normalized Net profit (loss) (APM)	11,953	12,021	14,183	(6,046)	(62,953)
PROFITABILITY					
Return on assets (ROA) (APM)	3.1%	2.5%	2.2%	(1.2%)	(10.6%)
Normalized Return on assets (ROA) (APM)	2.2%	2.2%	2.5%	(1.1%)	(10.3%)
Return on equity (ROE) (APM)	10.3%	8.9%	8.6%	(4.8%)	(36.0%)
Normalized Return on equity (ROE) (APM)	7.3%	7.8%	9.9%	(4.3%)	(34.9%)
Return on Capital Employed (ROCE) (APM)	5.6%	4.8%	3.6%	4.0%	(0.4%)
Normalized Return on Capital Employed (ROCE) (APM)	4.3%	4.3%	4.3%	4.3%	0.5%
EBITDA margin (APM)	51.2%	51.9%	42.7%	45.1%	41.9%
Normalized EBITDA margin(APM)	45.5%	49.6%	45.4%	46.2%	45.9%
EBIT margin(APM)	26.1%	25.4%	14.2%	14.9%	(1.7%)
Net profit margin (APM)	16.7%	15.4%	15.4%	(9.0%)	(110.7%)
Normalized Net profit margin(APM)	12.0%	13.4%	17.6%	(8.1%)	(107.4%)
FINANCIAL STRUCTURE					
Debt ratio (D/E) (APM)	228%	241%	272%	316%	297%
Debt to EBITDA (APM)	7.4	8.3	11.9	12.9	17.4
Debt to Normalized EBITDA (APM)	8.4	8.6	11.2	12.6	15.9
Net Debt/EBITDA (APM)	5.3	6.3	8.9	10.2	14.2
Net Debt/Normalized EBITDA (APM)	6.0	6.6	8.3	9.9	13.0
Debt service coverage ratio (DSCR) (APM)	1.4	1.8	3.0	4.0	4.0
Normalized Debt service coverage ratio (DSCR) (APM)	1.2	1.7	3.2	4.1	4.4
Gross liquidity ratio (APM)	1.7	1.8	0.4	1.2	1.2
MARKET VALUE RATIOS					
Price-Earnings Ratio (P/E) (APM)	9.2	6.5	6.2	(13.5)	(1.8)
Normalized Price-Earnings Ratio (P/E) (APM)	12.9	7.5	5.4	(15.0)	(1.9)
Earnings per share (EPS) (APM)	0.044	0.036	0.033	(0.018)	(0.171)
Normalized Earnings per share (EPS) (APM)	0.031	0.032	0.037	(0.016)	(0.165)

ALTERNATIVE PERFORMANCE MEASURES (APM)

In addition to financial performance measures prepared according to International Financial Accountability Standards (IFAS), KN Energies also provides alternative financial performance measures in its financial statements that are not indicated in IFAS. The company provides the calculation methodology of alternative performance measures, which may differ from methodologies used by other companies.

MEASURE	CALCULATION
Debt ratio (D/E)	total current and non-current liabilities at the end of the period / total equity at the end of the period
Debt service coverage ratio (DSCR)	EBITDA of the period / (total current loan obligations at the end of the period + interest expenses of the period)
Normalized Debt service coverage ratio (DSCR)	normalized EBITDA of the period / (total current loan obligations at the end of the period + interest expenses of the period)
Debt to EBITDA	total current and non-current liabilities at the end of the period / EBITDA of the period
Debt to Normalized EBITDA	total current and non-current liabilities at the end of the period / normalized EBITDA of the period
Earnings per share (EPS)	net profit (loss) for the period/ total number of shares at the end of the period
Normalized Earnings per share (EPS)	normalized net profit (loss) for the period/ total number of shares at the end of the period
EBIT	earnings before taxes – financial activity income + financial activity expenses
EBIT margin	EBIT / revenue
EBITDA	earnings before taxes – financial activity income + financial activity expenses + depreciation and amortization expenses*
Normalized EBITDA	EBITDA + differences of regulated activities
EBITDA margin	EBITDA / revenue
Normalized EBITDA margin	normalized EBITDA / revenue

MEASURE	CALCULATION
Gross liquidity ratio (current ratio)	total current assets at the end of the period / total current liabilities at the end of the period
Net Debt/EBITDA	cash and cash equivalents – short-term deposits – long-term and short-term loans and lease liabilities/ EBITDA for the period
Net Debt/Normalized EBITDA	cash and cash equivalents – short-term deposits – long-term and short-term loans and lease liabilities/ normalized EBITDA for the period
Normalized net profit (loss)	net profit (loss) + (differences of regulated activities – (differences of regulated activities) * profit tax))
Net profit margin	net profit (loss) for the period / revenue
Normalized net profit margin	normalized net profit (loss) for the period / revenue
Price-Earnings Ratio (P/E)	average share price for the period / (net profit (loss) of the last twelve months/ total number of shares at the end of the period)
Normalized Price-Earnings Ratio (P/E)	average share price for the period / (normalized net profit (loss) of the last twelve months/ total number of shares at the end of the period)
Return on assets (ROA)	net profit (loss) of the last twelve months / (assets at the end of the period + assets at the beginning of the period) / 2
Normalized return on assets (ROA)	normalized net profit (loss) of the last twelve months / (assets at the end of the period + assets at the beginning of the period) / 2
Return on Capital Employed (ROCE)	(EBITDA – depreciation and amortization) / (total equity + total long-term loans and deferred government grants at the end of the period)
Normalized return on Capital Employed (ROCE)	(normalized EBITDA – depreciation and amortization) / (total equity + total long-term loans and deferred government grants at the end of the period)
Return on equity (ROE)	net profit (loss) of the last twelve months / (equity at the end of the period + equity at the beginning of the period) / 2
Normalized return on equity (ROE)	normalized net profit (loss) of the last twelve months / (adjusted equity at the end of the period + adjusted equity at the beginning of the period) / 2

** 2021-2023 EBITDA formula was: earnings before taxes – financial activity income + financial activity expenses + depreciation and amortization expenses + impairments (reversal).*

SUSTAINABILITY REPORT

GENERAL INFORMATION

BP-1, BP-2 Basis for Preparing the Sustainability Report

For several consecutive years, sustainability information has been disclosed in accordance with the GRI (Global Reporting Initiative) standards. Information for 2024 was prepared for the first time on a voluntary basis, partially applying the principles of the European Sustainability Reporting Standards (ESRS). For 2025, the Company continues to disclose sustainability information on a voluntary basis, partially applying ESRS, using the ESRS version published by EFRAG in November 2025. As the application of ESRS is not mandatory for the Company, the application of exemptions provided for in the standards is not further detailed.

The consolidation scope of the Company's sustainability report corresponds to the scope applied for the financial statements – taking into account the structure of the KNE Group, the report presents key data of the Company, including its subsidiaries.

In Lithuania, the Company operates two liquid energy products terminals in Klaipėda and Subačius, as well as the LNG terminal and the LNG reloading station in Klaipėda. KNE is also the commercial operator of the Marijampolė liquid energy products terminal (under a lease agreement). KNE provides commercial operation services for three LNG terminals in Germany. Through its subsidiaries, the Company provides technical operation and maintenance services for the LNG terminal at the Port of Açu in Brazil and the Wilhelmshaven-2 LNG terminal in Germany.

As KNE's activities in Marijampolė, Brazil and Germany are limited to the contractual arrangements described above and the terminals themselves are owned by clients, the data disclosed in the Sustainability Report, as in the financial statements, cover subsidiaries only where this reflects processes controlled by the Company (e.g. employee working conditions). Other data (e.g. environmental monitoring results of foreign terminals) are considered value chain data and are not included unless stated otherwise.

This report presents the updated results of the double materiality assessment for 2025, prepared based on a simplified ESRS approach and covering subsidiaries (where relevant) as well as the entire value chain.

Information on impacts, risks and opportunities within the value chain presented in the report is based on available and publicly accessible information about the value chain. Taking into account the complexity of data collection, resource requirements, and the balance between usefulness and accuracy, the data are disclosed based on KNE's internal information, information obtained from stakeholders through cooperation, expert knowledge of KNE specialists, and publicly available sources.

The report includes only information that may be disclosed without infringing intellectual property rights and that is not confidential or classified. Greenhouse gas (GHG) emission factors used in GHG calculations are subject to a high level of measurement uncertainty. The Company has not identified other disclosed quantitative indicators or monetary amounts that are subject to a high level of measurement uncertainty.

Sustainability Achievements

Key sustainability achievements of the KNE Energies Group in 2025.

CDP
DISCLOSURE INSIGHT ACTION

In 2025, the international environmental organisation CDP awarded the Company a "B" rating for its management of climate change impacts, actions and processes (on a scale from D- to A). This represents a significant improvement compared to the 2024 rating (D).

Įmonių socialinė atsakomybė

At the National Responsible Business Awards 2025, KN Energies was recognised as the winner in the large companies category as a "Company Promoting Transparency and Corruption Prevention."

eNPS

The employee satisfaction indicator eNPS (employee net promoter score), which measures employees' willingness to recommend KN Energies as an employer, increased from 18 to 28 (on a scale from –100 to 100).

VKC
Valdymo koordinavimo centras

In 2025, the Governance Coordination Centre (GCC) awarded KN Energies its highest sustainability practices rating – A+. Only four of all assessed state-owned enterprises achieved this top-tier rating.

As part of the project to connect the Klaipėda LNG Terminal to the electricity grid, KN Energies has commenced initial works related to the installation of a subsea power cable. Once completed, the FSRU Independence will be supplied with electricity from renewable energy sources, reducing the terminal's CO_2 emissions by approximately one third.

REPUTACIJOS INDEKSAS

In the country's largest corporate reputation assessment, the Company was recognised as the second most improved organisation in Lithuania, earning the title of a "Rising Star."

GOV-1 Role of the Administrative, Management and Supervisory Bodies

Detailed information on the composition and diversity of KNE's administrative, management and supervisory bodies, their roles, responsibilities, experience and activities in 2025, as well as the Company's governance and organizational structure and internal accountability relationships, is provided in the "Governance Report" section of the Annual Report.

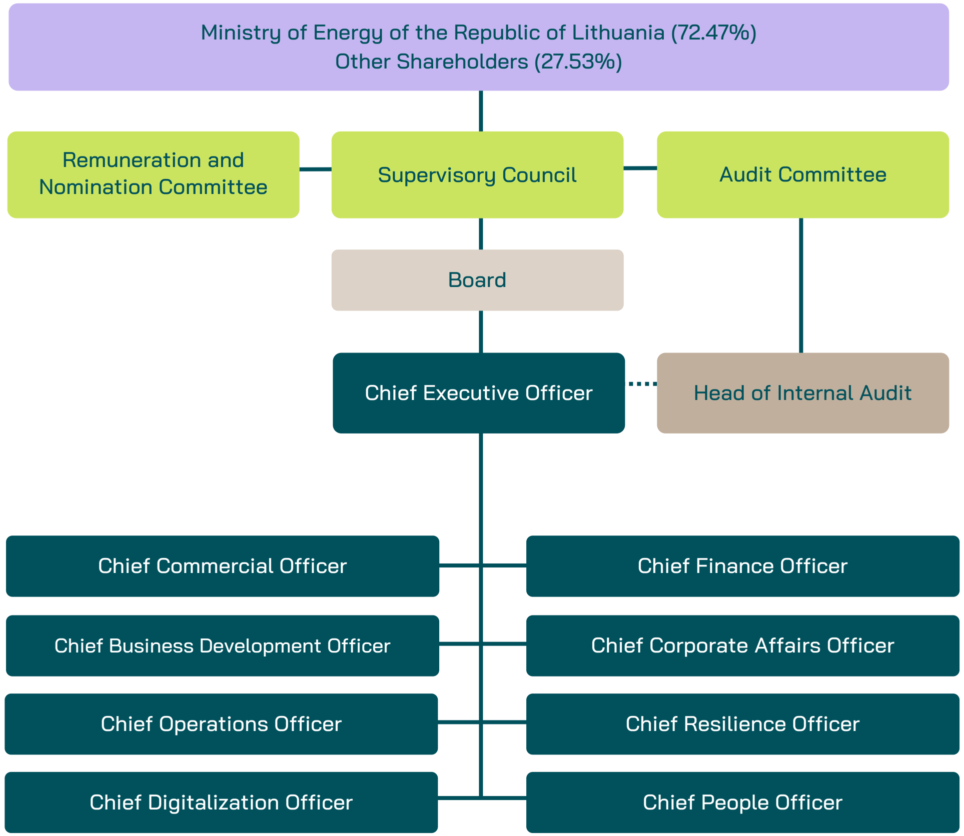
The implementation of actions in specific sustainability areas is carried out by the following functions:

- Environmental matters – the Terminals Management department and the Business Resilience department;
- Social responsibility matters – the People department, the Corporate Affairs department and the Business Resilience department;
- Governance matters – the Corporate Affairs department and the Business Resilience department.

The Chief Executive Officer is responsible for the implementation of the Company's strategy, including the sustainability strategy.

Oversight of sustainability as part of the implementation of the KNE strategy, as well as performance evaluation within their respective competencies, is exercised by the Company's Supervisory Council, its committees and the Board. The competencies, functions and powers of the Supervisory Council and the Board are defined in the Law on Companies of the Republic of Lithuania, the Company's Articles of Association, the Corporate Governance Policy and the Decision-Making Matrix. These oversight responsibilities fall within the general remit of the respective governing bodies. Where relevant, Internal Audit or an independent third party provides independent assurance to management and the Board and assesses the effectiveness of the implementation of the sustainability policy.

GOVERNANCE STRUCTURE



GOVERNANCE STRUCTURE

The Company ensures governance processes, oversight, controls and procedures designed to identify, monitor, manage and oversee its impacts, risks and opportunities. This is achieved through the implementation of the Company's strategic and operational management across all levels of the organisation:

OPERATIONAL LEVEL	MANAGEMENT ACTIONS	RESPONSIBLE / INVOLVED BODIES AND EMPLOYEES
Implementation of KNE long-term strategy ***Long term – up to 2050***	The Company's sustainability ambition – climate-neutral operations by 2050 – is embedded in the Strategy, with strategic objectives aligned to this ambition and the transformation of activities. The Strategy was approved by the Company's Supervisory Council on 14 June 2023. The Strategy, its assumptions and objectives are reviewed annually and, where necessary, adjusted and/or updated.	Chief Executive Officer Heads of Departments Board Supervisory Council
Preparation of the Strategy and submission to the Governance Coordination Centre (GCC) ***Medium term – 3 years***	The Company's long-term strategy is translated into shorter periods by reviewing and setting strategic objectives for the respective period. The Strategy, its assumptions, objectives and targets are reviewed annually and, where necessary, adjusted and/or updated. The GCC assesses the implementation of the Strategy.	Chief Executive Officer Heads of Departments Board Supervisory Council
Setting and cascading annual objectives within the Company ***Short term – 1 year***	Strategic objectives are translated into annual objectives (with financial incentives) and targets for the Chief Executive Officer. The CEO's objectives and targets are cascaded to Heads of Departments (Directors) and further to subordinate employees across the organisation (at specialist level, objectives may be set quarterly). Annual objectives and targets are reviewed at least once per year and, where necessary, adjusted and/or updated, and monitored through performance indicators.	Chief Executive Officer Heads of Departments Managers Employees
Monitoring of performance indicators under the Lean system ***Operational level – monthly / weekly / daily***	Operational performance indicators are defined for the set annual objectives, assigned to responsible persons and monitored and assessed using Lean system methodologies and tools at agreed intervals – monthly, weekly or daily. Where necessary, performance indicators may be reviewed, adjusted and/or updated.	Chief Executive Officer Heads of Departments Managers Employees
Periodic review of material topic indicators at all levels ***Operational level – as needed***	Objectives and indicators set for material topics (sub-topics) identified through the double materiality assessment are aligned with the Company's strategic and operational documents. Continuous monitoring is carried out by the Head of ESG; review and (where necessary) updating are organised at least once per year as part of the KNE strategy review process. The most recent review was conducted in Q4 2025.	Chief Executive Officer Heads of Departments Managers Employees

The Company's governance and supervisory bodies, including their respective committees, are periodically informed about the Company's material impacts, risks and opportunities as follows:

- During the review and update of strategic documents – once per year / Board and Supervisory Council;
- When setting and approving annual objectives – once per year / Board;
- Under risk management procedures, when monitoring changes in risk levels and the status of action plans for risk mitigation measures – four times per year / Board;
- When considering specific sustainability topics and making decisions on the Company's investments, material transactions, etc. – as needed, by including the relevant items on the agenda / Board and Supervisory Council.

GOV-2 Integration of Sustainability-Related Performance into Incentive Systems

In 2024, the double materiality assessment process and its results (stakeholders, identified material topics, impacts, risks and opportunities in full scope (SBM-3, IRO-1)) were discussed at a Board meeting during an extended sustainability session, at least two Supervisory Council meetings, and with the Directors during the long-term strategy review session. In 2025, following the publication of the first company reports prepared in accordance with ESRS, the double materiality assessment was updated through expert judgement by further detailing the value chain and assessing subsidiaries in greater depth (see "SBM-3, IRO-1 Double materiality assessment").

Sustainability-related incentive systems apply to members of KNE's administrative, management and supervisory bodies. The Company's Remuneration Policy, approved by the General Meeting of Shareholders, sets out the principles for determining and paying remuneration to members of the Company's management and supervisory bodies, and the Company's Employee Remuneration Policy describes the principles for the establishment and payment of the remuneration, and the promotion of all employees. Remuneration policy is publicly available on the Company's website. Detailed information on the remuneration of the Chief Executive Officer and of members of the Company's management and supervisory bodies is disclosed in the Management Report section "Remuneration".

For both the Company's Chief Executive Officer and members of the Company's management and supervisory bodies, the key objectives set are directly linked to the implementation of the KNE Strategy 2050, whose core ambition is sustainable and climate-neutral operations by 2050.

- As the remuneration of the Company's collegiate management bodies consists solely of a fixed component, it is not linked to performance against specific sustainability-related targets and/or impacts; performance is therefore assessed in aggregate.
- The annual objectives of the Chief Executive Officer are linked to and assessed based on performance against specific sustainability-related targets. In 2025, direct sustainability objectives and targets accounted for 15% of all objectives and targets (including GHG emission reduction and employee safety objectives), while an additional 10% of the total weighting was allocated to the development of transformational sustainability activities, namely progress in CCS and hydrogen projects.

The Chief Executive Officer's objectives and targets are cascaded as described in "Strategic goals". The principles for determining, paying and incentivising remuneration for KNE employees, as well as the principles and procedures for remuneration-related decision-making, are governed by the KNE Remuneration Policy.

GOV-3 Statement on Sustainability Due Diligence

The key elements of due diligence set out in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, and the sections of the Sustainability Report where information on each of these elements is disclosed, are presented in table below.

NO.	KEY SUSTAINABILITY DUE DILIGENCE ELEMENTS	SECTIONS OF THE SUSTAINABILITY REPORT WHERE INFORMATION IS DISCLOSED
1.	Integration of due diligence into governance, strategy and business model	GOV-1, GOV-2 Role of the administrative, management and supervisory bodies; SBM-3, IRO-1 Double materiality assessment; SBM-1 Business strategy, business model and value chain
2.	Engagement of affected stakeholders across all key stages of due diligence	SBM-2 Interests and views of stakeholders
3.	Identification and assessment of adverse impacts on people and the environment	SBM-3, IRO-1 Double materiality assessment
4.	Implementation of actions to address adverse impacts on people and the environment	SBM-1 Business strategy, business model and value chain; Thematic sustainability sections "Policies" and "Actions"
5.	Monitoring the effectiveness of these efforts	GOV-1, GOV-2 Role of the administrative, management and supervisory bodies; GOV-4 Sustainability reporting risk management and internal control; Indicators disclosed in the thematic sustainability sections "Actions", including planned corrective actions

GOV-4 Sustainability Reporting Risk Management and Internal Control

The Sustainability Policy provides that the Company publicly reports on its sustainability activities and their impacts by publishing sustainability reports at least once per year. The sustainability reporting process and planned improvements to sustainability reporting are regularly presented to and discussed by the Audit Committee. Progress in the implementation of the sustainability strategy, including trends in key performance indicators, is presented to the Board and the Supervisory Council at least once per year.

The main risks in sustainability reporting processes relate to human error in data input or calculation. In order to manage this risk and ensure internal control over the sustainability reporting process, an internal tool was developed in 2025 that systematically documents sustainability indicator definitions, data sources and responsible persons. In addition, a formal Sustainability Data Entry Instruction was prepared. This instruction sets out the key principles to ensure data integrity, completeness, appropriate valuation and accuracy, as well as the responsibilities of employees involved in data collection and reporting and the actions applied.

In 2025, part of the sustainability indicators were also automated, meaning that they are calculated algorithmically using data directly extracted from internal systems. This reduces the risk of human error and improves resource efficiency. Further automation of sustainability indicators is planned for 2026.

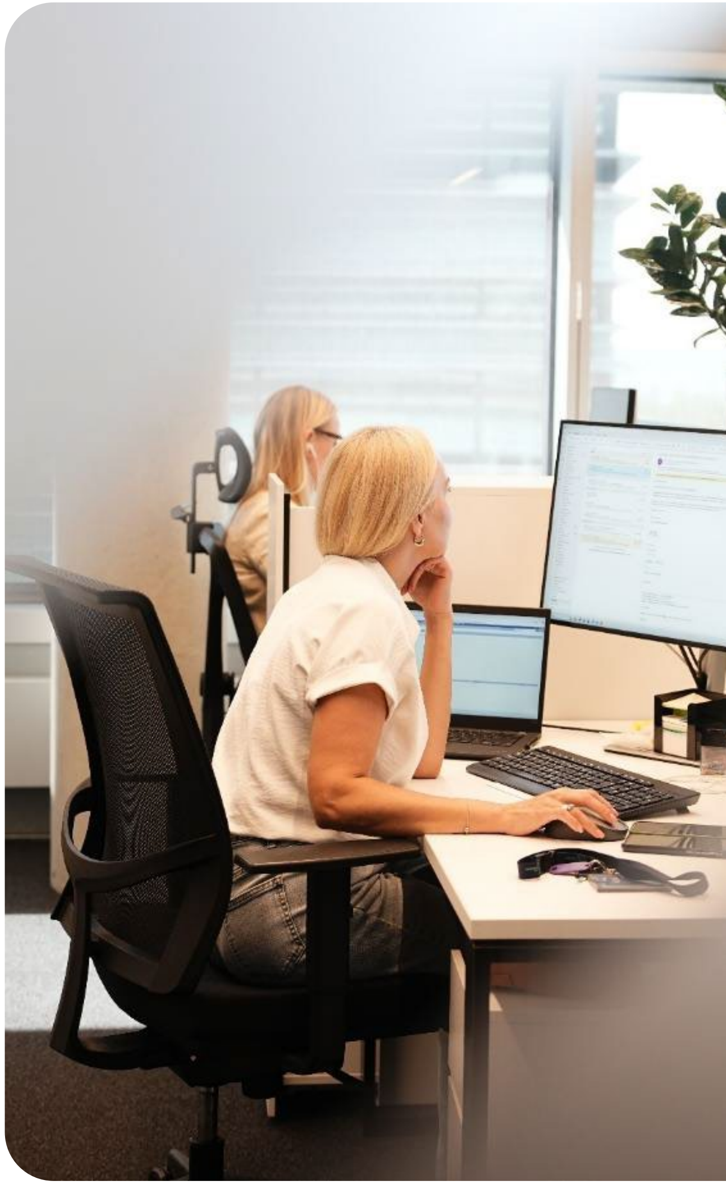
The Company has implemented a Risk Management System covering risk management and internal control methods, processes and systems. Detailed information on risk management, including the risk map and risk categories, is disclosed in the Management Report section “Risks and their management”. Sustainability topics are integrated into the Company’s risk management system. Following the update of the double materiality assessment in 2025, additional material topics and risks identified during the assessment will be integrated into the Company’s existing risk management system in 2026, with assigned risk owners and mitigation measures.

SBM-1 Business Strategy, Business Model and Value Chain

Detailed information on the Company’s strategic commitments and operational objectives across its main business segments is disclosed in the Management Report section “Operating strategy” (see KNE Strategy 2050).

Detailed descriptions of the Company’s business model, service groups and served markets, including changes during the reporting period, are provided in the Management Report sections “General information about the Group and the Company”, “Liquid Energy Products Terminals”, “Regulated LNG Terminal”, “Commercial LNG Activities”, “New Energies”, as well as “Significant events of the reporting period”.

A schematic overview of the Company’s value chain and a description of the key characteristics of its main stages are presented on the next page.



UPSTREAM

Traders of liquid energy products
Light and heavy oil products, biofueals, other petrochemicals

Extraction of raw materials

Raw material processing/ LNG liquefaction

Suppliers of liquified natural gas

Partners for new energy projects– CO_2 emitters and green hydrogen producers

By vessel, rail, trucks

By LNG carrier

DIRECT OPERATIONS

Liquid energy products (LEP) terminals

- LEP loading between oil tankers and tank wagons
- LEP loading to tank trucks
- LEP loading, accumulation and storage
- Acceptance of oil-contaminated water from vessels
- Blending of biological additives and marking agents into LEP
- Vessel mooring, bunkering and water supply

Liquified natural gas (LNG) terminals in Lithuania

- Commercial and logistics (technical) operation of LNG terminals (as owner)
- Acceptance of LNG cargoes from arriving LNG carriers
- Physical and virtual storage of LNG cargo
- LNG regasification and pipeline transportation up to the transmission network tie-in point
- LNG loading to carrier, LNG loading from carrier to LNG reloading station
- LNG loading to LNG trucks

Liquid natural gas (LNG) terminals in Brazil and Germany

Commercial and logistical (technical) terminal management (through service contracts with terminal owners)

Development of new energy projects (R&D)

Creating a CO2 capture and storage value chain with partners, developing green hydrogen and its carrier infrastructure, energy balancing (flow battery) projects

By vessel, rail, trucks

By pipeline vessel, trucks

By pipeline, vessel,

DOWNSTREAM

Clients (B2B)

Public legal entities purchasing terminal services (storage of state stock)

Legal entities purchasing LEP terminal services

Legal entities purchasing LNG terminal services (natural gas, LNG suppliers)

Foreign legal entities purchasing commercial and/or technical terminal operation services (tenders)

End users
(industry, household consumers, gas station users)

End users
(LNG-fuelled vessels and heavy-duty transport; household and industrial natural gas consumers)

Main supporting activities

- Marketing
- Customer service
- IT management
- Infrastructure and asset management
- Risk and financial resource management
- Security and safety management
- Human resources management

Main providers of supporting activities

- Suppliers of technical services and equipment
- Subcontractors
- Public channels and agencies
- Waste management operators
- IT service providers
- Providers of consultancy services
- Financial services and insurance providers

Upstream: The value chain begins with the supply of raw materials by extractive companies. Raw materials at the start of the value chain include the extraction and supply of unprocessed materials. Processors refine crude oil or biofuel feedstocks into various liquid energy products and process and liquefy extracted natural gas, which is then transported through KNE terminals. Liquid energy product traders market these products. The following products from these value chain participants enter the Company's terminals:

Oil products:

- Various types of diesel fuel;
- Various types of gasoline and gasoline components;
- Various types of fuel oil;
- Crude oil;
- Bitumen.

Other products:

- Methanol.

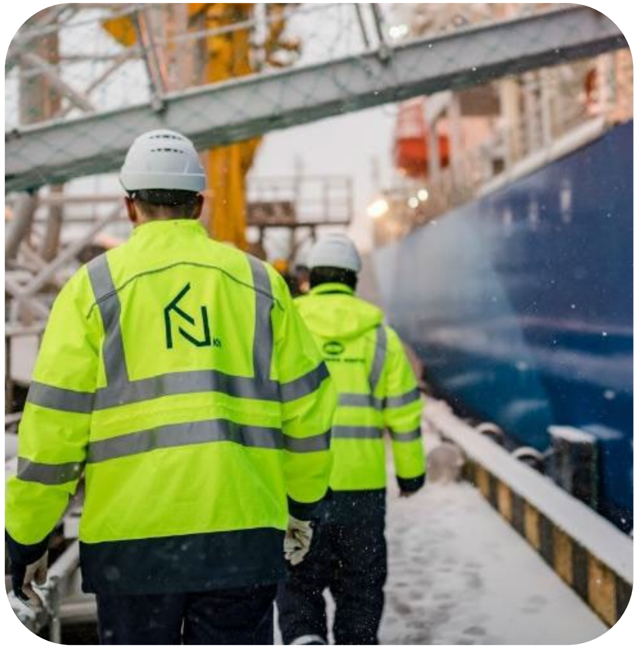
Biofuels:

- Ethanol;
- Rapeseed methyl ester (RME);
- Hydrotreated vegetable oil (HVO);
- Used cooking oil (UCO) for biofuel production;
- Sustainable aviation fuel (SAF).

Liquid energy products are transported by tankers, rail and road transport. Suppliers of natural gas feedstock transport liquefied natural gas to KNE-operated LNG terminals by LNG carriers.

Direct operations: The Company operates in the middle of the sector's value chain (midstream). KNE's core activities include the operation of liquid energy product terminals in Klaipėda and Subačius, where services are provided for the transshipment, long-term storage and other activities related to the handling of liquid energy products. LNG terminal activities include the operation of the Klaipėda LNG Terminal, which receives and temporarily stores liquefied natural gas, regasifies it and supplies it to the transmission gas network, and, where required, performs LNG transshipment operations; the Klaipėda LNG reloading station, where LNG is loaded into road tankers; as well as the commercial and technical operation of LNG terminals in Brazil and Germany. KNE is also the commercial operator of the Marijampolė liquid energy terminal under a lease agreement.

In pursuit of a long-term sustainable business model, the Company also carries out transformation-enabling activities, implementing new energy projects such as the development of a CO_2 capture and storage (CCS) value chain, and assessing projects related to energy balancing solutions (including flow batteries), hydrogen and hydrogen carrier infrastructure, among others.



Downstream: Products are transported to customers by tankers, rail, road transport and pipelines. At the end of the value chain are end users – legal entities and private individuals consuming the products supplied through the Company (for example, drivers refueling vehicles, industrial companies or household consumers producing heat from supplied natural gas).

In order to ensure responsible supply practices, the Company cooperates with customers and carries out due diligence procedures.

SBM-2 Interests and Views of Stakeholders

The Company ensures ongoing dialogue with its stakeholders in order to identify material topics relevant to stakeholders and to consider, address and integrate their interests and views. The Sustainability Policy establishes the fundamental principle that, when setting and pursuing sustainability objectives, the expectations of different stakeholder groups are taken into account. By fostering relationships with stakeholders, the Company seeks to create mutual value and regularly provides stakeholders with information on its sustainability progress.

- The integration and consideration of stakeholder views and interests in the double materiality assessment of KNE's material topics, impacts, risks and opportunities was carried out based on stakeholder expectations known to the Company's representative teams. These expectations were identified in detail during the preparation of KNE Strategy 2050 in 2023 through dedicated meetings, interviews, presentations, working groups, questionnaires and similar engagement formats.
- In 2024, KNE conducted a stakeholder analysis that resulted in the identification of an expanded list of stakeholders.
- In 2025, the stakeholder list was reviewed through the development of a stakeholder map, which captures a stakeholder prioritisation matrix (based on influence and interest) and the topics relevant to each stakeholder. KNE assigned more than 150 identified stakeholders to the respective prioritisation matrix categories and designated responsible persons for each group. The stakeholder map is a living tool and is regularly updated to reflect changes in stakeholder expectations. Key developments related to material stakeholders are presented at weekly Directors' meetings. Stakeholder expectations are taken into account when setting and adjusting KNE's operational priorities.

Information on stakeholder views and interests, the results of the implementation of the stakeholder engagement plan, as well as operational matters (e.g. complaints, employee survey results), is periodically presented to KNE's administrative, management and supervisory bodies during dedicated sessions and through the integration of these topics into the agendas of Board and Supervisory Council meetings.

The table summarises the stakeholder engagement actions applied by the Company based on the results of the annual review.

<table>
<tr><th>STAKEHOLDER GROUP</th><th>HOW WE ENGAGE AND RESPOND TO EXPECTATIONS</th></tr>
<tr><td>Shareholders and their representatives</td><td rowspan="8">Critical stakeholder engagement strategy: actively manage to ensure support for KNE's success.
Responsible: senior management.
Frequency of engagement: at least once per quarter

Engagement focus:
• Share strategic, high-level news, show how we are meeting expectations
• Participate in informal conversations, one-on-one meetings (if necessary), provide opportunities for feedback;
• Send informational messages, newsletters, invitations to important events;
• Support stakeholder initiatives where appropriate, demonstrate engagement;
• Involve stakeholders in the planning stage of important projects, seek feedback (e.g., through customer NPS surveys);
• Cooperate by inviting them to seminars and events;
• Face-to-face meetings, participation in high-level events organized by stakeholders, inviting stakeholders to KN events (if relevant).</td></tr>
<tr><td>Management bodies</td></tr>
<tr><td>Employees and their representatives</td></tr>
<tr><td>Customers</td></tr>
<tr><td>Operational supervisory authorities</td></tr>
<tr><td>Political institutions</td></tr>
<tr><td>Institutional financiers</td></tr>
<tr><td>Critical business partners and strategic service providers</td></tr>
<tr><td>Communities located near KNE sites</td><td rowspan="5">High-priority stakeholder engagement strategy: meet expectations and maintain a good reputation, leverage opportunities for collaboration and obtain feedback to implement and improve KNE results.
Responsible: theme managers, senior managers where appropriate.
Frequency of engagement: according to the interests of the specific stakeholder.

Focus of engagement:
• Share news/announcements selectively when relevant and useful;
• Monitor stakeholders' public communications to understand changing expectations or topics of interest to them;
• Participate in informal or individual meetings as needed, giving them the opportunity to express their opinions;
• Respond promptly to inquiries or comments, even if they are not related to high-impact decisions;
• Participate in stakeholders' initiatives where appropriate, demonstrating a willingness to respond to expectations.</td></tr>
<tr><td>Suppliers</td></tr>
<tr><td>Media</td></tr>
<tr><td>Associated companies</td></tr>
<tr><td>Potential investors</td></tr>
<tr><td>Scientific and academic institutions</td><td rowspan="3">Strategy for involving stakeholders of medium priority: inform them and ensure that there are no obstacles to KNE activities.
Responsible: managers and specialists responsible for specific areas
Frequency: annually, ad hoc

Engagement highlights:
• Via the KNE website, annual reports;
• Share progress and celebrate achievements, occasionally providing opportunities for feedback.</td></tr>
<tr><td>Non-governmental organizations</td></tr>
<tr><td>Business associations</td></tr>
</table>

SBM-3, IRO-1 Double Materiality Assessment

In 2022, the Company carried out an impact materiality assessment based on the GRI guidelines. In 2024, an initial double materiality assessment was conducted to identify sustainability topics that are material to the Company from both an impact and a financial perspective. In 2025, the assessment was updated through a more detailed evaluation of impacts, risks and opportunities across the entire value chain and subsidiaries. In total, more than 120 different environmental, social and governance impacts and more than 130 risks and opportunities were identified across the value chain. A summary of material sub-topics is presented below, while individual material impacts, risks and opportunities are detailed in the relevant thematic sections of the Sustainability Report.

METHODOLOGY

The assessment considered 1) the impact of KNE's activities on sustainability (impact materiality) and 2) the financial effects of sustainability topics (sub-topics) on KNE through risks or opportunities (financial materiality).

The starting point for the assessment was the ESRS sub-topics and sub-sub-topics, materiality assessments of peer companies, external sector analyses, as well as sustainability reports of companies operating within the value chain. Three time horizons were applied: short term (<1 year), medium term (1–5 years) and long term (>5 years), as these timeframes are also used in other KNE methodologies, such as risk assessment.

Impacts were assessed by assigning scores on a scale from 1 to 5 based on their scale, scope, remediability (in the case of negative impacts) and likelihood (for potential impacts). Risks and opportunities were assessed by assigning scores on a scale from 1 to 5 based on their scale, likelihood and expected financial impact on the Company. Wherever possible, the common KNE risk assessment methodology was applied in the evaluation of risks and opportunities. In addition, the financial impact of risks and opportunities on the Company was assessed by analysing how the identified risks and opportunities affect the following capitals:

- Human capital (employees' knowledge, competencies, talents, skills and experience);
- Intellectual capital (innovation, processes, patents, brands);
- Natural capital (natural resources, materials, biodiversity, landscape);
- Social and relationship capital (reputation, brand loyalty, partnerships);
- Financial capital (equity, debt, revenues, profit, ability to access financing and/or capital in the future);
- Technological capital (infrastructure, software, digital platforms, etc.).

PROCESS FOR IDENTIFYING MATERIAL TOPICS

In 2024, external experts, together with KNE representatives, carried out an analysis of sustainability impacts; the results were reviewed with middle management and specialists and subsequently with senior management. A dedicated session with senior management was held to assess sustainability-related risks and opportunities. Material sustainability topics and objectives were reviewed during the annual review session of KNE Strategy 2050.

In 2025, the assessment was updated through an expert-based review, refining and adjusting scores and integrating new information on the value chain and subsidiaries. Following the 2025 update, all ESRS sustainability topics were confirmed as material. Compared to previous years, additional value chain-related sub-topics were identified as material, primarily related to the ESRS topic E4 Biodiversity and ecosystems. No material adjustments to the approved KNE strategy or decision-making processes were deemed necessary, as the strategy largely reflects the results of the double materiality assessment (see the sustainability objectives overview in section "Sustainability targets"). Accordingly, the Sustainability Report discloses information related to those sub-topics that are material under the double materiality assessment described above (where sub-topics are highly material or material from a double materiality, impact materiality or financial materiality perspective).

OVERVIEW OF KN ENERGIES' MATERIAL SUSTAINABILITY TOPICS

Blue circle indicates the part of the value chain in which impacts, risks or opportunities are material (high or very high materiality). This does not necessarily mean that the impact, risk or opportunity does not occur in other parts of the value chain, but rather that its materiality there is assessed as medium or low.

Color explanations:

Subtopics/topics material in terms of impact
Subtopics/topics that are financially material
Subtopics/topics that are material both in terms of impact and financially (double materiality)
Subtopics/topics assessed as medium–low materiality are not further detailed in the report

Badges explanations:

U	Upstream
	Direct operations
D	Downstream

Impact materiality	Low	Medium	High	Very high
Very high		Water resources U Direct drivers of biodiversity loss U	Waste U Air pollution U D Water pollution U D Soil pollution U Working conditions – occupational health and safety U	Climate change mitigation U D Energy security U
High		Microplastic U	Equal treatment and equal opportunities for all U Communities' economic, social and cultural rights U D Company culture Transparency Energy sector U	
Medium			Waste Air pollution	
Low			Impact on species U Climate change adaptation U Other work-related rights U Corruption and bribery Economy and green transformation	
	Low	Medium	High	Very high

Financial materiality

	MATERIAL ESRS TOPIC		MATERIAL SUB-TOPIC	UPSTREAM U	KNE DIRECT OPERATIONS	DOWNSTREAM D
Double	E1 Climate change	Environmental	Climate change mitigation	●	●	●
	Non-ESRS	Governance	Energy security	●	●	
	E2 Pollution	Environmental	Air pollution	●	●	●
	E2 Pollution	Environmental	Soil pollution	●	●	
	E2 Pollution	Environmental	Water pollution	●	●	●
	E5 Circular economy	Environmental	Waste	●	●	
	S1 Own workforce, S2 Value chain workers	Social	Working conditions – health and safety	●	●	
	E1 Climate change	Environmental	Energy	●	●	
	S1 Own workforce, S2 Value chain workers	Environmental	Equal treatment and equal opportunities for all	●	●	
	S3 Affected communities	Governance	Economic, social and cultural rights of communities	●	●	●
	G1 Business conduct	Governance	Corporate culture		●	
	Non-ESRS	Governance	Transparency		●	
Financial materiality	Non-ESRS	Governance	Cybersecurity and data protection		●	
	Non-ESRS	Governance	Civil protection		●	
	E4 Biodiversity and ecosystems	Environmental	Impact on species status	●	●	
	E1 Climate change	Environmental	Climate change adaptation	●	●	
	S1 Own workforce, S2 Value chain workers	Social	Other work-related rights	●	●	
	G1 Business conduct	Governance	Corruption and bribery		●	
	Non-ESRS	Governance	Economy and green transition		●	
Impact materiality	E3 Water and marine resources	Environmental	Water resources	●		
	E4 Biodiversity and ecosystems	Environmental	Direct drivers of biodiversity loss	●		
	E2 Pollution	Environmental	Microplastics	●		

Sustainability Targets

Based on its strategy and the results of the double materiality assessment, the Company has set strategic sustainability targets for the period up to 2030. These targets were updated in 2025 during the annual review session of KNE Strategy 2050, with the participation of the Board and the Supervisory Council. The strategic sustainability targets are summarised in table below.

It should be noted that, in addition to these strategic targets, further objectives are set within annual operational targets across specific sustainability areas. These include, for example, objectives defined in the Occupational Safety and Health Strategy, the People Strategy, and departmental operational improvement plans (such as initiatives aimed at optimising resource consumption).

OBJECTIVE		2030 TARGET	2025 RESULT	2025 RESULT AND PROGRESS
Environment				
Reduce GHG emissions	-30 %	Reduction of GHG emissions (Scope 1 and 2) compared to 2022	13.2%	In 2025, this target was not achieved, and 13.2% more Scope 1–2 GHG emissions were generated compared to the baseline year at the liquid energy products terminals. This is due to higher LNG regasification volumes during the period. Although the total GHG emissions increased, the emission intensity per regasified and reloaded MWh (calculating the part subject to ETS) decreased by 5% compared to 2024 in LNG terminal.
Improve air quality	-40 %	Reduction of volatile organic compounds (VOC) emissions compared to 2022	-15 %	A significant reduction of 15% in 2025 compared to baseline year was achieved (in 2024 it was 7%).
Reduce waste generation	>90 %	Share of recycled hazardous and non-hazardous waste	97 %	In 2025, the target was achieved and only 3% of total waste was not recycled.
Social				
Foster good working conditions for all	>30	Employee Net Promoter Score (eNPS)	28	eNPS is measured several times per year; the latest eNPS result for the entire KNE Group in 2025 was 28 (scale from -100 to 100).
	±5 %	Gender pay gap (maximum allowable value)	-3 %	In 2025, the gap amounted to –3%, indicating compliance with the target and reflecting balanced remuneration practices across genders.
	≥33 %	Gender balance in management	11 %	In 2025, the value of this indicator was 11%. The strategic indicator covers the single-person management body (CEO) and members of collegial bodies (Board and Supervisory Council). With the election of new Board members in 2026, progress toward the target is expected. In 2025, two new female directors joined the KNE management team – the Director of the Business Resilience Department and the Director of the People and Business Services Department – resulting in 33% female representation at top management (director) level.
Ensure a safe and healthy workplace	0	Fatal accidents	0	0 – no fatal accidents occurred.
	0	Tier 1 process safety incidents (PSE1)	0	0 – no Tier 1 (or Tier 2) process safety incidents occurred.
	<0.5	Total Recordable Case Frequency (TRCF)	0.86	Due to three occupational safety incidents in 2025, the TRCF indicator amounted to 0.86 incidents per 200,000 working hours.
Ensure community engagement and satisfaction	0	Compensation claims related to KNE activities	0	No compensation claims were received for damage or inconvenience caused by KNE activities. The target was reformulated in 2025 (previously – 0 community complaints), taking into account that as community trust grows, the number of complaints may increase due to greater willingness to engage directly. We welcome the continued active dialogue.
Governance				
Maintain impeccable reputation and stakeholder trust	0	Confirmed cases of fraud and corruption	0	0 – no cases of fraud or corruption were identified.
	0	Significant personal or business data protection breaches	0	0 – no personal data protection breaches occurred.

	0	Breaches of the Code of Conduct (incl. partners)	0	0 – no breaches of the KNE Code of Conduct were recorded.
	4.2	Cybersecurity maturity (NIST requirements, out of 5)	3.6	3.8 – this rating has been consistently increasing in recent years toward the target level. See more in the "Cybersecurity" section.
	>95	Net Promoter Score (NPS)	44	44 – This assessment covers customers from three B2B segments: Klaipėda LNG Terminal, international LNG services, and liquid energy product terminals. The 2025 result decreased compared to 2024 due to short-term IT and equipment issues, as well as changes in the customer base and introduction of new services. Additionally, under the NPS methodology, a shift from a 9–10 score to a 7–8 score significantly reduces the NPS value, as respondents scoring 7–8 are considered neutral and excluded from the calculation formula.

MDR-P Policies Related To Material Sustainability Matters

KNE operates in accordance with internal policies approved by top management and/or the Company's management and supervisory bodies, which are intended to manage material actual and potential impacts, risks, and opportunities.

Certain policy areas apply to multiple material sustainability matters, covering more than one relevant material topic. Unless stated otherwise, the scope of KNE policies applies to the Company and all its subsidiaries. Responsibility for the policies listed below lies with top-level executives accountable for the function related to the subject matter addressed by the respective policy.

Sustainability Policy

The Sustainability Policy updated in 2025 reflects the key sustainability principles applied in practice across KNE's operations, the Company's core commitments, and clearly defines implementation and oversight responsibilities.

The Policy consolidates the previously separate Quality, Environmental and Occupational Health and Safety Management Policy and the Stakeholder Policy.

The full text of the Policy is available on the Company's website.

Our vision is to enable industry and society to build a cleaner, safer, and more prosperous future through sustainable liquid energy solutions. By continuously innovating and expanding our service portfolio, we aim to be at the forefront of the energy transition, contributing to the global transformation of the energy system and achieving climate neutrality by 2050.

In pursuing this vision, our strategy seeks a balance between environmental protection, social well-being, and economic prosperity. The objective of the Sustainability Policy is to integrate ESG principles into the Company's operations and to define KNE's key sustainability commitments. We will seek to extend the implementation of the principles set out in the Policy through the Supplier Code of Ethics, encouraging our suppliers and partners to join us in delivering this vision.

Principles we are guided by

- **Prioritisation and balance** – when setting operational priorities, we seek a balance between business objectives and the Company's environmental and social impacts. This means considering both the impacts of the Company on environmental, social and governance matters, and the effects of ESG factors on the Company's operations and financial performance.
- **Stakeholder engagement** – when defining and pursuing sustainability objectives, we take into account the expectations of different stakeholder groups. By fostering relationships with stakeholders, we seek to create mutual value and regularly provide information on the Company's sustainability progress.
- **Data-driven management** – sustainability performance and progress are assessed through the systematic management and collection of sustainability data; where relevant, direct measurements and/or strategic analyses covering the full value chain are carried out.
- **Horizontal integration** – ESG factors are considered in investment, strategic and operational decision-making, as well as in the design of employee incentive systems.

Relevant sustainability commitments set out in the Policy are disclosed in the respective thematic sections of the Sustainability Report.

POLICY	DESCRIPTION	POLICY LINKED TO RELEVANT ESRS TOPICS
Personal Data Privacy Policy	This policy sets out the principles and practices for the processing of personal data within the Company. It aims to ensure that all Group employees comply with legal requirements and ethical standards when handling personal data. The primary objective is to safeguard individual privacy, ensure data accuracy and security, and respect each person's rights and freedoms, while continuously seeking to prevent unlawful or negligent data processing activities.	S1 Own workforce; S2 Workers in the value chain; S3 Affected communities; S4 Consumers and end-users
Compliance Management Policy	This policy sets out the Company's compliance principles, responsibilities, and risk management approach, with the aim of building and maintaining a positive compliance culture. The objectives of the policy are to effectively manage compliance risks, ensure continuous improvement, and reduce the likelihood of breaches that may result in additional costs or reputational damage. Sets the legal and organizational measures ensuring KN's activities comply with applicable regulations and follows the three-lines compliance management model.	G1 Business conduct
Waste Management Procedure	This procedure sets out principles and actions to ensure proper waste management in order to protect the environment and human health. It applies to all the Company's departments, service providers, and employees involved in waste handling. The purpose of the procedure is to ensure the identification, segregation, storage, transfer to waste management operators, and its recordkeeping, in compliance with environmental requirements and applicable legislation.	E5 Circular economy
Employee Remuneration Policy	This policy describes the principles for determining, paying, and incentivising employee remuneration in the Company, as well as the decision-making arrangements on this matter. It applies to all Company employees. The purpose of the policy is to ensure that the remuneration-setting process is clear, fair, and transparent, and supports the Company's competitiveness in the labour market. In addition, the policy aims to encourage employees to actively contribute to the achievement of the Company's strategic objectives and, in line with its values, to increase value added and deliver higher returns to shareholders.	S1 Own workforce; G1 Business conduct
Remuneration Policy	The policy describes the principles for determination, payment and promotion of remuneration of members of the Supervisory Council, members of the Board and members of Committees and the Head of the Company.	S1 Own workforce; G1 Business conduct
Anti-Corruption Policy	This policy sets out the principles and requirements for preventing bribery and corruption in the Company's operations, aiming to ensure transparency, legal compliance, and the highest ethical standards. The policy applies to all employees, governing bodies, and business partners, emphasising zero tolerance for corruption. Its main objectives are to prevent corruption incidents, ensure transparent procurement, encourage reporting of misconduct, and foster a responsible organisational culture. Managers are expected to lead by example and integrate corruption prevention into day-to-day activities. The implementation of the policy is overseen by the prevention officer, and breaches are subject to strict disciplinary measures.	G1 Business conduct
Dividend Policy	The Company's dividend policy is designed to ensure that dividends are calculated, announced, and paid lawfully, consistently, and transparently, in line with Lithuanian legislation, and internal rules. It aims to protect shareholders' interests, uphold high corporate governance standards, support the Company's market value, and set clear procedures for the publication and payment of dividends.	G1 Business conduct
Gifts Policy	This policy sets out the principles for accepting and giving gifts by the Company's employees, with the aim of preventing corruption and conflicts of interest. It applies to all Company employees. The purpose of the Policy is to ensure that the acceptance and giving of gifts is transparent, complies with ethical standards, and does not conflict with the Company's interests. The policy also encourages employees to avoid gifts that could influence objective decision-making and requires the declaration of gifts with a value exceeding EUR 150.	G1 Business conduct
Code of Conduct	The Code of Conduct sets out the core values and principles that employees must follow to ensure honest, responsible, and ethical behaviour within the organisation. This includes professionalism, respect for colleagues and customers, integrity, compliance with applicable laws and regulations, and accountability for one's actions. The Code also emphasises the importance of maintaining transparency, avoiding conflicts of interest, and contributing to the achievement of the organisation's sustainability goals.	S1 Own workforce; S2 Workers in the value chain
Physical Security Policy	This policy sets out the Company's physical security principles, organisational measures, and unified requirements for physical and operational security. The policy applies to all employees of the Company and its subsidiaries, as well as to individuals working temporarily for the Company, including personnel employed by external parties who perform work, provide security services, or otherwise operate within the Company's premises or at facilities owned by the Company.	G1 Business conduct
Information and Cyber Security Policy	This policy sets out the Company's principles and actions to ensure secure and reliable information management and cybersecurity, in order to protect the organisation's assets and reputation from threats. It applies to all Company employees and partners. The purpose of the policy is to ensure that information is handled safely and responsibly, in compliance with applicable laws and the organisation's	G1 Business conduct

POLICY	DESCRIPTION	POLICY LINKED TO RELEVANT ESRS TOPICS
	standards. The policy also encourages employees to remain aware of cyber risks, ensure continuous system monitoring and rapid incident response, and comply with all established security protocols.	
Treasury Management Policy	The purpose of this policy is to establish a treasury governance framework for the Company that ensures financial stability, risk mitigation, and effective cash flow management. The policy defines the requirements and guidelines for achieving these objectives, while complying with market best practices and applicable regulatory requirements.	G1 Business conduct
Corporate Governance Policy	The policy sets out the key principles ensuring responsible, effective, and transparent governance of the Company. The policy applies to all Company employees, governing bodies, and subsidiaries. It covers the protection of shareholders' rights, internal control, risk management, and ethical standards, with the aim of creating long-term value and ensuring sustainable operations.	G1 Business conduct
Support and Humanitarian Aid Policy	This policy sets out the principles and directions under which the Company provides support to projects that create clear and tangible value for society and target groups by addressing social, educational, or scientific challenges, as well as providing humanitarian aid.	S3 Affected communities
Human Resources Policy	This policy sets out the Company's human resources management principles to ensure effective workforce organisation, employee well-being, and the achievement of strategic objectives. The policy applies to all employees and relevant stakeholders, promoting equality, engagement, motivation, development, and improvements in working conditions. Its main objectives are to ensure a competent and flexible workforce, a transparent remuneration system, career opportunities, continuous employee growth, and alignment with strategic needs. The policy is based on the principles of equality, employee development, work–life balance, and accountability.	S1 Own workforce
Private Interests Management Policy	This policy sets out the principles of the KN Group of Companies to ensure the alignment of private and public interests, with the aim of avoiding conflicts of interest and preventing corruption. The policy applies to all employees and members of governing bodies, ensuring transparency, accountability, and the prioritisation of the Company's interests. The main objectives are to ensure clear disclosure of interests, withdraw from decision-making, prevention, and ongoing monitoring. The policy is based on the principles of impartiality, transparency, accountability, and proactive conflict-of-interest management practices.	G1 Business conduct
Risk Management Policy	This policy sets out the principles and practices to ensure systematic risk management, aimed at protecting the Company's assets and reputation and ensuring the long-term sustainability of its operations. The policy applies to all employees and members of governing bodies, ensuring that risks are identified, assessed, and managed in a timely and effective manner. The main objectives are to ensure proactive risk management that combines preventive and corrective measures, and to establish clear accountability and decision-making processes.	G1 Business conduct
Pricing Policy for Liquid Products Terminal Handling and Storage Services	This policy sets the tariffs for handling, storage, and related services provided at liquid energy products terminals, ensuring that they align with the Company's interests and create maximum value for shareholders.	G1 Business conduct
Violence and Harassment Prevention Policy	This policy aims to ensure employees' safety and dignity in the workplace by establishing clear rules on how to identify and respond to cases of violence and harassment. It applies to all employees of the Company and its subsidiaries. The policy sets out reporting and investigation procedures, support measures, and preventive actions, and ensures that the rights of reporters and affected persons are respected.	S1 Own workforce
Supplier Code of Conduct	The Supplier Code of Ethics sets out the core principles that suppliers and their employees must follow to ensure fair and responsible conduct throughout the supply chain. The Code emphasizes the importance of sustainability, social responsibility, compliance with labour rights, safety, and environmental requirements. Suppliers commit to avoiding corruption, conflicts of interest, and discrimination, while promoting transparency and cooperation with customers to create long-term value and mutual benefit.	E1 Climate change; E2 Pollution; E3 Water and marine resources; E5 Circular economy; S2 Workers in the value chain; G1 Business conduct
Sustainability Policy	The Sustainability Policy, updated in 2025, applies to the entire Group and defines key sustainability principles, commitments and governance across environmental, social and governance areas (see above).	E1 Climate change; E2 Pollution; E3 Water and marine resources; E5 Circular economy; S1 Own workforce; S2 Workers in the value chain; S3 Affected communities; G1 Business conduct

ENVIRONMENT

E1 Climate Change

KNE aims to be a leader in the green energy transition by enabling its customers to pursue sustainable development and long-term competitiveness through the reliable supply of essential energy resources. The Company is firmly committed to one of the most significant challenges ahead – achieving climate neutrality in its operations by 2050 through a gradual transition from fossil fuels to alternative energy sources.

Climate change–related disclosures cover the Company, all of its subsidiaries, and selected parts of the value chain.

DISCLOSURE IN ACCORDANCE WITH ARTICLE 8 OF REGULATION (EU) 2020/852 (EU TAXONOMY REGULATION)

In 2025, KNE voluntarily prepared sustainability disclosures, partially based on ESRS principles. ESRS requires taxonomy-related information to be included in the sustainability report; however, taking into account that the report is prepared on a voluntary basis, and the resources required for a full taxonomy alignment assessment, , the Company does not currently plan to conduct a comprehensive EU Taxonomy alignment assessment.

GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

The Sustainability Policy and KNE Strategy 2050 establish the Company's objective to achieve climate-neutral operations by 2050. KNE's annual targets for 2025 included the reduction of Scope 1 and Scope 2 GHG emissions intensity. At liquid energy product terminals, GHG emissions intensity is measured per tonne of handled products, while at the Klaipėda LNG Terminal it is measured per megawatt-hour.

The achievement of these targets is linked to the management incentive system. In accordance with OECD recommendations, remuneration of collegial governance bodies may not be linked to variable performance indicators. Therefore, their remuneration is not tied to specific GHG reduction metrics; instead, these bodies are responsible for overall representation of shareholder interests and oversight of the implementation of objectives set out in the shareholder expectations letter.

E1-1 TRANSITION TO A CLIMATE-NEUTRAL ECONOMY BY 2050

In pursuing its mission, KNE seeks to contribute to a world in which sustainable liquid energy products, chemicals and feedstocks enable industry and communities to build a cleaner, safer and more prosperous future. KNE aims to lead this transformation by continuously innovating and expanding its service portfolio, thereby contributing to global energy transition efforts and targeting climate neutrality by 2050.

These ambitions are embedded in the Company's Strategy 2050, prepared and approved in 2023. The strategy focuses on improving the efficiency of existing operations, preparing for the energy transition, and developing activities related to new energy sources. The strategic objective is to achieve full climate neutrality of KNE operations by 2050. Through the implementation of this strategy, KNE contributes to the goals of the Paris Agreement on climate change, which aims to limit the increase in global average temperature to no more than 1.5°C above pre-industrial levels.

KNE has defined clear priorities to mitigate climate change impacts and key objectives for reducing greenhouse gas (GHG) emissions. By 2030, KNE plans to invest approximately EUR 300 million in new energy solutions to develop business opportunities enabling entry into hydrogen carrier handling and storage markets, establish CO_2 storage and handling operations to help control and reduce carbon dioxide emissions, and develop a pilot battery project in the region together with a sustainable business model allowing the Company to participate in the energy storage and/or balancing market.

More than 45% of these capital investments by 2030 will be allocated to the development of infrastructure and competencies for handling and storage of new energy sources, increasing the sustainability of ongoing operations, and reducing GHG emissions. More detailed GHG mitigation measures are disclosed under E1-3.

KNE's strategy is based on medium-term growth and long-term portfolio diversification and is structured into three phases up to 2050:

2023-2030

Increasing the profitability of existing operations and securing financing for investments in new and more sustainable energy sources.

2031–2040

Focusing on the expansion of the LNG business and diversification of liquid energy product handling.

2041–2050

Expanding operations in the new energy market, including investments in new energy sources such as synthetic fuels, hydrogen and hydrogen carriers, other alternative energy carriers, and carbon capture and storage (CCS).

KN ENERGIES

2 ESRS IRO-1 IMPACTS, RISKS AND OPPORTUNITIES

Significant impacts, risks and opportunities identified during the double materiality assessment (in accordance with the IRO-1 disclosure requirement) related to climate change mitigation and energy are presented in the Table.

E1 – CLIMATE CHANGE		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium-term	Long-term
Climate change mitigation							
Greenhouse gas (GHG) emissions are generated across the entire value chain and contribute to long-term global warming. The FSRU "Independence" strengthens Lithuania's energy independence but generates significant direct GHG emissions in its operations. Fossil fuel products handled through the Company's terminals generate GHG emissions during their use by end customers.	Actual negative impact	●	●	●	●	●	●
KNE plans to significantly expand its activities into new energy segments. Through projects developing infrastructure for green hydrogen carriers and captured CO_2 transport and temporary storage, market deployment of these solutions will be enabled, contributing to regional industrial decarbonisation. At the same time, these activities create opportunities for additional revenue, strengthen competitiveness and adaptability to the green transition, and improve the Company's reputation.	Potential positive impact / Opportunity	●		●		●	●
According to the International Renewable Energy Agency (IRENA), advanced biofuels used as transport fuels can reduce GHG emissions by up to 80% compared to fossil fuel-based transport. By handling and temporarily storing biofuels and providing bio-component blending services to truck loading clients, KN Energies contributes to biofuel market uptake and reduction of transport-related GHG emissions. In addition, the Company has commenced Sustainable Aviation Fuel (SAF) handling at Klaipėda LEP terminal, reducing aviation sector emissions and contributing to revenue diversification.	Actual positive impact / Opportunity			●	●	●	●
Due to EU and global climate policies (e.g. the Paris Agreement, the European Green Deal and related directives and regulations), as well as national commitments to reduce GHG emissions, the energy sector is gradually transitioning towards green energy. Restrictions on fossil fuel-related activities may increase across the Company and its value chain, emission allowance costs may rise, and significant investments may be required for infrastructure upgrades and technological changes. Demand for fossil fuel products may decline where lower-carbon alternatives are available. As a result, additional operating costs may arise in the medium to long term, and long-term business continuity risks may increase if diversification and adaptation are not implemented in a timely manner.	Risk	●	●	●		●	●
Technological developments, changes in the regulatory environment, market uncertainty (e.g. lower-than-expected emission allowance prices) or other factors may influence partner decisions and affect the progress of innovative technology and diversification projects (e.g. hydrogen production, CO_2 transport and storage). Such changes may hinder achievement of strategic objectives, slow revenue diversification, affect competitiveness or fulfilment of shareholder expectations, and increase long-term business continuity risks.	Risk		●			●	●
Climate change adaptation							
Rising sea levels may affect terminal infrastructure located near water bodies (KLEPT, LNG terminal), requiring future investments in protection and adaptation measures. Increasing frequency of heavy precipitation events may overload stormwater systems, cause flooding and pollution spread, disrupt operations and result in additional clean-up, repair and environmental compensation costs. Long-term droughts and heatwaves upstream may limit water availability for processing, increasing product costs and reducing demand. Extreme offshore weather events may disrupt LNG and oil product shipping, increase incident risks and cause reputational and supply chain impacts.	Risk	●	●				●
Energy							
LNG and liquid energy product terminal operations require energy resources. Energy is also consumed by Company-owned vehicles. Consumption of fossil fuels (natural gas, diesel, petrol) and fossil-based purchased energy	Actual negative impact	●	●		●	●	●

E1 – CLIMATE CHANGE		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium-term	Long-term
(electricity and heat) contributes to climate change due to GHG emissions generated during extraction, transport and use.							
Tightening EU legislation (Energy Efficiency Directive, Energy Performance of Buildings Directive – EPBD) may require renovation of old and energy-inefficient buildings, facilities and infrastructure, resulting in significant investment needs. Poor energy performance assets may become illiquid and face higher insurance and financing costs.	Risk		●			●	●

E1-2 CLIMATE CHANGE MITIGATION

Since 2023, following the launch of the Company's new strategy to 2050, sustainability has become an integral part of the Company's strategic framework. The strategy embeds commitments related to environmental protection, increased energy and operational efficiency, investments in employees, digitalisation, strengthening social responsibility and governance, and ensuring continuous development. The overarching objective of the strategy is to operate in a way that enables the Company to achieve full climate neutrality by 2050.

KNE's Sustainability Policy, updated in 2025, commits the Company to reducing greenhouse gas (GHG) emissions across all stages of its operations and to gradually transitioning towards a low-carbon product portfolio, with the aim of achieving climate-neutral operations by 2050. The policy also emphasises the continuous improvement of energy efficiency through the deployment of advanced technologies and energy-saving solutions.

The Supplier Code of Conduct highlights shared responsibility for protecting the planet, the environment and the climate. All suppliers are expected to comply with applicable environmental laws and regulations, as well as with the Company's environmental standards and commitments. The Code underlines climate change mitigation as a material area and therefore expects suppliers to measure and reduce GHG emissions generated by their activities and to increase the use of renewable energy sources.

E1-3 ACTIONS AND RESOURCES

Based on KNE's strategy to 2050, the Company has defined actions related to climate change mitigation, including achieved and planned reductions in greenhouse gas (GHG) emissions. Emission reductions are calculated relative to the 2022 baseline year.

CDP
DISCLOSURE INSIGHT ACTION

In 2025, an international environmental organisation awarded the Company a "B" rating for climate change management, actions and processes (on a scale from D– to A). The Company's rating in 2024 was D. This improvement reflects positive recognition of the progress achieved in this area.

In 2025, KNE also developed a Methane Programme, aimed at managing and reducing methane leakages across the infrastructure operated by the Company. In the same year, the first measurements at terminals were carried out in accordance with the provisions of this programme.

E1-4 TARGETS

KNE's primary commitment is to increase energy and operational efficiency by reducing CO_2 emissions and transitioning to a low-carbon product portfolio, with the aim of ensuring climate-neutral operations.

Taking into account the Strategy to 2050 and the policies related to climate change mitigation, the Company has set interim targets and defined the key measures for their implementation:

By 2030
Reduction of GHG by 30%

By 2040
Reduction of GHG by 70%

By 2050
Climate neutrality

KEY GHG REDUCTION MEASURES FOR ACHIEVING TARGETS

DECARBONISATION LEVER	MEASURES	BY 2030	2030–2040	2040–2050	2025 STATUS
Renewable energy	Installation of solar power plants at terminals	●			In 2025, a 500 kW solar photovoltaic plant is installed at the Klaipėda liquid energy product terminal (KLEPT), increasing the share of renewable electricity in the Company's energy balance. In 2023, a 300 kW solar power plant was implemented and completed at the Subačiai liquid energy product terminal (SLEPT), and in 2024 its capacity was additionally increased by 100 kW. In 2025, SLEPT began installing a flow battery system to optimise the use of self-generated electricity and reduce external energy demand.
	Purchase of green energy (green electricity, biomethane)	●	●	●	100% certified green electricity is purchased for the Company's terminals and administrative buildings where permitted by lease arrangements. In 2025, certified biomethane was purchased for the first time at KLEPT to test this decarbonisation solution.
Electrification	Electrification of Klaipėda LNG Terminal	●			Initial works have started on the electricity connection project to the Klaipėda LNG Terminal, including cleaning of the HDD-installed pipeline and other preparatory works for the subsea power cable. Once implemented, renewable electricity will be supplied to the FSRU "Independence", potentially reducing LNG terminal CO_2 emissions by approximately one third.
	Other electrification projects (boilers, etc.)	●	●		Water heating from solar panels is installed so the boiler room in the summer can be turned off.
Energy efficiency	Replacement of less efficient equipment	●	●		Steam pipelines have been insulated where the insulation was damaged or poor. K3 boiler has been modernized, oxygen in the smoke at low load has been reduced, which resulted in boiler efficiency increase and CO2 emissions reduction.
	Optimisation of energy consumption through regular energy audits	●	●		There is regular, daily and monthly monitoring to control processes that maximize efficiency.
Product / service sustainability innovations	Handling of biofuels	●	●		Bioenergy plays an important role in transport decarbonisation. Since 2020, biofuel flows in the Baltic region have doubled. The main biofuels handled by KN Energies are bioethanol, FAME and HVO. Currently, approximately 12% of terminal capacity is allocated to biofuels. In 2025 transshipment of biofuels reached around 190 thousand tons.
	Virtual liquefaction of biomethane (bioLNG)	●	●		The first virtual biomethane liquefaction operation was carried out at the Klaipėda LNG Terminal, making it one of the first terminals in the Baltic region to provide this service. Biomethane is injected into the European gas grid and withdrawn elsewhere as bioLNG, using existing infrastructure. LNG already reduces CO_2 emissions by 20–30%, while bioLNG can reduce GHG emissions by up to 80% or more when produced from waste feedstocks.
	Participation in the CO_2 capture, temporary storage and sequestration value chain	●	●	●	In 2025, the project's EU Project of Common Interest status was renewed. The pre-FEED study was completed and preparations for environmental impact assessment and FEED studies were initiated.
	Temporary storage and handling of hydrogen and hydrogen carriers		●	●	In 2025, a feasibility study assessed environmental and occupational safety requirements for hydrogen and derivative product storage and handling infrastructure. Continuous market monitoring and cooperation with potential producers will follow.
GHG capture	Capture of residual GHG emissions			●	No detailed assessment of GHG capture in operations has been performed yet, but this technological solution is not excluded in the long term for hard-to-abate activities.

E1-5 ENERGY CONSUMPTION AND ENERGY MIX

KNE places strong emphasis on energy efficiency and investments in renewable energy sources. Lower operating costs, more sustainable operations and greater resilience to energy price volatility provide the Company with a competitive advantage.

KN Energies has already achieved and exceeded its 2030 energy consumption reduction target. Under the 2022 agreement with the Ministry of Energy, the Company committed to saving 10.56 GWh by 2030. This target was achieved within two years, with total savings of 53.88 GWh recorded over the 2023–2024 period.

To achieve this target and continue implementing energy efficiency measures, the Company continuously reviews and optimises liquid energy product handling and storage processes, as well as the processes of the LNG floating storage and regasification unit, which require significant energy inputs. Over recent years, KN Energies has implemented an advanced data collection and management system, optimised production and infrastructure processes, replaced equipment with more efficient alternatives, and modified existing systems to reduce gas, water and electricity consumption. The impact of these measures is clearly reflected in quantitative results: compared to the 2019–2021 period, gas consumption has been reduced by more than half, while electricity consumption intensity has decreased by nearly 50%.

In 2023, a 300 kW solar power plant project was implemented and completed at the Subačius Liquid Energy Products Terminal (SLEPT), and in 2024 its capacity was further increased by 100 kW. In 2025, a liquid battery system is being piloted at SLEPT to optimise the use of self-generated electricity and reduce external energy demand.

In 2025, a 500 kW solar photovoltaic plant was installed at the Klaipėda Liquid Energy Products Terminal (KLEPT), increasing the share of renewable electricity in the Company's overall energy balance.

The Company continuously seeks ideas to eliminate non-value-adding processes. Lean tools are applied, including a Kaizen idea submission system. Employees who propose and implement valuable Kaizen ideas that improve operations are rewarded.

The author of the most sustainable idea of 2025 was Heat Production and Gas Distribution Manager. He was recognised for proposing a solution to reduce energy losses in unused pipelines. Previously, heating a pair of tanks required heating the steam and condensate pipelines for an entire group of four tanks. Following his proposal, the installation of additional valves now allows heating only the required pair of tanks, thereby reducing energy losses and increasing the operational flexibility of the Klaipėda liquid energy products terminal.

Due to the acquisition of the FSRU Independence in November 2024, energy consumption has increased significantly in 2025 as presented in the table below.

INDICATOR	UNIT OF MEASURE	2022	2023	2024	2025
Total energy consumption	**MWh**	**38,737**	**35,876**	**72,573**	**490,562**
Fossil fuel consumption	**MWh**	**31,454**	**31,798**	**66,335**	**483,956**
Coal and coal products consumption	MWh	0	0	0	0
Diesel fuel consumption (crude oil and petroleum products)	MWh	94	151	85	1196
Natural gas consumption	MWh	31,258	28,918	66,094	482,613
Other fossil fuel consumption	MWh	0	0	0	0
Purchased fossil-based electricity and heat consumption	MWh	102	2,729	156	147
Nuclear energy consumption	**MWh**	**0**	**0**	**0**	**0**
Renewable energy consumption	**MWh**	**7,284**	**4,078**	**6,238**	**6,607**
Renewable fuel consumption, including biomass	MWh	0	0	0	0
Purchased renewable electricity and heat consumption	MWh	7,284	3,819	5,988	6,245
Self-generated renewable (solar) energy consumption (non-fuel use)	MWh	0	259	250	362
Energy produced by the Company from non-renewable sources	**MWh**	**31,352**	**29,069**	**66,179**	**482,809**
Energy produced by the Company from renewable sources (solar)	**MWh**	**0**	**259**	**250**	**353**

**The audit for energy consumption related to the FSRU vessel has not yet been performed, figures are not final*

E1-6 GHG EMISSIONS BY SCOPE

According to KNE's GHG accounting methodology, Scope 1–3 greenhouse gas (GHG) emissions generated at KNE-owned terminals are accounted for. Emissions from terminals operated abroad under contracts are included only to the extent that they are related to processes directly controlled by KNE.

Data reliability is a priority:

- KNE's GHG emissions are calculated in accordance with the GHG Protocol, which forms the basis of KNE's internal GHG methodology;
- 98–99% of direct emissions are verified by external auditors as part of the annual EU ETS verification process;
- In 2025, a comprehensive review of GHG accounting principles was conducted, fully integrating Scope 3 emissions.

GHG EMISSION BREAKDOWN:

- **Scope 1** – direct GHG emissions (from fuel combustion units, stationary engines, electricity generators, vehicles, CH_4 emissions from natural gas system maintenance). Since 2021, emissions from refrigerants have also been included. The largest share of emissions comes from natural gas and diesel used in combustion equipment and emergency generators. The FSRU Independence was owned by Hoegh LNG until 5 December 2024 and became KNE property on 6 December 2024. As a result, emissions related to the vessel shifted from Scope 3 (indirect) to Scope 1 (direct). In line with the GHG Protocol, KNE's base year and subsequent years for emission-reduction targets were recalculated to include vessel emissions.
- **Scope 2** – indirect GHG emissions related to the generation of purchased electricity and heat.
- **Scope 3** – other indirect GHG emissions across the value chain, related to purchased goods and materials, water supply, wastewater and waste management, and certain services. From 2025, additional categories are included: capital goods, employee commuting, remote work, upstream leased assets, downstream leased assets, investments, and expanded categories of purchased goods and services including upstream transportation and distribution.

Thanks to internal initiatives such as equipment upgrades aimed at reducing emissions, KLEPT successfully reduced emissions by 13% compared to 2024.

GHG EMISSIONS	UNIT	2022	2023	2024	2025
Total GHG emissions (market-based)	tCO_2e	100,092	117,127	98,165	112,742
Total GHG emissions (location-based)	tCO_2e	101,848	117,465	100,109	113,762
Change in total GHG emissions vs baseline year (2022) (market-based)	%	-	17.0%	-1.9%	12.6%
Change in Scope 1+2 GHG emissions vs baseline year (2022) (market-based)	%	-	17.7%	-1.5%	13.2%
Direct GHG emissions (Scope 1)	tCO_2e	85,474	99,417	84,172	96,798
Share of Scope 1 emissions subject to EU ETS	%	94.7	94.5	97.3	99.5
Indirect GHG emissions (Scope 2, market-based)	tCO_2e	22	1,230	24	15
Indirect GHG emissions (Scope 2, location-based)	tCO_2e	1,778	1,568	1,968	1,035
Indirect GHG emissions in the value chain (Scope 3)	tCO_2e	14,596	16,481	13,969	15,929

**The audit for emissions related to the FSRU vessel has not yet been performed, figures are not final*

Following the acquisition of the FSRU Independence in November 2024, which resulted in a change to the Group's organisational boundary, the 2022 GHG emissions base year and comparative figures have been recalculated in accordance with the GHG Protocol Corporate Standard as opposed to last year's report. Emissions from the FSRU, previously reported under Scope 3, are now included in Scope 1. The recalculation ensures consistent year-on-year comparability and reflects underlying operational performance rather than structural changes.

According to the approved GHG emissions reduction plan, in 2025 the Company planned to reduce Scope 1 and Scope 2 GHG emissions compared to the baseline year 2022. In 2025, this target was not achieved, and 13.2% more Scope 1–2 GHG emissions were generated compared to the baseline year at the liquid energy products terminals. This is due to higher LNG regasification volumes during the period.

Although the total GHG emissions increased, the emission intensity per regasified and reloaded MWh (calculating the part subject to ETS) decreased by 5% compared to 2024 in LNG terminal.

E2 Pollution

E2 IRO-1 MATERIAL POLLUTION-RELATED IMPACTS, RISKS AND OPPORTUNITIES

The double materiality assessment identified material pollution-related impacts, risks and opportunities. These are presented in the table below.

E2– POLLUTION		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Air pollution							
During the extraction, production, processing, blending, transportation and storage of liquid energy products, various pollutants are released into the environment (depending on the products and applied environmental protection measures). These pollutants may deteriorate air quality near extraction, transport and handling locations, irritate the respiratory system and cause odours. For end users, fuel combustion in internal combustion engines releases pollutants that negatively affect human health.	Existing negative impact	●	●	●	●	●	●
Stricter air pollution and climate change regulation increases transport operating costs and encourages fleet renewal. In handling and storage processes (KLEPT, SLEPT), VOC and other pollutant emissions may occur; insufficient management may lead to permit violations, financial penalties and operational restrictions. Exceedances in production/liquefaction, rising transport costs and consumer shifts to cleaner fuels may reduce demand for oil products, increase supply disruptions and decrease terminal throughput.	Risk	●	●	●			●
Soil pollution, water pollution							
During natural gas extraction and liquefaction, crude oil extraction and liquid energy product production processes, pollutants may enter soil and water, potentially affecting soil and aquatic ecosystems.	Existing negative impact	●			●	●	●
During production, transportation, handling and storage activities, human error, equipment failure, vandalism or sabotage may cause spills and other environmental incidents. Improperly treated or untreated wastewater may pollute surface water bodies, resulting in remediation costs. Spills during transport (at sea or on land) may damage the sector's reputation.	Risk	●	●	●	●	●	●
Microplastics							
Plastic production is closely linked to the oil industry, as many polymers are produced from petroleum feedstocks. Various polymer additives and plastic components used in oil extraction and processing may fragment during operation. Due to equipment wear, additives or insufficient waste and wastewater management, small quantities of microplastic particles may be released into the environment. Additional microplastic emissions may also occur during transportation or storage when plastic equipment or containers are used.	Existing negative impact	●	●	●		●	●

E2-1 POLLUTION-RELATED POLICY

The Sustainability Policy and the ISO 14001:2015 environmental management system ensure effective pollution prevention and control, aligned with sustainability objectives and environmental protection. The Company applies continuous environmental impact monitoring and pollution reduction measures, enabling effective management of emissions, waste, and other environment-related risks. This helps ensure that the Company's operations do not exceed established environmental limits and are conducted responsibly.

The Sustainability Policy commits KNE to reducing emissions of volatile organic compounds (VOCs) and other pollutants by implementing pollution prevention measures and applying best available techniques (BAT).

E2-2 POLLUTION-RELATED ACTIONS

The Company has approved an Environmental Action Plan prepared on the basis of the list of significant environmental impacts identified in accordance with ISO standard requirements and implements the environmental measures set out therein, which contribute to reducing pollution from the Company's operations.

At the Klaipėda Liquid Energy Products Terminal (KLEPT), the handling and storage of liquid energy and chemical products are carried out in accordance with the Integrated Pollution Prevention and Control (IPPC) permit, which establishes specific measures to reduce pollutant emissions.

EXAMPLES OF IMPLEMENTED ENVIRONMENTAL MEASURES INCLUDE:

- At KLEPT, an air pollution control system has been installed to reduce emissions of volatile organic compounds (VOCs) during the handling and storage of heavy products; additionally, burners of fuel-combustion equipment in the KLEPT boiler house have been modernised to reduce nitrogen oxide and carbon monoxide emission limits.
- At KLEPT, air pollutants are collected from 12 tanks used for the storage and handling of light petroleum products by connecting the tanks to the air pollution control system, thereby reducing annual pollutant emissions.

E2-3 POLLUTION-RELATED TARGETS

In order to manage pollution-related impacts, the Company has set a strategic target to reduce VOC emissions by 40% by 2030, compared to 2022. To achieve this target, a VOC emissions reduction plan has been prepared and corresponding investments are being implemented or planned.

At the same time, the Environmental Action Plan defines operational-level tasks and indicators that are monitored on an ongoing basis. For example, in 2025 no exceedances of annual water pollutant limits attributable to the Company's direct operations were recorded, and wastewater infrastructure modernisation was implemented.

E2-4 ACTIONS RELATED TO AIR, WATER AND SOIL POLLUTION

AIR POLLUTION

In 2025, the emission limit values for pollutants released into the air, as set out in Annex II of EU Regulation No 166/2006, were not exceeded. For this reason, quantitative information on emitted pollutant volumes is not disclosed in the report.

During the operation of KNE terminals, the main pollutants released into ambient air are carbon monoxide (CO), nitrogen oxides (NO_x) and volatile organic compounds (VOCs). Emissions are calculated in accordance with methodologies approved and applicable in Lithuania. At the Klaipėda and Subačius terminals, annual VOC emissions are directly dependent on the annual volumes of petroleum products handled. At the Klaipėda Liquid Energy Products Terminal (KLEPT), CO and NO_x emissions depend on the amount of natural gas combusted in fuel-burning equipment.

In order to monitor and manage the potential environmental impact of KLEPT, KNE has installed self-monitoring sensors along the perimeter of the terminal territory. These sensors continuously measure VOC concentrations in ambient air.

Legislation establishes that the 30-minute VOC limit value in the working environment must not exceed 200 mg/m³, while in the residential environment the limit is 5 mg/m³. Although the sensors are installed within the terminal territory, the measured VOC values are compared against the residential environment limit value of 5 mg/m³.

VOC sensor data are publicly available in real time on the Company's website, allowing any interested party to monitor VOC levels at any time of day. This ensures transparency and open communication with the public and enables stakeholders to observe and assess the environmental impact of terminal operations.

In addition, ambient air monitoring is carried out at the Klaipėda LEP terminal, including air quality measurements outside the terminal territory. Monitoring results are published on the Company's website.

In Klaipėda LNG terminal FSRU Independence abstracts water from the Curonian Lagoon, which is accounted for as surface water. The water is used in multiple operational processes, including cooling of the vessel's engines and auxiliary areas, defrosting in the regasification plant, and the water-curtain system supporting LNG transfer to and/or from the storage vessel. The water from the Curonian Lagoon is also used when performing firefighting tests. The water used in the regasification process of liquefied natural gas is released several degrees cooler than the abstracted water and therefore does not increase the temperature of the Curonian Lagoon.

During the cold season, when the water temperature drops below 13°C, the water abstracted for FSRU Independence's regasification process is operated in a closed loop. Instead of being discharged back into the lagoon, it is recirculated and reused within the regasification system.

WATER POLLUTION

In order to comply with all environmental requirements and applicable standards, KNE collects and treats wastewater generated during operations. At the terminals, the quantities of pollutants discharged with wastewater are calculated in accordance with methodologies approved in the Republic of Lithuania, while the volumes of discharged wastewater are measured using installed metering devices.

A unique wastewater treatment system operates at Klaipėda Liquid Energy Products Terminal (KLEPT). Wastewater generated during the Company's operational activities is collected and treated in biological treatment facilities, where biosorption processes take place using activated carbon and microorganisms. This KNE-implemented technology is unique and enables a very high wastewater treatment efficiency of 80–99%. The Company's wastewater treatment facilities in the Port of Klaipėda also function as port waste reception facilities, accepting waste generated on ships as well as cargo residues.

At Subačius Liquid Energy Products Terminal (SLEPT), surface runoff is treated in wastewater treatment facilities installed at the terminal and discharged into the Lėvuo River.

In accordance with Lithuanian legal requirements, monitoring of discharged wastewater is carried out at both Company terminals, while at the Klaipėda terminal additional monitoring of the impact of discharged wastewater on surface water quality is also performed.

At the FSRU "Independence", water drawn from the Curonian Lagoon is returned back to the lagoon after use. As the water used on the vessel is not contaminated, it meets the established quality parameters and does not require additional treatment. The discharged water is several degrees cooler than the abstracted water and therefore does not increase the temperature of the Curonian Lagoon. More information is provided in E3-4 "Water consumption".

INDICATOR	UNIT OF MEASUREMENT	2023	2024	2025
Cases where annual air pollutant limit values were exceeded due to the Company's direct operations	Number of cases	0	0	0
Cases where annual water pollutant limit values were exceeded due to the Company's direct operations	Number of cases	0	0	0

E3 Water and marine resources

E3 IRO-1 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WATER AND MARINE RESOURCES

The Company continuously monitors the environmental impact of its terminals, with particular attention to water consumption and the volume of wastewater discharged. Monitoring data is collected systematically and clearly communicated to stakeholders. This data, including information on changes in water consumption, is regularly updated and made publicly available on the Company's website.

The main material impacts, risks and opportunities related to water and marine resources, identified through the assessment of the Company's environmental impact, are presented in more detail in Table below (in accordance with the IRO-1 disclosure requirement).

E3 – WATER AND MARINE RESOURCES		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Water and Marine Resources							
Large volumes of water are used in oil and gas extraction and processing processes for drilling, cooling and cleaning, which may reduce the availability of local water resources. Water discharged after these processes may be warmer or contain chemical impurities, potentially affecting water quality and ecosystems, particularly in marine areas where seawater is used for cooling. Intensive water use and possible contaminants from drilling or hydraulic fracturing processes may alter the quality and balance of surface and groundwater.	Existing negative impact	●			●	●	●
A significant amount of water required for internal technological processes in KLEPT such as firefighting system can reduce the availability of local water resources and negatively impact ecosystems dependent on these resources.	Potential negative impact		●			●	●

E3-1 POLICY RELATED TO WATER AND MARINE RESOURCES

The Company continuously seeks to optimise water use across its operations, adhering to the highest environmental standards both in terms of water conservation and wastewater management (the latter is described in more detail in the "E2 Pollution" section).

The Sustainability Policy commits KNE to the responsible use of water and other natural resources, with the aim of conserving them and reducing long-term environmental impacts.

Water consumption data and changes are monitored on a monthly basis. When unusual deviations are identified, their causes are analysed and solutions are sought. Water use and wastewater management are carried out in compliance with applicable legislation and the Company's internal procedures. KNE commits to continuously monitor and assess its water consumption indicators in order to reduce significant water use and ensure sustainable management of water resources across all operations and throughout the value chain.

E3-2 ACTIONS AND RESOURCES RELATED TO WATER AND MARINE RESOURCES

KNE implements various actions and allocates resources to ensure the sustainable and efficient use of water resources in its operations:

- The Company continuously aims to optimise water use across all areas of activity, reducing water consumption and increasing operational efficiency. At the KLEPT (Klaipėda Liquid Energy Products Terminal) and Subačius and Marijampolė terminals, water is used strictly according to operational needs, ensuring that only the necessary amount is consumed. In 2025, a decrease of approximately 6.28% in water consumption is observed compared to 2024.
- The Company actively monitors and analyses its water consumption indicators. Any change, whether positive or negative, is assessed to identify underlying causes and to seek solutions for more efficient water use.
- Although the Company operates in regions without direct water scarcity risks (for example, Lithuania is not classified as a high water stress area according to World Resources Institute data), it continuously assesses potential risks and monitors water consumption indicators. This ensures preparedness to take appropriate measures should the need arise.

E3-3 TARGETS RELATED TO WATER AND MARINE RESOURCES

KNE continuously seeks to reduce water consumption by optimising processes and managing water resources more efficiently. In addition, KNE is committed to ensuring responsible management of impacts related to marine resources. Although KNE does not directly exploit marine resources, the Company closely follows international environmental standards that ensure responsible use and protection of natural resources. This includes the protection of marine ecosystems as well as the sustainable management of marine resources, ensuring that operations are carried out in compliance with all environmental requirements.

E3-4 WATER CONSUMPTION

At SLEPT, water for operational needs is obtained from a groundwater well. Since 2022, surface water has been used exclusively for fire safety purposes, and the quantities used are accounted for in accordance with established procedures.

At KLEPT, water from the Curonian Lagoon is abstracted for operational needs, including tank cleaning and calibration and/or hydraulic testing. Surface water is also used to maintain fire-fighting systems, for system testing and fire safety drills. Water used for these operational purposes is collected through wastewater networks and directed to the Company's wastewater treatment facilities.

The FSRU takes water from the Curonian Lagoon, which is accounted for as surface water. This water is used in several technological processes: cooling of ship engines and auxiliary equipment spaces, the regasification unit defrosting process, and the "water curtain" system used during LNG transfer operations to and/or from the FSRU. In 2025, approximately 70.87% of the abstracted water was used in the regasification process, with the remainder used for cooling and water curtain systems.

During the cold season, when water temperature is below 13°C, water abstracted from the Curonian Lagoon for the regasification process is used in a closed loop, meaning it is not discharged back into the lagoon but reused in the regasification process. This further contributes to sustainable and efficient water use..

The Company's indicators related to water and marine resources are presented in Table below.

INDICATOR	UNIT	2023	2024	2025	Δ (2024 / 2025)
Water intake (water use at terminals, without LNG terminal)	m³	86,057	79,174	74,202	-6.28%
Water intake (LNG terminal)*	m³	64,502,040	58,688,160	61,534,700	4.85%
Discharged water (without LNG terminal)	m³	331,034	302,407	310,212	2.58%
Discharged water (LNG terminal)**	m³	64,502,040	58,688,160	61,535,051	4.85%

**FSRU took water from the Curonian Lagoon to be used in technological processes – 61,531,920 m3, purchased/consumed water for domestic needs – 2,700 m3.*

***FSRU released water into the Curonian Lagoon – 61,531,920 m3, delivered domestic wastewater – 3,131 m3.*

E4 Biodiversity and ecosystems

The key significant impacts, risks, and opportunities related to biodiversity and ecosystems identified through the assessment of the Company's environmental impacts are presented in more detail in Table 17 (in line with the IRO-1 disclosure requirement). As only one impact exceeded the materiality threshold, and this impact manifests primarily in the Company's upstream value chain, no further actions or indicators are disclosed in this section. The Company's impacts related to ecosystems are described in more detail in the sections "Pollution" and "Marine and Water Resources."

E4 – BIODIVERSITY AND ECOSYSTEMS		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Marine and Water Resources							
Oil and natural gas extraction and processing take place in natural areas; therefore, the expansion of these activities may lead to land-use changes such as deforestation, excavation, or drilling. Such activities may fragment biodiversity-relevant areas and disrupt ecosystems due to noise and intensive infrastructure development. In addition, potential leaks of chemical substances into soil or water may negatively affect surrounding ecosystems during oil and gas extraction or liquefaction processes.	Existing negative impact	●			●	●	●

E5 Circular economy

E5 IRO-1 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO THE CIRCULAR ECONOMY

Based on the ISO 14001:2015 standard referenced above, KNE has developed a procedure for identifying the significance of environmental aspects and managing environmental impacts. This procedure ensures a systematic approach to environmental aspects, including resource use and waste management.

During the double materiality assessment (described in section "SBM-3 Double Materiality Assessment"), material impacts, risks and opportunities related to resource use and the circular economy were identified. These are presented in Table below.

E5 – BIODIVERSITY AND ECOSYSTEMS		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Hazardous Waste							
During natural gas extraction and liquefaction, as well as biofuel production, hazardous and non-hazardous chemical waste is generated (sediments, filtration materials, catalyst residues, etc.). The Company's operations generate hazardous waste which, if released into the environment, may be toxic to plants, animals and humans. Therefore, such waste must be managed in strict compliance with applicable legal requirements and established procedures.	Existing negative impact	●					●
Waste							
In the European Union and other countries, various legal acts and initiatives promoting the circular economy are being implemented. These create favourable conditions for investment in innovative technologies that expand recycling possibilities for hazardous and other waste. Waste reuse, recycling and the application of other circular economy principles may, in the long term, help reduce operating costs and increase sustainability. In addition, diversification of the Company's activities and adaptation of infrastructure for the use and/or handling of circular energy products (biofuels, biomethane produced from organic waste, etc.) may create new revenue streams and business development opportunities.	Existing positive impact		●	●	●	●	●

E5-1 POLICY RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

The Company's Sustainability Policy aims to ensure responsible use of natural resources and to promote the application of circular economy principles. The Policy applies across all areas of the Company's operations, including the supply chain and cooperation with suppliers. The Supplier Code of Conduct encourages supplier responsibility by reducing the amount of waste generated and ensuring its proper management.

The Sustainability Policy commits KNE to reducing waste generation and applying circular economy principles throughout the entire value chain, from raw material selection to final waste treatment.

To achieve these objectives and ensure compliance with environmental requirements, the Company follows Lithuanian legislation and international standards. The ISO 14001:2015 standard sets requirements for environmental management systems that ensure operational efficiency and environmental protection. Under this standard, the Company must regularly review its activities, identify environmental risks and opportunities, and implement effective measures to manage negative environmental impacts. In parallel, the Company applies additional practices aimed at waste management and reducing energy and water consumption.

E5-2 ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

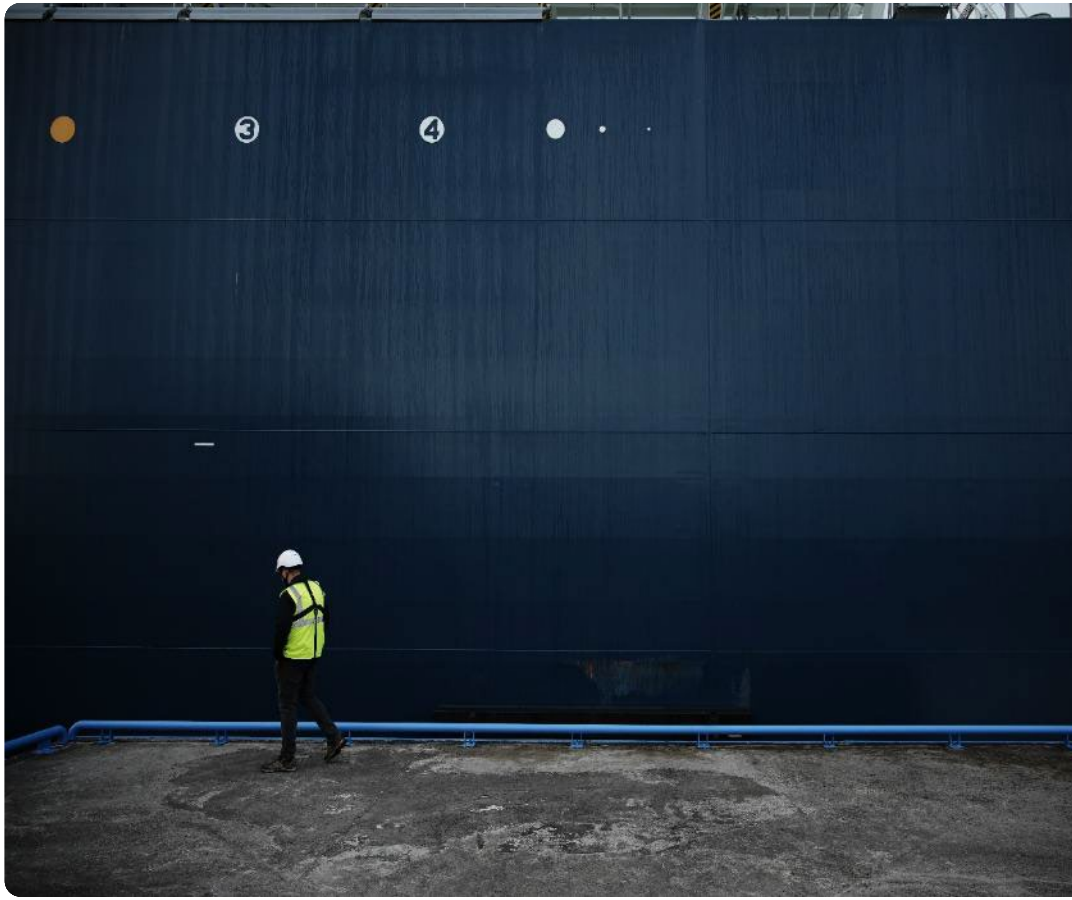
The Company undertakes actions to implement objectives related to resource use and the circular economy. Waste management processes are continuously improved, waste sorting and recycling are strengthened, and contracts with waste management companies ensure compliance with environmental requirements.

The Company also promotes sustainable use of energy resources and seeks to manage resources efficiently, including water, electricity, and natural gas. KNE cooperates with suppliers and stakeholders to ensure sustainable sourcing of raw materials and to promote the use of secondary resources. All these actions are integrated into daily operations and are continuously assessed in order to reduce negative environmental impacts.

E5-3 OBJECTIVES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

KNE's 2050 Strategy sets an objective to recycle at least 90% of waste generated by KNE by the end of 2030. Although this target has already been achieved in previous years, it remains a long-term ambition, particularly considering that in the medium term, subject to a positive investment decision, a new CO_2 terminal may be constructed at the Company's Klaipėda terminal (for more information on the CCS project, see the Management Report section "New Energies").

To achieve this objective, contracts are concluded with licensed waste management companies, ensuring that priority is given to waste recycling.



E5-5 RESOURCE OUTFLOWS

The Company annually discloses information on generated waste based on data obtained from the Unified Information System for Product, Packaging and Waste Accounting (GPAIS) and from waste management companies. In 2023 and 2024, the amounts of non-hazardous and hazardous waste generated at KLEPT increased compared to 2022 due to tank repair and cleaning works. Apart from repair activities, the largest quantities of waste generated by KNE arise from terminal operations, including loading activities, technical maintenance, and tank cleaning.

Following the transfer of ownership to KNE, data from the FSRU Independence are included from 2025 onwards, resulting in an increase in the total volume of waste reported in E5-5 Resource Outflows section.

Only small quantities of materials are used for the operation and maintenance of infrastructure operated under contracts abroad; therefore, information related to resource use in this area is not disclosed.

In 2025, the largest share of hazardous waste consisted of waste from water contaminated with oil products generated during operations, which is delivered to waste managers for recycling.

Non-hazardous waste mainly consisted of mixed municipal waste, scrap metal, paper and cardboard, and plastic waste.

The largest amount of recycled waste is generated from hazardous waste, which accounts for the majority, 95.7% of all waste.

INDICATOR	UNIT	2023	2024	2025
Total waste generated	**t**	**3,102**	**2,189**	**3,306**
of which hazardous waste	t	2,902	1,975	3,165
of which non-hazardous waste	t	200	214	141
Total waste not disposed of (recycled or otherwise treated) – hazardous and non-hazardous	**t**	**3,091**	**2,178**	**3,292**

INDICATOR	UNIT	2023	2024	2025
Total waste disposed of (hazardous and non-hazardous)	**t**	**11**	**11**	**14**
Total non-recycled waste	**t**	**33**	**73**	**86**
Non-recycled waste as a share of total waste	**%**	**1.1**	**3.4**	**2.6**
Non-disposed (recycled or otherwise treated) non-hazardous waste	**t**	**189**	**204**	**127**
of which prepared for reuse	t	0	0	0
of which recycled	t	183	155	75
of which treated by other methods	t	6	49	51,7
Non-disposed (recycled or otherwise treated) hazardous waste	**t**	**2,902**	**1,975**	**3,165**
of which prepared for reuse	t	0	0	0
of which recycled	t	2,886	1,961	3,145
of which treated by other methods	t	16	14	20
Disposed non-hazardous waste	**t**	**11**	**10**	**14**
of which incinerated without energy recovery	t	0	0	0.1
of which landfilled	t	11	10	14
other disposal method	t	0	0	0
Disposed hazardous waste	**t**	**0.05**	**0.6**	**0.2**
of which incinerated without energy recovery	t	0	0	0.1
of which landfilled	t	0.05	0.57	0
other disposal method	t	0	0	0.07

SOCIAL RESPONSIBILITY

S1 Own workforce

S1 SBM-2 STAKEHOLDER INTERESTS AND VIEWS

Employees are KNE's key asset and are at the centre of the Company's technology-driven operations. KNE seeks to integrate employee interests into its strategy, foster a diverse and inclusive working environment, and prioritise employee well-being and development. Regular employee surveys are conducted, comprehensive training programmes are provided, and strict human rights requirements are ensured to maintain a dynamic and respectful working environment. Detailed information about employees is presented in the "Information about the Employees" section of the Management Report.

S1 SBM-3 IMPACTS, RISKS AND OPPORTUNITIES

In this section of the report, the terms "Company" and "KNE Lithuania" refer to the parent company – AB KN Energies – which directly employs 88% of the employees considered part of the KNE Group. Approximately 8% of employees work in Brazil and are employed by the subsidiary KN Açu Serviços de Terminal de GNL Ltda. Up to 2% of employees work in Germany at the subsidiary KN Energies Deutschland GmbH. The remaining Lithuanian subsidiaries — KN Global Terminals, KN New Energy Solutions, and SGD SPB — were established for strategic purposes, each employing no more than 2% of the workforce.

Therefore, the main social impact is linked to the activities of the parent company, which sets the objectives and principles to be followed across all KNE Group entities. Where relevant and feasible, data on employees of the subsidiaries are also included.

Detailed information and statistics on the distribution of job positions by category, type of employment contract, age, length of service and education are provided in the "Information about the Employees" section of the Management Report.

eNPS
28
vs 18 in 2024
(scale -100 to 100)

TRCF
0.86
vs 0.3 in 2024

The KNE HR management strategy is based on the corporate values updated in 2023 and the UN Guiding Principles on Business and Human Rights. The significant impacts, risks and opportunities related to the own workforce identified during the double materiality assessment are presented in the table below.

S1 - OWN WORKFORCE		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Employee health and safety							
During the Company's direct operations at liquid energy products terminals, employees perform physical work and operate technical equipment, which requires following strict safety rules in order to prevent any risk to employees' health. The Company is responsible for ensuring safe working conditions; however, due to human error, technical failures, weather conditions, or other reasons, breaches of safety requirements may occur, increasing the risk of incidents and accidents.	Negative impact	●	●	●	●	●	●
Learning and skills development							
The Company encourages employees to improve their existing knowledge and acquire new competencies in strategically important areas (new types of energy, carbon capture and storage (CCS), etc.). By providing employees with opportunities for professional development, the Company can more effectively implement strategic tasks and gain a competitive advantage. Targeted investments in employee training and professional development, especially strengthening the competencies of engineering and energy specialties, including the development of an internal energy or engineering "academy" project, internships, qualification improvement programs and other learning initiatives, can create conditions for developing highly qualified specialists within the company. Such practices increase the depth of employees' competencies and readiness to work with new types of energy, strengthen employee loyalty and engagement, reduce dependence on a limited external talent market and contribute to the successful implementation of strategic and green transformation projects.	Opportunity		●			●	●
Ensuring a proper remuneration and motivation system							
The Company's remuneration system is formed on the basis of the methodology for dividing positions into levels, determining the weight of each position (to ensure fair remuneration for work within the Company). Fair, competitive and transparent remuneration increases employee satisfaction, reduces employee turnover. Failure to ensure competitive wages and motivating bonuses could reduce employee satisfaction and motivation, and increase the turnover of qualified employees, especially in the energy, engineering and technology fields. This may lead to the loss of critical competencies, more complex talent attraction and retention, and a lack of continuity of knowledge. As a result, there may be a risk of not achieving strategic goals, not implementing green transformation projects, which may negatively affect the company's competitiveness, the implementation of shareholder expectations, operational efficiency and long-term value creation prospects.	Risk		●			●	●
Ensuring equal opportunities							
By systematically ensuring equal treatment and equal opportunities for all employees, consistently aiming to increase the attractiveness of engineering and energy professions for women, the talent base can be significantly expanded. By identifying and removing barriers that prevent women from choosing or establishing themselves in these professions (e.g. stereotypes, lack of career opportunities, non-adaptation of working conditions), a company can attract more talented specialists, improve gender balance and ensure more diverse perspectives in decision-making. This contributes to higher quality of decisions, greater innovation and more sustainable long-term competitiveness of the company.	Opportunity		●		●	●	●

S1-1 POLICIES RELATED TO OWN WORKFORCE

KNE aims to create a safe and motivating environment for its employees. The Standard of Conduct, the Personnel Policy, the Violence and Harassment Policy, the Sustainability Policy and other KNE policies define how the Company manages the significant impacts, risks and opportunities related to its employees. Detailed information about these policies is provided in section MDR-P "Policies related to material sustainability topics".

The KNE Sustainability Policy sets out the following key commitments related to employees:

- To promote employee well-being and engagement in sustainability initiatives by fostering a culture of cooperation, awareness and responsibility;
- To create an environment where employees feel empowered to contribute to sustainability objectives, share knowledge and actively participate in driving change;
- To maintain a zero-accident approach and build an occupational health and safety system based on a strong safety culture that encourages responsibility, involvement and continuous risk management;
- To encourage professional growth and the development of new skills;
- To ensure gender equality and diversity;
- To maintain constructive and open dialogue with the employees' trade union;
- To promote the energy profession within society, especially among young people;
- To ensure the protection of universally recognised human rights.

In developing the Company's policies, KNE is guided by the United Nations Global Compact, the International Labour Organization (ILO) Conventions, the Guidelines of the Organisation for Economic Co-operation and Development (OECD), the Sustainable Development Goals (SDGs) and the Universal Declaration of Human Rights.

The responsibilities of KNE and its employees towards each other, colleagues and society, as well as the management of social impacts, are defined in the following documents:

- Collective Agreement;
- Work Organisation Rules (Rules of Procedure);
- Personnel Policy;
- Standard of Conduct;
- Remuneration Policy;
- Procedure for Designing the Reward System;
- Procedure for Discussing and Rewarding Employees' Annual Performance;
- Procedure for Organising the Onboarding of New Employees;
- Guidelines for Professional Development;
- Procedure on Employee Selection;
- In-House Training Procedure;
- Guidelines for Planning and Developing Succession for Key Positions.

Key principles underpinning employee-related policies:

- We create a healthy and safe working environment for our employees, aim to meet high occupational safety standards and increase employee awareness of occupational safety.
- We create an environment that fosters diversity on the basis of gender, religion, age, disability, race or sexual orientation.
- We strive to raise employee awareness in this area by promoting an organisational culture that upholds human rights.
- We aim to be an employer that enables personal and professional development and growth and supports work-life balance.
- We ensure fair and transparent remuneration.
- We do not tolerate any form of violence or harassment.

S1-2 PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

The Company measures employee engagement because it believes that engaged colleagues perform their work more easily, feel happier, are more creative and therefore create greater added value by effectively implementing the Company's strategy and contributing to its objectives. Employee engagement indicators are monitored and improvement actions are implemented accordingly to ensure that identified issues are addressed appropriately.

The consolidated Employer Net Promoter Score (eNPS) has been steadily increasing: in 2024 it reached 18 across the KNE Group, and in 2025 it rose to 28 (on a scale from –100 to 100).

At defined intervals, the Company also anonymously measures other workforce-related process indicators, such as learning and development, workplace climate, alignment with values, process quality, satisfaction with the remuneration system, and more. Employees are invited to provide feedback, and top management is responsible for evaluating and implementing the comments and suggestions received. Updates on the progress of agreed actions are communicated to employees, for example during the twice-yearly Employee Forums, which bring together employees from across Lithuania.

KNE employees are also actively represented through a trade union, with which ongoing dialogue is maintained. In Lithuania, a collective agreement is in force and is signed for a four-year period (most recently updated at the end of 2023), while in Brazil the collective agreement is reviewed annually. More information on the collective agreement is provided in section S1-10 Social Protection.

INDICATOR	UNIT	2023	2024	2025
Employer Net Promoter Score (eNPS)	%	LT – 1 BR – 54	LT – 10 BR – 43	LT – 36 BR – 28 DE - 3
Survey response rate	%	LT – 67 BR – 64	LT – 52 BR – 7	LT – 53 BR – 48 DE - 100

Since 2020, KNE has been using Lean tools (Kaizen, Asaichi, 5S, Gemba, Hoshin Kanri), which help eliminate non-value-adding processes. The Lean tools enable employees to look at processes from an external perspective, identify areas where resources can be saved and work can be simplified.

To motivate employees, points awarded for Kaizen ideas are accumulated throughout the year and paid out to the idea author as a bonus in addition to their salary. At the end of the year, during the winter celebration, the most active employees are additionally recognised and awarded.

REPORTING CHANNELS

The Company has established principles and processes to ensure a robust system for identifying, reporting and addressing potential or actual violations and grievances. These include a procedure for handling notifications, assessment, whistleblower protection measures, and mandatory follow-up actions after an investigation.

Employees can report adverse impacts in accordance with the Procedure for Reporting, Investigating and Informing Persons about Possible Violations, and through the methods set out in the Violence and Harassment Prevention Policy. These documents describe the mechanisms for submitting and handling complaints. Feedback may also be provided through the periodic anonymous employee engagement and satisfaction survey.

In addition, the following reporting channels are in place:

- Email: speakup@kn.lt;
- An anonymous "Report" form available on the KNE website (www.kn.lt) or on the websites of any KNE Group company;
- Written, telephone or direct contact with the Head of Internal Audit of KNE;
- Direct email to KNE's collegiate supervisory bodies: SupervisoryBodies@kn.lt.

The availability of reporting channels under the Procedure for Reporting, Investigating and Informing Persons about Possible Violations is ensured through public disclosure on the Company's website. Employees are informed about this and other relevant procedures via the internal document management system.

The annual employee corruption tolerance survey also measures whether employees are aware of the channels for reporting violations or grievances. KNE's anti-retaliation provisions are described in the respective procedures mentioned above.

Monitoring of the resolution of raised issues and the effectiveness of the reporting channels is ensured through:

- Mandatory submission of periodic (quarterly and annual) reports to the CEO, top management, the Board, the Supervisory Council and the Audit Committee;
- Stakeholder engagement, e.g., significant reports are immediately communicated to the Audit Committee and the CEO;
- Providing feedback to whistleblowers;
- Monitoring of action plan implementation by Internal Audit.

S1-3 ACTIONS RELATED TO OWN WORKFORCE

KNE operates in compliance with EU regulations and national laws, thereby reducing the likelihood of significant negative impacts related to its employees.

Employee well-being is an integral part of KNE's Sustainability Policy and one of the organisation's key operational priorities. To reduce the risk of significant negative impacts related to employees, KNE does not limit itself to meeting legal requirements but consistently applies additional measures focused on employees' physical, psychological and social well-being. The Company implements a range of health-enhancing initiatives, including an on-site medical infrastructure, vaccination programmes and rehabilitation services. Employees are provided with opportunities to actively take care of their physical well-being, with sports and physical activity being encouraged.

KNE also invests in creating a supportive working environment and strengthening team cohesion – every year resources are allocated to internal communication and collaboration within departments and teams. At the same time, efforts are made not only to ensure safe but also comfortable working conditions by continuously improving work and rest areas. These measures complement other employee-related activities, which are described in detail in the respective sections of the report (diversity and inclusion, training, employee representation).

S1-4 TARGETS RELATED TO OWN WORKFORCE

In 2025, a new Human Resources Strategy for 2030 was approved, focusing on:

- ensuring sustainable organisational growth;
- developing the required competencies and strong leadership;
- empowering employees to realise their potential;
- fostering innovation and delivering high-quality services.

Indicators (more than 30 in total) have been defined for each axis of the HR strategy to measure the achievement of these objectives, and they will be systematically monitored. Several example indicators linked to the objectives set out in the strategy are presented in table below.

PEOPLE STRATEGY 2030

Empowered People

Build People Operation Model

- Build the foundation for effective people operations.
- Create a standardized, efficient, and digital HR foundation that enables data-driven decisions, operational excellence, and organizational agility.
- Develop organization based on the principle of: Right Design, Right People, Right capabilities.

Elevate Our Leadership & Core Capabilities

- Strengthen leadership effectiveness and succession depth, build future-ready skills, and embed behaviours that drive speed, inclusion, and innovation.
- Elevate leadership and core capabilities to facilitate top quartile performance.

Reimagine Employee Experience

- Foster a positive and engaging employee journey across all stages of the lifecycle in organization.
- Build a future-ready workforce and embed a culture of excellence every day.
- Empower employees to live our values and embrace the spirit of Ride Higher, Reach Further.

TARGET	INDICATOR	UNIT	2025	2030
Develop future-ready competencies and embed behaviours that promote speed, innovation and inclusion	Share of managers representing the under-represented gender	%	37.5	>30
Strengthen future-critical and core competencies	Average annual hours dedicated to upskilling, reskilling and competency development	Hours	40	according to the benchmark
Create a positive and inclusive employee experience at KNE	Employer Net Promoter Score (eNPS)	Index	28	>30

S1-5 TARGETS RELATED TO OWN WORKFORCE

Structured interview methods are applied throughout the recruitment process, and the principles of diversity and inclusion are actively promoted. When facing challenges in attracting qualified specialists, new sourcing channels were introduced and employer communication was updated, including the launch of an employer branding campaign. KNE has also introduced more flexible working conditions, including a hybrid work model that meets the expectations of newly hired specialists. We are open to candidates across Lithuania: we have offices in Klaipėda, Vilnius and Subačius, and we also employ people in other cities, providing them with hybrid work opportunities. During the recruitment process, we discuss candidates' needs and seek flexible, mutually suitable solutions regarding working conditions. These measures help not only to attract the right employees, but also to ensure their retention and satisfaction.

KNE monitors employee turnover and how successfully employees make use of the right to maternity or paternity leave. This staff-related information is presented in chapters S1-4 and S1-13.

Detailed information on the characteristics of the employed workforce, including education, is provided in the "Information about the Employees" section of the Consolidated Management Report.

INDICATOR	UNIT	2023	2024	2025
Number of female employees in the group on the last day of the year	units	93	103	108
Number of male employees in the group on the last day of the year	units	278	292	308

INDICATOR	UNIT	2023	2024	2025
Number of employees as of last day of the given year	units	371	395	416
Number of employees in Lithuania as of last day of the given year	units	344	362	374
Number of employees in Brazil as of last day of the given year	units	27	28	33
Number of employees in Germany as of last day of the given year	units	0	5	9

S1-6 CHARACTERISTICS OF NON-EMPLOYEES WORKING FOR THE UNDERTAKING

The Company's operations do not rely on the working hours of temporary agency workers as defined by the EFRAG guidelines; therefore, this disclosure is considered not material.

S1-7 COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

A trade union operates actively within the Company, and ongoing cooperation is maintained on matters that are important and relevant to employees. The KNE Group recognises the trade union as an equal social partner representing employees and expressing their interests. For this reason, the Company enables members of the trade union committee to combine union-related duties with their primary work responsibilities. Decisions taken are recorded in minutes and made publicly available.

The Company also has a Health Committee, composed of employees and trade union representatives.

A Collective Agreement is concluded within the Company and is signed by the CEO and the Chair of the Trade Union. It covers matters related to employment, remuneration, working and rest time, employee training, occupational health and safety, and other social and economic conditions. The Collective Agreement, as well as other additional benefits such as private health insurance, ensures that employees receive support in case of health issues and have access to preventive healthcare measures. The provisions of the collective agreements apply to all employees in Lithuania and Brazil.

S1-8 DIVERSITY INDICATORS

The Company is committed to providing equal opportunities to all employees, regardless of gender, age or other individual characteristics. The majority of the Company's workforce is male, largely due to the specific nature of the business, as women tend to choose technical engineering and technology-related professions less frequently. The Company monitors gender balance indicators and seeks to promote gender balance by communicating successful internal career stories and creating favorable working conditions regardless of gender.

The KNE strategy includes a target to increase the share of women in the highest management and supervisory bodies to at least 33% by 2030.

Additional information on the distribution of employees by gender at the highest management level, as well as data on the distribution by age, is provided in the "Information about the Employees" section of the Consolidated Management Report.

S1-9 ADEQUATE WAGES

KNE pays adequate wages to its employees as defined in EU Directive 2022/2041. KNE aims to maintain a motivating, effective, competitive, fair, transparent and easy-to-understand remuneration system designed to attract, retain and motivate employees whose skills and performance enable the Company to pursue its mission and achieve its strategic business objectives. Across the Group, the Korn Ferry Hay methodology is applied to define job grades and remuneration levels by analysing the tasks of each position and relevant labour market data. This remuneration system ensures internal equity and external competitiveness. More detailed information on remuneration is provided in the sections "Remuneration" and "Employee Performance Appraisal and Bonus Procedure" of the Consolidated Management Report.

S1-10 SOCIAL PROTECTION

Social protection measures apply to all employees across the Group, regardless of their position. In Lithuania, all employees benefit from the provisions of the Collective Agreement and supplementary private health insurance.

KNE Lithuania also offers various additional financial benefits, including allowances related to childbirth, reskilling expenses, retirement, and others. The Company also grants additional vacation days based on length of service (after three, five and seven years). In KNE Brazil and KNE Germany, various additional benefits are also provided to improve working conditions and help employees balance professional and personal commitments.

S1-11 PERSONS WITH DISABILITIES

Due to the specific nature of the Company's operations — including hazardous working conditions and enhanced medical screening requirements — it is challenging to employ people with physical disabilities in most positions except administrative roles. In 2024, employees with disabilities represented 0.3% of the workforce in Lithuania, and as of the last day of 2025, one employee with a disability was employed.

It should be noted that employees in Lithuania are not obliged to disclose a disability. Each role has defined risk factors used to assess employee health. In certain cases, an occupational health physician, upon reviewing these risk factors and any available information on the employee's disability, may record restrictions related to disability in the medical certificate. In other cases, if an employee does not voluntarily inform the employer about a disability in order to arrange appropriate working conditions, this information is not recorded anywhere.

S1-12 TRAINING AND SKILLS DEVELOPMENT INDICATORS

The Company ensures a smooth onboarding process for new employees, including familiarisation with internal policies, procedures and work instructions. An onboarding programme is prepared for each new employee, and their direct manager and mentor ensure that from day one the employee understands how they will be integrated into their tasks and when they are expected to work independently.

Jointly organised training sessions cover not only technical and functional topics relevant to KNE's operations, but also general competencies. In 2025, particular focus was placed on developing operator and engineering competencies, while employees were also offered opportunities to learn more about financial management, the geopolitical environment, tax updates and other relevant subjects.

In 2025, KNE provided a variety of training sessions and initiatives for employees, including lectures on women's leadership, civil safety, environmental topics (such as microplastics), and more. Employees also participated in the nationwide waste-collection initiative "Let's Do It" ("Darom").

As in previous years, managers were offered a four-day leadership training programme designed to help them better understand each member of their team and ensure smooth team functioning. In 2025, additional training was organised for project managers on delegation, giving feedback and effective leadership.

To ensure continuity and smooth succession, KNE trains employees who may need to take over leadership responsibilities temporarily or in the longer term. Succession planning and training programmes for the leadership reserve are implemented to encourage high-potential employees to acquire higher qualifications. This practice is also used as an employee motivation and career-planning tool. Since 2023, additional investments have been made in strengthening leadership competencies, and in 2025 the third cohort of high-potential employees was selected for targeted leadership development programmes.

KNE funds study programmes that support the strengthening of employee competencies. Additionally, from 2025 onward, under the study guidelines, employees may receive paid study leave if their studies are not otherwise financed (e.g., when state funding is not available). In 2025, five applications were approved for partial compensation of study costs and/or full paid study leave (even though legally only half-pay compensation is required).

INDICATOR	UNIT	2023	2024	2025
Average training hours per employee	hours	LT – 32 BR – 50	LT – 32 BR – 119	LT – 40 BR – 64 DE – 60
Employees participating in regular performance and career development evaluations*	%	LT – 100 BR – 100	LT – 100 BR – 100	LT – 100 BR – 100 DE – 100

** KNE applies a regular evaluation system for all employees, using various forms of assessment.*

S1-13 OCCUPATIONAL HEALTH AND SAFETY

The Company provides safe and healthy working conditions for all employees, and its Occupational Health and Safety (OHS) system is based on the principles of prevention. A small portion of maintenance or repair works is carried out by contractor employees, who are also subject to the Company's OHS system.

The aim of the Company's OHS system is the continuous improvement of safety and health performance by ensuring full compliance with requirements and strengthening the overall safety culture. KNE strives for zero significant safety incidents and zero occupational accidents. The Company's long-term safety strategy is based on the Bradley Safety Curve, which illustrates the relationship between the maturity of safety culture and the frequency of workplace injuries.

The Company has developed a safety training matrix that specifies which safety trainings are mandatory for different job positions. Safety training is required for all employees, with the number and type of trainings depending on the nature of job tasks. Implementation of the training matrix is continuously monitored, and immediate corrective actions are taken when delays or non-compliances occur. Some safety trainings are delivered through the Company's internal e-learning platform, which automatically notifies employees and their direct managers of overdue or incomplete trainings and is monitored by the Company's safety specialists. The same system applies to mandatory safety training for external contractor staff.

The Company is implementing a systemic Safety Culture Transformation Programme for 2025–2029, aimed at transitioning to a proactive, mature and accountable safety culture. This programme is a fundamental part of the Company's ESG strategy and directly contributes to social responsibility, employee well-being and long-term operational resilience. The programme was developed based on an independent third-party diagnostic assessment of the safety culture and management system performed in 2024, which evaluated organisational leadership, processes, governance structures and employee behaviours. The assessment identified both strengths and areas for improvement, which formed the basis for the multi-year safety improvement programme.

The Safety Culture Transformation Programme includes the following structural priorities:

- **Strengthening leadership** – enhancing managers' ability to integrate safety standards into day-to-day management;
- **Improving risk awareness** at all organisational levels – increasing employee capability to identify critical risks and make safety-based decisions;
- **Strengthening operational discipline** – ensuring consistent compliance with procedures and building a culture of accountability across all divisions;
- **Enhancing risk management** – systematically identifying critical risks, improving control barriers and implementing digital management tools;
- **Developing governance structures and committees** – establishing a sustainable safety governance system based on accountability principles.

These priorities are built on a maturity model that guides the organisation toward a mature, independent and, ultimately, interdependent safety culture. Expected results include fewer incidents, higher employee engagement, stronger accountability among leaders and a robust safety culture that supports long-term organisational sustainability. The programme's phased transformation cycles ensure a gradual transition to higher levels of safety maturity, integrating best practices, innovation and data-driven decision-making.

In line with the long-term Safety Culture Transformation Programme, in 2025 the Company implemented the **"10 Golden Safety Rules"**, automated the collection of contractor safety indicators, and integrated safety level assessment into daily operational meetings.

10 Golden Safety Rules

In 2025, KNE launched the **"10 Golden Safety Rules"** initiative. Based on an analysis of KN Energies' highest-risk processes, root causes of past incidents and industry best practices, ten critical rules were selected. They cover the following areas:

- Work permits
- Working at height
- Hazard zones
- Energy isolation
- Hot works
- Working in confined spaces
- Working in explosive atmospheres
- Risk identification
- Safe lifting operations
- Personal protective equipment (PPE)

Clear, practical checklists have been developed to help employees remember the riskiest situations and how to avoid them.

Automated contractor safety data collection

In 2025, an automated system for collecting and consolidating contractor safety indicators was implemented. This system enables regular, manual-effort-free collection of data on contractor incidents, employee involvement in reporting unsafe acts and potential hazards. It helps ensure that external contractors adhere to the same safety standards as internal KNE divisions.

An internal instruction was introduced requiring contractor organisations, prior to commencing work, to submit and agree with the Company a safety plan clearly identifying potential risks during contracted works and describing how these risks will be managed and controlled. This reduces the likelihood of incidents associated with contractor activities.

Integration of safety level assessment into daily meetings

In 2025, KNE strengthened safety leadership by integrating safety level assessment into daily operational meetings. As a result, safety became part of the operational routine, and managers now consistently evaluate and discuss safety conditions with their teams in real time. The aim of this initiative is to encourage supervisors to act as ambassadors of safety culture, identify gaps more quickly and implement preventive measures proactively.

INDICATOR	UNIT	2023	2024	2025
Share of employees covered by the OHS system (OHS – Occupational Health and Safety)	%	100	100	100
(Non-ESRS indicator) TRCF – Total Recordable Case Frequency per 200,000 hours worked	index	0.61	0.3	0.86
Work-related employee fatalities	unit	0	0	0
Number of work-related recordable health disorders	unit	2	1	3
Lost time due to work-related safety incidents, fatalities, injuries and occupational diseases	days	26	15	17
(Non-ESRS indicator) Share of employees who completed safety training	%	100	100	100

S1-14 WORK–LIFE BALANCE INDICATORS

The Company adheres to fair and transparent working time regulations, including overtime compensation, and respects employees' right to rest. All KNE employees are entitled to rest periods and annual leave; employees also have the right to take family-related leave, including paternity leave and parental leave, regardless of the gender of the parent.

INDICATOR	UNIT	2023	2024	2025
Group employees entitled to take family-related leave	%	100	100	100

S1-15 PAY INDICATORS

The KNE remuneration system is designed on the basis of the Korn Ferry Hay job evaluation methodology, which classifies positions into levels and determines the weight of each role to ensure internal pay equity. The monthly remuneration for a position is set by assessing the knowledge and experience required to perform the role, the complexity of the functions, the degree of responsibility and leadership required, the level of impact and/or risk on the Company's performance results, and the working conditions.

Reducing the gender pay gap is one of the Company's objectives. When comparing average monthly remuneration, it is important to take into account the different distribution of genders across positions within the Company and the varying job levels defined under the Korn Ferry Hay evaluation system.

INDICATOR	UNIT	2023	2024	2025
Gender pay difference between men and women in Lithuania*	%	-3	-3	-3
Annual ratio of median remuneration: CEO compared to employees in Lithuania		5.3	4.6	5.4

** A negative indicator means that, on average, women earn more than men. Data for Brazil and Germany are not disclosed separately due to the small sample size.*

S1-16 INCIDENTS, COMPLAINTS AND SEVERE NEGATIVE HUMAN RIGHTS IMPACTS

KNE promotes a working environment in which all employees are treated equally, respected, and provided with conditions to realise their abilities. The Company is committed to ensuring that no discrimination occurs on the basis of gender, religion, age, disability, ethnic origin or sexual identity.

As in previous years, in 2025 no human rights violations, discrimination or harassment cases, nor any related complaints, were recorded within KNE's operations. To maintain the highest standards of human rights protection, KNE continues to strengthen an organisational culture based on respect and the safeguarding of rights. Regular employee training on human rights topics is also carried out, with the aim of ensuring that every employee actively participates in such training.

INDICATOR	UNIT	2024	2025
Employees: Work-related incidents, complaints or severe human rights impacts (discrimination, harassment)	Unit	0	0
Total amount of fines, penalties and compensation for damage resulting from major human rights incidents (in Lithuania and Brazil)	EUR	0	0

S2 Value Chain Workers

S2 SBM-3 IMPACTS, RISKS AND OPPORTUNITIES

A significant share of workers in the value chain are employed at the initial stages of the Company's value chain, i.e. by producers, processors and suppliers of liquid energy products and LNG. The significant impacts and risks identified in relation to value chain workers are presented in table below.

S2 – VALUE CHAIN WORKERS		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Value chain workers: human rights							
The supply chain for liquid energy products is highly complex and global, making it extremely difficult to identify and manage human rights impacts within the supply chain and to prevent existing or potential human rights violations. In the industry, particularly in raw material extraction activities carried out in conflict zones, cases of child labour and forced labour have been identified in the past; however, the extent and impact within KNE's value chain are unknown.	Actual / potential negative impact	●			●	●	●
Value chain workers: working conditions of contractors							
If contractors or suppliers fail to ensure equal opportunities, diversity and safe working conditions, there is a risk of discrimination and violations of labour rights. Such situations may lead to complaints, investigations or legal proceedings, disruptions to supply or work processes, and additional costs. As a result, the Company may face reputational damage, disruptions in contractual relationships and increased operational uncertainty.	Risk		●	●	●	●	

S2-1 POLICIES RELATED TO VALUE CHAIN WORKERS

KNE's partners and clients are introduced to the Company's Standard of Conduct, which the Company follows when making decisions.

The principles and concepts defined in our Standard of Conduct reflect our commitment to conducting business worldwide with the highest level of ethics and integrity. The Standard describes what it means to work at KNE and sets the direction for our business relationships. It presents our values and establishes standards for behaviour and decision-making. This Standard helps us build and maintain long-term relationships with colleagues, clients, suppliers, public authorities, business partners and other stakeholders.

The Company applies the Supplier Code of Ethics to its suppliers and partners. The Code emphasises that all people have the right to fundamental human rights and must be treated with respect. In setting these expectations, KNE is guided by the principles of the UN Global Compact, the International Labour Organization (ILO) Conventions, the OECD Guidelines, the Sustainable Development Goals (SDGs) and the Universal Declaration of Human Rights, with the aim of ensuring the protection of human rights across the entire value chain and in all geographic regions where the Company operates.

Suppliers are expected to comply with legal requirements and international agreements, act fairly and respectfully towards their employees, and ensure the following:

- Equal opportunities irrespective of characteristics or personal attributes unrelated to work;
- No use of forced labour;
- Respect for dignity, privacy and individual rights;
- Prohibition of harassment and discrimination;
- Professional and ethical management of relationships;
- Clear working conditions defined in employment contracts;
- Fair remuneration and adequate working time arrangements.

KNE seeks to ensure the implementation of the principles established in the Sustainability Policy through the Supplier Code of Ethics, inviting suppliers and partners to join KNE in its ambition to provide sustainable liquid energy solutions that enable industry and society to create a cleaner, safer and more prosperous future.

All contractor employees working at Company-operated terminals receive mandatory instruction and are familiarised with operational risks and applicable risk-management measures required for access to the terminals. Confirmation of this familiarisation is verified through a knowledge test. Before a contract is signed, all clients and contractor organisations are informed about the scope of the OHS system that will apply to them, with all relevant documentation integrated into contractual arrangements.

S2-2 ENGAGEMENT WITH VALUE CHAIN WORKERS

The Supplier Code of Ethics sets out that suppliers must implement measures enabling workers to anonymously report concerns such as breaches of workplace discipline, unsafe working conditions, discrimination and other violations.

All stakeholders, including value chain workers, may express concerns through the Company's established reporting channels on the KNE website ("Speak Up") using the publicly available anonymous reporting platform (see section S1-2 "Reporting Channels" for more details).

S2-3 ACTIONS RELATED TO VALUE CHAIN WORKERS

Contractors and client employees are subject to the Company's OHS system, and compliance is continuously monitored by Company representatives to ensure safe and proper performance of work at the terminals.

All key suppliers (100%) signed the KNE Supplier Code of Ethics in 2024. In the following year, further actions will be considered to manage potential negative impacts, risks and opportunities related to value chain workers, including encouraging suppliers to implement more sustainable practices. Since 2023, 100% of clients and business partners have been assessed under the Know-Your-Counterparty (KYC) procedure.

S2-4 TARGETS RELATED TO VALUE CHAIN WORKERS

Objectives and targets related to contractor and supplier employees are monitored at the operational level. KN's strategic objective is zero breaches of the Standard of Conduct (including by partners) by 2030. The indicator for 2025 remains unchanged – no breaches were recorded.

S3 Impacted Communities

S3 SBM-2, S3 SBM-3

KNE's operations in the city of Klaipėda take place in close proximity to two communities: Vitė and Melnragė. Both are located near the Klaipėda Liquid Energy Products Terminal, and the activities carried out at this terminal have a significant impact on them – primarily due to the unpleasant odour caused by the products handled at the terminal.

The impact is assessed both for the most affected communities of Vitė and Melnragė, and for the broader geographical impact area which, according to risk assessment maps, falls within the influence zone of the Klaipėda Liquid Energy Products Terminal and the Klaipėda LNG Terminal. For crisis management, the Emergency Operations Centre (ESOC) is in place.

The significant impacts, risks and opportunities identified in relation to the impacted communities are presented in table below.

S3 – IMPACTED COMMUNITIES		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Impacted communities							
The extraction and processing of natural gas and oil products, as well as LNG infrastructure and the handling of liquid energy products, may affect coastal and local communities due to land use, noise, air and odour pollution, transportation flows and safety risks associated with industrial activities. Terminal operations may therefore influence local infrastructure and the quality of life of surrounding communities. Insufficient cooperation with communities or failure to involve them in a timely manner could damage the Company's reputation and/or hinder the smooth implementation of strategic projects that require infrastructure development.	Actual negative impact / Risk	●	●	●	●	●	●

S3-1 POLICIES RELATED TO IMPACTED COMMUNITIES

Dialogue with neighbouring communities is one of the ways in which the Company implements its principles of openness and responsible operations. In its activities, including the maintenance of relations with local communities, the Company follows the highest standards of good governance, KNE values and the Standard of Conduct.

The KNE Sustainability Policy establishes a commitment to actively cooperate with local communities and contribute to the implementation of their social initiatives. The Company is also committed to continuously reviewing topics relevant to stakeholders and the actions taken to engage them (see more in "SBM-2 Stakeholder Interests and Views").

S3-2 ENGAGEMENT WITH IMPACTED COMMUNITIES

The Company maintains strong and consistent relationships with neighbouring communities. Regular meetings and discussions are organised to address the Company's environmental impact, investments and issues of concern to residents. Continuous dialogue helps the Company understand community expectations regarding the mitigation of KNE's operational impacts and allows the Company to identify the most pressing concerns of the communities.

The Company monitors the environmental impact of its terminals, including emissions to ambient air and surface water, as well as the quality of ambient air, groundwater and surface water. Monitoring data are published on the Company's website. More information on pollution (including odour pollution) is available in section "E2 Pollution".

By accessing this data, communities can evaluate whether KNE terminal operations meet established environmental quality standards. Environmental impact is also assessed by measuring volatile organic compound (VOC) emissions. Since the end of 2022, KNE has been publicly sharing real-time VOC monitoring data on its website.

S3-3 REMEDIATION PROCESSES AND CHANNELS

To provide residents with relevant information about ongoing handling operations and to respond promptly to complaints, community members may contact the Company at any time of day via phone: +370 800 55220. Through this line, residents can report potentially unpleasant odours or other impacts originating from the Company's territory and receive real-time information about handling operations. Residents may also submit complaints regarding the activities of the Liquid Energy Products Terminal (KLEPT).

Written complaints may be submitted via the Company's official email. All complaints received in any form are registered and responded to.

S3-4 ACTIONS RELATED TO IMPACTED COMMUNITIES

In response to community concerns about odours, an Environmental Action Plan was approved in 2018, setting out measures to ensure the highest environmental protection standards. This plan is updated annually and supplemented with new measures, and neighbouring communities are regularly informed about implementation progress. The plan and its updates are also available on the KNE website. In line with good-neighbourhood principles and community expectations, the Company contributes each year to meaningful community initiatives.

In 2025, KNE participated in the celebration organised by the Vitė community and held meetings with the Melnragė and Vitė communities to share information about the completed study on the CO_2 terminal project in Klaipėda. This terminal project is part of the CCS value chain that KNE is developing as a member of the CCS Baltic consortium (see more in the Management Report, section "New Energies").

Residents and visitors potentially affected by KNE's operations are also covered by certain elements of the Company's Occupational Health and Safety system. Considering the scale of potential significant impacts of the Company's terminals, resident warning and information systems have been installed at relevant terminals. Residents in the surrounding areas are periodically provided with updated information (leaflets, KNE website) on potential negative impacts of terminal operations (most recently updated in 2024).

When planning new activities or modifying existing ones, the Company proactively seeks to eliminate significant potential negative risks during the planning and design stages by carrying out risk analyses and studies.

ODOUR POLLUTION

As of 1 January 2026, economic operators will be required to ensure that the concentration of odour in the ambient air of residential areas resulting from planned or ongoing economic activities does not exceed 5 OUE/m³.

The results of the odour dispersion modelling carried out in 2024 show that in the nearest residential areas, the odour concentration around the KLEPT will reach up to 0.6 OUE/m³, and around the SLEPT up to 0.027 OUE/m³.

Actual odour concentration indicators are presented in table below.

Indicator	Unit	2023	2024	2025
Odour concentration in KLEPT	OUE/m3	0.6	0.6	0.6
Odour concentration in SLEPT	OUE/m3	0.03	0.03	0.03

S3-5 TARGETS RELATED TO IMPACTED COMMUNITIES

By implementing the actions described above, the Company aims to reduce the identified negative impacts on communities and to continue strengthening its relationship with them, while monitoring indicators such as complaints and other feedback. KNE's 2030 strategy sets a target of zero compensation claims from communities. In 2025, no compensation claims were received related to damage or inconvenience caused by KNE's operations.

The target was reformulated in 2025 (previously: zero community complaints), taking into consideration that, as community trust in the Company grows, the number of complaints may increase – since residents may feel more confident that their concerns will be addressed through direct communication. We welcome this active dialogue.

GOVERNANCE

G1 Business Conduct

ESRS 2 GOV-1 ROLE OF ADMINISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES

The role of administrative, management and supervisory bodies in relation to business ethics is disclosed in the general information part of the Sustainability Report in accordance with the ESRS GOV-1 disclosure.

G1 IRO-1 IMPACTS, RISKS AND OPPORTUNITIES

Significant impacts, risks and opportunities related to business ethics are presented in the table below. Details of the process for identifying significant impacts, risks and opportunities related to business ethics are disclosed in the general information part of the Sustainability Report in accordance with the IRO-1 disclosure.

G1 - GOVERNANCE		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Company culture							
The Company fosters a culture of ethics, transparency, and accountability, grounded in the Code of Conduct, the Company's values, and a clearly defined governance framework. The Company has comprehensive internal policies in place—from anti-corruption to the prevention of violence—which all employees are committed to following, together with strategic suppliers who sign the Supplier Code of Conduct. A strong ethical culture strengthens stakeholder trust, and the awards received in 2025 for the biggest leap in reputation and for transparency practices confirm the positive results of the Company's efforts.	Positive impact		●		●	●	●
Transparency							
In response to the expectations of Nasdaq, the GCC, and other stakeholders, the Company regularly discloses comprehensive information on its operations, financial situation, procurement contracts concluded, funds allocated for publicity, support provided, and other relevant information. This reinforces the Company's commitment to transparency and strengthens the image of, and trust in, the Company and all state-owned companies.	Positive impact		●		●	●	●
Corruption and bribery							
As a state-owned company, the Company is subject to high operational requirements in terms of business ethics, values, and practices. Therefore, any mistake, insufficient effectiveness of the compliance system, misalignment with expectations in specific practices, or even the appearance of breaches of high ethical standards may attract significant attention, cause reputational damage, and trigger criticism from the media and other stakeholders. Serious breaches may lead to legal disputes, administrative and criminal liability, financial sanctions, loss of reputation, and strained relationships with regulatory authorities. If a corruption or bribery incident occurs within the Company (for example, in business transactions, the provision of support, supplier selection, or other identified high-risk processes), the Company may face significant financial and legal consequences.	Risk		●		●	●	●
Cybersecurity							
The Company, as an operator of critical energy infrastructure, is a potential target for cyberattacks. The Company processes large volumes of sensitive information, including financial data, supply chain information, and technological data. Various forms of malware and cyberattacks may disrupt the Company's operations, compromise data integrity, or even block access to critical systems. Cybersecurity and data governance threats therefore pose risks to information and data security and to the continuity of the Company's operations.	Risk	●	●		●	●	●

G1 - GOVERNANCE		VALUE CHAIN STAGE			TIME HORIZON		
		Upstream	Direct operations	Downstream	Short-term	Medium term	Long-term
Civil protection							
Due to geopolitical events, natural disasters, cyberattacks, or other factors, the Company may experience disruptions to the supply and storage processes of petroleum products and natural gas. This could result in the inability to meet essential societal needs—such as heating, transportation, food production, and other vital services—in emergency situations, including crises, armed conflict, or major natural disasters. Such disruptions may cause social tension, panic, economic losses, and even pose risks to human life. The Company takes proactive measures and implements systems and procedures to ensure the uninterrupted supply and storage of petroleum products and natural gas in unforeseen or other emergency situations. In this way, the Company is prepared to safeguard essential societal needs.	Risk		●			●	●
Energy security							
The operation of the Klaipėda LNG terminal, by enabling the region to import natural gas from around the world, strengthens energy independence. Participation in projects in other countries also enhances those countries' energy security and helps reduce the use of more polluting coal. In addition, involvement in international projects allows the Company to generate additional revenue and diversify its income streams.	Positive impact / opportunity	●	●		●	●	●

G1-1 COMPANY CULTURE AND BUSINESS ETHICS POLICY

Responsible Governance is based on the policies of KNE as set out in section MDR-P "Policies related to material sustainability topics." The Standard of Conduct is the foundation of KNE's corporate culture and defines the ethical values and standards we aim to uphold and promote. The KNE Standard of Conduct is consistently communicated to our employees through relevant training and presented to our business partners to raise awareness, set expectations and promote compliance with sustainability standards throughout the value chain.

In the KNE Sustainability Policy updated in 2025, our governance-related commitments are reinforced:

- To maintain zero tolerance for corruption and uphold the highest ethical standards set out in the Standard of Conduct, as well as expecting the same from our business partners and customers;
- To strengthen business resilience by integrating ESG risks into strategic planning and decision-making;
- To ensure cybersecurity and the protection of personal data;
- To ensure the timely handling of potential sustainability violations, including those submitted anonymously through dedicated channels.

The Anti-Corruption Policy aims to ensure an effective corruption-resistant control environment: to prevent instances of corruption within the Company, to promote integrity, transparency and accountability in the conduct of employees at all levels, and to strengthen the trust of business partners in the Company.

The Policy was updated in 2025 in line with the new standard for the Company's governing and operational documents. In the updated Policy, the implementation objectives, principles and commitments are clearly and specifically defined. In order to reflect best practice, the title was also adjusted (previously – Anti-Bribery and Corruption Policy).

The Company has in place the policies and procedures designed to identify, report and investigate concerns related to unlawful conduct or conduct contrary to the KNE Standard of Conduct, and has designated owners responsible for these processes:

- Anti-Corruption Policy, Head of Prevention;
- Information Reported by Internal and External Stakeholders, Head of Internal Audit;
- Instructions for Investigating Reports of Corruption or Other Forms of Misconduct, Head of Prevention;
- Violence and Harassment Prevention Policy, Head of HR and Business Services;
- Rules of Procedure of KN Energies, Head of HR and Business Services;
- Policy on the Management of Private Interests, Head of Prevention;
- Procedure for Declaring Private Interests and Managing Conflicts of Interest, Head of Prevention;
- Guidelines for Related Party Transactions, Head of Prevention;
- Gift Policy, Head of Prevention;
- Instructions for the Registration, Valuation, Storage and Display of Gifts, Head of Prevention;
- Procedure for Reporting, Handling and Informing Persons about Possible Infringements, Head of Internal Audit.

Reports may be submitted through the channels specified in S1-2 "Reporting Channels." Non-anonymous whistleblowers are protected from retaliation by restricting access to the reports and the register to authorised employees and ensuring confidentiality.

The Company regularly provides training on business ethics, corruption prevention and related topics. More information is provided in G1-3 "Prevention and Detection of Corruption and Bribery."

G1-2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

KNE regularly carries out high-value public procurement procedures and publicly discloses its procurement contracts in accordance with the laws of the Republic of Lithuania. KNE also reports to the Public Procurement Office on the procurements conducted and the contracts concluded. Since 2023, under national regulation, all procurement (100%) must qualify as green procurement. In order to ensure 100% green procurement, KNE actively engages with existing and potential service providers (by conducting market research and consultations), integrates environmental requirements into planned procurement activities, and provides training to procurement organisers and members of procurement committees on defining and applying green criteria.

In 2024, KNE adopted the Supplier Code of Ethics, which has been incorporated into the public procurement process. This governance practice ensures that suppliers are familiar with the key ethical and behavioral standards and the sustainability principles that KNE expects from suppliers participating in public procurement and performing contracts with KNE. All strategic suppliers have signed the Supplier Code of Ethics, and no breaches were recorded in 2024/2025. Further actions to manage potential negative impacts, risks and opportunities related to suppliers are planned to be considered next year.

G1-3 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

KNE maintains a strict zero-tolerance approach to corruption and its manifestations, and is committed to fair competition, ethical business practices and transparency. The key documents establishing this zero-tolerance policy are the Standard of Conduct, the Procedure for Declaration of Private Interests and Management of Conflicts of Interest, the Stakeholder Screening Procedure, and the Anti-Corruption Policy. These policies clearly establish and publicly communicate a strong stance against bribery, fraud, extortion, informal accounting, improperly recorded transactions, fictitious expense accounting, use of falsified documents and other forms of corruption, as defined in the United Nations Convention Against Corruption.

The provisions of the Standard of Conduct and the principle of zero tolerance for corruption, as well as the procedures for managing conflicts of interest, are binding on all KNE employees, members of the management and supervisory bodies, third parties acting on behalf of the Company, and on KNE clients and business partners. All employees are familiarised with the Anti-Corruption Policy and the Standard of Conduct and have committed to comply with them.

In implementing the Measures Plan of the 2025–2026 Anti-Corruption Programme of the Ministry of Energy of the Republic of Lithuania and the institutions under the Minister's governance, the Company organises training on corruption prevention for employees and encourages staff to enhance their anti-corruption awareness independently. Information and links facilitating independent development of anti-corruption awareness are available on the Company's website and intranet.

Gift regulation is an important part of the corruption-prevention framework.

- The Standard of Conduct and the Anti-Corruption Policy stipulate that employees of the KNE Group shall not accept or offer gifts that may harm reputation or undermine trust.
- The Gifts Policy defines a zero-tolerance approach to gifts related to official duties and includes a questionnaire to assess the acceptability of gifts or hospitality. The Policy also sets rules for the acceptance and/or provision of gifts by KNE and regulates the proper declaration and registration of gifts.

The Company maintains control mechanisms to identify, assess, mitigate and monitor potential corruption risks across all business segments.

- The key risks identified include large-scale public procurement and the management of oil products and biofuel handling contracts. The Company seeks to ensure transparency in the preparation and implementation of procurement procedures, in setting and fulfilling contractual terms, and in conducting customer due diligence.
- Regular reports aimed at managing and reducing these risks are submitted to the Board. There is also a dedicated register of risk events.
- To ensure the prevention of potential fraud risks, annual preventive checks of internal processes are carried out to assess whether regulatory and control measures are sufficient.
- A whistleblowing channel is available to all natural and legal persons, enabling direct reporting to the Company's collegiate management bodies.

In 2025, KNE continued to encourage employees to expand their knowledge in corruption prevention and related areas:

- 122 employees received 235 training completion certificates on the Special Investigation Service (STT) training platform on the following topics: Concept of Corruption; Conflicts of Interest; Public Procurement; International Bribery; Gifts Policy; Ensuring Staff Reliability; Money Laundering; Corruption-related Offences; Whistleblower Protection; Corruption Prevention for Society.
- Employees also participated in training on the declaration of private interests and management of conflicts of interest organised by the Chief Official Ethics Commission. In the VTEK-administered PINREG platform, 30 employees completed the training and received 34 certificates (Declaration of Private Interests; Identification and Management of Conflicts of Interest; Lobbying Activities).
- Anti-corruption training is provided to 100% of employees involved in public procurement procedures as well as to employees required to declare private interests under their roles.
- On 2025-12-08, the Company organised the event "Coffee with a Taste of Transparency", presenting the concept of International Anti-Corruption Day, highlighting the importance of a transparency culture at KNE and hosting an interactive quiz to strengthen employee engagement.

G1-4 CORRUPTION AND BRIBERY INCIDENTS

The Anti-Corruption Policy stipulates that, in the event of non-compliance, an investigation of the suspected violation must be carried out, with the results, conclusions and recommendations submitted to the Company's governing bodies and disclosed through internal and external communication channels, insofar as this does not conflict with personal data protection requirements. In 2025, no cases of corruption, fraud or unmanaged conflicts of interest were reported within the Company or its subsidiaries

In national Responsible Business Awards 2025, "KN Energies" won in the large-enterprise category:

KNE - Company Promoting Transparency and Corruption Prevention

Corruption Tolerance Survey Results:

98%

of employees would report cases of corruption

vs 98% in 2024, 96% in 2023, 93% in 2022

Corruption Tolerance Indicator:

2.35%

vs 2.46% in 2024, 3.51% in 2023, 6.67% in 2022

ADDITIONAL DISCLOSURES

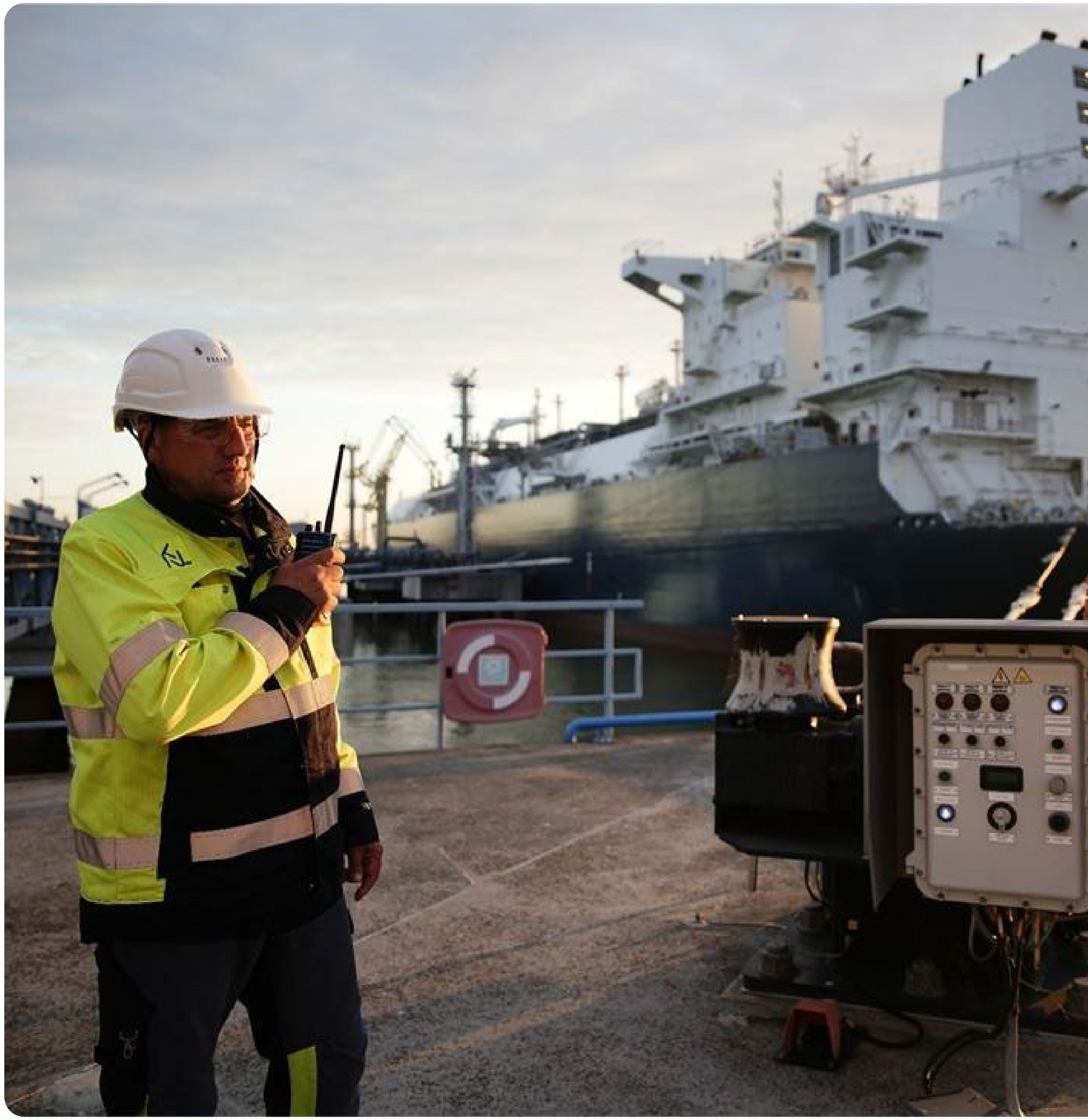
CUSTOMER RELATIONS

To increase transparency and encourage fair business practices, KNE applies due diligence procedures to its business partners before entering into contracts. As part of the due diligence procedure, the other party is required to provide written confirmation agreeing and committing to comply with the provisions of KNE's Anti-Corruption Policy and the Standard of Conduct. Anti-corruption provisions and the commitment to adhere to them are also incorporated into cooperation agreements with business partners.

In addition to managing sustainability risks in the value chain through responsible customer selection, the Company seeks to create value for its customers. Therefore, in 2024 KNE set a target to achieve a score of ≥95 in the Customer Satisfaction and Loyalty (NPS) assessment by 2030. This assessment covers customers across different segments – the Klaipėda LNG Terminal, International LNG Services and Oil Product & Biofuel Terminals.

The Company regularly measures customer related indicators (see the table below). The result decreased in 2025 due to temporary IT or equipment disruptions, as well as changes in results when new services were introduced and the number of customers increased. In addition, according to the NPS methodology, if a customer moves from a score of 9–10 to 7–8, the NPS value decreases significantly, as respondents scoring 7–8 are considered neutral and removed from the calculation formula.

Indicator	Unit	2023	2024	2025
Customer satisfaction and loyalty (NPS)	score	94	93	44
Proportion of customers and business partners assessed against Know Your Customer (KYC) requirements	%	100	100	100



CYBER SECURITY AND DATA PROTECTION

By prioritising cybersecurity, the Company aims to protect data, business processes, infrastructure and operational stability. KNE is subject to the requirements of the National Cyber Security Centre, and implementation of these requirements is the responsibility of the Company's management. As part of its strategic objective for 2030, the Company has established mandatory minimum information and cybersecurity requirements for third parties.

In 2025, the Company implemented a new cybersecurity standard – ISO 27001. The implementation of this standard strengthens KNE's ability to manage and ensure cybersecurity.

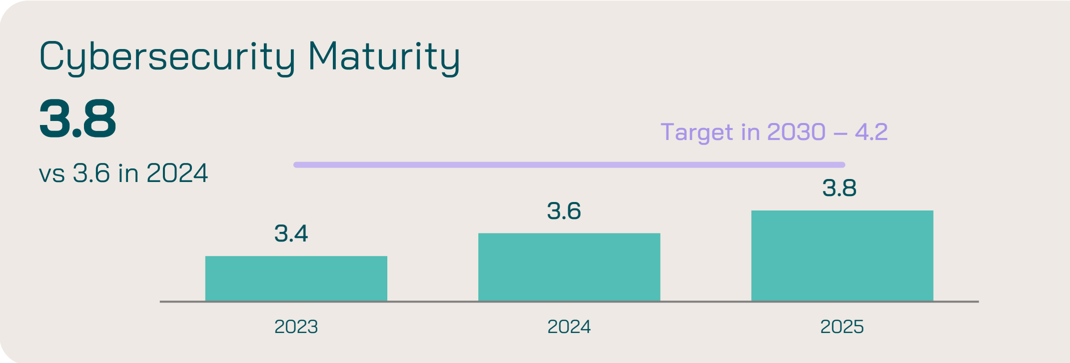
In 2025, a Cybersecurity Training Platform for employees was launched. In addition, cybersecurity specialists from KNE and other Lithuanian energy companies participated in cybersecurity training organised by the U.S. Cybersecurity and Infrastructure Security Agency and the National Energy Laboratory.

On 26–30 May 2025, "KN Energies", together with the National Cyber Security Centre under the Ministry of National Defence, organised a "PhishEx" social-engineering simulation exercise for employees. The aim of the exercise was to ensure that employees receiving a suspicious email know how to analyse it properly and, by recognising signs of social engineering, avoid falling victim to actual fraud attempts in the future. These exercises contribute to strengthening the resilience of KNE, as a manager, processor and user of critical information resources, against real cyberattacks.

Indicator	Unit	2023	2024	2025
Number of data protection breaches detected and confirmed	units	0	0	0
Data and cyber security incident emergencies where data is leaked	units	0	0	0
Share of employees who have received training	%	100	100	100
Cybersecurity Maturity (NIST requirements)	scores (max. 5)	3.4	3.6	3.8

KNE continuously evaluates and improves its internal legislation and processes related to personal data protection. The main documents defining data processing and storage processes and ensuring data privacy at KNE are the **Personal Data Privacy Policy** and its annexes, and the **Privacy and Cookie Policy for Website Visitors**. KNE's Legal and Compliance Department, together with other departments according to their areas of responsibility, ensures compliance with data protection legislation, including auditing, awareness-raising and training for employees involved in data processing activities.

KNE employees are regularly informed about updates to applicable regulations, and all employees are required to participate in training on the proper handling of personal data.



GOVERNANCE REPORT

GOVERNANCE REPORT INFORMATION

AB KN Energies aims to make its corporate management and internal processes in a way to ensure transparent, effective, and profitable activities and its activities retain the trust of our stakeholders. The internal control processes and management practices implemented within the Company are in line with the best management practice principles. This report provides main information and principles regarding management and related processes.

The Company's management structure is described in detail in the paragraph "Management of the Company". This paragraph also contains information regarding corporate management and organizational scheme and provides a short description of the functions of each corporate body of the Company.

In order for the corporate bodies of the Company to have clear agreement on the targets, directions, and objectives the corporate strategy is being prepared with purpose to foresee long term strategic goals and tasks. AB KN Energies strategic goals are described in the paragraph "The Corporate Strategy". For more detailed information about the KN strategy, please refer to the strategy summary following this link: KN Strategy 2050.

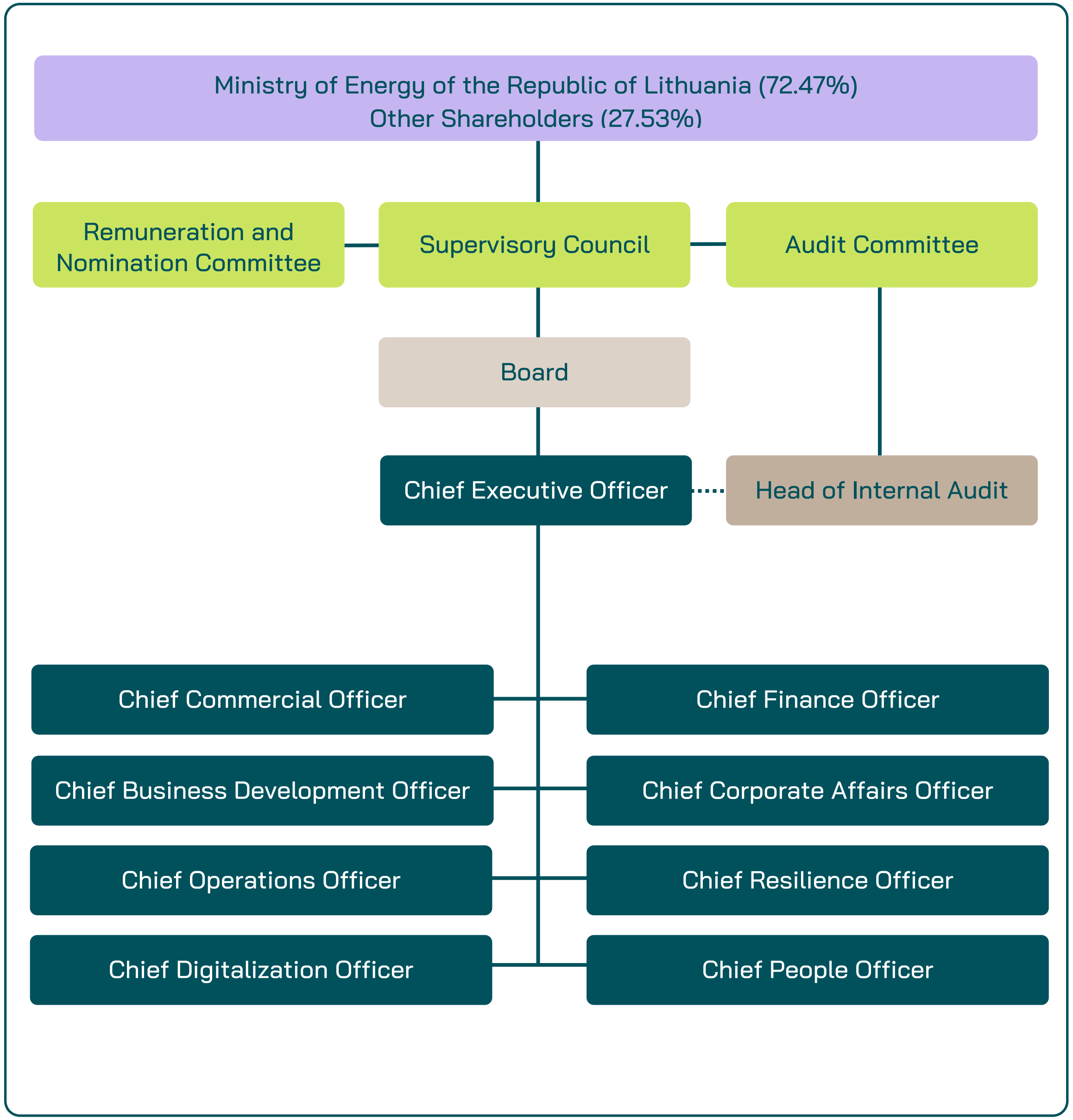
MANAGEMENT OF THE COMPANY

Management Structure

The Company operates in compliance with the Law on Companies, the Law on Securities, Articles of Association of the Company, and other legal acts of the Republic of Lithuania.

The Company's Articles of Association specify the following management bodies:

- The General Meeting of Shareholders
- The Supervisory Council
- The Board
- Chief Executive Officer (CEO)



** In line with the Letter of Expectations, effective April 2026 the governance structure will transition to a one-tier model by merging the responsibilities of the Supervisory Council and the Board.*

Members of the Non-Executive Management as of 31 December 2025

Jūratė Lingienė (independent member)

Chairperson of the Board. Appointed by the Supervisory Council as a member of the Board with effect from 25 April 2022. Elected by decision of the Board as Chairperson of the Board with effect from 1 November 2024.

Jūratė Lingienė does not hold shares of AB KN Energies. Jūratė Lingienė' declaration of private interests can be found in PINREG.

Education:

- Oxford University, Diploma in Financial Strategy (2024)
- ACCA (The Association of Chartered Certified Accountants) (2004), UK ACCA Member - Certified Accountant (FCCA)
- Vilnius University, Master degree in Finance (1999)
- Vilnius University, Bachelor degree in Audit and Accounting (1997)

Work experience and participation in activities of other companies and organisations:

- Since 2015, SEB (Sweden) CFO for Technology and Staff functions
- From 2014 to 2015, SEB (Lithuania and Latvia) Head of Vilnius and Riga Shared Service Centers
- From 2010 to 2014, SEB Latvia CFO, Member of the Board
- From 2008 to 2010, SEB Lithuania Head of Finance
- From 2006 to 2008, SEB Lithuania Head of Planning

More information: KN Energies: Group Structure and Management | KN Energies

Alfonso Morriello (independent member)

Member of the Board of the Company. Appointed to the Board by the Supervisory Council as of 25 April 2022.

Alfonso Morriello does not hold shares of AB KN Energies. Alfonso Morriello' declaration of private interests can be found in PINREG.

Education:

- INSEAD, MBA (2001)
- University La Sapienza, Rome, MSc Electronics Engineering (1996)

Work experience and participation in activities of other companies and organisations:

- Since 2020, AXEGAZ Trading & Technologies S.A.S. Chief Executive Officer
- From 2019 to 2020, MAXCOM PETROLI S.p.A., Board Member & LNG Managing Director
- From 2011 to 2019, AXEGAZ, Chief Executive Officer and Chairman of the Board
- From 2007 to 2010, SHELL GAS HUNGARY, General Manager
- From 2002 to 2007, SHELL GAS, Global Head of Portfolio
- From 1998 to 2002, SHELL INFORMATION TECHNOLOGY INTERNATIONAL Ltd, Senior Consultant

More information: KN Energies: Group Structure and Management | KN Energies

Gediminas Almantas (independent member)

Member of the Board of the Company. Appointed to the Board by the Supervisory Council as of 11 April 2025.

Gediminas Almantas does not hold any shares of AB KN Energies. His declaration of private interests is available in the PINREG.

Education:

- Thunderbird Executive, Arizona State University (USA), American Express Leadership Academy (2021)
- Copenhagen Business School (CBS), Department of Law / Negotiation Centre (Denmark), Industrial PhD (2018)
- Swedish Defence University, Advanced Crisis Management and Civil Protection Planning Course (2018)
- Swedish Institute, Sustainable Leadership Programme for Northern Europe “Sustainable Leadership” (2016)

Work experience and participation in activities of other companies and organisations:

- Since 2023, AB Novaturas Group, Chair of the Board, Member of the Audit Committee
- Since 2023, AB LTG Infra, Chair of the Board
- Since 2023, AB Lithuanian Airports, Board Member and Chair of the Board (since 2024), Member of the Audit Committee (2023–2024)
- From 2014 to 2023, Lithuanian Red Cross Society, Chair of the Board

More information: KN Energies: Group Structure and Management | KN Energies

Karolis Švaikauskas (member)

Member of the Board of the Company.
Appointed to the Board by the Supervisory Council as of 12 May 2022.

Karolis Švaikauskas does not hold shares of AB KN Energies. Karolis Švaikauskas' declaration of private interests can be found in PINREG.

Education:

- Vytautas Magnus University, Faculty of Political Science and Diplomacy, Master's Degree in Political Science, Baltic Region Studies (2011)
- Humboldt University of Berlin (Germany), Scandinavian and Northern European Studies (2010)
- Vytautas Magnus University, Faculty of Humanities, Bachelor's degree in Historical Sciences (2009)

Work experience and participation in activities of other companies and organisations:

- Since 2022, Member of the Board of AB „Amber Grid"
- From 2020 to 2022, Member of the Supervisory Council of Klaipėdos Nafta, AB
- Since 2019, Head of the Energy Competitiveness Policy Group of the Ministry of Energy of the Republic of Lithuania
- From 2019 to 2023, Member of the Labor Council of the Ministry of Energy (representation of employees' interests)

More information: KN Energies: Group Structure and Management | KN Energies

Guy Mason (independent member)

Member of the Board of the Company.
Appointed to the Board by the Supervisory Council as of 25 April 2022.

Guy Mason does not hold shares of AB KN Energies. Guy Mason' declaration of private interests can be found in PINREG.

Education:

- Engineering science and technology, Loughborough University (1986)
- Chartered Engineer, Fellow of Institution of Mechanical Engineers

Work experience and participation in activities of other companies and organisations:

- Since 2022, Trustee and Chairperson of the Board, International Foundation for Aids to Navigation
- From 2021 to 2025, Non-Executive Director, Chairperson of Remuneration Committee Windward Limited
- From 2018 to 2020, Non-Executive Director and Advisory Committee member, International Tanker Owners Pollution Federation (ITOPF)
- From 2016 to 2020, Appointments leading to SVP Global Head of Shipping, BP
- From 1986 to 2016, Multiple management positions in various BP businesses including petrochemicals, gas power and renewables, and alternative energy

More information: KN Energies: Group Structure and Management | KN Energies

Robertas Vyšniauskas (independent member)

Chairperson of the Supervisory Council.
Elected on the 20th October 2022 by the Extraordinary General Meeting of Shareholders for a four-year term.

Member of Audit Committee and Member of the Remuneration and Nomination Committee.
Elected by decision of the Supervisory Council from 24 November 2022 until the end of the term.

Robertas Vyšniauskas does not hold shares of AB KN Energies. Declaration of private interests can be found on PINREG.

Education:

- Mykolas Romeris University, Faculty of Law, Master of Law (2010)
- Mykolas Romeris University, Faculty of Law, Bachelor of Law (2004)

Work experience and participation in activities of other companies and organisations:

- Since 2025, Independent Chair of the Board of AB Lietuvos Geležinkeliai
- Since 2019, Partnership associate professor (till 2024 Lecturer) at VŠĮ Vilniaus universitetas
- Since 2014, Corporate Governance, M&A Consultant (private practice)
- From 2020 to 2025, Independent Member and Chairperson of the Board and Member of the Audit Committee of UAB Vilniaus vystymo kompanija
- Since 2019, Independent Member and Chairperson of the Board and Member of Remuneration and Nomination Committee (till 2024 served as a Member of the Audit Committee) of UAB EPSO-G

More information: KN Energies: Group Structure and Management | KN Energies

Mantas Šukevičius (independent member)

Member of the Supervisory Council. Elected to the Supervisory Council on the 20th October 2022 by the Extraordinary General Meeting of Shareholders for a four-year term.

Member of the Audit Committee. Elected by decision of the Supervisory Council from 24 November 2022 until the end of the term of office of the Company's current Supervisory Council.

Mantas Šukevičius does not hold shares of AB KN Energies. Declaration of private interests can be found in PINREG.

Education:
- Vilnius University, Institute of International Relations and Political Science, Master of European Union Studies (2000)
- Vilnius University, Institute of International Relations and Political Science, Bachelor of Political Science (1998)
- Vilnius University, Faculty of Economics, Bachelor of Economics (Banking) (1997)

Work experience and participation in activities of other companies and organisations:
- Since 2025, independent member and chairperson of the Supervisory Council and member of the audit committee of Business Development Fund
- Since 2022, independent member of the board of VĮ Oro navigacija
- Since 2022, independent member of the Supervisory Council of JSCB Biznesni Rivojlantirish Banki
- Since 2021, member of the board of UAB Victory Funds
- Since 2020, director of MB Buteo Invest
- From 2020 to 2022, CEO of UAB Victory Funds

More information: KN Energies: Group Structure and Management | KN Energies

Aurimas Salapėta (member)

Member of the Supervisory Council. Elected to the Supervisory Council on the 18th August 2025 by the Extraordinary General Meeting of Shareholders until the end of the term.

Aurimas Salapėta does not hold any shares of AB KN Energies. His declaration of private interests is available in the PINREG.

Education:
- Mykolas Romeris University, Master's degree in Energy Policy and Management (2014)
- Mykolas Romeris University, Bachelor's degree in Public Administration (2012)

Work experience and participation in activities of other companies and organisations:
- Since 2025, Ministry of Energy of the Republic of Lithuania, Head of the Sustainable Energy Policy Group
- From 2021 to 2025, Ministry of Energy of the Republic of Lithuania, Adviser, Sustainable Energy Policy Group
- From 2017 to 2021, Ministry of Energy of the Republic of Lithuania, Senior Specialist, Climate Change Management Group
- From 2014 to 2017, Ministry of Foreign Affairs of the Republic of Lithuania, Senior Specialist

More information: KN Energies: Group Structure and Management | KN Energies

Šarūnas Radavičius (independent member)

Chairperson of the Audit Committee. Elected by decision of the Supervisory Council from 22nd February 2023 until the end of the term of office of the Company's current Supervisory Council. In the Audit Committee meeting held on 20 April 2023, elected as a Chairperson of the Audit Committee.

Šarūnas Radavičius does not hold shares of AB KN Energies. Šarūnas Radavičius' declaration of private interests can be found on PINREG.

Education:
- Vilnius University, Faculty of Economics, Accounting and Auditing (1993)

Work experience and participation in activities of other companies and organisations:
- Since 2023, Lithuanian Chamber of Auditors, member of the Presidium
- Since 2021, UAB Akropolis Group, Chairperson of the Audit Committee
- From 2021 to 2025, AB Utenos trikotažas, Chairman of the Audit Committee
- Since 2019, owner of MB Saluma
- From 2019 to 2021, Chairman of the Audit Committee, AB Lietuvos radijo ir televizijos centras
- From 2018 to 2021, Member of the Audit Committee of AB Ignitis grupė

More information: KN Energies: Group Structure and Management | KN Energies

Živilė Valeišienė (independent member)

Chairperson of the Remuneration and Nomination Committee. Elected to Committee by decision of the Supervisory Council from 22nd February 2023 until the end of the term of office of the Company's current Supervisory Council.

Živilė Valeišienė does not hold shares of AB KN Energies. Živilė Valeišienė' declaration of private interests can be found in PINREG.

Education:

- Baltic Institute of Corporate Governance (BICG), Training for Board Members (2021)
- Baltic Management Institute (BMI), Executive Master's Degree (EMBA) (2013)
- Kaunas University of Technology, Master of Applied Mathematics (1999)

Work experience and participation in activities of other companies and organisations:

- Since 2022, Independent member of the Board at AB Kelių priežiūra
- Since 2022, Member of the Remuneration Committee Sub-Committee of Western Union
- From 2014 to 2022 HR Director, Global HR Business Partner at Western Union Processing Lietuva
- From 2009 to 2014, Head of HR at UAB Omnitel
- From 2003 to 2009, UAB Philip Morris Baltic/UAB Philip Morris Lithuania, career progression from specialist to HR Business Partner for Baltics

More information: KN Energies: Group Structure and Management | KN Energies

THE ACTIVITY OF THE GENERAL MEETING OF SHAREHOLDERS IN 2025

The General Meeting of Shareholders is the supreme management body of the Company. Competences of the General Meeting of Shareholders of the Company, Shareholders' rights, their implementation are identified in the Law on Companies of the Republic of Lithuania and in the Article of Association of the Company.

The Company's CEO or the authorized head of any other department always participates in the Shareholders' Meetings, while the chairpersons of the Supervisory Council, Board, and the CFO participate depending on the items being addressed.

There were 2 meetings of General Meeting of Shareholders in 2025. The following decisions have been adopted: to approve the audited Financial Statements of the Company for the year 2024; to allocate profit of the Company; to approve the Report on remuneration of the Company; to approve Regulations of Audit Committee activities of the Company; to approve the amended Remuneration Policy of the Company; to elect a member of the Supervisory Council and determine the remuneration of the newly elected member.

THE SUPERVISORY COUNCIL AND ITS ACTIVITIES IN 2025

The current Supervisory Council of the new term of office has been elected and started its activities on 20 October 2022. Supervisory Council is a collegial supervisory body which consists of 3 (three) members (Robertas Vyšniauskas, Mantas Šukevičius, Aurimas Salapėta), elected for the period of 4 (four) years in the General Meeting of Shareholders according to the procedure established by the Law on Companies. Following Dovilė Kavaliauskienė's resignation from the position of member of the Supervisory Council as of 31 May 2025, Aurimas Salapėta was elected as a member by a decision of the General Meeting of Shareholders on 18 August 2025, to serve until the end of the current term of office of the Supervisory Council.

Functions, rights, and duties of the Supervisory Council are detailed in the Law on Companies, Articles of Associations, Corporate Governance Policy, Decision Making Matrix of the Company and Rules of Procedure of the Supervisory Council.

During the year 2025, 10 (ten) Supervisory Council meetings have been arranged where all Supervisory Council members have participated. Throughout the period, Supervisory Council as a top priority outlined: (i) the supervision of the activities of the Board and the CEO of the Company; (ii) the supervision on the preparation and approval of the Company's strategy for 2026-2028 for the Governance Coordination Centre; (iii) the election of an independent Board member; (iv) monitoring the areas of cybersecurity and physical security; (v) the approval of Support and Humanitarian Aid Policy and Anti-corruption policy.

The activities of the Audit Committee, as well as the Remuneration and Nomination Committee, including the approval of annual reports and annual plans, were among the areas of focus of the Supervisory Council. In addition to its regular tasks, the Supervisory Council in 2025 was also actively involved in the discussions about the internal control system functioning as well as risk management improvement.

Overall, the Supervisory Council performed its functions in accordance with its' annual plan and covered all planned items during the year.

THE AUDIT COMMITTEE AND ITS ACTIVITIES IN 2025

The current Audit Committee for the new term of office was elected by decision of the Supervisory Council of the Company and approval by the General Meeting of Shareholders, and it began its activities on 24th November 2022.

Audit Committee consists of 3 (three) members elected for the office term of the Supervisory Council of which 1 (one) is independent (Šarūnas Radavičius) and 2 (two) are delegated members of the Supervisory Council (Mantas Šukevičius and Robertas Vyšniauskas). Šarūnas Radavičius also acts as a Chairperson of the Audit Committee.

The Regulation of the Audit Committee of the Company regulates the functions, rights, and duties of the Audit Committee. The key responsibilities of the Audit Committee include assisting the Supervisory Council in fulfilling its oversight responsibilities regarding financial reporting, the effectiveness of the risk management and internal control systems, monitoring the independence of both internal and external auditors, and assessing their performance and effectiveness. The Company's Head of Internal Audit is functionally subordinate to the Audit Committee and administratively subordinated to the CEO.

During the year 2025, 13 (thirteen) Audit Committee meetings have been arranged where all Audit Committee members have participated. Throughout the period, the Audit Committee closely: (i) monitored the financial and ESG reporting process and audit of consolidated financial statements of the Group; (ii) assessed the effectiveness of the financial statement audit process; (iii) reviewed the audit reports on conflict-of-interest management, whistleblowing compliance, cybersecurity compliance, and corruption-risk management (iv) evaluated the policy on managing private interests and its application; (v) assessed the management of reports received through the "Speak-Up" channel.

The Audit Committee also monitored the implementation of the Internal Audit activity plan, reviewed the audits carried out in 2025 and the quarterly reports, and assessed them, along with the evaluations of the Group's internal control, including the control of financial statements. Additionally, the Audit Committee monitored the independence of the auditors.

The Audit Committee's annual plan for the year 2025 was fully executed.

THE REMUNERATION AND NOMINATION COMMITTEE AND ITS ACTIVITIES IN 2025

The current Remuneration and Nomination Committee for the new term of office was elected by decision of the Supervisory Council of the Company and it began its activities on 24th November 2022.

Remuneration and Nomination Committee consists of 3 (three) members elected for the office term of the Supervisory Council of which 1 (one) is independent (Živilė Valeišienė) and 2 (two) are delegated members of the Supervisory Council (Aurimas Salapėta and Robertas Vyšniauskas). Živilė Valeišienė also acts as a Chairperson of the Remuneration and Nomination Committee. Following the resignation of Dovilė Kavaliauskienė, by the decision of the Supervisory Council of 17 September 2025, Aurimas Salapėta was elected to serve as a member of the Remuneration and Nomination Committee until the end of the current term of office of the Supervisory Council.

The Regulation of the Remuneration and Committee of the Company regulate the functions, rights, and duties of the Remuneration and Nomination Committee. The Remuneration and Nomination Committee acts as an advisory body to the Company's Supervisory Council, making recommendations on the Company's remuneration policy, proposing to the Company the criteria for assessing the performance of its executives, and making other recommendations relating to remuneration. The Remuneration and Nomination Committee, among other functions, provides opinions on the selection procedure of collegial bodies (excluding the Supervisory Council), provides recommendations regarding candidates for vacant positions in the management bodies, pays attention to the Company's continuity planning.

During the year 2025, 7 (seven) Remuneration and Nomination Committee meetings were arranged, with all members participating. Throughout the period the Remuneration and Nomination Committee: (i) actively participated in the selection process for a Board member, completed it by the end of February, and submitted a recommendation to the Supervisory Council; (ii) completed the self-assessment process of the collegial bodies (including its own) and submitted a letter outlining the key priority areas for 2025; (iii) took part in discussions with the management regarding long-term incentives for C-level employees and provided a recommendation to the Board; (iv) assessed how the Company is implementing the EU Pay Transparency Directive.

The Remuneration and Nomination Committee's annual plan for the year 2025 was fully executed.

THE BOARD AND ITS ACTIVITIES IN 2025

The current Board for the 4 (four) year term of office was elected by decision of the Supervisory Council of the Company, and it began its activities on 25th April 2022.

The Board is a collegial management body of the Company consisting of 5 (five) members (Guy Mason, Jūratė Lingienė, Gediminas Almantas, Alfonso Morriello, Karolis Švaikauskas) of which 4 (four) are independent.

By the decision of the Supervisory Council of the Company, Gediminas Almantas has been elected to fill one of the vacant positions for an independent member of the Company's Board, for the period from April 11, 2025, until the end of the current Board's term of office. An independent Board member has been elected due to the resignation of independent Board member Edvinas Katilius from his position as a member of the Company's Board, effective December 31, 2024.

Functions, rights, and duties of the Board are detailed in the Law on Companies of the Republic of Lithuania, Articles of Association and Corporate Governance Policy of the Company, Decision Making Matrix of the Company and Rules of Procedure of the Board.

The Board held 14 (fourteen) meetings in 2025, 4 (four) of which were held in writing. Throughout the period, the Board, including but not limited, adopted the following decisions: (i) agreed on Corporate Strategy 2026-2028 for the Governance Coordination Centre; (ii) approved the annual consolidated financial statements, Sustainability report, Annual Management report of the Company for the year 2024; (iii) convoked 2 (two) General Meeting of Shareholders; (iv) approved the quarterly risk reports; (v) approved the Company's 2025 activity goals and closely monitored their progress and achievement; (vi) approved the investment in the Klaipeda LNG terminal electrification project; (vii) approved the achievement of KN goals 2024 and CEO performance.

The Board regularly reviewed strategic, operational, financial, risk, project management, and safety matters throughout the year. In doing so, the Board ensured effective oversight of the Company's performance, supported sound decision-making, and promoted sustainable and responsible business practices. The Board closely monitored the implementation of strategic projects such as CO2 capture and storage, global LNG and other investment projects. Organizational matters, including HR strategy and employee engagement, were within the scope of the Board's agenda.

The Chief Executive Officer (CEO) is a single person managing body of the Company. The CEO is the main person managing and representing the Company. The duties and competence of the CEO have been determined by the Law on Companies and the Articles of Association of the Company, the Corporate Governance Policy of the Company, Decision-Making Matrix of the Company.

The Board members attended the meetings in 2025:

DATE OF THE MEETING	JŪRATĖ LINGIENĖ	GUY MASON	ALFONSO MORRIELLO	KAROLIS ŠVAIKAUSKAS	GEDIMINAS ALMANTAS*
1. January 3 (in writing)	✓	✓	✓	✓	–
2. January 12	✓	✓	✓	✓	–
3. January 31 (in writing)	✓	✓	✓	✓	–
4. March 5	✓	✓	✓	✓	–
5. March 31	✓	✓	✓	✓	–
6. April 7 (in writing)	✓	✓	✓	✓	–
7. April 16	✓	✓	✓	✓	✓
8. June 10	✓	✓	✓	✓	✓
9. July 23	✓	✓	✓	✓	✓
10. August 12 (in writing)	✓	✓	✓	✓	✓
11. September 9	✓	✓	✓	✓	✓
12. October 15	✓	✓	✓	✓	✓
13. November 26	✓	✓	✓	✓	✓
14. December 16	✓	✓	✓	✓	✓

**Gediminas Almantas term of office started from April 11 , 2025*

✓ Attended
✗ Not attended
– was not yet appointed

Management of the Company as at 31 December 2025

Darius Šilenskis

Chief Executive Officer (CEO). Appointed as CEO from 11 November 2019. Re-elected from 12 November 2024.

The share of AB KN Energies held by Darius Šilenskis is less than 0.05%.

Education:

- Baltic institute of Corporate Governance, Chair education (2024)
- INSEAD, LEAP programme (2023)
- Baltic Management Institute (BMI), Executive Master in International Business Administration (EMBA) (2013)
- Vytautas Magnus University, Master of Business Administration (2013)
- Mykolas Romeris University, Master of Laws, Degree Program in International Maritime Law (2006)
- Mykolas Romeris University, Bachelor of Laws, Law and Management (2004)

Work experience and participation in activities of other companies and organisations:

- Since 2024, Independent Member of the Board of AB Vilniaus šilumos tinklai
- Since 2024, Member of the Council of the National Lithuanian Energy Association (NLEA)
- Since 2023, Member of the Board of Directors of the Association of Lithuanian Stevedoring Companies
- From 2014 to 2015, Commercial director of JSC Kroviniu Terminalas
- From 2012 to 2013, PO Director of Seaborne Wholesale of PKN ORLEN S.A.

Dainius Čiuta

Chief Operations Officer (COO). Appointed to the position from 5 November 2020.

Dainius Čiuta does not own shares in AB KN Energies.

Education:

- Baltic Management Institute (BMI), International Executive Master of Business Administration (EMBA) (2013)
- Kaunas University of Technology, Master of Chemical Technology Engineering (1999)
- Klaipeda University, Bachelor of Chemical Technology (1997)

Work experience and participation in activities of other companies and organisations:

- Since 2018, Member of the Energy Committee of Lithuanian Confederation of Industrialists.
- From 2018 to 2020, Deputy General Director for Operations of Public Company Orlen Lietuva
- From 2014 to 2018, Director of Production of Public Company Orlen Lietuva
- From 2011 to 2014, Deputy Head of Operations of Public Company Orlen Lietuva

Irina Kabulova

Chief People Officer (CPO). Appointed to the position from 21 July 2025.

Irina Kabulova does not own shares in AB KN Energies.

Education:

- ISM University of Management and Economics, Master's studies in Management: Human Resource Management programme (2008), Project Management programme (2007)
- ISM University of Management and Economics, Bachelor's degree in Management and Business Administration (2005)

Work experience and participation in activities of other companies and organisations:

- From 2017 to 2025, HR Manager Baltics/Cluster Lead of HAVI
- From 2015 to 2017, Head of HR Department/HR Business Partner of Ignitis Lietuva
- From 2006 to 2013, HR Manager of HAVI
- From 2003 to 2006, HR Specialist of JSC Forum Palace

Linas Kilda

Chief Business Development Officer (CBDO).
Appointed to the position from 3 August 2020.

The share of AB KN Energies held by Linas Kilda is less than 0.05%.

Education:
- Baltic Management Institute (BMI), Executive Master's in Business Administration (EMBA) (2023);
- Institute of Geology and Geography, PhD (Physical Sciences) (2002)
- University of Aberdeen, Master of Petroleum Geology (1998)
- Vilnius University, Engineering geologist and hydrogeologist (1995)

Work experience and participation in activities of other companies and organisations:
- Since 2024, Member of the Supervisory Council of KN Energies Deutschland GmbH
- Since 2022, Member of the Supervisory Council of KN Acu
- Since 2021, General Manager of UAB KN Global Terminals (formerly UAB SGD Logistika)
- From 2014 to 2016, Preconstruction Manager of UAB VAE SPB

Mindaugas Navikas

Chief Commercial Officer (CCO). Appointed to the position from 8 September 2020.

The share of the AB KN Energies held by Mindaugas Navikas is less than 0.05%.

Education:
- Stockholm School of Economics in Riga (SSE), Master of Business Management (EMBA) (2018)
- Vilnius University, International Business School, Master of International Business Management (2006)
- Vilnius University, Bachelor of Business Management (2002)

Work experience and participation in activities of other companies and organisations:
- Since 2024, Member of the Board of the operator of the Lithuanian energy exchange Baltpool
- From 2013 to 2018, Director of Inland Wholesale of Public Company Orlen Lietuva
- From 2008 to 2013, Business Controller of Public Company Orlen Lietuva
- From 2017 to 2018, Member of the Board of Directors of UAB Mažeikių Naftos prekybos namai

Rimgailė Požarickė

Chief Resilience Officer (CRO). Appointed to the position from 1 July 2025.

Rimgailė Požarickė does not own shares in AB KN Energies.

Education:
- Kaunas University of Technology, Master's degree in Environmental Engineering (2013)
- Kaunas University of Technology, Bachelor's degree in Environmental Engineering (2011)

Work experience and participation in activities of other companies and organisations:
- Since 2023, Mentor at Idialogue
- From 2023 to 2025, HSE Manager of KAEFER
- From 2022 to 2023, EHS specialist of Technologaja
- From 2017 to 2022, HS Coordinator of Inter IKEA Group

Jurgita Šilinskaitė – Venslovienė

Chief Corporate Affairs Officer (CCAO). Appointed to the position from 29th August 2024. Working in KNE since 2016.

...

Education:

- Baltic Institute of Corporate Governance (BICG), Board Member Certificate (2024), Chair of Board Certificate (2025)
- Baltic Management Institute (BMI), Executive Master of Business Administration (EMBA) (2021)
- Vytautas Magnus University, Master of Business Administration (2021)
- Mykolas Romeris University, Master of Public Administration (2008)
- Klaipėda University, Bachelor of Social Work (2003)
- Agder University (Norway), NORSEC certificate (2000)

Work experience and participation in activities of other companies and organisations:

- Since 2024, AB Vidaus vandens kelių direkcija, Chair of the Board
- Since 2023, Honorary Consul of the Kingdom of the Netherlands in Klaipėda
- From 2013 to 2020, Member of University Council of Klaipeda University
- From 2007 to 2016, CEO, expert of Sustainable Development Projects
- From 2011 to 2016, Project Manager of Education Development Center at the Ministry of Science and Education
- From 2010 to 2011, Expert of Ignalina Nuclear Power Plant

Tomas Tumėnas

Chief Financial Officer (CFO). Appointed to the position from 15 January 2024.

Tomas Tumėnas does not own shares in AB KN Energies.

Education:

- The University of Manchester MBA in Finance (2011)
- Aalborg University, 4th semester in Msc. in International Business Economics (1995)
- Vilnius University, Master in Economics (1995)

Work experience and participation in activities of other companies and organisations:

- Since 2022, Chairman of the Supervisory Council at the Akola group
- Since 2022, Independent Board and investment committee member at Lithuanian State Investment Agency (VIVA)
- From 2005 to 2020, Chief Financial Officer at Linas Agro Group
- Since 2020, Board member at JSC Turing College
- Since 2019, CEO and Board member at JSC "Darius Zubas holding"
- Since 1996, Director of JSC "Baltic Fund Investments"
- Director of Akola ApS (Denmark)

Martynas Žiedas

Chief Digital Officer (CDO). Appointed to the position from 15 March 2024.

Martynas Žiedas does not own shares in AB KN Energies.

Education:

- Governance of Enterprise IT (CGEIT) Training, BKA - Baltijos kompiuterių akademija (2017)
- Vytautas Magnus University, Bachelor of Informatics (1997)

Work experience and participation in activities of other companies and organisations:

- Since 2023, Public Entity Lithuanian National Radio and Television (LRT), part time employee in IT department
- From 2021 to 2022, Senior Business Analyst of Public Entity Lithuanian National Radio and Television (LRT)
- From 2014 to 2021, IT Service Development and Support Manager of Public Company Orlen Lietuva
- From 2012 to 2014, IT Business Support Manager of Public Company Orlen Lietuva
- From 2009 to 2011, Senior Service Level Manager of Public Company Orlen Lietuva
- From 2002 to 2008, IT Manager of UAB Mokesčių srautas

No members of the Company's management have been convicted of crimes against property, business or finances. Information about managers' salary for the year 2025 is stated in chapter "Information about the employees" in the Management Report.

OTHER GOVERNANCE INFORMATION

INFORMATION ON DIVERSITY OF MANAGEMENT

The formation of the administrative, management and supervisory bodies of the KNE takes into account the objective of diversity and information on the composition of the bodies in terms of gender and independent members is provided below:

Administrative, management or supervisory body	Share of women, %	Share of men, %	Share of independent members, %
Supervisory Council	0	100	77
Audit Committee	0	100	100
Remuneration and Nomination Committee	33	77	77
The Board	20	80	80
Heads of departments incl. CEO	33	77	-

INFORMATION ON MAJOR SHARE PACKAGES CONTROLLED EITHER DIRECTLY OR INDIRECTLY

Details of the shares are provided in chapter "Further investor related information" in the Management Report.

INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

Details of the related party transactions provided in chapter "Related party transactions" in the Consolidated and Separate Financial Statements.

INFORMATION ON SHAREHOLDERS HAVING SPECIAL CONTROL RIGHTS

All shares of the Company are of one class ordinary registered shares granting their owners (shareholders) equal rights. Details of the shares are provided in chapter "Further investor related information" in the Management Report.

INFORMATION OF AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION

On 30th November 2023, the Articles of Association (Articles of Association - KNE) of the Company were amended by the decision of the General Meeting of Shareholders and were registered in the Register of Legal Entities on 10th January 2024.

INFORMATION ON ALL AGREEMENTS BETWEEN SHAREHOLDERS

The Company does not have any information on agreements between shareholders.

INFORMATION ON THE VARIED POLICY APPLICABLE TO THE ELECTION OF THE COMPANY'S CHIEF EXECUTIVE OFFICER, THE MEMBERS OF MANAGEMENT AND SUPERVISORY BODIES

The Company does not have the variety policy applicable to the election of the chief executive officer and the members of governing and supervisory bodies. There is Procedure for organizing the recruitment of collegial supervisory and management bodies, chief executive officer of the company and during the selection of candidates to the Company's chief executive officers, management and supervisory bodies, the candidates shall be subject to requirements that do not discriminate a candidate on the grounds of age, sex, education, or professional experience. During the selection of a candidate, the Company does not set any restrictions for nomination of a candidate on grounds of sex or age.

Considering the specificity of the Company's business activity and the status of a state-owned company, unbiased requirements which are only related to the functions and competences of the members of a management or supervisory bodies and the professional experience and education proportionate to these functions and competences are set.

General and independence requirements to candidates to the Company's Supervisory Council are set by the Description of Selection of Candidates to the Boards of State or Municipal Companies and Candidates to the Collegial Supervisory or Governing Body of a Company That is under Control of a State or Municipal Company Elected by the General Meeting as adopted by Decision No 631 of 17 June 2015 of the Government of the Republic of Lithuania.

RISK FACTORS AND RISK MANAGEMENT

The Company's Board has approved Risk Management Policy that regulates risk management, defines risk management principles and responsibilities, functions and responsibilities of the Chief Resilience Officer as well as sets risk appetite and tolerance limits.

The risk management system is developed in accordance with the ISO 31000 guidelines. The list of principal risks and the risk management plan are provided to and approved by the Company's Board each quarter. The Board actively participates in the principal risk management process by continuously monitoring the risk level changes and the risk management measures' action plans.

The Company's high-level management is responsible for shaping the personnel's attitude towards risk management, setting the risk management goals in the managed area, implementation of the control measures, implementation and monitoring the efficiency of the risk management measures. The medium level managers are responsible for implementation of the risk management process and provision of the results, as well as for reliability, correctness, and impartiality of information.

The Audit Committee reviews financial reporting process as well as audit execution process and oversees internal control environment, risk management and internal audit framework.

Risk impact:

Low – risk could have impact to operations without impact to yearly plans.

Medium – risk could have impact to company's short-term plans implementation.

High – risk could have major impact to company's strategy implementation.

Risk probability:

Low – there should be several unrelated events for risk to materialize.

Medium – there is 50% chance of risk to materialize.

High – almost certain that risk can materialize in 3-year period.

Risk level:

Low – risk managed if cost of management does not outweigh possible impact.

Medium – in most cases risk managed or monitored, but there could be decision to monitor risk.

High – risk actively managed with possible exception made by the Board (In some cases strategy review process could be initiated to reduce level of risk).

RISK MATRIX

Impact			
	Medium	High	High
	Low	Medium	High
	Low	Low	Medium
	Probability		

RISK HEAT MAP

Impact			
		R1, R2, R3, R4	
	R5	R6	
	Probability		

COMMENTS ON THE RISK CATEGORIES OF THE GROUP AND THE COMPANY ARE PROVIDED BELOW:

Risk No 1. Business risk – client concentration risk

Risk impact:	Risk probability:	Risk level:
High	Medium	High

The Company continuously looks for new potential clients, flows of shipments and alternative activities. Also, the Company reviews existing expenses and constantly searches for costs optimization possibilities.

The company mitigates risks by diversifying income, expanding services, and engaging with clients interested in petrochemical storage and transshipment. The Company also operates an LNG terminal, consults and participates in global LNG projects, and provides small scale LNG services.

During 2020 political risk materialized, and one of the largest clients, announced a temporary suspension of transshipment. Moreover, starting from 24th June 2021, sanctions on Belarus were introduced by Council Regulation (EU) 2021/1030 – no more transit of oil product flows from Belarus are possible and are not expected in the future. Due to these external operational risks, KNE has to implement long-term strategic decisions to adapt to new geopolitical circumstances. Consequently, a long-term 2050 corporate strategy has been prepared.

Risk No 2. Operational risk – major incidents causing environmental and infrastructure damage

Risk impact:	Risk probability:	Risk level:
High	Medium	High

To manage the internal operational risk, the Company implemented required organizational measures and procedures and information systems to support business processes that ensure the proper functioning of the internal control system and duly cooperation with the third parties concerned. The Company applies the following means of internal control: separation of decision-making and controlling functions, management of transactions and accountancy, limitation of decision-making powers and authority of their execution, collegial decision-making in crucial issues, and other.

Internal operational risk management is significantly influenced by the standards implemented and maintained in the Company – Quality ISO 9001:2015, Environmental Protection ISO 14001:2015, Occupational Health and Safety ISO 45001:2018. These standards impose requirements for the control of processes according to the most significant risks and management system audits, which ensure that the described rules and procedures operate in practice.

Risk No 3. Physical security risk

Risk impact:	Risk probability:	Risk level:
High	Medium	High

Considering increased level of espionage activities in Lithuania and other Baltic countries there could be increased activities to obtain information or organize sabotage activities regarding strategic Lithuanian objects using contractors, civilians, and existing employees. Physical entrance barriers are important in order to prevent hybrid threats - cyber-attacks by accessing critical infrastructure. Company constantly is investing into physical security measures to increase resilience against increasing sabotage activities probability in European countries including physical barriers (installed underwater LNG terminal surveillance equipment and anti-drone equipment) and personnel resilience.

Risk No 4. Cyber risk

Risk impact:	Risk probability:	Risk level:
High	Medium	High

Cyber risk refers to the potential for unauthorized access, use, disclosure, disruption, modification, or destruction of information and systems by cybercriminals or malicious actors.

The company's regular activities include increased capabilities in cyber incidents detection and recovery, vulnerability management, conducting regular security assessments and penetration testing, and providing employee training on the best practices of cybersecurity. Furthermore, obtaining the ISO 27001 certification demonstrates the company's commitment to internationally recognized information security standards and provides assurance to stakeholders that risks are systematically identified, managed, and continuously improved.

Risk No 5. Fraud prevention and sanctions controls

Risk impact:	Risk probability:	Risk level:
Medium	Low	Low

The Company pays substantial attention to minimizing corruption risk and implements relevant internal processes. Taking into account the geopolitical context, the company continued to strengthen controls related to the verification of suppliers, customers and contractors. One of the instruments for the prevention of infringements is the Whistleblowing channel, which is open to all natural persons and legal entities: both existing and former KNE employees, former and potential KNE clients, contractors, suppliers, and the community. It provides a possibility to inform the collegial managing bodies of KNE directly.

Risk No 6. Financial and liquidity risks

Risk impact:	Risk probability:	Risk level:
Medium	Low	Medium

Financial and liquidity risks includes: foreign exchange rate risks, credit risks, interest risks and liquidity risks.

Due to the specifics of the business, the Group and the Company was exposed to the risk of EUR/USD foreign exchange rate fluctuations due to FSRU lease payments (until December 2024) in US dollars and to the risk of EUR/BRL foreign exchange rate due to activity of subsidiary KN Açu in Brazil.

Possible credit risk of the Group's and the Company's customers is managed by continuous monitoring of outstanding balances. The Group's and the Company's procedures are in force to ensure on a permanent basis that services are provided to reliable customers and do not exceed an acceptable credit exposure limit. The Company trades only with reputable third parties, collateral is not required.

The Group and the Company are constantly assessing its possibilities to hedge interest rate risks on its loans. Thus, the loans related to long-term LNG terminal solution with high probability in future are expected to be with partially or fully fixed interests.

The Group's and the Company's excess liquidity in the forms of money and time deposits are distributed across the accounts of principal commercial banks in Lithuania, which are granted with Standard Poor's or equivalent long-term term borrowing BBB- or better external rating according to the foreign rating agencies. Partner bank's rating is assessed either on a stand-alone or applying a bank group logic into which exposure is present. Also, the Group and the Company is monitoring the recommendation of the Central Bank of Lithuania

The Company's and the Group's policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its commitments at a given date in accordance with its strategic plans.

REPORT ON REMUNERATION

REMUNERATION

Remuneration principles of the Company's governing and supervisory bodies are determined by the Remuneration policy approved in Extraordinary General shareholders meeting in June 2024. Full remuneration policy can be found on Company's website: Remuneration-Policy

Remuneration for activities in the collegial bodies of the Company may be paid to the members of the collegial body of the Company who are independent or not.

The personal data of the members of the Company's governing and supervisory bodies is included in the report on remuneration for the following purposes:

- to increase the transparency of the Company;
- to improve the accountability of the members of the governing bodies;
- to supervise the remuneration of the governing bodies.

Members of collegial governing and supervisory bodies of the Company are only eligible for receiving fixed monthly compensation.

The remuneration to be paid must:

- promote the creation of long-term and sustainable value of the Company, to be fair and understandable;
- comply with the workload of the individual organs of the Company and their members;
- be competitive with the salary levels in the labour market of the respective field;
- ensure the indemnification of the liability assumed by the individual members of the Company bodies;
- promote the attraction of high-level professionals in their field to the management of the Company.

In 2025 members of the Supervisory Council, Board, Audit Committee and Remuneration and Nomination Committee were not granted any shares, did not receive any loans, guarantees, assets, premiums, bonuses or any other benefits for work as members or salary for service at any other company of the Group. They are not eligible for any variable part of remuneration or for recovery of it.

REMUNERATION OF THE SUPERVISORY COUNCIL

	AVERAGE MONTHLY SALARY FOR 2025, EUR	TOTAL FOR 2025, EUR	AVERAGE MONTHLY SALARY FOR 2024, EUR	TOTAL FOR 2024, EUR
Robertas Vyšniauskas	4,369	52,428	3,943	47,355
Dovilė Kavaliauskienė	2,621	13,105	2,366	28,413
Mantas Šukevičius	3,277	39,324	2,957	35,518
Aurimas Salapėta	2,621	11,795	-	-
Total	**-**	**116,652**	**-**	**111,286**

REMUNERATION OF THE BOARD OF THE COMPANY

	AVERAGE MONTHLY SALARY FOR 2025, EUR	TOTAL FOR 2025, EUR	AVERAGE MONTHLY SALARY FOR 2024, EUR	TOTAL FOR 2024, EUR
Guy Mason	3,277	39,324	2,957	35,518
Edvinas Katilius	-	-	3,750	45,171
Alfonso Morriello	3,277	39,324	2,957	35,518
Jūratė Lingienė	4,369	62,809	3,126	45,188
Karolis Švaikauskas	2,621	31,452	2,366	28,413
Gediminas Almantas	3,277	28,245	-	-
Total	**-**	**201,154**	**-**	**189,808**

REMUNERATION OF THE AUDIT COMMITTEE

	AVERAGE MONTHLY SALARY FOR 2025, EUR	TOTAL FOR 2025, EUR	MONTHLY SALARY FOR 2024, EUR	TOTAL FOR 2024, EUR
Šarūnas Radavičius	2,184	26,208	1,971	23,674
Robertas Vyšniauskas	1,638	19,656	1,479	17,759
Mantas Šukevičius	1,638	19,656	1,479	17,759
Total	**-**	**65,520**	**-**	**59,192**

REMUNERATION OF THE REMUNERATION AND NOMINATION COMMITTEE

	AVERAGE MONTHLY SALARY FOR 2025, EUR	TOTAL FOR 2025, EUR	AVERAGE MONTHLY SALARY FOR 2024, EUR	TOTAL FOR 2024, EUR
Robertas Vyšniauskas	819	9,828	740	8,882
Dovilė Kavaliauskienė	-	-	-	-
Živilė Valeišienė	2,184	26,208	1,971	23,674
Aurimas Salapėta	-	-	-	-
Total	**-**	**36,036**	**-**	**32,556**

REMUNERATION OF THE CEO OF THE COMPANY

The CEO of the Company is rewarded according to provisions set in the Remuneration policy approved by the Board of the Company and the Company's Procedure for rewarding bonuses to AB KN Energies top management employees.

The monthly salary of the CEO of the Company since November of 2024 is EUR 12,000. Following the Remuneration policy, the CEO is also eligible for receiving annual bonus depending on the results of the Company and achievement of the annual goals. The maximum bonus in case all goals are achieved consists of 4 monthly salaries. In 2025 variable pay for the CEO, was EUR 3,920 (monthly equivalent of yearly bonus) (2024 – EUR 3,040 (monthly equivalent of yearly bonus).

CHANGES IN THE COMPANY RESULTS AND AVERAGE MONTHLY SALARY OF ALL EMPLOYEES

COMPANY	2025	2024	2023	2022	2021
Sales revenue, TEUR	99,916	89,407	80,356	74,722	58,633
Net profit (loss), TEUR	16,727	13,797	12,370	(6,732)	(64,917)
Average monthly salary (gross), EUR*	3,730	3,584	3,209	2,765	2,570

*The average monthly salary is calculated according to the average monthly wage calculation procedure as stated in the State companies' employees' average monthly salary calculation procedure approved by the Government of Lithuania on 23 August 2002, resolution No. 1341 and its subsequent changes. On-call payments included.

INFORMATION ABOUT THE EMPLOYEES

Personnel

The Company's main asset is its employees who are the most important link to the achievement of Company's goals. Company's personnel policy is focused on the development of teamwork, constant progress in professional development and process efficiency, the optimal use of work resources, training of qualified staff, and development of the Company's culture that empowers personal growth, cooperation, succession planning, and creates additional value for the company and its stakeholders.

Number of the Group employees as of 31 December 2025:

	31-12-2025	31-12-2024	CHANGE,%
AB KN Energies	367	356	3.1%
UAB KN New Energy Solutions	3	2	50.0%
UAB KN Global Terminals	2	2	-
UAB SGD SPB	2	2	-
KN Energies Deutschland GmbH	9	5	80.0%
KN Açu Serviços de Terminal de GNL LTDA	33	28	17.9%
Total	**416**	**395**	**5.3%**

The number of employees does not include employees on maternity/paternity leave.

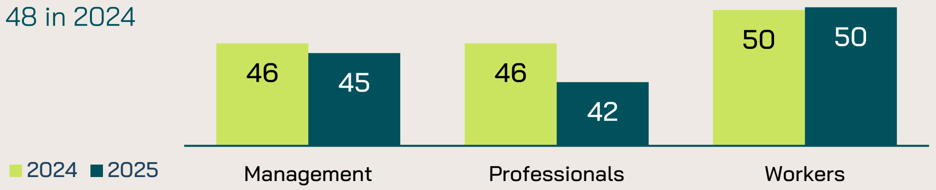
The breakdown of the number of the Group and the Company employees by gender as of 31 December 2025:

	WOMEN	%	MEN	%
AB KN Energies	98	26.7%	269	73.3%
UAB KN New Energy Solutions	2	66.7%	1	33.3%
UAB KN Global Terminals	1	50.0%	1	50.0%
UAB SGD SPB	1	50.0%	1	50.0%
KN Energies Deutschland GmbH	1	11.1%	8	88.9%
KN Açu Serviços de Terminal de GNL LTDA	5	15.2%	28	84.8%
Total	**108**	**26.0%**	**308**	**74.0%**

Average age of the employees, years

45

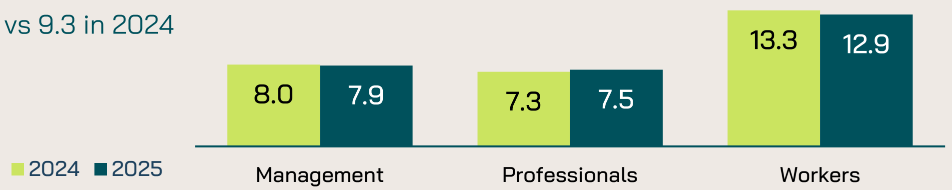
vs 48 in 2024



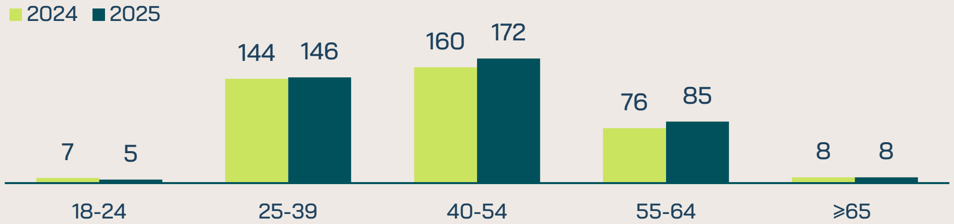
Average work experience of the employees, years

9.2

vs 9.3 in 2024



Number of employees by age groups



Figures provided of Group employees.

EMPLOYEE CATEGORY	EMPLOYEES ON 31-12-2025	UNIVERSITY	VOCATIONAL	SECONDARY AND OTHER	EMPLOYEES ON 31-12-2024	UNIVERSITY	VOCATIONAL	SECONDARY AND OTHER
Management*	67	65	2	-	60	58	2	-
Professionals	221	185	31	5	211	180	26	5
Workers	128	13	54	61	124	10	50	64
Total	**416**	**263**	**87**	**66**	**395**	**248**	**78**	**69**

* The management of the Company include Chief Executive Officer (CEO), Top managers, Middle managers (C-2; C-3) and Functional managers.

Payroll System and Remuneration Policy

The Company seeks to create motivating, efficient, fair, transparent, and easy to understand compensation system which aims to attract, retain, and motivate employees whose skills and work results help the Company to successfully develop and implement its mission and achieve strategic business objectives. The Company is constantly reviewing remuneration competitiveness and motivational system. As a result, in the beginning of January 2024 the Employee Remuneration Policy and the Procedure of Remuneration System Formation have been updated for motivational system to work even more effectively. The Company introduced quarterly short-term incentives system to C-3 level and lower positions in the organization. Accordingly, employee's bonus structure currently includes annual bonuses for all employees that focus on consistent alignment of the team towards the mutual annual objectives and also acknowledges short-term performance results on a monthly or quarterly basis.

The Employee Remuneration Policy defines the principles of determination and payment of remuneration as well as the incentives of employees. The Remuneration policy applies to all employees of the Company.

The goals of the Remuneration Policy are to:

- Establish clearly understandable, fair, and transparent procedures for the determination and payment of remuneration as well as the incentives of employees, aiming to ensure the Company's competitiveness in the labour market;
- Encourage the employees to achieve the objectives set in the corporate strategy, to create value added and increase the returns to shareholders while fostering the values of the Company.

The remuneration of the employee may consist of the following components: a fixed component, i. e. a monthly salary (or a wage) and a variable component payable for either short-term performance results or the annual results of the Company's/the employee's performance.

The Company's remuneration system is based on job structure framework, created using the Hay Methodology by determining the weight of each position (to ensure fair remuneration for work within the Company). The amount of the monthly remuneration for the position is determined by assessing the level of knowledge and work experience required to perform the functions of each position, the complexity of the functions, the degree of responsibility and management level, the impact / risk on the Company's performance, working conditions. In order to ensure the competitiveness of the remuneration of the Company's employees and to promote the achievement of results, the remuneration (fixed and variable remuneration components) focuses on the range of the 50th and 75th per centiles of the remuneration market of all companies operating in Lithuania.

Employees in the same position can receive different monthly pay depending on qualifications, experience, capabilities, and functions and responsibilities assigned to the employee. The variable component is set according to the procedure laid down in the Remuneration Policy.

Employee's base salaries are usually reviewed once a year taking into account: Lithuanian labour market trends; the Company's performance results; The results of the evaluation of the Company's employees; demand – supply situation for jobs important to the company in the labour market.

The breakdown of employee related expenses (EUR thousand) of the Group:

	2025	2024	CHANGE,%
AB KN Energies	17,552	15,838	10.8%
UAB KN New Energy Solutions	6	5	20.0%
UAB KN Global Terminals	9	6	50.0%
UAB SGD SPB	5	5	-
KN Energies Deutschland GmbH	671	75	794.7%
KN Açu Serviços de Terminal de GNL LTDA	1,030	827	24.5%
Total:	**19,273**	**16,756**	**15.0%**

* *KN Energies Deutschland GmbH's related expenses are eliminated from intra-group transactions (Basis for consolidation).*

Employees according to categories:

EMPLOYEE CATEGORY	AVERAGE NUMBER OF EMPLOYEES					
	2025 GROUP	2024 GROUP	CHANGE,%	2025 COMPANY	2024 COMPANY	CHANGE,%
Chief Executive Officers	6	5	20.0%	1	1	-
Top Management	7	6	16.7%	7	6	16.7%
Middle Management	51	50	2.0%	49	45	8.9%
Professionals	217	195	11.3%	178	170	4.7%
Workers	126	122	3.3%	126	122	3.3%
Total:	**407**	**378**	**7.7%**	**361**	**344**	**4.9%**

The Company's average monthly salary of all employees:

EMPLOYEE CATEGORY	AVERAGE MONTHLY SALARY (GROSS), EUR					
	2025 GROUP	2024 GROUP	CHANGE,%	2025 COMPANY	2024 COMPANY	CHANGE,%
Chief Executive Officers	10,519	8,699	20.9%	16,650	13,742	21.2%
Top Management	10,694	10,512	1.7%	10,694	10,512	1.7%
Middle Management	6,181	6,067	1.9%	6,234	6,321	(1.4%)
Professionals	3,474	3,366	3.2%	3,682	3,604	2.2%
Workers	2,442	2,255	8.3%	2,442	2,255	8.3%
Total:	**3,619**	**3,463**	**4.5%**	**3,730**	**3,584**	**4.1%**

* *The average monthly salary is calculated according to the average monthly wage calculation procedure as stated in the State companies' employees' average monthly salary calculation procedure approved by the Government of Lithuania on 23 August 2002, resolution No. 1341 and its subsequent changes. On-call payments included.*

The Company's and Group's structure of average monthly salary, EUR:

EMPLOYEE CATEGORY		STUCTURE OF AVERAGE MONTHLY SALARY (GROSS), EUR					
		2025 GROUP	2024 GROUP	CHANGE,%	2025 COMPANY	2024 COMPANY	CHANGE,%
Chief Executive Officers	AMS without annual bonus	8,729	7,327	19.1%	12,807	10,702	19.7%
	Annual bonus	1,790	1,372	30.5%	3,843	3,040	26.4%
	Executives total:	**10,519**	**8,699**	**20.9%**	**16,650**	**13,742**	**21.2%**
Top Management	AMS without annual bonus	8,744	8,408	4.0%	8,744	8,408	4.0%
	Annual bonus	1,950	2,104	(7.3%)	1,950	2,104	(7.3%)
	Top Managers total:	**10,694**	**10,512**	**1.7%**	**10,694**	**10,512**	**1.7%**
Middle Management	AMS without annual bonus	5,571	5,301	5.1%	5,619	5,516	1.9%
	Annual bonus	610	766	(20.4%)	615	805	(23.6%)
	Middle Managers total:	**6,181**	**6,067**	**1.9%**	**6,234**	**6,321**	**(1.4%)**
Professionals	AMS without annual bonus	3,280	3,045	7.7%	3,480	3,255	6.9%
	Annual bonus	194	321	(39.6%)	202	349	(42.1%)
	Professionals total:	**3,474**	**3,366**	**3.2%**	**3,682**	**3,604**	**2.2%**
Workers	AMS without annual bonus	2,332	2,157	8.1%	2,332	2,157	8.1%
	Annual bonus	110	98	12.2%	110	98	12.2%
	Workers total:	**2,442**	**2,255**	**8.3%**	**2,442**	**2,255**	**8.3%**
Total	AMS without annual bonus	3,367	3,130	7.6%	3,470	3,237	7.2%
	Annual bonus	252	333	(24.3%)	260	347	(25.1%)
	Total:	**3,619**	**3,463**	**4.5%**	**3,730**	**3,584**	**4.1%**

Average monthly salary (gross) of employees by gender, EUR:

EMPLOYEE CATEGORY	2025 GROUP			2025 COMPANY		
	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE
Chief Executive Officers	10,519	10,519	-	16,650	16,650	-
Top and Middle Management	6,773	7,057	6,250	6,694	7,085	6,372
Professionals	3,474	3,624	3,210	3,682	3,961	3,278
Workers	2,442	2,461	1,892	2,442	2,461	1,892
Total	**3,619**	**3,573**	**3,752**	**3,730**	**3,695**	**3,826**

** The average monthly salary is calculated according to the average monthly wage calculation procedure as stated in the State companies' employees' average monthly salary calculation procedure approved by the Government of Lithuania on 23 August 2002, resolution No. 1341 and its subsequent changes. On-call payments included.*
*** AMS – average monthly salary.*

Average number of employees
407
vs 378 in 2024

Average monthly salary (gross)
3,619 EUR
vs 3,463 EUR in 2024

Figures provided of Group employees.

Employee Performance Evaluation and Annual Bonus Allocation

Since the Company updated the procedures for annual employee performance evaluation and bonus allocation in 2023, introducing monthly, quarterly, and annual reviews starting from 2024, key performance indicators have shown overall improvement. eNPS increased significantly from 15 in 2024 to 28 in 2025 (+13). The engagement index rose from 81 to 82 (+1), the benefits rating improved from 75 to 81 (+6), and the reward indicator increased from 70 to 75 (+5).

Employee Selection and Recruitment

In 2025 the Company renewed its Employee Referral Program and expanded the range of candidate sourcing channels in order to strengthen its talent attraction capabilities and reach a broader and more diverse pool of potential candidates.

The Company has also established cooperation agreements with several higher education institutions in the region. Under these agreements, KNE provides financial support to students who choose engineering studies in various fields, thereby investing in the attraction of future specialists. Students are invited to company site visits, offered internship opportunities, and given practical exposure to the organization’s activities, creating early engagement and a sustainable talent pipeline.

Principles of Employee Competence Development

KNE education system is designed to promote the development of employees both independently and through the learning processes of strategically important knowledge and skills that are part of the curricula. All employees are given the opportunity to participate in the programs. The implementation of KNE education system is based on 6 principles: link with business strategy, cooperation between departments, identification of needs based on assessment of employees' competencies, measurement of learning effectiveness, integration of education with other processes and selection of appropriate educational tools.

Each year up to 15% of the annual learning and development budget was allocated to fund employees with various formal studies at different universities.

KNE further developed its leadership competencies by expanding the talent pool and continuing its long-term leadership program. This program consists of 9 months of structured learning sessions and extends beyond that through the implementation of personalized career plans.

ADDITIONAL INFORMATION

GENERAL INFORMATION ABOUT THE GROUP AND THE COMPANY

Reporting Period

AB KN Energies Consolidated Management Report for the year 2025 is prepared for the period from 1 January 2025 until 31 December 2025.

Confirmation Of Responsible Persons

Referring to the Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Bank of Lithuanian, Responsible Persons Darius Šilenskis, Chief Executive Officer of AB KN Energies, Tomas Tumėnas, Chief Financial Officer of AB KN Energies, and Rasa Tamaliūnaitė, Chief Accountant of AB KN Energies, hereby confirm that to the best of our knowledge the Consolidated Management Report of AB KN Energies for 2025 includes a fair review of the development and performance of the business and the present state of the Company together with the description of the main risks and uncertainties that are encountered.

Persons Responsible for the Information Submitted in the Management Report

JOB TITLE	FULL NAME	TEL. NUMBER
AB KN Energies, Chief Executive Officer	Darius Šilenskis	+370 52 127 733
AB KN Energies, Chief Financial Officer	Tomas Tumėnas	+370 68 236 616
AB KN Energies, Chief Accountant	Rasa Tamaliūnaitė	+370 61 888 260

Issuer Information and Contact Details

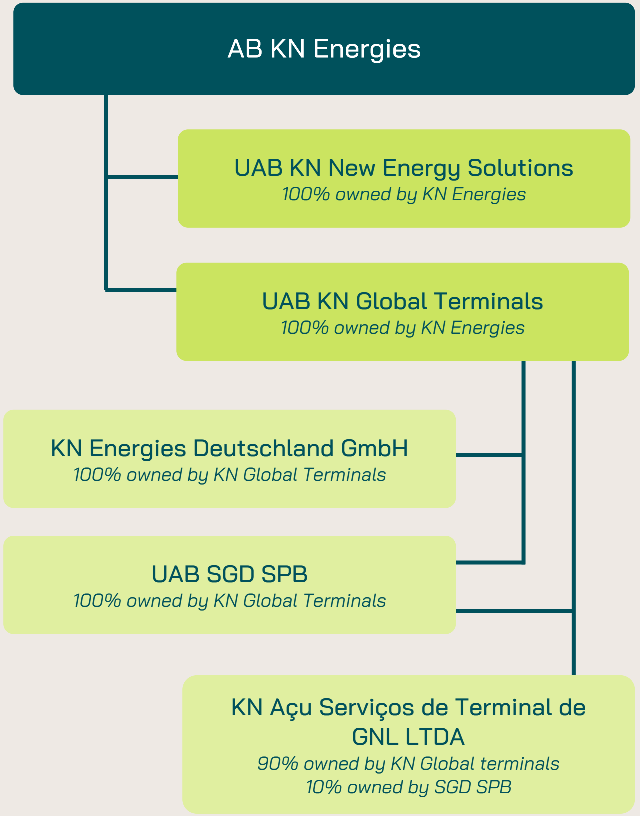
Name of the Company:	AB KN Energies (hereinafter – the Company, KNE or Issuer)
Legal status:	Stock Company
Authorized share capital:	110,315,009 EUR
Date and place of registration:	27 September 1994, State Enterprise Centre of Registers
Company code:	110648893
Address:	Burių street 19, 92276 Klaipėda
Register of the Company:	State Enterprise Centre of Registers
Telephone numbers:	+370 46 391772
Fax numbers:	+370 46 311399
E-mail address:	info@kn.lt
Internet site:	www.kn.lt

Information on Subsidiaries and Contact Details

Name of the Company:	UAB KN New Energy Solutions
Legal status:	Private Limited Liability Company
Authorized share capital:	37,500 EUR
Date and place of registration:	27 December 2018, State Enterprise Centre of Registers
Company code:	304977459
Address:	Burių street 19, 92276 Klaipėda
Register of the Company:	State Enterprise Centre of Registers
Telephone numbers:	+370 46 391772
Fax numbers:	+370 46 311399
E-mail address:	info@kn.lt
Internet site:	www.kn.lt

Group Structure

Structure of AB KN Energies Group (hereinafter – Group) on 31 December 2025:



Information on Subsidiaries and Contact Details

Name of the Company:	UAB KN Global Terminals
Legal status:	Private Limited Liability Company
Authorized share capital:	4,540,000 EUR
Date and place of registration:	20 November 2015, State Enterprise Centre of Registers
Company code:	304139242
Address:	Burių street 19, 92276 Klaipėda
Register of the Company:	State Enterprise Centre of Registers
Telephone numbers:	+370 46 391772
Fax numbers:	+370 46 311399
E-mail address:	info@kn.lt
Internet site:	www.kn.lt

Information on Subsidiaries of KN Global Terminals and Contact Details

Name of the Company:	UAB SGD SPB
Legal status:	Private Limited Liability Company
Authorized share capital:	25,000 EUR
Date and place of registration:	9 October 2019, State Enterprise Centre of Registers
Company code:	305278800
Address:	Burių street 19, 92276 Klaipėda
Register of the Company:	State Enterprise Centre of Registers
Telephone numbers:	+370 46 391772
Fax numbers:	+370 46 311399
E-mail address:	info@kn.lt
Internet site:	www.kn.lt

Name of the Company:	KN Açu Serviços de Terminal de GNL LTDA
Legal status:	Limited Liability Company
Authorized share capital:	642,600 BRL (Brazilian reals)
Date and place of registration:	13 December 2019, State Register of Legal Entities of Rio de Janeiro
Company code:	NIRE 33.210.894.765; CPNJ 35.785.170/0001-03
Address:	F66 Fazenda Saco Dantas s/n, Distrito Industrial, Area 1 and Area 2, 28200-000 São João da Barra, State of Rio de Janeiro
Register of the Company:	State Register of Legal Entities of Rio de Janeiro
Telephone numbers:	+370 46 391772
Fax numbers:	+370 46 311399
E-mail address:	info@kn.lt
Internet site:	www.kn.lt

Name of the Company:	KN Energies Deutschland GmbH
Legal status:	Limited Liability Company
Authorized share capital:	25,000 EUR
Date and place of registration:	17 September 2024, Handelsregister B des Amtsgerichts Oldenburg
Company code:	HRB221298
Address:	Emsstraße 20, 26382 Wilhelmshaven
Register of the Company:	Handelsregister B des Amtsgerichts Oldenburg
Telephone numbers:	+49 173 604 2252
Fax numbers:	+370 46 311399
E-mail address:	info@kn.lt
Internet site:	www.kn.lt

Group Structure and Main Types of Activity

The Group's Capital:

NAME OF THE COMPANY	TYPE OF SHARE	NUMBER OF SHARES (UNIT)	SHARE FACE VALUE	TOTAL FACE VALUE
AB KN Energies	Common registered shares	380,396,585	0.29 EUR	110,315,009 EUR
UAB KN New Energy Solutions	Common registered shares	57,500	1.00 EUR	57,500 EUR
UAB KN Global Terminals	Common registered shares	4,540,000	1.00 EUR	4,540,000 EUR
UAB SGD SPB	Common registered shares	25,000	1.00 EUR	25,000 EUR
KN Energies Deutschland GmbH	Common registered shares	25,000	1.00 EUR	25,000 EUR
KN Açu Serviços de Terminal de GNL LTDA	Common registered shares	642,600	1.00 BRL[1]	642,600 BRL[1]

[1] BRL – Brazilian real.

The companies of the Group and their main activities:

NAME OF THE COMPANY	ADDRESS	OWNERSHIP PART,%	ACTIVITIES
AB KN Energies	Burių street 19, 92276 Klaipėda	100	AB KN Energies operates across three core segments: Liquid energy terminals, LNG, and New energies. Liquid energy terminals encompass the operations of Klaipėda liquid energy terminal and Subačius liquid energy terminal. LNG activities encompass the Klaipėda LNG terminal, a small-scale LNG station in Klaipėda, and Global LNG activities. The New energies segment encompasses investments in new energy sources, including synthetic fuels, hydrogen and hydrogen carriers, other alternative energy carriers, and carbon capture and storage (CCS).
UAB KN New Energy Solutions	Burių street 19, 92276 Klaipėda	100	The company is responsible for developing, implementing and managing projects related to new energy sources, carbon dioxide transportation, short-term storage and transshipment infrastructure both in Lithuania and abroad. This includes the company's investments in such infrastructure, as well as the development, implementation and management of infrastructure for new energy sources.
UAB KN Global Terminals	Burių street 19, 92276 Klaipėda	100	Participation in the international LNG and energy projects, providing project development or terminal operation services or investing in them, and all other related activities and provision of any other relevant services.
UAB SGD SPB	Burių street 19, 92276 Klaipėda	100 owned by UAB KN Global Terminals	The company is developing LNG terminal operating services on an international level by investing in and establishing other project companies in Lithuania and abroad.
KN Energies Deutschland GmbH	Emsstraße 20, 26382 Wilhelmshaven	100 owned by UAB KN Global Terminals	The company is responsible for the efficient performance of its commitment to Deutsche Energy Terminal GmbH (DET), the German state-owned company, in the field of technical O&M services for the second floating LNG import terminal at Wilhelmshaven 2.
KN Açu Serviços de Terminal de GNL LTDA	F66 Fazenda Saco Dantas s/n, Distrito Industrial, Area 1 and Area 2, 28200-000 São João da Barra, State of Rio de Janeiro	90 owned by UAB KN Global Terminals and 10 owned by UAB SGD SPB	LNG terminal operation and maintenance services in the port of Açu, Brazil, including the technical and commercial operation of the installation of the quay and its facilities, gas pipeline and gas metering stations.

AGREEMENTS WITH INTERMEDIARIES OF PUBLIC SECURITIES TRADING

The Company has an agreement with Financial Markets Department of AB SEB Bankas for accounting of the Company's securities and related services.

AB SEB Bank Financial Markets Department:

Company code:	112021238
Address:	J. Balčikonis street 7, LT-08247 Vilnius, Lithuania
Telephone:	1528
E-mail:	info@seb.lt
Website:	www.seb.lt

AGREEMENTS WITH BROKERAGES FOR PUBLIC ISSUE

The Company's shares are traded on the regulated market; they are listed in the Baltic Main List of the Stock Exchange of AB NASDAQ Vilnius.

The Main Data About the Shares of the Company:

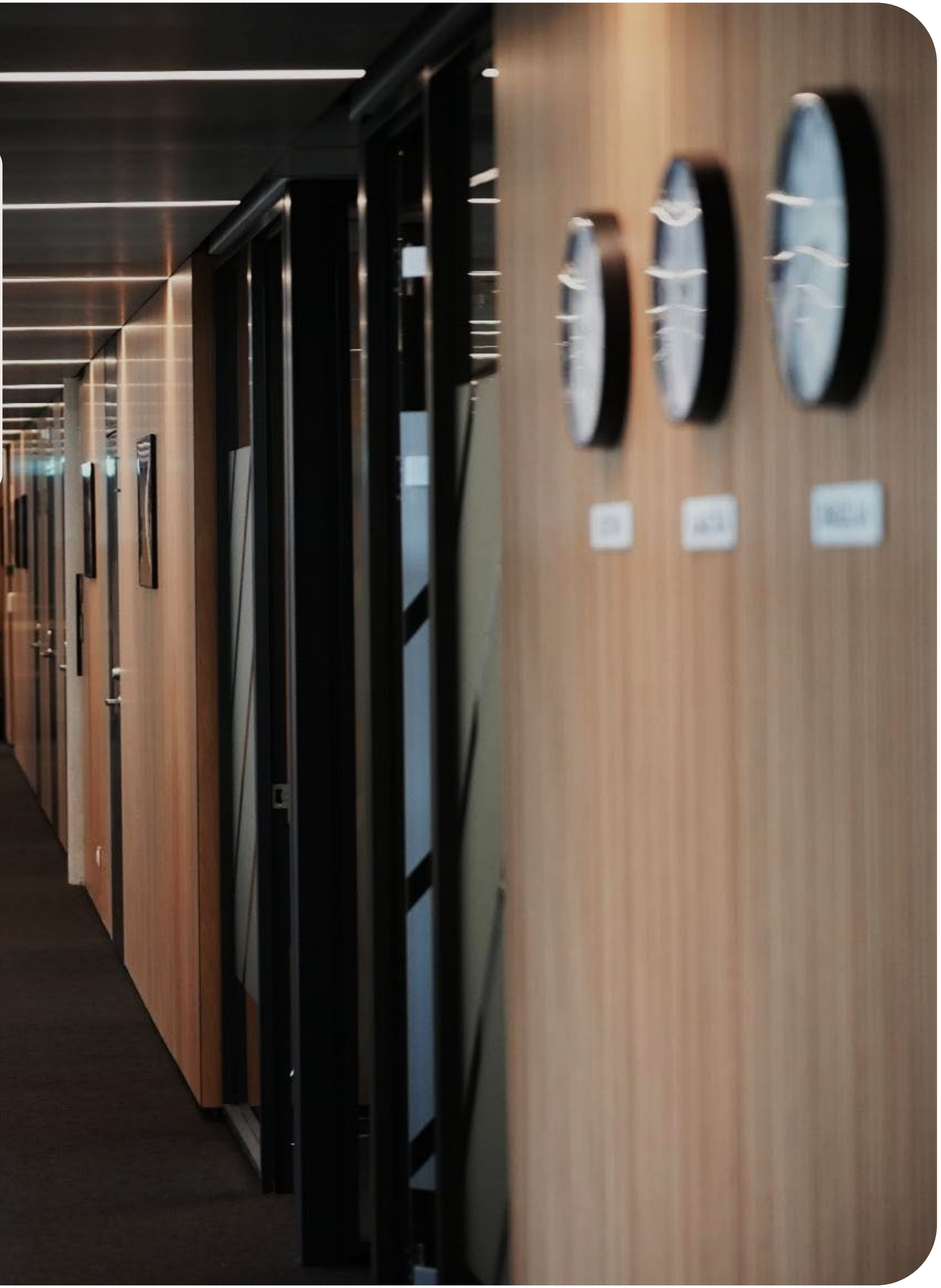
ISIN code:	LT0000111650
Abbreviation:	KNE1L
Share emission:	380,396,585

The Company's shares have been listed on the Nasdaq Vilnius Secondary List since 16th January of 1996 and since 4th April of 2016 the Company's shares are listed on the Nasdaq Vilnius Main List. The securities of the subsidiary companies are not publicly traded.

INFORMATION ABOUT INVESTMENT INTO ASSOCIATES

The Company has investments into the following associate companies as at 31 December 2025:

Name of the Company	Address	Ownership Part,%	Activities
UAB BALTPOOL	9 A. Juozapavičiaus str., LT-09311, Vilnius	33	Development of activity of energy resources (biofuel, gas) exchange, administration of Public Interest Services (PIS) funds.



CHARACTERISTICTS OF COMPANY'S TERMINALS

Klaipėda Liquid Energy Products Terminal

In Klaipėda Liquid Energy Products terminal:

- Liquid energy products are loaded to/from rail tank wagons, vessels, and trucks
- Liquid energy products are stored and preserved,
- Heavy and light oil products are blended with bio-components and marking additives
- Other port services are provided

Railway:

- Two tracks each for light oil products and heavy oil products
- Simultaneous loading of 124 rail tank cars

Terminal:

- 51 storage tanks
- Total capacity of 570,000 m3
- Annual capacity of 8,000,000 t

Berts:

- 3 berths
- 14 m depth
- 275 m length
- 100,000 t vessels

Tank Trucks:

- Filling station - 4 loading bays with 8 filling units
- 15 individual filling units for various products

Subačius Terminal

Subačius Storage Terminal:

- Long-term storage of gasoline and diesel
- Short-term storage and loading of gasoline, diesel, and biofuels for private clients
- Blending of bio-components and marking additives into liquid energy products

Terminal:

- Subačius terminal storage tank park – 66 tanks
- Capacity – ~338,000 m3
- The terminal is equipped with a railway loading trestle and a truck loading site

Marijampolė Terminal

Marijampolė Inland Terminal:

- Liquid energy products are loaded from railway tanks to truck tanks at the terminal
- ~80,000 t of products loaded annually
- Strategic location – the terminal is located 80 km from the Polish border

Terminal:

- 2 liquid energy product storage tanks
- Total capacity – 6,600 m3
- The terminal has a railway loading trestle and a truck tanker loading site

LIQUID ENERGY PRODUCTS PORTFOLIO

Oil products:

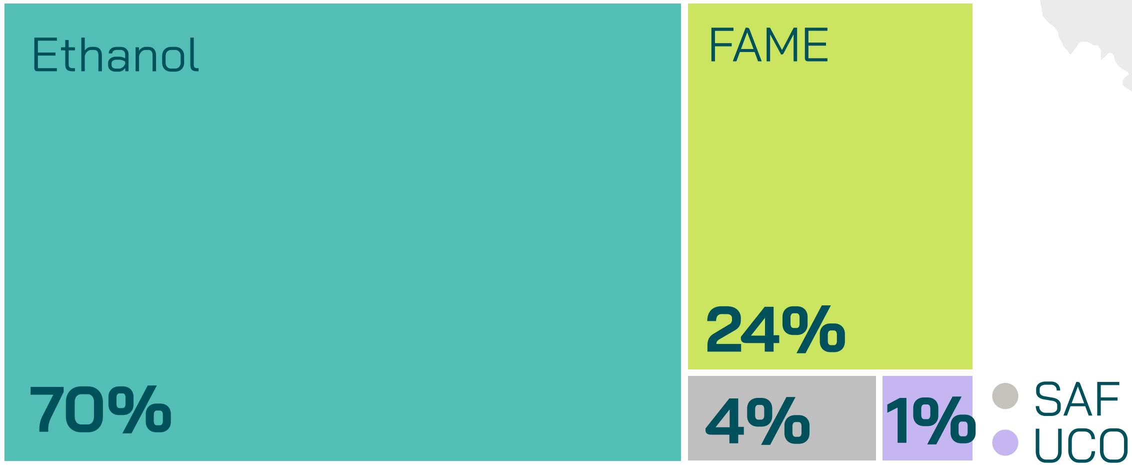
- Gasolines and its components
- Diesel
- Bitumen
- Fuel oil
- Vacuum gas oil
- Various oils
- Jet fuel
- Kerosene
- Crude oil

Biofuels and petrochemicals:

- Ethanol
- Fatty acid methyl esters (FAME)
- Hydrotreated Vegetable Oil (HVO)
- Used cooking oil (UCO)
- Sustainable aviation fuel (SAF)
- Methanol
- Monoethylene glycol

Biofuel handling in 2025

Since 2021, biofuel throughput at the KN Energies Klaipėda terminal **has increased 1.8 times.**



Klaipėda LNG Terminal

FSRU:

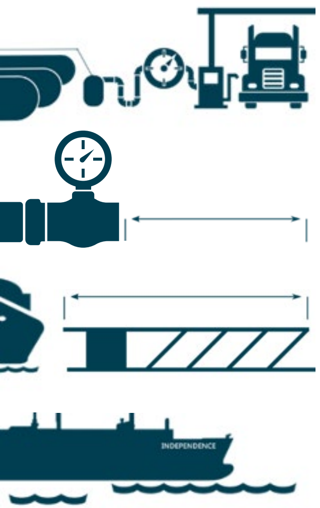
- Regasification of up to 10.2 million m^3 of natural gas per day
- FSRU capacity - 170 thousand m^3
- Maximum LNG filling level - 98% at 70 kPag
- Maximum LNG loading capacity - 9,000 m^3/h LNG
- Maximum LNG reloading capacity - 5,000 m^3/h LNG when LNG regasification is performed during LNG reloading

Small-scale LNG terminal:

- LNG pressure tanks - 2
- Volume of the tanks - 1,000 m3 each
- LNG receiving speed (from ship) - up to 1,250 m^3/h
- Daily loading capacity for LNG Trucks – 32
- LNG Truck loading bays (possible simultaneous loading) - 2
- LNG Truck loading speed - up to 100 m^3/h

LNG Terminal electrification project:

During 2025, the Company commenced the implementation of the Klaipėda LNG Terminal electrification project, a strategic initiative aimed at reducing the carbon footprint of terminal operations. The project is expected to reduce CO_2 emissions of the FSRU Independence by up to 30%. Its scope includes the installation of an onshore power connection and all related infrastructure required to supply electricity from the grid. The project is scheduled for completion by the first quarter of 2028. Following implementation, the FSRU will primarily consume electricity from the onshore grid instead of generating power using its onboard dual-fuel engines.
The project was granted EUR 6 million in funding from the European Union's Modernisation Fund, supporting the implementation of the Klaipėda LNG terminal electrification initiative.

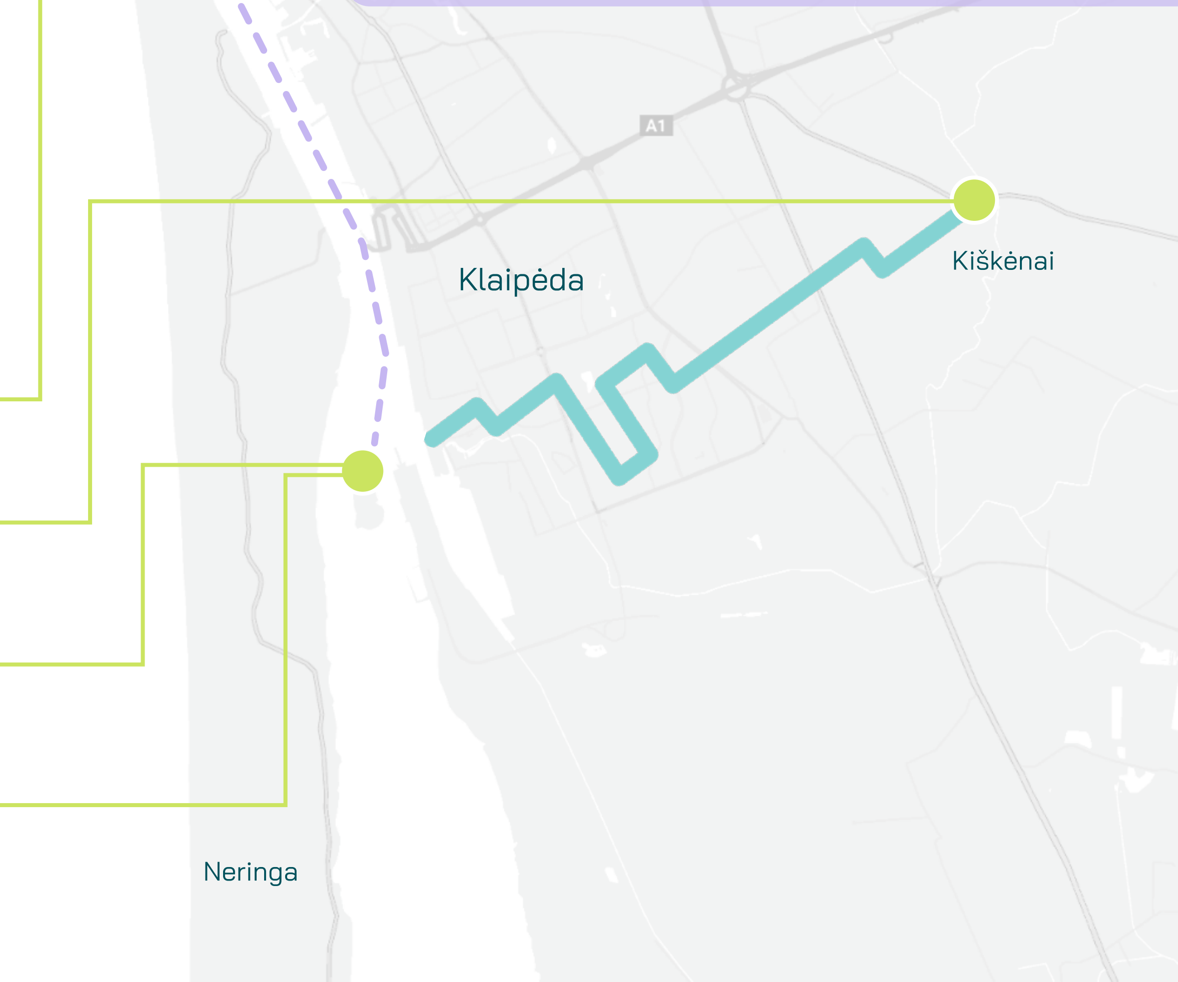


Klaipėda
LNG reloading station

Gas metering
station

Off-shore jetty
With equipment

FSRU Independence
LNG storage vessel with regasification unit



Connecting pipeline to the main gas pipeline (18 km)

Klaipėda LNG Terminal

LNG Regasification:

Liquefied natural gas delivered to the Klaipėda LNG terminal is converted back into a gaseous state – and supplied to the natural gas transmission system.
The regasification service includes:

- Receiving LNG from the carrier
- Temporary storage of LNG until full regasification
- Delivery of regasified gas into the transmission system

LNG reloading:

Liquefied natural gas stored in the Klaipėda LNG terminal tanks is loaded onto an LNG carrier arriving at the terminal. The service can be ordered together with a Spot Cargo intended for LNG reloading operations or separately, using LNG already delivered and stored at the terminal.

Virtual Biomethane Liquefaction (liquefaction by equivalence):

From 2025, the Klaipėda LNG terminal is certified under internationally recognised sustainability certification schemes, enabling its participation in the Bio-LNG supply chain. The certificate held by KN Energies allows the virtual liquefaction of biomethane – linking LNG molecules stored at the terminal with biomethane sustainability certificates and converting them into Bio-LNG sustainability certificates in accordance with the mass-balance principles.

SERVICES OF THE TERMINAL	SERVICE PRICE	NERC DECREE
LNG regasification service price (2025)	1.84 EUR/MWh excl. VAT	31 May 2024 No. O3E-792
LNG regasification service price (2026)	1.69 EUR/MWh excl. VAT	3 June 2025 No. O3E-831
LNG reloading service price (2025): - Small scale LNG cargo, up to 15,000 m³ - Medium scale LNG cargo, from 15,000 m³ to 50,000 m³ inclusive - Large scale LNG cargo, from 50,000 m³	0.82 EUR/MWh excl. VAT 0.64 EUR/MWh excl. VAT 0.46 EUR/MWh excl. VAT	15 November 2024 No. O3E-1449
LNG reloading service price (2026): - Small scale LNG cargo, up to 15,000 m³ - Medium scale LNG cargo, from 15,000 m³ to 50,000 m³ inclusive - Large scale LNG cargo, from 50,000 m³	0.81 EUR/MWh excl. VAT 0.63 EUR/MWh excl. VAT 0.45 EUR/MWh excl. VAT	5 June 2025 No. O3E-836
Biomethane liquefaction (2025)	1.50 EUR/MWh excl. VAT	N/A
Biomethane liquefaction (2026 Q1)	1.50 EUR/MWh excl. VAT	N/A

Detailed information on LNGT services and operating model could be found in the Company's website: Services and Capacities of the Klaipėda LNG Terminal | KN Energies

FURTHER INVESTOR RELATED INFORMATION

Shareholders of the Company

All shares of the Company are of one class ordinary registered shares granting their owners (shareholders) equal rights. One ordinary registered share of the Company grants one vote in the General meeting of Shareholders.

An ordinary registered share of the Company shall grant the following economic rights to its owners (shareholders):

- To receive a part of the Company's profit (dividends);
- To receive funds of the Company in the event the Authorized Capital of the Company is being reduced in order to pay funds of the Company to the shareholders;
- To receive a part of the assets of the Company in case of liquidation;
- To receive shares free of charge if the Authorized Capital is increased out of the funds of the Company (except in the cases specified by the imperative norms of the valid laws);
- To have the preferential right in acquiring shares or convertible bonds issued by the Company except in cases when the General Shareholders' Meeting by a qualified majority of votes that shall not be less than 3/4 of the participating and voting shares for solution of this matter, resolves to withdraw the preferential right in acquiring the Company's newly issued shares or convertible bonds for all the shareholders;
- To lend to the Company in the manner provided by law, however, when borrowing from its shareholders the Company has no right to pledge its assets to the shareholders. When the Company borrows from its shareholder, the interest rate may not be higher than the average interest rate offered by commercial banks of the location where the Lender has his place of residence or business, which was in effect on the day of conclusion of the Loan Agreement. In such a case the Company and its shareholders shall be prohibited from negotiating a higher interest rate;
- Other economic rights established by the laws.

An ordinary registered share of the Company shall grant the following non-economic rights to its owner (shareholder):

- To attend the General Shareholders' Meetings and to vote according to voting rights carried by their shares (unless otherwise provided for by the laws);
- To receive information on the Company to the extent allowed by the imperative norms of the valid laws;
- To file a claim with the court for reparation of damage resulting from misconduct by the Manager of the Company and Board members or noncompliance with their obligations prescribed by the laws and the Articles of Association of the Company as well as in other cases laid down by laws.
- The right to vote at General Shareholders' Meetings may be withdrawn or restricted in cases established by laws, also in case share ownership is contested;
- Other non-economic rights established by the laws and the Articles of Association of the Company.

The Company has not been informed about mutual agreements of its shareholders which could limit the transfer of securities and (or) right of vote.

ISIN code
LT0000111650

Abbreviation
KNE1L

Share emission
380,396,585

Shareholders of the Company

As at 31 December 2025 all the shares of the Company were owned by 5,327 shareholders (on 31 December 2024 – 5,147). All shares of the Company are of one class ordinary registered shares granting their owners (shareholders) equal rights. One ordinary registered share of the Company grants one vote in the General meeting of Shareholders.

The Company's shares are traded on the regulated market; they are listed in the Baltic Main List of the Stock Exchange of AB NASDAQ Vilnius.

Share Capital

The Company's authorized share capital did not change during 2025 and amounted to EUR 110,315 thousand as at 31 December 2025. All the shares of the Company are fully paid. The authorized capital is divided into 380,396,585 ordinary shares with a nominal value of 0.29 Eur. During 2025 the Company did not acquire any of its own shares.

MAJOR SHAREHOLDERS OF THE COMPANY HAVING MORE THAN 5% OF SHARES (EACH)

SHAREHOLDER'S NAME (COMPANY'S NAME, ADDRESS, COMPANY CODE OF REGISTRATION)	31 DECEMBER 2025		31 DECEMBER 2024	
	NUMBER OF OWNED SHARES (UNIT)	PART OF AUTHORIZED CAPITAL (%)	NUMBER OF OWNED SHARES (UNIT)	PART OF AUTHORIZED CAPITAL (%)
The Republic of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania (Lelevelio st. 6, Vilnius, 302308327)	275,687,444	72.47%	275,687,444	72.47%
UAB koncernas "ACHEMOS GRUPĖ" (Vykinto st. 14, Vilnius, 156673480)	39,662,838	10.43%	39,662,838	10.43%
Other (each owning less than 5%)	65,046,303	17.10%	65,046,303	17.10%
Total	**380,396,585**	**100.00%**	**380,396,585**	**100.00%**

72.47%

State ownership share

Represented by the Ministry of Energy of the Republic of Lithuania

17.1%

Publicly listed on

Nasdaq Vilnius Stock Exchange

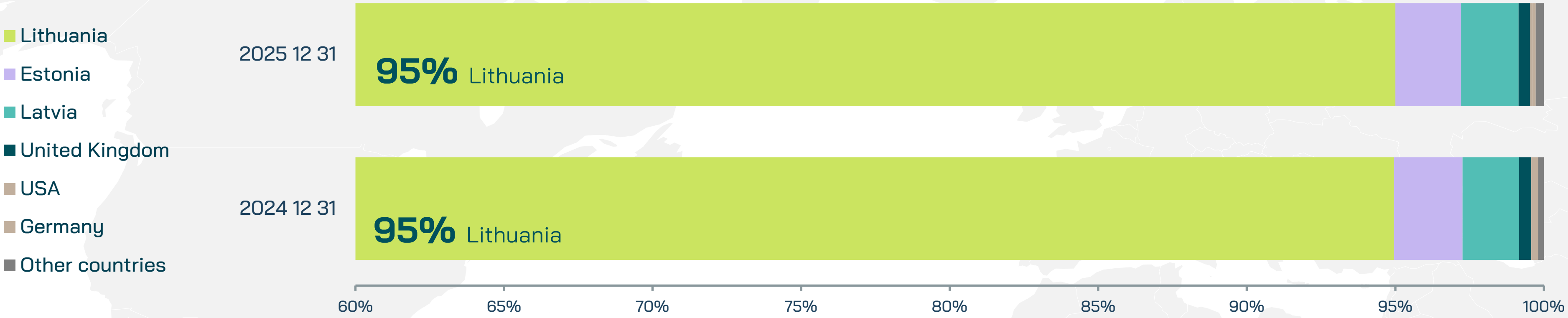
10.43%

Private ownership share

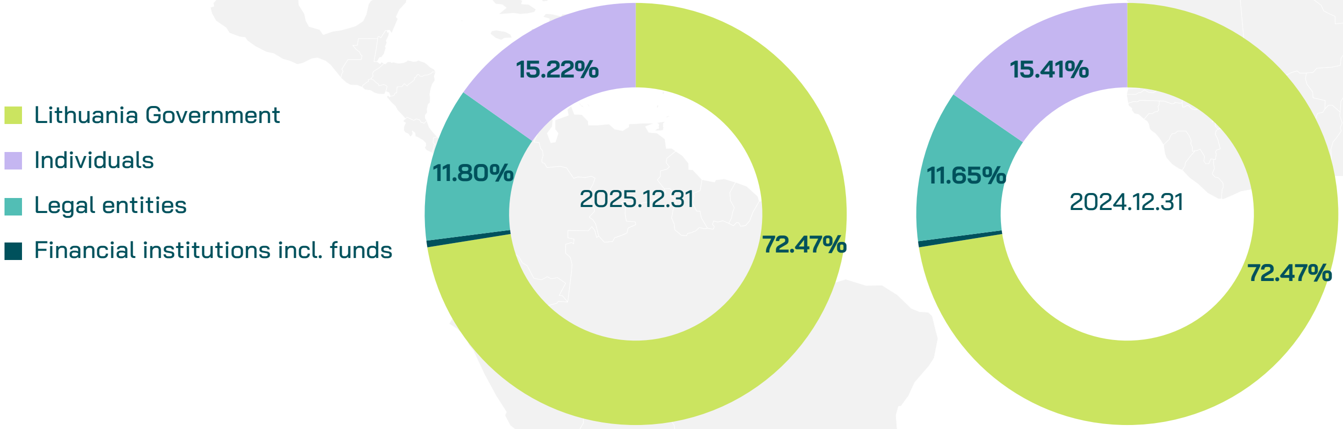
Held by Achemos Group UAB

Shareholders structure

SHAREHOLDERS STRUCTURE BY REGION

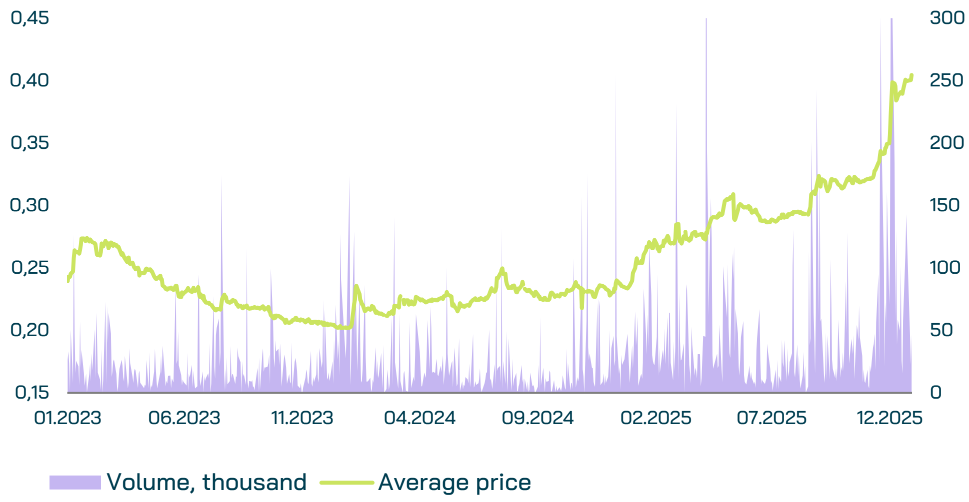


SHAREHOLDERS STRUCTURE BY CATEGORIES

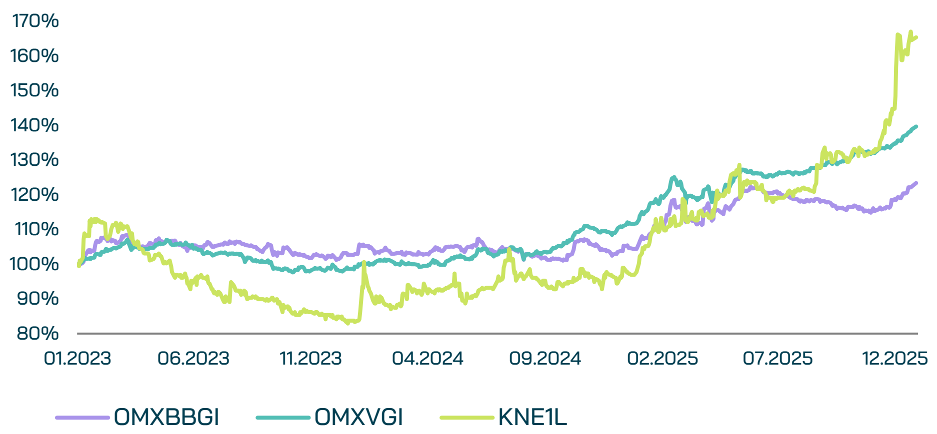


Share dynamics

TRADING IN KNE1L SHARES ON NASDAQ VILNIUS STOCK EXCHANGE



KNE1L SHARE PRICE COMPARISON WITH OMX VILNIUS AND OMX BALTIC BENCHMARK GI



DYNAMICS OF KNE1L SHARE PRICE AT NASDAQ VILNIUS DURING 2021 – 2025

	2025	2024	2023	2022	2021
Highest share price in EUR	0.408	0.254	0.280	0.308	0.359
Lowest share price in EUR	0.236	0.202	0.200	0.203	0.298
Price per share at the beginning of the period in EUR	0.236	0.202	0.241	0.308	0.322
Price per share at the end of the period in EUR	0.401	0.235	0.202	0.240	0.307
Average share price in EUR	0.302	0.227	0.231	0.265	0.320
Traded volume, thousand pcs.	12,785	5,861	5,873	8,541	19,004
Turnover in EUR thousand	4,011	1,330	1,351	2,220	6,110
Capitalisation in EUR thousand	152,539	89,393	76,840	91,295	116,782
Earnings per share (EPS)	0.048	0.040	0.035	(0.016)	(0.168)

Dividend Policy

On 28 July 2021, the Board of AB KN Energies approved the renewed Dividend Policy. It states that, based on audited IFRS financial statements, the Board shall present a draft dividend allocation decision to shareholders. Dividend amounts are proposed with regard to the Company's return on equity (ROE) for the reporting period.

The Company aims to increase shareholder value and ensure stable dividends. The Dividend Policy focuses on:

- compliance with Lithuanian laws, secondary legislation, Articles of Association, and internal rules;
- protection of shareholder interests;
- high corporate governance standards;
- enhancing market value;
- transparent dividend publication and payment procedures.

The Policy is based on Lithuanian legislation effective from 28 December 2021 (Government Resolution No. 655), the Articles of Association, and other internal documents.

Under art. 4.4, dividends are calculated by adjusting distributable net profit for unrealised foreign exchange effects and other unrealised gains/losses. ROE is calculated using audited financial data, with equity at the beginning and end of the period adjusted for these unrealised items.

According to art. 4.5, the Board annually considers:

- key financial indicators (net debt/EBITDA, DSCR, ISCR, equity ratio);
- current period performance and funding needs;
- equity and borrowing needs for strategic and investment projects;
- financial and non-financial obligations to investors;
- market situation related to dividend income;
- implementation of the Company's strategy;
- changes in strategic or investment project scope or financing.

As per art. 4.7, dividends should be allocated as follows:

- ≥85% of distributable profit if ROE ≤1%;
- ≥80% if ROE >1%–3%;
- ≥75% if ROE >3%–5%;
- ≥70% if ROE >5%–10%;
- ≥65% if ROE >10%–15%;
- ≥60% if ROE >15%.

Dividend payout rates should generally not fall below these thresholds, but may be lower based on criteria in art. 4.5.

The General Meeting of the Shareholders held on 30 April 2025 approved allocation of profit (loss) for the year 2024 with EUR 8,622 thousand dividends.

HISTORICAL INFORMATION ABOUT DIVIDENDS PAID IN THE PERIOD FOR THE PRIOR FINANCIAL YEAR

	2025	2024	2023	2022	2021
Dividends paid in EUR thousand	8,622	5,000	-	-	7,538
Dividends per one share in EUR	0.0227	0.0131	-	-	0.0198
Adjusted net profit (loss) per 1 share in EUR	0.03	0.02	(0.02)	(0.17)	0.03
Dividends for net profit (of previous FY),%	70%	82%	-	-	66%
Dividend yield, %	7.6%	5.8%	-	-	6.2%

The full Company's Dividend Policy is available on Company's website (Dividends policy - KN).

INFORMATION ON COMPLIANCE WITH TRANSPARENCY GUIDELINES

AB KN Energies complies with the 2010 July 14 Government Resolution No. 1052 “On the Approval of the Description of the Guidelines for Ensuring the Transparency of the Activities of State-Owned Enterprises” (hereinafter – the Transparency Guidelines). The Transparency Guidelines are mandatory for the Company, as the Company is a state-owned enterprise (hereinafter – SOE).

The implementation of the transparency guidelines in the Company is mainly ensured through the information disclosed in the management report and the disclosure of information on the Company's websites by disclosing and providing information in a format that is accessible and understandable to stakeholders.

Article 3 of the Transparency Guidelines states that SOEs which are listed on AB Nasdaq Vilnius comply with the provisions of the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius related to public disclosure of information. Information on the Company's compliance with the provisions of this Code is disclosed in the Company's management report.

BELOW IS THE STRUCTURED INFORMATION ON THE IMPLEMENTATION OF THE TRANSPARENCY GUIDELINES:

☑ COMPLYING ☑ PARTIALLY COMPLYING ☑ NOT COMPLYING

INFORMATION / OTHER REQUIREMENTS MUST BE PUBLISHED ON THE COMPANY'S WEBSITE (WWW.KNENERGIES.LT):
☑ Name, code and register of the Company, where data about the Company is collected and stored, registered office (address)
☑ Legal status, if the Company is reorganized (the method of reorganization is indicated), liquidated, is about to go bankrupt, or already bankrupt
☑ Information about the institution representing the state
☑ Activity plans, vision, and mission
☑ Organizational structure
☑ Details about the manager of the company *
☑ Details about the chairperson of the Board and Board members *
☑ Details about the chairperson of the Supervisory Council and its members *
☑ Names of the committees, details about their chairs and members *

INFORMATION / OTHER REQUIREMENTS MUST BE PUBLISHED ON THE COMPANY'S WEBSITE (WWW.KNENERGIES.LT):
☑ Amount of nominal values of state-owned shares (in euros to the nearest euro cent) and share (in percent) in the authorized capital of the Company
☑ Information on social responsibility initiatives and measures, important ongoing or planned investment projects
☑ Special obligations are fulfilled, which are determined in accordance with the recommendations approved by the Ministry of Economy and Innovation of the Republic of Lithuania: the purpose of special obligations, state budget appropriations and legal acts allocating them to the special obligation and regulated pricing
☑ If the Company is a participant in other legal entities (does not apply to subsidiaries) name, code and register of such legal entities, where the data on the Company is collected and stored, registered office (address), website addresses
☑ The set of the Company's annual financial statements, the Company's management report, as well as the report of the auditor of the Company's annual reports must be published on the Company's website within 10 working days from the approval of the set of annual financial statements.
☑ Sets of the Company's interim financial statements, the Company's interim management reports must be published on the website no later than within 2 months after the end of the reporting period

* The following data is published: name, surname, date of commencement of current positions, other current management positions in other legal entities, education, qualification, professional experience; it shall be indicated whether a member of the collegial body has been elected or appointed as an independent member.

TAKING INTO ACCOUNT THAT THE COMPANY IS THE PARENT COMPANY, THE FOLLOWING INFORMATION MUST BE PUBLISHED ON THE COMPANY'S WEBSITE (WWW.KNENERGIES.LT):
☑ The structure of the Group of companies
Subsidiaries and subsequent subsidiaries of the Company:
☑ Name, code and register of the Company, where data about the Company are collected and stored, registered office (address)
☑ Share held by the Company (percentage) in the authorized capital of subsidiary companies
☒ Subsidiaries and subsequent subsidiaries of the Company do not have website addresses
☑ Annual consolidated financial statements and consolidated management reports

THE FOLLOWING DOCUMENTS / OTHER REQUIREMENTS MUST BE PUBLISHED ON THE COMPANY'S WEBSITE (WWW.KNENERGIES.LT):
☑ Articles of Association
☑ Letter from the Ministry of Energy on the establishment of the Company's goals and expectations for the Company
☑ Business strategy or a summary thereof in cases where the business strategy contains confidential information or information which is considered a commercial (industrial) secret
☑ Remuneration policy, which includes the determination of the remuneration of the head of the Company and the remuneration of the members of the collegial bodies and committees formed by the Company
☑ Company's annual and interim management reports
☑ Sets of annual and interim financial statements for a period of at least 5 years and the auditor's report of the annual financial statements
☑ The above documents are published in PDF format, and it is technically possible to print them

OTHER REQUIREMENTS MUST BE PUBLISHED / FULFILLED IN THE SETS OF FINANCIAL STATEMENTS AND NOTICES (WWW.KNENERGIES.LT):
☑ The Company maintains its accounting records in a manner that ensures that financial statements are prepared in accordance with International Accounting Standards

OTHER REQUIREMENTS MUST BE PUBLISHED / FULFILLED IN THE SETS OF FINANCIAL STATEMENTS AND NOTICES (WWW.KNENERGIES.LT):
☑ The Company prepares a set of 6-month interim financial statements
☑ In addition to the annual report, the Company prepares an additional 6-month interim management report

IN ADDITION TO THE CONTENT REQUIREMENTS ESTABLISHED IN THE LAW ON FINANCIAL REPORTING OF COMPANIES OF THE REPUBLIC OF LITHUANIA, THE COMPANY'S ANNUAL REPORT MUST ADDITIONALLY PROVIDE:
☑ Brief description of the Company's business model
☑ Results of the implementation of the objectives set in the operational strategy
☑ Information on significant events that occurred during and after the financial year (prior to the preparation of the annual management report) and that were material to the Company's operations
☑ For state-owned enterprises that are not required to prepare a CSR report, it is recommended that information on environmental, social and personnel, human rights, anti-corruption, and anti-bribery issues be provided in the annual report or annual activity report, as appropriate.
☑ Profitability, liquidity, asset turnover, debt ratios
☑ Implementation of the company's risk management policy
☑ Implementation of investment policy, ongoing and planned investment projects, and investments during the reporting year
☑ Total annual salary fund, average monthly salary by current position and / or division
☑ Implementation of dividend policy
☑ Implementation of remuneration policy
☑ The consolidated annual management report contains the structure of the group of companies, as well as the name, code and register of each subsidiary, which collects and stores data about the Company, registered office (address), shares (percentage) in the subsidiary's share capital, financial and non-financial results for the financial year.
☑ The Company's interim management report provides a brief description of the Company's business model, analysis of financial results for the reporting period, information on significant events during the reporting period, as well as profitability, liquidity, asset turnover, debt ratios and their changes compared to the corresponding period last year.

AB KN ENERGIES COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

AB KN Energies (hereinafter referred to as the "Company"), acting in compliance with Article 23 of the Law of the Republic of Lithuania on Securities and paragraph 24.5 of the Listing Rules of AB NASDAQ Vilnius, hereby discloses how it complies with the Corporate Governance Code for the Companies listed on NASDAQ Vilnius as well as its specific provisions or recommendations. In case of noncompliance with this Code or some of its provisions or recommendations, the specific provisions or recommendations that are not complied with must be indicated and the reasons for such non-compliance must be specified. In addition, other explanatory information indicated in this form must be provided.

FORM OF THE GOVERNANCE REPORT OF THE COMPANY:

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
Principle 1: General meeting of shareholders, equitable treatment of shareholders, and shareholders' rights **The corporate governance framework should ensure the equitable treatment of all shareholders. The corporate governance framework should protect the rights of shareholders.**		
1.1. All shareholders should be provided with access to the information and/or documents established in the legal acts on equal terms. All shareholders should be furnished with equal opportunity to participate in the decision-making process where significant corporate matters are discussed.	Yes	All information that must be made public in accordance with legal acts is published through the information system of the Vilnius Stock Exchange and / or on the Company's website. The place, date and time of the General Meeting of Shareholders convened by the Company shall be determined in order to enable the shareholders to participate in making decisions important to the Company. The procedure for submitting documents and other information to shareholders is established in Article 5 of the Company's Articles of Association.
1.2. It is recommended that the company's capital should consist only of the shares that grant the same rights to voting, ownership, dividend and other rights to all of their holders.	Yes	All shares of the Company are ordinary registered shares with a nominal value of EUR 0.29 (EUR 29 cents) per share.
1.3. It is recommended that investors should have access to the information concerning the rights attached to the shares of the new issue or those issued earlier in advance, i.e. before they purchase shares.	Yes	The Company's Articles of Association, which are publicly available on the Company's website, specify the rights granted by the shares.
1.4. Exclusive transactions that are particularly important to the company, such as transfer of all or almost all assets of the company which in principle would mean the transfer of the company, should be subject to approval of the general meeting of shareholders.	Yes	Article 13.5.2 of the Company's Articles of Association indicate the cases when the approval of the General Meeting of Shareholders is required.
1.5. Procedures for convening and conducting a general meeting of shareholders should provide shareholders with equal opportunities to participate in the general meeting of shareholders and should not prejudice the rights and interests of shareholders. The chosen venue, date and time of the general meeting of shareholders should not prevent active participation of shareholders at the general meeting. In the notice of the general meeting of shareholders being convened, the company should specify the last day on which the proposed draft decisions should be submitted at the latest.	Yes	The Company convenes the General Meeting of Shareholders and implements other procedures of the Meeting in accordance with the Law on Companies of the Republic of Lithuania and provides all shareholders with equal opportunities to participate in the meeting, get acquainted with draft resolutions and material required for decision-making.
1.6. With a view to ensure the right of shareholders living abroad to access the information, it is recommended, where possible, that documents prepared for the general meeting of shareholders in advance should be announced publicly not only in Lithuanian language but also in English and/or other foreign languages in advance. It is recommended that the minutes of the general meeting of shareholders after the signing thereof and/or adopted decisions should be made available publicly not only in Lithuanian language but also in English and/or other foreign languages. It is recommended that this information should be placed on the website of the company. Such documents may be published to the extent that their public disclosure is not detrimental to the company or the company's commercial secrets are not revealed.	Yes	All documents and information related to the General Meeting of Shareholders, including notices of meetings to be convened, draft resolutions, resolutions of the Meetings, are publicly available in Lithuanian and English through Nasdaq Vilnius and the Company's website.
1.7. Shareholders who are entitled to vote should be furnished with the opportunity to vote at the general meeting of shareholders both in person and in absentia. Shareholders should not be prevented from voting in writing in advance by completing the general voting ballot.	Yes	All shareholders may exercise their right to participate in the General Meeting of Shareholders in accordance with the procedure established by legal acts and this right is unlimited. The Company provides information on the implementation of this right in the notice on convening the General Meeting of Shareholders.

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
1.8. With a view to increasing the shareholders' opportunities to participate effectively at general meetings of shareholders, it is recommended that companies should apply modern technologies on a wider scale and thus provide shareholders with the conditions to participate and vote in general meetings of shareholders via electronic means of communication. In such cases the security of transmitted information must be ensured, and it must be possible to identify the participating and voting person.	No	Taking into account the structure of the shareholders (controlling interest is owned by the Government of the Republic of Lithuania) and the valid regulations for organisation of the meeting of shareholders ensuring full advance publication of the material of the General Meeting of Shareholders and publicity of the decisions adopted by the shareholders (publishing all this information on the website of AB Nasdaq Vilnius Stock Exchange) and the opportunity to vote in advance, there is no necessity to additionally install costly system of IT, which would give the opportunity for the shareholders to vote during the meeting of the shareholders using telecommunication terminal equipment. Currently, there are no measures in place to ensure proper identification of voters.
1.9. It is recommended that the notice on the draft decisions of the general meeting of shareholders being convened should specify new candidatures of members of the collegial body, their proposed remuneration and the proposed audit company if these issues are included into the agenda of the general meeting of shareholders. Where it is proposed to elect a new member of the collegial body, it is recommended that the information about his/her educational background, work experience and other managerial positions held (or proposed) should be provided.	Yes	Information about the candidates to the Company's collegial bodies is provided in accordance with the procedure established by legal acts. In accordance with the established procedure, the suitability of candidates is assessed by the selection board. The name of the proposed audit firm and the remuneration for the audit services is provided to the General Meeting of the Shareholders in advance as a draft resolution.
1.10. Members of the company's collegial management body, heads of the administration[1] or other competent persons related to the company who can provide information related to the agenda of the general meeting of shareholders should take part in the general meeting of shareholders. Proposed candidates to member of the collegial body should also participate in the general meeting of shareholders in case the election of new members is included into the agenda of the general meeting of shareholders.	Yes	The last General Meeting of Shareholders was attended by the Chairperson of the Board of the Company, Chief Executive Officer of the Company, Chief Finance Officer and Head of the Legal and Compliance Unit.
Principle 2: Supervisory Council **2.1. Functions and liability of the Supervisory Council** **The Supervisory Council of the company should ensure representation of the interests of the company and its shareholders, accountability of this body to the shareholders and objective monitoring of the company's operations and its management bodies as well as constantly provide recommendations to the management bodies of the company.** **The Supervisory Council should ensure the integrity and transparency of the company's financial accounting and control system.**		
2.1.1. Members of the Supervisory Council should act in good faith, with care and responsibility for the benefit and in the interests of the company and its shareholders and represent their interests, having regard to the interests of employees and public welfare.	Yes	The obligations specified in the recommendation are embedded in the agreement on the activities of an independent member of the Supervisory Council. The form of the agreement is approved by the Company's General Meeting of Shareholders.
2.1.2. Where decisions of the Supervisory Council may have a different effect on the interests of the company's shareholders, the Supervisory Council should treat all shareholders impartially and fairly. It should ensure that shareholders are properly informed about the company's strategy, risk management and control, and resolution of conflicts of interest.	Yes	The agreements with the members of the Supervisory Council stipulates that each independent member of the Supervisory Council has a duty to act in the interests of the Company and all its shareholders.
2.1.3. The Supervisory Council should be impartial in passing decisions that are significant for the company's operations and strategy. Members of the Supervisory Council should act and pass decisions without an external influence from the persons who elected them.	Yes	The Supervisory Council of the Company acts independently in accordance with the requirements of legal acts when making decisions that are significant to the Company's activities and strategy.
2.1.4. Members of the Supervisory Council should clearly voice their objections in case they believe that a decision of the Supervisory Council is against the interests of the company. Independent[2] members of the Supervisory Council should: a) maintain independence of their analysis and decision-making; b) not seek or accept any unjustified privileges that might compromise their independence.	Yes	The members of the Supervisory Council have the right to express their opinion on all the agenda of the meeting in accordance with the Rules of Procedure of the Company's Supervisory Council, which must be duly reflected in the minutes of the meeting. The obligations specified in the recommendation are embedded in the agreement on the activities of an independent member of the Supervisory Council.

[1] For the purposes of this Code, heads of the administration are the employees of the company who hold top level management positions.
[2] For the purposes of this Code, the criteria of independence of members of the Supervisory Council are interpreted as the criteria of unrelated parties defined in Article 31(7) and (8) of the Law on Companies of the Republic of Lithuania.

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
2.1.5. The Supervisory Council should oversee that the company's tax planning strategies are designed and implemented in accordance with the legal acts in order to avoid faulty practice that is not related to the long-term interests of the company and its shareholders, which may give rise to reputational, legal or other risks.	Yes	The Supervisory Council of the Company in the exercise of its competence to supervise the activities of the Company's management bodies, also performs the duties specified in the recommendation.
2.1.6. The company should ensure that the Supervisory Council is provided with sufficient resources (including financial ones) to discharge their duties, including the right to obtain all the necessary information or to seek independent professional advice from external legal, accounting or other experts on matters pertaining to the competence of the Supervisory Council and its committees.	Yes	The Company ensures the provision of the Supervisory Council with the resources necessary for its activities (provides technical support during the meetings of the Supervisory Council, provides all the necessary information). The Articles of Association of the Company stipulate that the Board must submit to the Supervisory Council the documents related to the activities of the Company requested by it. The right to information is also detailed in the contract for the activities of a member of the Supervisory Council.
2.2. Formation of the Supervisory Council **The procedure of the formation of the Supervisory Council should ensure proper resolution of conflicts of interest and effective and fair corporate governance.**		
2.2.1. The members of the Supervisory Council elected by the general meeting of shareholders should collectively ensure the diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance between the qualifications of the members of the Supervisory Council, it should be ensured that members of the Supervisory Council, as a whole, should have diverse knowledge, opinions and experience to duly perform their tasks.	Yes	According to the Law on Companies of the Republic of Lithuania, the Supervisory Council is elected, and the qualifications of its members are assessed at the General Meeting of Shareholders.
2.2.2. Members of the Supervisory Council should be appointed for a specific term, subject to individual re-election for a new term in office in order to ensure necessary development of professional experience.	Yes	The members of the Company's Supervisory Council are elected for a maximum term of 4 years specified in the Law on Companies of the Republic of Lithuania. The Articles of Association of the Company provide for the possibility to recall the entire Supervisory Council or its individual members before the end of the term of office of the Supervisory Council.
2.2.3. Chair of the Supervisory Council should be a person whose current or past positions constituted no obstacle to carry out impartial activities. A former manager or management board member of the company should not be immediately appointed as chair of the Supervisory Council either. Where the company decides to depart from these recommendations, it should provide information on the measures taken to ensure impartiality of the supervision.	Yes	The chairperson of the Supervisory Council of the Company and the Chief Executive Officer of the Company is not the same person.
2.2.4. Each member should devote sufficient time and attention to perform his duties as a member of the Supervisory Council. Each member of the Supervisory Council should undertake to limit his other professional obligations (particularly the managing positions in other companies) so that they would not interfere with the proper performance of the duties of a member of the Supervisory Council. Should a member of the Supervisory Council attend less than a half of the meetings of the Supervisory Council throughout the financial year of the company, the shareholders of the company should be notified thereof.	Yes	Each member of the Supervisory Council participates in the meetings of the collegial body and devote sufficient time to perform their duties as a member of the collegial body. In 2025, 10 meetings of the Company's Supervisory Council were held, which were attended by all members of the Supervisory Council.
2.2.5. When it is proposed to appoint a member of the Supervisory Council, it should be announced which members of the Supervisory Council are deemed to be independent. The Supervisory Council may decide that, despite the fact that a particular member meets all the criteria of independence, he/she cannot be considered independent due to special personal or company-related circumstances.	Yes	Information on candidates for members of the Company's Supervisory Council (as well as information on the candidate's compliance with the independence requirements) is submitted to the General Meeting of Shareholders in accordance with the procedure established by the Law on Companies of the Republic of Lithuania.
2.2.6. The amount of remuneration to members of the Supervisory Council for their activity and participation in meetings of the Supervisory Council should be approved by the general meeting of shareholders.	Yes	An independent member of the Supervisory Council shall be remunerated for his / her activities in the Supervisory Council in accordance with the procedure and conditions established in the agreement signed with him / her regarding the activities of the independent member of the Supervisory Council. The terms and conditions of the agreement with the independent member of the Supervisory Council shall be approved by the General Meeting of Shareholders.
2.2.7. Every year the Supervisory Council should carry out an assessment of its activities. It should include evaluation of the structure of the Supervisory Council, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the Supervisory Council, and evaluation whether the	Yes	The Supervisory Council evaluates its activities every year. The Supervisory Council evaluates the organization of meetings, efficiency, need for competencies, mutual cooperation, cooperation with management, etc.

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
Supervisory Council has achieved its objectives. The Supervisory Council should, at least once a year, make public respective information about its internal structure and working procedures.		
Principle 3: Management Board **3.1. Functions and liability of the management board** **The management board should ensure the implementation of the company's strategy and good corporate governance with due regard to the interests of its shareholders, employees and other interest groups.**		
3.1.1. The management board should ensure the implementation of the company's strategy approved by the Supervisory Council if the latter has been formed at the company. In such cases where the Supervisory Council is not formed, the management board is also responsible for the approval of the company's strategy.	Yes	The Board of the Company implements the strategy of the parent company, which is approved by the Supervisory Council of the Company.
3.1.2. As a collegial management body of the company, the management board performs the functions assigned to it by the Law and in the articles of association of the company, and in such cases where the Supervisory Council is not formed in the company, it performs inter alia the supervisory functions established in the Law. By performing the functions assigned to it, the management board should take into account the needs of the company's shareholders, employees and other interest groups by respectively striving to achieve sustainable business development.	Yes	Because the Supervisory Council is formed in the Company, the Board performs the functions of the Company's collegial management body. The obligation to take into account the Company, shareholders, employees and other interest groups is embedded in the agreement signed with each of the members of the Board regarding the activities of the member of the Board.
3.1.3.The management board should ensure compliance with the laws and the internal policy of the company applicable to the company or a group of companies to which this company belongs. It should also establish the respective risk management and control measures aimed at ensuring regular and direct liability of managers.	Yes	The Company's Articles of Association stipulate which Company's documents (guidelines, policies, etc.) are approved by the Board. In cases where the documents are approved by the Supervisory Council, the Board shall submit comments and suggestions. In accordance with the Company's Articles of Association, the Board considers and approves the Company's list of risks and the plan of measures to reduce them, the risk report, and the risk management policy.
3.1.4. Moreover, the management board should ensure that the measures included into the OECD Good Practice Guidance[3] on Internal Controls, Ethics and Compliance are applied at the company in order to ensure adherence to the applicable laws, rules and standards.	Yes	The Company has various documents in place to ensure internal control, ethics, and compliance management measures, for example: the Head of Internal Audit is an independent position, reports to the Audit Committee and is administratively subordinate to the CEO; The Company has a Code of Conduct (Code of Ethics) that applies to all employees of the Company, including members of the Board and the Supervisory Council.
3.1.5. When appointing the manager of the company, the management board should take into account the appropriate balance between the candidate's qualifications, experience and competence	Yes	When appointing the CEO, the Board of the Company shall take into account his/her qualifications, experience and competence.
3.2. Formation of the management board		
3.2.1. The members of the management board elected by the Supervisory Council or, if the Supervisory Council is not formed, by the general meeting of shareholders should collectively ensure the required diversity of qualifications, professional experience and competences and seek for gender equality. With a view to maintain a proper balance in terms of the current qualifications possessed by the members of the management board, it should be ensured that the members of the management board would have, as a whole, diverse knowledge, opinions and experience to duly perform their tasks.	Yes	The Board of the Company ensures the balance of qualifications of its members. The members of the Board of the Company are elected by the Supervisory Council of the Company, which evaluates the qualifications of the candidates, experience in the management position, suitability to hold the position of a member of the Board of the Company and other necessary aspects. The aim is for the members of the Board to have competencies considering the responsibilities and functions of the Board. Every year, the members of the Board conduct a self-assessment of their activities.
3.2.2. Names and surnames of the candidates to become members of the management board, information on their educational background, qualifications, professional experience, current positions, other important professional obligations and potential conflicts of interest should be disclosed without violating the requirements of the legal acts regulating the handling of personal data at the meeting of the Supervisory Council in which the management board or individual members of the management board are elected. In the event that the Supervisory Council is not formed, the information specified in this paragraph should be submitted to the general meeting of shareholders. The	Yes	Information on candidates and their suitability to hold the position of a member of the Company's collegial body is provided in accordance with the procedure established by legal acts, the suitability of candidates is assessed by the Supervisory Council. Information about the candidates for the members of the Board of the Company, including their curriculum vitae and declaration of interests, and other documents specified in legal acts shall be submitted at the meeting of the Supervisory Council of the Company at which the Board or its individual members

[3] Link to the OECD Good Practice Guidance on Internal Controls, Ethics and Compliance: https://www.oecd.org/daf/anti-bribery/44884389.pdf

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
management board should, on yearly basis, collect data provided in this paragraph on its members and disclose it in the company's management report.		are elected. Information on the positions held by the members of the Board or their participation in the activities of other companies is regularly collected, stored, and presented in the Company's Management Report and on the Company's website.
3.2.3. All new members of the management board should be familiarized with their duties and the structure and operations of the company.	Yes	After their election, the members of the Board are acquainted with the Company's activities, organizational and management structure, strategy, operational and financial plans.
3.2.4. Members of the management board should be appointed for a specific term, subject to individual re-election for a new term in office in order to ensure necessary development of professional experience and sufficiently frequent reconfirmation of their status.	Yes	The Board members are appointed for a fixed term, i.e., Board members are elected for a period of 4 (four) years. The Company's Articles of Association provide for the possibility to remove both individual members of the Board and the entire Board before the end of its term. The right to recall members of the Board (individual or all) belongs to the Company's Supervisory Council.
3.2.5. Chair of the management board should be a person whose current or past positions constitute no obstacle to carry out impartial activity. Where the Supervisory Council is not formed, the former manager of the company should not be immediately appointed as chair of the management board. When a company decides to depart from these recommendations, it should furnish information on the measures it has taken to ensure the impartiality of supervision.	Yes	The current or former position of the Chairperson of the Board of the Company does not create preconditions for the possible emergence of impartiality. The Chairperson of the Board of the Company has not held the position of the CEO of the Company.
3.2.6. Each member should devote sufficient time and attention to perform his duties as a member of the management board. Should a member of the management board attend less than a half of the meetings of the management board throughout the financial year of the company, the Supervisory Council of the company or, if the Supervisory Council is not formed at the company, the general meeting of shareholders should be notified thereof.	Yes	The members of the Board of the Company actively participate in the meetings of the Board and devote sufficient time to the performance of their duties as a member of the collegial body. In 2023, 15 meetings of the Company's Board were held.
3.2.7. In the event that the management board is elected in the cases established by the Law where the Supervisory Council is not formed at the company, and some of its members will be independent, it should be announced which members of the management board are deemed as independent. The management board may decide that, despite the fact that a particular member meets all the criteria of independence established by the Law, he/she cannot be considered independent due to special personal or company-related circumstances.	Yes	The Supervisory Council is formed in the Company.
3.2.8. The general meeting of shareholders of the company should approve the amount of remuneration to the members of the management board for their activity and participation in the meetings of the management board.	Yes	Members of the Board are paid based on the Remuneration Policy of the Company approved by the General Meeting of Shareholders and agreement concluded with the Company that is approved by the Supervisory Council.
3.2.9. The members of the management board should act in good faith, with care and responsibility for the benefit and the interests of the company and its shareholders with due regard to other stakeholders. When adopting decisions, they should not act in their personal interest; they should be subject to no-compete agreements and they should not use the business information or opportunities related to the company's operations in violation of the company's interests.	Yes	These duties of the members of the Board are provided for in the activity agreement of the member of the Board signed with the Company, as well as in the Rules of Procedure of the Board.
3.2.10. Every year the management board should carry out an assessment of its activities. It should include evaluation of the structure of the management board, its work organization and ability to act as a group, evaluation of the competence and work efficiency of each member of the management board, and evaluation whether the management board has achieved its objectives. The management board should, at least once a year, make public respective information about its internal structure and working procedures in observance of the legal acts regulating the processing of personal data.	Yes	Every year, the members of the Board of the Company evaluate their activities by filling in questionnaires, which include an evaluation of the work organization of the Board, cooperation with the management, etc., the results of the evaluation of activities are discussed at the Board meeting. Information on the internal structure and work procedure of the Board is published in the Company's Management Report.
Principle 4: Rules of procedure of the Supervisory Council and the management board of the company **The rules of procedure of the Supervisory Council, if it is formed at the company, and of the management board should ensure efficient operation and decision-making of these bodies and promote active cooperation between the company's management bodies.**		
4.1. The management board and the Supervisory Council, if the latter is formed at the company, should act in close cooperation in order to attain benefit for the company and its shareholders. Good corporate governance requires an	Yes	The legal acts regulating the activities of the Company's Supervisory Council and the Board, the Articles of Association, the Company's Corporate Governance Policy and the Rules of Procedure

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
open discussion between the management board and the Supervisory Council. The management board should regularly and, where necessary, immediately inform the Supervisory Council about any matters significant for the company that are related to planning, business development, risk management and control, and compliance with the obligations at the company. The management board should inform the Supervisory Council about any derogations in its business development from the previously formulated plans and objectives by specifying the reasons for this.		of collegial bodies establish the principles and procedure of cooperation between the Company's Supervisory Council and the Board and ensure that management and supervisory bodies function properly.
4.2. It is recommended that meetings of the company's collegial bodies should be held at the respective intervals, according to the pre-approved schedule. Each company is free to decide how often meetings of the collegial bodies should be convened but it is recommended that these meetings should be convened at such intervals that uninterruptable resolution of essential corporate governance issues would be ensured. Meetings of the company's collegial bodies should be convened at least once per quarter.	Yes	Meetings of collegial bodies are held according to the annual meeting schedules approved in advance by the collegial bodies (in coordination with the management).
4.3. Members of a collegial body should be notified of the meeting being convened in advance so that they would have sufficient time for proper preparation for the issues to be considered at the meeting and a fruitful discussion could be held and appropriate decisions could be adopted. Along with the notice of the meeting being convened all materials relevant to the issues on the agenda of the meeting should be submitted to the members of the collegial body. The agenda of the meeting should not be changed or supplemented during the meeting, unless all members of the collegial body present at the meeting agree with such change or supplement to the agenda, or certain issues that are important to the company require immediate resolution.	Yes	The members of the collegial body know about the agenda of the meeting in advance. Preliminary agendas for meetings for the whole year are drawn up at the beginning of the year. The agendas are then adjusted and completed before each meeting (usually at least 10 days before the meeting). The members of the collegial bodies receive the material necessary for making decisions on the issues of the agenda in advance (5-7 days in advance) and have the opportunity to get acquainted with it and ask questions, and for clarification. All members of the collegial body shall be informed about any comments or clarifications received.
4.4. In order to coordinate the activities of the company's collegial bodies and ensure effective decision-making process, the chairs of the company's collegial supervision and management bodies should mutually agree on the dates and agendas of the meetings and close cooperate in resolving other matters related to corporate governance. Meetings of the company's Supervisory Council should be open to members of the management board, particularly in such cases where issues concerning the removal of the management board members, their responsibility or remuneration are discussed.	Yes	The dates and agendas of the meetings are coordinated so that all members of the collegial bodies can participate in them. The Chairperson of the Board regularly presents to the Supervisory Council the most important decisions made by the Board.
Principle 5: Nomination, remuneration and audit committees **5.1. Purpose and formation of committees** **The committees formed at the company should increase the work efficiency of the Supervisory Council or, where the Supervisory Council is not formed, of the management board which performs the supervisory functions by ensuring that decisions are based on due consideration and help organise its work in such a way that the decisions it takes would be free of material conflicts of interest.** **Committees should exercise independent judgment and integrity when performing their functions and provide the collegial body with recommendations concerning the decisions of the collegial body. However, the final decision should be adopted by the collegial body.**		
5.1.1. Taking due account of the company-related circumstances and the chosen corporate governance structure, the Supervisory Council of the company or, in cases where the Supervisory Council is not formed, the management board which performs the supervisory functions, establishes committees. It is recommended that the collegial body should form the nomination, remuneration and audit committees[4].	Yes	The Audit Committee, elected by the General Meeting of Shareholder, is formed within the Company. The General Meeting of Shareholders determined its functions, rights and obligations. The Company's Audit Committee has been assigned with advisory functions related to the audit control and assessment and covering supervision of financial reports preparation and audit execution process, examination of its effectiveness and implementation of recommendations, analysis of need of internal audit functions and other functions, as provided by the Resolution No. 03-14 of the Board of the Bank of Lithuania on 24 January 2017, observes the integrity of the financial information provided by the Company, paying special attention to the relevance and transparency of the accounting methods used by the Company and its group. The Remuneration and Nomination Committee, elected by the Supervisory Council is formed within the Company. Supervisory Council determined its functions, rights and obligations. The Company's Remuneration and Nomination Committee acts as an advisory body to the Company's Supervisory Council, making recommendations on the Company's remuneration

[4] The legal acts may provide for the obligation to form a respective committee. For example, the Law on the Audit of Financial Statements of the Republic of Lithuania provides that public-interest entities (including but not limited to public limited liability companies whose securities are traded on a regulated market of the Republic of Lithuania and/or of any other Member State) are under the obligation to set up an audit committee (the legal acts provide for the exemptions where the functions of the audit committee may be carried out by the collegial body performing the supervisory functions).

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
		policy, proposing to the Company the criteria for assessing the performance of its executives, participating in the selection processes of the CEO and the Board, and making other recommendations relating to remuneration.
5.1.2.Companies may decide to set up less than three committees. In such case companies should explain in detail why they have chosen the alternative approach, and how the chosen approach corresponds with the objectives set for the three different committees.	Yes	Refer to the comment submitted regarding the item 5.1.1. above.
5.1.3. In the cases established by the legal acts the functions assigned to the committees formed at companies may be performed by the collegial body itself. In such case the provisions of this Code pertaining to the committees (particularly those related to their role, operation and transparency) should apply, where relevant, to the collegial body as a whole.	Yes	Refer to the comment submitted regarding the item 5.1.1. above.
5.1.4. Committees established by the collegial body should normally be composed of at least three members. Subject to the requirements of the legal acts, committees could be comprised only of two members as well. Members of each committee should be selected on the basis of their competences by giving priority to independent members of the collegial body. The chair of the management board should not serve as the chair of committees.	Yes	The Audit Committee, formed by the General Meeting of Shareholder, comprises of three members. All of the acting members of the Audit Committee were independent. The Remuneration and Nomination Committee, formed by the Supervisory Council, comprises of three members. Two out of three members of the Remuneration and Nomination Committee were independent.
5.1.5. The authority of each committee formed should be determined by the collegial body itself. Committees should perform their duties according to the authority delegated to them and regularly inform the collegial body about their activities and performance on a regular basis. The authority of each committee defining its role and specifying its rights and duties should be made public at least once a year (as part of the information disclosed by the company on its governance structure and practice on an annual basis). In compliance with the legal acts regulating the processing of personal data, companies should also include in their annual reports the statements of the existing committees on their composition, the number of meetings and attendance over the year as well as the main directions of their activities and performance.	Yes	The rules of procedure of the committees, the rights, and obligations of the committee members, as well as the measures to ensure the activities of the members of the committees shall be established by the rules for the establishment and operation of the relevant committees approved by the Supervisory Council for the Remuneration and Nomination Committee and by the General Meeting of Shareholders for the Audit Committee. Information on the composition of committees, number of meetings, participation and main activities is disclosed in the Company's Management Report.
5.1.6. With a view to ensure the independence and impartiality of the committees, the members of the collegial body who are not members of the committees should normally have a right to participate in the meetings of the committee only if invited by the committee. A committee may invite or request that certain employees of the company or experts would participate in the meeting. Chair of each committee should have the possibility to maintain direct communication with the shareholders. Cases where such practice is to be applied should be specified in the rules regulating the activities of the committee.	Yes	The rules of formation and operation of the Audit Committee of the Company provide for the right of the Audit Committee to invite the responsible persons of the Company to its meetings and to receive the necessary explanations from them in accordance with their competence. The rules of formation and operation of the Remuneration and Nomination Committee of the Company provide for the right of the Remuneration and Nomination Committee to invite the responsible persons of the Company to its meetings and to receive the necessary explanations from them in accordance with their competence.
5.2. Nomination committee		
5.2.1. The key functions of the nomination committee should be the following: 1) to select candidates to fill vacancies in the membership of supervisory and management bodies and the administration and recommend the collegial body to approve them. The nomination committee should evaluate the balance of skills, knowledge and experience in the management body, prepare a description of the functions and capabilities required to assume a particular position and assess the time commitment expected; 2) assess, on a regular basis, the structure, size and composition of the supervisory and management bodies as well as the skills, knowledge and activity of its members, and provide the collegial body with recommendations on how the required changes should be sought; 3) devote the attention necessary to ensure succession planning.	Yes	The Remuneration and Nomination Committee in the Company was formed on 24th of November 2022 by electing two members of the Supervisory Council, and on 22nd of February 2023 an independent member was elected. The functions of the Remuneration and Nomination Committee are set in the Rules of Activities of the Remuneration and Nomination Committee and cover the advisory function in selection of candidates to the membership in supervisory and management bodies and administration, as well as assessment and recommendation on structure, size and composition of supervisory and management bodies as well as attention to succession planning ensurance. In addition, Remuneration and Nomination Committee provides proposals and recommendations on Remuneration Policy applied to members of the supervisory and management bodies and the heads of the administration as well as individual remuneration, review on Remuneration Policy and its implementation. The Remuneration and Nomination Committee, as part of its competencies, participates in the selection processes of the CEO and the Board and provides recommendations to the appointing body.

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
5.2.2. When dealing with issues related to members of the collegial body who have employment relationships with the company and the heads of the administration, the manager of the company should be consulted by granting him/her the right to submit proposals to the Nomination Committee.	Yes	The Rules on Activities of the Remuneration and Nomination Committee provide the right to the Chief Executive Officer consult and submit proposals to the Remuneration and Nomination Committee.
5.3. Remuneration committee		
5.3.1. The main functions of the remuneration committee should be as follows: 1) submit to the collegial body proposals on the remuneration policy applied to members of the supervisory and management bodies and the heads of the administration for approval. Such policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as conditions which would allow the company to recover the amounts or suspend the payments by specifying the circumstances under which it would be expedient to do so; 2) submit to the collegial body proposals regarding individual remuneration for members of the collegial bodies and the heads of the administration in order to ensure that they would be consistent with the company's remuneration policy and the evaluation of the performance of the persons concerned; 3) review, on a regular basis, the remuneration policy and its implementation.	Yes	Refer to the comment submitted regarding the item 5.2.1. above.
5.4. Audit committee		
5.4.1. The key functions of the audit committee are defined in the legal acts regulating the activities of the audit committee[5].	Yes	The functions of the Audit Committee are also defined in the rules of formation and operation of the Company's Audit Committee.
5.4.2. All members of the committee should be provided with detailed information on specific issues of the company's accounting system, finances and operations. The heads of the company's administration should inform the audit committee about the methods of accounting for significant and unusual transactions where the accounting may be subject to different approaches.	Yes	The members of the Audit Committee of the Company, while performing their duties, have the right to receive from the Company the required documents and / or copies thereof and the information required to perform the functions of the Audit Committee.
5.4.3. The audit committee should decide whether the participation of the chair of the management board, the manager of the company, the chief finance officer (or senior employees responsible for finance and accounting), the internal and external auditors in its meetings is required (and, if required, when). The committee should be entitled, when needed, to meet the relevant persons without members of the management bodies present.	Yes	The Head of Internal Audit participates in the meetings of the Audit Committee, and other staff, if necessary, when discussing specific issues. Representatives of the Company performing the independent audit of the financial statements participate in the meeting of the Audit Committee, if necessary.
5.4.4. The audit committee should be informed about the internal auditor's work program and should be furnished with internal audit reports or periodic summaries. The audit committee should also be informed about the work program of external auditors and should receive from the audit firm a report describing all relationships between the independent audit firm and the company and its group.	Yes	The Audit Committee shall receive the information referred to in this paragraph and approve the annual plans of the internal audit. The Head of Internal Audit informs the Audit Committee about the implementation of the internal audit plans and provides reports. Representatives of the company performing the independent audit of the financial statements shall participate in the meeting of the Audit Committee, if necessary.
5.4.5. The audit committee should examine whether the company complies with the applicable provisions regulating the possibility of lodging a complaint or reporting anonymously his/her suspicions of potential violations committed at the company and should also ensure that there is a procedure in place for proportionate and independent investigation of such issues and appropriate follow-up actions.	Yes	Possible violations can be reported to the e-mail address SpeakUp@kn.lt (information is available to the Head of Internal Audit). The notification channel is open to all natural or legal persons: both current or former Company's employees and former or potential Company's customers, contractors, suppliers, the community. Possible violations can also be reported directly to the collegial supervisory bodies of the Company by e-mail: SupervisoryBodies@kn.lt

[5] Issues related to the activities of audit committees are regulated by Regulation No. 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, the Law on the Audit of Financial Statements of the Republic of Lithuania, and the Rules Regulating the Activities of Audit Committees approved by the Bank of Lithuania.

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
5.4.6. The audit committee should submit to the Supervisory Council or, where the Supervisory Council is not formed, to the management board its activity report at least once in every six months, at the time that annual and half-yearly reports are approved.	Yes	The Audit Committee informs the Supervisory Council of its activities and submits a written report on its activities to the Supervisory Council at least once in six months. The Audit Committee also informs the Board about its activities at least once a year.
Principle 6: Prevention and disclosure of conflicts of interest **The corporate governance framework should encourage members of the company's supervisory and management bodies to avoid conflicts of interest and ensure a transparent and effective mechanism of disclosure of conflicts of interest related to members of the supervisory and management bodies.**		
6.1. When appointing the manager of the company, the management board should take into account the appropriate balance between the candidate's qualifications, experience and competence. 6.1. Any member of the company's supervisory and management body should avoid a situation where his/her personal interests are or may be in conflict with the company's interests. In case such a situation did occur, a member of the company's supervisory or management body should, within a reasonable period of time, notify other members of the same body or the body of the company which elected him/her or the company's shareholders of such situation of a conflict of interest, indicate the nature of interests and, where possible, their value.	Yes	The members of the Company's supervisory and management bodies oblige to act in such a manner so as to avoid conflict of interests with the Company. This is determined in the Articles of Association of the Company and in other documents of operation of the Company. For this purpose, the member of the Company's supervisory and management bodies submits to the Company's body that elected them and the Company the declarations about the absence of the conflict of interests and oblige to immediately inform about any change of the circumstances revealed in these declarations. In case of a conflict of interests between a member of the Company's supervisory and management bodies and the Company during discussion of issues, such a member of the supervisory or management bodies shall immediately notify Company's body that elected them and not participate in voting regarding specific items in view of which such conflict arose. A member of the supervisory and management bodies shall not be entitled to vote when the meeting of the supervisory and management bodies discusses the issue related to his work on the supervisory and management bodies or the issue of his responsibility.
Principle 7: Remuneration policy of the company **The remuneration policy and the procedure for review and disclosure of such policy established at the company should prevent potential conflicts of interest and abuse in determining remuneration of members of the collegial bodies and heads of the administration, in addition it should ensure the publicity and transparency of the company's remuneration policy and its long-term strategy.**		
7.1. The company should approve and post the remuneration policy on the website of the company; such policy should be reviewed on a regular basis and be consistent with the company's long-term strategy.	Yes	On 2024 June 27, the Annual General Meeting of Shareholders approved the updated Company's Remuneration Policy, which applies to the CEO of the Company, members of the Board, the Supervisory Council, and other committees. The Remuneration Policy sets out the principles for determining and paying the remuneration of members of the Supervisory Council, members of the Board, Committee members, and the head of the Company, based on applicable legal acts. This document is reviewed regularly to ensure compliance with current laws and best practices. Published on the Company's website (https://knenergies.lt/uploads/2025/12/Remuneration-Policy-of-the-Company-2.pdf).
7.2. The remuneration policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as the conditions specifying the cases where the company can recover the disbursed amounts or suspend the payments.	Yes	The Company's Remuneration Policy determines the components of remuneration, their maximum amounts, and the principles of awarding and paying.
7.3. With a view to avoid potential conflicts of interest, the remuneration policy should provide that members of the collegial bodies which perform the supervisory functions should not receive remuneration based on the company's performance.	Yes	The remuneration of the members of the collegial bodies that perform supervisory functions does not depend on the performance of the Company.
7.4. The remuneration policy should provide sufficient information on the policy regarding termination payments. Termination payments should not exceed a fixed amount or a fixed number of annual wages and in general should not be higher than the non-variable component of remuneration for two years or the equivalent thereof. Termination payments should not be paid if the contract is terminated due to inadequate performance.	Not applicable	Termination payments are not foreseen in the Remuneration Policy of the Company (https://knenergies.lt/en/remuneration/).

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
7.5. In the event that the financial incentive scheme is applied at the company, the remuneration policy should contain sufficient information about the retention of shares after the award thereof. Where remuneration is based on the award of shares, shares should not be vested at least for three years after the award thereof. After vesting, members of the collegial bodies and heads of the administration should retain a certain number of shares until the end of their term in office, subject to the need to compensate for any costs related to the acquisition of shares.	Not applicable	During the year under review the Company has not applied any schemes anticipating remuneration of directors in shares, share options or any other right to purchase shares or be remunerated on the basis of share price movements. This has not been provided for neither by the existing Management personnel remuneration procedure nor employment contracts with directors and other employees of the Company.
7.6. The company should publish information about the implementation of the remuneration policy on its website, with a key focus on the remuneration policy in respect of the collegial bodies and managers in the next and, where relevant, subsequent financial years. It should also contain a review of how the remuneration policy was implemented during the previous financial year. The information of such nature should not include any details having a commercial value. Particular attention should be paid on the major changes in the company's remuneration policy, compared to the previous financial year.	Yes	The KN Energies Remuneration Policy is published on the website www.knenergies.lt
7.7. It is recommended that the remuneration policy or any major change of the policy should be included on the agenda of the general meeting of shareholders. The schemes under which members and employees of a collegial body receive remuneration in shares or share options should be approved by the general meeting of shareholders.	Yes	The Remuneration Policy stipulates that the policy is submitted for approval to the General Meeting of Shareholders at least every 4 (four) years, as well as if there are significant changes in the policy.
Principle 8: Role of stakeholders in corporate governance **The corporate governance framework should recognize the rights of stakeholders entrenched in the laws or mutual agreements and encourage active cooperation between companies and stakeholders in creating the company value, jobs and financial sustainability. In the context of this principle the concept "stakeholders" includes investors, employees, creditors, suppliers, clients, local community and other persons having certain interests in the company concerned.**		
8.1. The corporate governance framework should ensure that the rights and lawful interests of stakeholders are protected.	Yes	The execution of this recommendation is ensured by the accurate supervision and control of the state institutions and organisations regulating and controlling the Company's activities. The management bodies consult with the employees on corporate governance and other important issues, (employee) participation in the Company's share capital is not limited. Publicity of the essential information about the Company's activity creates the conditions for the holders of interests to participate in the management of the Company according to the procedure established by the law and the Article of Association, as well as for the Company's employees also according to the Collective Agreement of the Company.
8.2. The corporate governance framework should create conditions for stakeholders to participate in corporate governance in the manner prescribed by law. Examples of participation by stakeholders in corporate governance include the participation of employees or their representatives in the adoption of decisions that are important for the company, consultations with employees or their representatives on corporate governance and other important matters, participation of employees in the company's authorized capital, involvement of creditors in corporate governance in the cases of the company's insolvency, etc.	Yes	
8.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.	Yes	
8.4. Stakeholders should be provided with the possibility of reporting confidentially any illegal or unethical practices to the collegial body performing the supervisory function.	Yes	
Principle 9: Disclosure of information **The corporate governance framework should ensure the timely and accurate disclosure of all material corporate issues, including the financial situation, operations and governance of the company.**		
9.1. In accordance with the company's procedure on confidential information and commercial secrets and the legal acts regulating the processing of personal data, the information publicly disclosed by the company should include but not be limited to the following:	Yes	Performance and corporate governance is regularly disclosed by distributing press posts about publicly undisclosed information, related to the Company on AB Nasdaq Vilnius Stock Exchange website, as well as in the Company's annual Management reports and financial statements, press releases published in the exchange and in other public presentations of the Company activity. The Company is not limited only by disclosure of minimum necessary public information and also publishes other important information about the Company's activity. The documents that contain certain information are published in Lithuanian and English on the publicly accessible website of the AB Nasdaq Vilnius Stock Exchange.

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
9.1.1. operating and financial results of the company;	Yes	They are made public on a monthly basis, as well as in the Company's Interim and Annual Management Reports.
9.1.2. objectives and non-financial information of the company;	Yes	Published in the Company's Interim and Annual Management Reports, in the Company's Corporate Strategy.
9.1.3. persons holding a stake in the company or controlling it directly and/or indirectly and/or together with related persons as well as the structure of the group of companies and their relationships by specifying the final beneficiary;	Yes	They are made public in the Company's Interim and Annual Management Reports, on the Company's website.
9.1.4. members of the company's supervisory and management bodies who are deemed independent, the manager of the company, the shares or votes held by them at the company, participation in corporate governance of other companies, their competence and remuneration;	Yes	They are made public in the Company's Interim and Annual Management Reports.
9.1.5. reports of the existing committees on their composition, number of meetings and attendance of members during the last year as well as the main directions and results of their activities;	Yes	They are made public in the Company's Interim and Annual Management Reports.
9.1.6. potential key risk factors, the company's risk management and supervision policy;	Yes	They are made public in the Company's Annual Management Reports.
9.1.7. the company's transactions with related parties;	Yes	The information is published on the Company's website.
9.1.8. main issues related to employees and other stakeholders (for instance, human resource policy, participation of employees in corporate governance, award of the company's shares or share options as incentives, relationships with creditors, suppliers, local community, etc.);	Yes	They are made public in the Company's Interim and Annual Management Reports, on the Company's website.
9.1.9. structure and strategy of corporate governance;	Yes	They are made public in the Company's Interim and Annual Reports Management, on the Company's website.
9.1.10. initiatives and measures of social responsibility policy and anti-corruption fight, significant current or planned investment projects. This list is deemed minimum, and companies are encouraged not to restrict themselves to the disclosure of information included into this list. This principle of the Code does not exempt companies from their obligation to disclose information as provided for in the applicable legal acts.	Yes	They are made public in the Company's Interim and Annual Reports Management, Sustainability Reports on the Company's website.
9.2. When disclosing the information specified in paragraph 9.1.1 of recommendation 9.1, it is recommended that the company which is a parent company in respect of other companies should disclose information about the consolidated results of the whole group of companies.	Yes	Refer to the comment submitted regarding the item 9.1. above.
9.3. When disclosing the information specified in paragraph 9.1.4 of recommendation 9.1, it is recommended that the information on the professional experience and qualifications of members of the company's supervisory and management bodies and the manager of the company as well as potential conflicts of interest which could affect their decisions should be provided. It is further recommended that the remuneration or other income of members of the company's supervisory and management bodies and the manager of the company should be disclosed, as provided for in greater detail in Principle 7.	Yes	Refer to the comment submitted regarding the item 9.1.4 above.
9.4. Information should be disclosed in such manner that no shareholders or investors are discriminated in terms of the method of receipt and scope of information. Information should be disclosed to all parties concerned at the same time.	Yes	Refer to the comment submitted regarding the item 9.1. above.
Principle 10: Selection of the company's audit firm **The company's audit firm selection mechanism should ensure the independence of the report and opinion of the audit firm.**		
10.1. With a view to obtain an objective opinion on the company's financial condition and financial results, the company's annual financial statements and the financial information provided in its annual report should be audited by an independent audit firm.	Yes	The Company observes this recommendation, annually, an independent firm of auditors conducts an audit of the Company's annual financial statements and report according to the

PRINCIPLES / RECOMMENDATIONS	YES / NO	COMMENTARY
		International Accounting Standards and submits an independent auditor's report concerning financial statements.
10.2. It is recommended that the audit firm would be proposed to the general meeting of shareholders by the Supervisory Council or, if the Supervisory Council is not formed at the company, by the management board of the company.	Yes	The Company's Board (a collegial body) proposes a candidate firm of auditors to the General Meeting of Shareholders taking into account the Audit Committee recommendation, which is supervisory bodu of Supervisory Council.
10.3. In the event that the audit firm has received remuneration from the company for the non-audit services provided, the company should disclose this publicly. This information should also be available to the Supervisory Council or, if the Supervisory Council is not formed at the company, by the management board of the company when considering which audit firm should be proposed to the general meeting of shareholders.	Yes	The information about the payments to the audit company is disclosed in the annual financial statements and also presented to the Company's Audit committee and Supervisory Council when considering which audit firm should be proposed to the General Meeting of Shareholders.

OTHER INFORMATION

The activity of the Company is based on the Articles of Association, Civil Code and other laws and sub legislative acts of the Republic of Lithuania. Changes in the Articles of Association can be made by the General Meeting of Shareholders.

TRANSACTIONS WITH RELATED PARTIES

The Company did not have any transactions or agreements with the members of its Supervisory Council and the Board. More information regarding transactions with related Parties is presented in the Explanatory note to the Company's financial statements for twelve months of 2025. In 2025 there were no changes in type of transactions with related parties, which could have made impact on the financial activity of the Group and the Company. All transactions with the related parties have been performed under market conditions (following the arm's length principle).

PARTICIPATION IN ASSOCIATIONS

Information on the Company's membership of associations can be found on the KNE website: KN memberships.

INFORMATION ABOUT THE AUDIT

Extraordinary General Meeting of Shareholders of the Company, held on 26 November 2024, adopted the following resolutions: 1) To elect PricewaterhouseCoopers, UAB as the audit firm to audit the Company's consolidated and separate financial statements, review regulatory activity reports, provide limited assurance for the sustainability report, assess the management reports and prepare the audit reports for the 2024-2026 financial years. 2) To set that the audit fee to be paid for audit services provided during the 2024-2026 period will not exceed EUR 399 675 excluding VAT.

UAB Ernst & Young Baltic performed the audit for the years 2014-2018. UAB KPMG Baltics performed the audit for the years 2008-2013, 2019-2020, 2021-2023.

The proposal regarding approval of the audit company is provided by the Board of the Company to the General Meeting of Shareholders based on the public procurement procedures.

INTERNAL CONTROL AND RISK MANAGEMENT RELEVANT TO THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Company has internal controls and risk management in place to ensure that the consolidated financial statements are prepared accurately, reliably and in a timely manner:

- The Group has established and implements "Guidelines for the preparation of financial statements" that comply with International Financial Reporting Standards (IFRS). Guidelines are regularly reviewed and updated. The Finance Department coordinates the preparation of the consolidated financial statements.
- Risk assessment: Financial and operational risks that may affect the preparation of the consolidated financial statements are continuously assessed. Identified risks are managed through appropriate controls. More information about risks provided in chapter "Risk factors and Risk Management".
- The Audit Committee advises the Supervisory Council on internal controls and risk management as per the guidelines established. The Company also cooperates with independent auditors who assess the reliability of the consolidated financial statements.

INFORMATION ON KEY INTANGIBLE RESOURCES

The Company assesses the main non-material forms of capital and its financial impacts on the Company's risks and opportunities. These are analysed as part of the double materiality assessment and its identified material outcomes are incorporated in the Company's operations. See more in Sustainability report chapter "Double Materiality Assessment"

ABBREVIATIONS

ABBREVIATION	MEANING
APM	Alternative performance measures
CCS	Carbon capture and storage
CEO	Chief Executive Officer
CO2	Carbon dioxide
comLNG	Commercial LNG activities
D/E	Debt ratio
DSCR	Debt service coverage ratio
EC	European Commission
ESG	Environmental, social, and governance
EU	European Union
FSRU	Floating Storage with Regasification Unit
GHG	Greenhouse gas
GRI	Global Reporting Initiative
HFO	Heavy oil products
IR	Frequency of near misses or potential safety incidents
KLET	Klaipėda Liquid Energy Terminal
KNE, Company	AB KN Energies
LET	Liquid Energy Terminals

ABBREVIATION	MEANING
LNG	Liquified Natural Gas
LNGT	Klaipėda LNG Terminal
LP	Light oil products
LTIR	Occupational accident frequency rate
NERC	National Energy Regulation Council
O&M	Operations and Maintenance
OHS	Occupational Health and Safety Management System
PCI	Project of Common Interest
RAB	Regulated asset base
ROA	Return on assets
ROCE	Return on Capital Employed
ROE	Return on equity
SLET	Subačius Liquid Energy Terminal
ssLNG	Small-scale LNG terminal
TRCF	Total recordable case frequency
USA	United States of America
VAT	Value Added Tax
VOC	Volatile organic compound
WACC	Rate of return on investments of regulated activities

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION AND CONSOLIDATED MANAGEMENT REPORT

FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2025

All amounts are in EUR thousand unless otherwise stated.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

		GROUP			COMPANY		
		31-12-2025	31-12-2024 (restated)*	01-01-2024 (restated)*	31-12-2025	31-12-2024 (restated)*	01-01-2024 (restated)*
ASSETS							
NON-CURRENT ASSETS							
Intangible assets		618	469	643	602	432	545
Property, plant and equipment	3	415,804	426,752	140,709	415,684	426,707	140,623
Right-of-use assets	3	18,502	19,097	312,880	18,381	19,093	312,861
Deferred tax asset		-	-	2,832	-	-	2,832
Investment in subsidiaries	5	-	-	-	4,598	4,598	4,578
Investment in associates and other financial assets	1	86	115	207	86	115	207
Non-current prepaid expenses		84	-	-	84	-	-
TOTAL NON-CURRENT ASSETS		**435,094**	**446,433**	**457,271**	**439,435**	**450,945**	**461,646**
CURRENT ASSETS							
Inventories	6	1,628	1,937	1,608	1,628	1,937	1,608
Prepayments		907	828	810	860	777	810
Trade receivables, contract assets, and other receivables	7, 28	41,664	30,330	22,163	40,368	29,408	21,226
Other financial assets	8	63,304	50,399	62,323	55,379	45,050	57,815
Cash and cash equivalents	9	12,361	17,203	19,535	10,333	14,429	17,405
TOTAL CURRENT ASSETS		**119,864**	**100,697**	**106,439**	**108,568**	**91,601**	**98,864**
TOTAL ASSETS		**554,958**	**547,130**	**563,710**	**548,003**	**542,546**	**560,510**

* Part of the amounts do not correspond with the financial statements issued for the year ended 31 December 2024 due to an error in presenting payable and receivable excise duty in Trade receivables, contract assets, and other receivables and Trade and other payables. The error resulted in a material understatement of Trade receivables, contract assets, and other receivables and Trade and other payables. See more information in Note 28.

Notes are an integral part of these financial statements.

All amounts are in EUR thousand unless otherwise stated.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

		GROUP			COMPANY		
		31-12-2025	31-12-2024 (restated)*	01-01-2024 (restated)*	31-12-2025	31-12-2024 (restated)*	01-01-2024 (restated)*
EQUITY AND LIABILITIES							
EQUITY							
Share capital	10	110,315	110,315	110,315	110,315	110,315	110,315
Share premium		4,002	4,002	4,002	4,002	4,002	4,002
Reserves	10	36,207	30,171	22,979	36,207	30,171	22,979
Foreign currency translation reserve		(124)	(117)	194	-	-	-
Retained earnings		22,192	18,757	15,758	16,610	14,659	13,229
TOTAL EQUITY		**172,592**	**163,128**	**153,248**	**167,134**	**159,147**	**150,525**
NON-CURRENT LIABILITIES							
Borrowings	12	282,725	301,400	158,827	282,725	301,400	158,827
Lease liabilities	12	23,811	24,413	24,459	23,716	24,413	24,450
Deferred government grants	13	6,198	4,942	5,115	6,198	4,942	5,115
Deferred income tax liability	22	1,890	214	-	1,890	214	-
Employee benefit obligations	11	1,132	832	694	1,132	832	694
TOTAL NON-CURRENT LIABILITIES		**315,756**	**331,801**	**189,095**	**315,661**	**331,801**	**189,086**
CURRENT LIABILITIES							
Borrowings	12	28,469	18,952	5,556	28,469	18,952	5,556
Trade payables and other liabilities	14, 28	21,217	16,929	15,079	21,037	16,893	14,791
Provisions	16	6,900	6,783	7,363	6,192	6,783	7,363
Payroll related liabilities	15	4,331	3,765	3,568	4,106	3,549	3,401
Contract liabilities	26	4,002	4,014	4,053	4,002	4,014	4,053
Lease liabilities	12	1,301	1,253	185,623	1,249	1,246	185,613
Income tax payable		237	344	3	-	-	-
Employee benefit obligations	11	153	161	122	153	161	122
TOTAL CURRENT LIABILITIES		**66,610**	**52,201**	**221,367**	**65,208**	**51,598**	**220,899**
TOTAL EQUITY AND LIABILITIES		**554,958**	**547,130**	**563,710**	**548,003**	**542,546**	**560,510**

* Part of the amounts do not correspond with the financial statements issued for the year ended 31 December 2024 due to an error in presenting payable and receivable excise duty in Trade receivables, contract assets, and other receivables and Trade and other payables. The error resulted in a material understatement of Trade receivables, contract assets, and other receivables and Trade and other payables. See more information in Note 28.

Notes are an integral part of these financial statements.

All amounts are in EUR thousand unless otherwise stated.

CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

		GROUP		COMPANY	
		2025	2024	2025	2024
Revenue from contracts with customers	17	105,209	93,655	99,916	89,407
Cost of sales	18	(62,941)	(54,518)	(60,906)	(53,386)
GROSS PROFIT		**42,268**	**39,137**	**39,010**	**36,021**
Administrative expenses	19	(15,271)	(14,765)	(14,203)	(13,923)
Other gains/(losses) - net	20	596	158	553	142
OPERATING PROFIT		**27,593**	**24,530**	**25,360**	**22,240**
Finance income	21	2,024	2,375	1,628	2,060
Finance costs	21	(8,585)	(7,553)	(8,531)	(7,420)
Finance costs – net		**(6,561)**	**(5,178)**	**(6,903)**	**(5,360)**
Share of the associate's profit or (loss)		(31)	(8)	(31)	(8)
PROFIT BEFORE INCOME TAX		**21,001**	**19,344**	**18,426**	**16,872**
Income tax	22	(2,790)	(3,978)	(1,699)	(3,075)
PROFIT FOR THE PERIOD		**18,211**	**15,366**	**16,727**	**13,797**
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Remeasurement of post-employment benefit obligations		(140)	(206)	(140)	(206)
Items that may be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		(7)	(311)	-	-
Income tax impact		22	31	22	31
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(125)**	**(486)**	**(118)**	**(175)**
TOTAL COMPREHENSIVE INCOME, NET OF TAX		**18,086**	**14,880**	**16,609**	**13,622**
Basic and diluted earnings per share, in EUR	23	0.05	0.04	0.04	0.04

Notes are an integral part of these financial statements.

All amounts are in EUR thousand unless otherwise stated.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

GROUP

	NOTES	Share capital	Share premium	Legal reserve	Reserve for own share	Other reserves	Foreign currency translation reserve	Retained Earnings	TOTAL
Balance as at 31 December 2023		**110,315**	**4,002**	**11,051**	**11,928**	**-**	**194**	**15,758**	**153,248**
Net profit (loss) for the period		-	-	-	-	-	-	15,366	15,366
Other comprehensive income (loss)		-	-	-	-	-	(311)	(175)	(486)
Total comprehensive income (loss)		**-**	**-**	**-**	**-**	**-**	**(311)**	**15,191**	**14,880**
Dividends declared		-	-	-	-	-	-	(5,000)	**(5,000)**
Transfers between reserves	10	-	-	-	-	7,192	-	(7,192)	-
Balance as at 31 December 2024		**110,315**	**4,002**	**11,051**	**11,928**	**7,192**	**(117)**	**18,757**	**163,128**
Net profit (loss) for the period		-	-	-	-	-	-	18,211	18,211
Other comprehensive income (loss)		-	-	-	-	-	(7)	(118)	(125)
Total comprehensive income (loss)		**-**	**-**	**-**	**-**	**-**	**(7)**	**18,093**	**18,086**
Dividends declared	24	-	-	-	-	-	-	(8,622)	(8,622)
Transfers between reserves	10	-	-	-	-	6,036	-	(6,036)	-
Balance as at 31 December 2025		**110,315**	**4,002**	**11,051**	**11,928**	**13,228**	**(124)**	**22,192**	**172,592**

COMPANY

	NOTES	Share capital	Share premium	Legal reserve	Reserve for own share	Other reserves	Foreign currency translation reserve	Retained earnings	TOTAL
Balance as at 31 December 2023		**110,315**	**4,002**	**11,051**	**11,928**	**-**	**-**	**13,229**	**150,525**
Net profit (loss) for the period		-	-	-	-	-	-	13,797	13,797
Other comprehensive income (loss)		-	-	-	-	-	-	(175)	(175)
Total comprehensive income (loss)		**-**	**-**	**-**	**-**	**-**	**-**	**13,622**	**13,622**
Dividends declared		-	-	-	-	-	-	(5,000)	(5,000)
Transfers between reserves	10	-	-	-	-	7,192	-	(7,192)	-
Balance as at 31 December 2024		**110,315**	**4,002**	**11,051**	**11,928**	**7,192**	**-**	**14,659**	**159,147**
Net profit (loss) for the period		-	-	-	-	-	-	16,727	16,727
Other comprehensive income (loss)		-	-	-	-	-	-	(118)	(118)
Total comprehensive income (loss)		**-**	**-**	**-**	**-**	**-**	**-**	**16,609**	**16,609**
Dividends declared	24	-	-	-	-	-	-	(8,622)	(8,622)
Transfers between reserves	10	-	-	-	-	6,036	-	(6,036)	-
Balance as at 31 December 2025		**110,315**	**4,002**	**11,051**	**11,928**	**13,228**	**-**	**16,610**	**167,134**

Notes are an integral part of these financial statements.

All amounts are in EUR thousand unless otherwise stated.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOW

	NOTES	GROUP		COMPANY	
		2025	2024 (restated)*	2025	2024 (restated)*
CASH FLOWS FROM OPERATING ACTIVITIES					
Net profit		18,211	15,366	16,727	13,797
Adjustments for non-cash items:					
Depreciation and amortization	3	25,938	24,308	25,826	24,195
Interest expenses on borrowings and lease liabilities	21	8,453	7,314	8,442	7,313
Income tax expenses	22	2,790	3,978	1,699	3,075
Accrual of annual bonuses		1,611	1,219	1,546	1,219
Impairment of property, plant and equipment		750	500	750	500
Change in employee benefit obligations		153	(30)	153	(30)
Change in provisions	16	117	(580)	(592)	(580)
Change in vacation reserve	15	108	201	92	180
Other financial expenses		70	132	74	436
Share of (profit) or loss of equity-accounted investees		31	8	31	8
Net (gain) loss on foreign exchange derivatives	21	3	(8,054)	3	(8,054)
Profit (loss) from sale or write-off of fixed asset		(14)	37	23	37
Contract assets	7	(113)	247	(113)	247
Interest income from financial assets held for cash management	21	(1,833)	(2,305)	(1,449)	(2,000)
Currency impact from lease liabilities	21	-	7,734	-	7,734
		56,275	**50,075**	**53,212**	**48,077**
CHANGES IN WORKING CAPITAL					
(Increase) decrease in inventories	6	309	(329)	309	(329)
Decrease (increase) in trade and other accounts receivable	7	(8,318)	(8,374)	(8,489)	(8,565)
Increase (decrease) in trade and other payables	14	2,713	(438)	3,691	255
Increase (decrease) in contract liabilities	7	(12)	(39)	(12)	(39)
Increase (decrease) in payroll related liabilities	15	(1,154)	(1,223)	(1,081)	(1,251)
		49,813	**39,672**	**47,630**	**38,148**
Income tax (paid)	22	(621)	(308)	-	-
Interest received		2,538	2,192	2,154	1,959
Net cash flows from (used in) operating activities		**51,730**	**41,556**	**49,784**	**40,107**

	NOTES	GROUP		COMPANY	
		2025	2024 (restated)*	2025	2024 (restated)*
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property, plant, equipment and intangible assets	3	(14,848)	(14,522)	(14,741)	(14,509)
Proceeds from sales of non-current assets		42	24	5	24
Short term deposits placed	8	(93,435)	(49,100)	(84,000)	(40,000)
Short term deposits received	8	77,200	61,300	70,000	53,000
Acquisition of other investments	1, 8	(338)	-	(2)	(20)
Dividends received	1	-	83	-	83
Grants, subsidies received	13	2,062	186	2,062	186
Net cash flows from (used in) investing activities		**(29,317)**	**(2,029)**	**(26,676)**	**(1,236)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(8,622)	(5,000)	(8,622)	(5,000)
Proceeds from borrowings	12	-	164,929	-	164,929
Repayment of borrowings	12	(12,167)	(8,813)	(12,167)	(8,813)
Guarantee fees paid	12	-	(242)	-	(242)
Lease liabilities paid	12	(1,141)	(185,433)	(1,100)	(185,422)
Interest paid		(5,325)	(7,300)	(5,315)	(7,299)
Net cash flows from (used in) financing activities		**(27,255)**	**(41,859)**	**(27,204)**	**(41,847)**
Net increase (decrease) in cash flows		**(4,842)**	**(2,332)**	**(4,096)**	**(2,976)**
Cash and cash equivalents on 1 January	9	17,203	19,535	14,429	17,405
Cash and cash equivalents on 31 December	9	12,361	17,203	10,333	14,429

* Part of the amounts do not correspond with the financial statements issued for the year ended 31 December 2024 due to an error in presenting payable and receivable excise duty in Trade receivables, contract assets, and other receivables and Trade and other payables. The error resulted in a material understatement of Trade receivables, contract assets, and other receivables and Trade and other payables. See more information in Note 28.

Notes are an integral part of these financial statements.

KN ENERGIES

All amounts are in EUR thousand unless otherwise stated.

NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

AB KN Energies (hereinafter - "the Company"or "KNE") is a public limited liability company registered in the Republic of Lithuania. The address of its registered office is as follows: Burių str. 19, 92276 Klaipėda, Lithuania. These consolidated and separate financial statements comprise the Company and its subsidiaries (together referred to as "the Group").

1.1. THE SUBSIDIARIES

Company name	Ownership part	Address
UAB KN Global Terminals	100%	Burių g. 19, 92276 Klaipėda, Lithuania
UAB KN New Energy Solutions	100%	Burių g. 19, 92276 Klaipėda, Lithuania
UAB SGD SPB	100% owned by UAB KN Global Terminals	Burių g. 19, 92276 Klaipėda, Lithuania
KN Acu Serviços de Terminal de GNL LTDA	90% owned by UAB KN Global Terminals and 10% owned by UAB SGD SPB	F66 Fazenda Saco Dantas s/n, Distrito Industrial, Area 1 and Area 2, 28200-000 São João da Barra, State of Rio de Janeiro
KN Energies Deutschland GmbH	100% owned by UAB KN Global Terminals	Emsstraße 20, 26382 Wilhelmshaven, Germany

1.2. INVESTMENT IN ASSOCIATES AND OTHER FINANCIAL ASSETS

Name of entity	Place of Business	Part of ownership		Nature of Relationship	Measurement method	Carrying amount (EUR thousand)	
		2025	2024			2025	2024
Sarmatia Sp. z o.o. (1)	Poland	1%	1%	Other financial assets	At cost	3	1
UAB BALTPOOL (2)	Lithuania	33%	33%	Associate	Equity method	83	114
						86	**115**

(1) Sarmatia Sp. z o.o. main activity is analysis and engineering of possibilities to construct oil pipeline between Asian states and the Baltic Sea.
(2) UAB BALTPOOL is a Lithuanian energy exchange operator that administers the country's biomass and heat auctions, facilitating transparent and efficient trading of energy resources. Additionally, it manages the National Energy Regulatory Council's (NERC) public service obligations (PSO) funds, ensuring proper allocation and use of these resources within the energy sector. The Group and the Company are entitled to appoint one of five board members to the management; thus, it can have significant influence.

UAB BALTPOOL	2025	2024
Carrying value as at 1 January	**114**	**204**
Acquisition during the year	-	-
Change in value (impairment)*	(31)	(7)
Dividends	-	(83)
Carrying value as at 31 December	83	114

*Total accumulated increase in value for UAB BALTPOOL as at 31-12-2025 is EUR 269 thousand and total accumulated dividends are EUR 376 thousand (total increase in value as at 31-12-2024 EUR 300 thousand, total dividends EUR 376 thousand).

Statement of financial position of UAB BALTPOOL is as follows:

	2025	2024
Non-current assets	380	430
Current assets	54,719	62,135
Current liabilities	54,850	62,256
Equity	249	309

Statement of comprehensive income of UAB BALTPOOL is, as follows:

	2025	2024
Revenue	2,232	2,057
(Expenses)	(2,291)	(2,099)
Profit (loss)	(59)	(42)

1.3. THE MAIN ACTIVITY OF THE GROUP AND THE COMPANY

The main activities of the Group and the Company include operation of liquid energy products terminal, transshipment services and other related services, as well as operation of the liquefied natural gas terminal (hereinafter referred to as "LNGT") primarily dedicated to accepting and storing liquefied natural gas. Activity also includes regasification of LNG for supply into the gas grid.

National Energy Regulatory Council (hereinafter referred to as "NERC") issued Natural Gas Regasification License to the Company on 27 November 2014.

1.4. ISSUED CAPITAL OF THE GROUP AND THE COMPANY

As at 31 December 2025 and 31 December 2024 authorised capital was equal to EUR 110,315,009.65, divided into 380,396,585 units of shares with nominal value EUR 0.29 each and each carrying one vote.

During the years 2025 and 2024, the Company did not acquire any of its own shares.

The Company's shares are listed on the Baltic Main List on the NASDAQ Vilnius Stock Exchange (ISIN code LT0000111650, abbreviation KNE1L).

As at 31 December 2025 and 31 December 2024 the shareholders of the Company were:

	31 December 2025		31 December 2024	
	Number of shares held (thousand)	Part of ownership (%)	Number of shares held (thousand)	Part of ownership (%)
State of Lithuania represented by the Ministry of Energy (Gedimino av. 38/2, Vilnius, 302308327)	275,687	72.47	275,687	72.47
UAB koncernas Achemos grupė (Vykinto st. 14, Vilnius, 156673480)	39,663	10.43	39,663	10.43
Other (less than 5% each)	65,047	17.10	65,047	17.10
TOTAL	380,397	100.00	380,397	100.00

1.5. OTHER GENERAL INFORMATION

The average number of employees of the Group in 2025 was 407 (378 in 2024).

The average number of employees of the Company in 2025 was 361 (344 in 2024).

The financial statements of the Group and the Company are presented in Euro and all values are rounded to the nearest thousand (EUR 000), except when otherwise indicated.

2 MATERIAL ACCOUNTING POLICIES

The financial statements of the Group and the Company have been prepared on a historical cost basis.

The financial year of the Group and the Company coincides with the calendar year.

The numbers in tables may not coincide due to rounding of specific amounts to EUR thousand. However, these rounding differences are not material to the financial statements.

2.1. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

Statement of compliance

Annual financial statements of the Group and the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (hereinafter the EU). They were authorized for issuance by the management on 31 March 2026 and are subject to the approval of the shareholders. The shareholders of the Company have the power to reject these financial statements and request for the new ones to be prepared.

Standards or Interpretations effective for the first time for the year ending 31 December 2025

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Issued on 15 August 2023). The application of this amendment did not have a material impact on the Group's and the Company's financial statements.

Standards and Interpretations effective from 1 January 2026 or later

At the date of authorisation of these financial statements the following standards, amendments to existing standards and interpretations were issued and adopted by the European Union, however, the Group and the Company do not plan to adopt these standards early.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- Annual Improvements to IFRS Accounting Standards Volume 11;
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7);
- IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18 will replace IAS1 as of 1 January 2027).

Management is currently assessing the detailed implications of applying the new standards on the Group's and the Company's financial statements.

2.2. FOREIGN CURRENCY

Presentation currency

The amounts shown in these consolidated and separate financial statements are measured and presented in Company's local currency, euro (EUR), which is the functional currency of the Company and presentation currency of the Group and the Company.

The Group and the Company have opted to use the Euro (EUR) as their presentation currency, taking into account the composition of revenue, costs, equity, and debt instruments. Significant portion of the Groups and the Company's revenues and costs are in EUR. The Company's equity is denominated in EUR. Furthermore, the pricing and costs of most of the Group's and the Company's products and services are influenced by the competitive factors within Lithuania and other Eurozone countries.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains or losses arising from the settlement of these transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies, utilizing the exchange rate available at the reporting date, are recognized in the statement of comprehensive income as finance income or costs. The Group and the Company present the net result of foreign exchange gains or losses in either the finance income or finance costs. Derivative financial instruments used by the Group and the Company to hedge the price risk of gas and emission allowances are measured at fair value through profit or loss. The net result of derivative instruments is included in the cost of sales together with the hedged items.

Group companies

The subsidiaries of the Company have Euro (EUR) or Brazilian Real (BRL) as their functional currencies. Upon consolidation, the assets and liabilities of foreign subsidiaries with different functional currency than Groups presentation currency are translated into euros using the exchange rate prevailing at the reporting date, while their statements of profit or loss and comprehensive income are translated at the average exchange rates observed during the reporting period. Any exchange differences arising from translation for consolidation are recognized in other comprehensive income.

All amounts are in EUR thousand unless otherwise stated.

2.3. GOING CONCERN

Management has assessed the Group and the Company's ability to continue as a going concern. Based on its analysis of financial projections, access to financing, and anticipated economic conditions, management is confident in the Group's and the Company's ability to operate for the foreseeable future. This assessment considered factors such as liquidity, capital adequacy, debt obligations, and potential risks. Therefore, the financial statements have been prepared on a going concern basis.

2.4. BASIS FOR CONSOLIDATION

Subsidiaries are fully consolidated from the date of acquisition, which is the date when the Company or the Group obtains control, and they continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions, and dividends are eliminated in full.

2.5. OPERATING SEGMENTS

Operating segment is a separated business constituent part, the business risks and profitability of which differ from other business constituent parts. Chief executive officer of the Group evaluates the results of each operating segment and is responsible for making strategic decisions for distribution of the Company's resources. More detailed information about the segments of the Group is available in Note 4 Information about Segments.

2.6. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Investments in subsidiaries are carried at cost, less impairment in separate financial statements of the Company. The Company determines at each reporting date whether there is any objective evidence that the investment in the subsidiary is impaired. If this is the case the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary and it's carrying value and recognises the amount in the statement of comprehensive income.

The Group and the Company account for investments in associates using the equity method. An associate is an entity in which the Group and the Company have significant influence, but no control over the financial and operating policies. Significant influence is presumed to exist when the Group and the Company holds between 20% and 50% of the voting rights of another company.

2.7. INTANGIBLE ASSETS

Separately acquired intangible assets are measured at cost at initial recognition. Following the initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. The Group and the Company did not have assets with indefinite useful lives neither at 31 December 2025 nor at 31 December 2024. Intangible assets with finite lives are amortized over the useful economic lives of 3-15 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation periods and methods for intangible assets with finite useful lives are reviewed at least at each financial year-end. Calculation of amortization is discontinued as at the first day of the next month after the disposal of asset or when the whole acquisition cost is expensed or reclassified as a part of another asset.

Costs associated with maintaining computer software programs are recorded as an expense when incurred.

2.8. PROPERTY, PLANT AND EQUIPMENT

Acquisition and depreciation of property, plant, and equipment

Property, plant and equipment are stated at cost less the accumulated depreciation and impairment losses. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, capitalised borrowing costs and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property, plant and equipment have been put into operation, such as repair and maintenance costs, are normally charged to profit or loss in the period the costs are incurred.

Where parts of an item of the property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The useful lives, residual values and depreciation method are reviewed periodically to ensure that the period of depreciation and other estimates, including borrowing costs, are consistent with the expected pattern of the economic benefits to be received from the items of the property, plant and equipment. In case the external and (or) internal impairment indications exist at the date of the statement of financial position, the Group and the Company perform detailed impairment testing in order to ensure that the property, plant and equipment are accounted for at the value not higher than their recoverable amount.

When property, plant and equipment are retired or otherwise disposed, the cost and related depreciation are removed from the financial statements and any related gains or losses are included in the statement of comprehensive income. Gains and losses on disposal of property, plant and equipment are determined as a difference between proceeds and the carrying amount of the property, plant and equipment disposed and recorded in profit or loss.

Subsequent repair costs are included in the asset's carrying amount only when it is probable that the future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

The estimated useful life (in years) of different groups of property, plant and equipment is as follows:

Description	Depreciation method	Estimated useful life
Property, plant and equipment		
Buildings and structures	Straight-line method	10-60
Machinery, plant and equipment	Straight-line method	5-55
FSRU and related equipment	Straight-line method	5-20
Other non-current assets	Straight-line method	4-15

Acquisition and depreciation of construction in progress

Construction-in-progress is stated at cost. This includes the cost of construction, plant and equipment and other directly attributable costs including borrowing cost. Construction-in-progress is not depreciated until the relevant assets are completed and available for their intended use. The Group and the Company determine at each reporting date whether there is any objective evidence that the construction-in-progress is impaired. The Group and the Company calculate the amount of impairment for suspended construction-in-progress.

Acquisition and depreciation of reserve assets

Reserve assets are stated at acquisition cost. Reserve assets are considered those assets that meet the capitalization criteria but are purchased as spare and intended for future use. Reserve assets are not depreciated until used in operations. The Group and the Company determine at each reporting date whether there is any objective evidence that the reserve assets are impaired.

Acquisition, depreciation and residual values of Floating Storage and Regasification Unit (FSRU)

The FSRU is stated at acquisition cost less the accumulated depreciation. The Group and the Company use component approach for the accounting of the FSRU where the total acquisition cost is distributed to components based on functional zones and their useful lives as well as maintenance requirements, and whose each cost is significant in relation to the total cost of the FSRU.

All amounts are in EUR thousand unless otherwise stated.

The useful lives of the FSRU components and related equipment are set varying from 5 to 20 years, taking into consideration the year of construction of the vessel and average useful life of similar vessels in the industry and are reviewed periodically to ensure that the period of depreciation is consistent with the expected pattern of the economic benefits to be received.

Useful life of the FSRU components and related equipment (in years):

Description	Estimated useful life
FSRU and related equipment	
Core FSRU structure and main technical systems	20
Electrical and fire protection infrastructure	15-18
Accommodation spaces and fittings	10
Life-saving equipment; food preparation equipment	6
FSRU dry-dock	5

The process of FSRU dry-docking refers to when the FSRU is taken to the service yard and brought to dry land so that submerged portions of the hull can be cleaned and inspected. This work is both preventative as well as requirement within the industry. Following IAS 16, the actual costs of the inspection are capitalised and depreciated over the period to the next inspection. The institution performing dry-dock works issues a certificate valid for 5 years. Additionally, according to the laws of the Republic of Lithuania, dry-docking must be carried out every 5 years for vessels of this type. For these reasons, the Group and the Company accounts for dry-dock depreciation over a 5-year period.

The residual value of the FSRU is EUR 14,739 thousand and is calculated by considering the scrap metal price and the costs of dismantling. Scrap metal sale proceeds are determined based on the vessel's tonnage and the average scrap prices in Bangladesh, Pakistan, and India. Additional costs are included for towing the vessel to the place of scrapping. Dismantling costs cover diesel fuel consumption, crew expenses, and port charges.

2.9. FINANCIAL INSTRUMENTS

2.9.1. Financial assets

Initial recognition and subsequent measurement

The Group and the Company initially measure financial assets at their fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. A regular way purchases of financial assets are recognised on the trade date, i.e., the date that the Company commits to purchase the asset. After the initial recognition, the Group and the Company measure financials assets (trade and other current and non-current receivables) at amortised costs except for the derivative instruments.

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

Impairment of financial assets

The Group and the Company use simplified approach under IFRS 9 for contract assets, trade and other receivables. The Group and Company perform the assessment for all debt instruments individually. The management considers a financial asset in default (credit impaired) when:

a. contractual payments are long overdue (the number of days to be considered as long overdue is determined for each customer individually);
b. indications exist that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments;
c. the probability that the debtors or a group of debtors will enter bankruptcy or other financial reorganisation;
d. observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The lifetime expected credit losses of loans receivable and trade receivables are recognised in profit or loss through the contrary account of doubtful receivables. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Further disclosures relating to impairment of financial assets are also provided in the Note 7 "Trade and other receivables", Note 8 "Other financial assets", and Note 9 "Cash and cash equivalents".

2.9.2. Financial liabilities

Financial liabilities are measured at fair value through profit or loss (FVTPL) or at amortised costs.

The Group's and the Company's financial liabilities measured at amortised costs include trade and other payables, borrowings and finance lease liabilities. The financial liabilities measured at fair value through profit or loss include derivative financials instruments.

2.10. EMPLOYEE BENEFITS

Social security contributions

The Group and the Company pay social security contributions to the State Social Security Fund (hereinafter the Fund) on behalf of its employees based on the legally defined contribution plan in accordance with the local legal requirements. A defined contribution plan is a plan under which the Group and the Company pay fixed contributions into the Fund and will have no legal or constructive obligations to pay further contributions if the Fund does not hold sufficient assets to pay all employees benefits related to employee service in the current and prior period. The social security contributions are recognised as an expense on an accrual basis and are included in "Wages, salaries and social security" in both operating expenses and cost of sales.

Non-current employee benefits

Each Company employee at retirement age is entitled to receive a payment of 2 monthly salaries upon retirement and, according to the collective agreement, the Company's employee is also entitled to an additional payment depending on the length of service. Such obligation is recognized in the statement of financial position and reflects the present value of these benefits on the preparation date of the statement of financial position. Obligation is calculated based on actuarial assumptions, using the projected unit credit method. Present value of the non-current obligation to employees is determined by discounting estimated future cash flows using the discount rate which reflects the interest rate of the Government bonds of the same currency and similar maturity as the employment benefits. Remeasurement gains and losses arising from changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

2.11. INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Net realizable value is estimated taking the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. The cost of inventories consists of purchase price, transport, and other costs directly attributable to the cost of inventories. The costs of inventories are determined by the first-in, first-out (FIFO) method.

2.12. CASH AND CASH EQUIVALENTS

Cash includes cash in the bank accounts. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value (Note 9).

For the purposes of the cash flow statement, cash and cash equivalents comprise cash, deposits held at call with banks, and other short-term highly liquid investments with maturities of less than three months.

2.13. SHORT-TERM DEPOSITS

Short-term deposits include short-term bank deposits at the commercial banks with maturity of more than 3 months. Initially short-term bank deposits are recognised at cost. Subsequently, short-term deposits are stated at acquisition cost less any allowance for impairment. Short-term deposits are classified under "Other financial assets" in the Statement of Financial Position. The Company has chosen to present interest received from short-term deposits held for cash management purposes as operating cash flows in the Statement of Cash Flows.

2.14. LEASE

The Group and the Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Group and the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group and the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically, if any, adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rate of the Group and the Company as the discount rate.

The Group and the Company determine the incremental borrowing rate by obtaining interest rates from various external financing sources.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments (payments that may, in form, contain variability but that, in substance, are unavoidable);
- The exercise price under a purchase option that the Group and the Company are reasonably certain to exercise, lease payments in an optional renewal period if the Group and the Company are reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and the Company are reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when:

- there is a change in the future lease payments arising from a change in an index or rate;
- the Group and the Company change its assessment of lease extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases (less than EUR 5 thousand), including IT equipment. The Group and the Company recognise the lease payments associated with such leases as expenses on a straight-line basis over the lease term.

2.15. INCOME TAX

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, including adjustments in respect of prior years. The tax rates used to compute the amount are those that are enacted by the date of the Statement of Financial position.

Income tax charge is based on profit for the year and considers deferred taxation. Income tax is calculated based on the Lithuanian tax legislation.

The standard corporate income tax rate in the Republic of Lithuania is 16% as at 31 December 2025 and 15% as at 31 December 2024. Starting January 1, 2026, amendments to the corporate income tax legislation come into effect increasing the income tax charge from 16% to 17%. Updated income tax is applicable when calculating deferred income tax for 2025 and will be applicable when calculating the corporate income tax for the financial year 2026 and further . The Group's subsidiary KN Açu Serviços de Terminal de GNL Ltda applies Brazilian Tax System and subsidiary´s administration has elected the Real Profit Regime that is calculated on quarterly basis. The official rates are 25% for Income tax and 9% Social Contribution on Net Profit. Another Group's subsidiary KN Energies Deutschland GmbH applies German Tax System where the official tax rates are 15% for Income Tax which is then subject to a surcharge of 5.5% (solidarity surcharge). In addition, the subsidiary is subject to a municipal trade tax which is 14.7%. The combined tax rate is 31.4%.

2.16. DIVIDENDS

Dividends are recorded in the financial statements when they are declared by the Annual General Shareholders' meeting.

2.17. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to the shareholders by the weighted average of ordinary registered shares issued. Provided that the number of shares changes without causing a change in the economic resources, the weighted average of ordinary registered shares is adjusted in proportion to the change in the number of shares as if this change took place at the beginning of the previous period presented. Since there are no instruments reducing profit or loss per share, there is no difference between the basic and diluted earnings per share.

2.18. PROVISIONS

General

Provisions are recognised when the Group and the Company have a present legal or constructive obligation in respect of the past events and it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Where the Group and the Company expect the provision to be reimbursed the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Expenses related to provisions are recorded in the statement of comprehensive income.

Greenhouse gas (GHG) emissions

The Company applies a 'net liability' approach in accounting for the emission allowances received. It records the emission allowances granted to it at a nominal (null) amount, as it is allowed by IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance".

Liabilities for emissions are recognised only as emissions are made (i.e. provisions are never made on the basis of expected future emissions) and only when the reporting entity has made emissions in excess of the rights held. In such cases, the excess emissions liability is measured at the spot market price of emission allowances prevailing at the reporting date.

Costs of allowances consumed are recorded under cost of sales in the statement of comprehensive income. The net liability as at the reporting date is determined by comparing the total emissions made with the allowances held and valuing any shortfall using either the prevailing spot rate. Additional disclosures related to emission allowances and related liabilities are presented in Note 16 Provisions.

2.19. DEFERRED GOVERNMENT GRANTS

Asset-related grants

Asset-related government and the European Union grants, and third-party compensations comprise grants received in the form of non-current assets or intended for the acquisition of non-current assets. Grants are initially recognised at fair value of the asset received and subsequently accounted for in the statement of comprehensive income by reducing the depreciation charge of related asset over the expected useful life of the asset.

Income-related grants

Government and the European Union grants received as a compensation for the expenses are recognised as used on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. These grants are recognised in the statement of comprehensive income, net of related expenditure.

2.20. REVENUE RECOGNITION

The Group and the Company have the following main revenue streams:

1. **Income from LNGT services (56% from the total consolidated revenue in 2025, 49% in 2024)**
   One performance obligation exists – to receive and store liquefied natural gas, regasify and supply it to the main gas pipeline. The Group and the Company act as principal in the service provision. Revenue is recognized over time when the services are rendered due to the following reasons:
   - The customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the benefits are created;
   - The Group's and the Company's performance does not create an asset with an alternative use to the Group and the ownership of the LNG belongs to the customer with exceptions where the Group and the Company assume temporary use of the LNG for the purpose of intersystem technical balancing.
   - The Group and the Company has an enforceable right to payment for performance completed to date: loss of the terminal capacities due to reasons outlined in the terminal regulations does not relieve the customer from the obligation to pay for the terminal services under the same conditions as having fully used to terminal capacities.

   Income from LNGT services is regulated by NERC. Based on LNG terminal law clause 5.2, all users of the natural gas transmission system, including final consumers, are obliged to pay the additional security supplement together with their other payments for the natural gas transmission service.

   The revenue of the LNG terminal activity comprises from:
   i) LNG regasification service fixed part which is collected or returned through additional security supplement;
   ii) LNG regasification service variable part;
   iii) LNG reloading service
   iv) Virtual biomethane liquefaction service.

   For virtual biomethane liquefaction one performance obligation exists – to provide a service for the conversion of a customer's biomethane Proof of Sustainability (PoS) certificate into a Bio-LNG certificate in accordance with the applicable certification requirements. Company acts as a principal in the service provision. Revenues are recognised at a point in time when the control of the goods is passed to the customer.

   Regasification and reloading revenues are collected directly from the clients after services are provided based on quantities. The LNG security supplement is collected by the transmission service operator (hereinafter referred to as "TSO") either directly from the users or from suppliers of natural gas in case the users have no direct contractual obligations to the TSO. The additional security supplement is calculated by NERC on an annual basis in proportion to the planned natural gas consumption capacities as set out in National legislation in relation to gas market.

   Prices set for the LNGT services for the year 2025 and 2024:

   - LNG regasification service price fixed part is approved by NERC based on the LNG revenue cap. LNG revenue cap is set by NERC and adjusted annually according to the necessary costs of the LNG terminal and determined return on investment. The fixed part of the price is included into the additional security supplement to the natural gas transmission price, when the Company is not able to cover the set revenue level from LNG regasification service price variable part directly from LNG terminal users.
   - LNG regasification service price variable part is calculated based on the upper limit of LNG revenue divided by LNG terminal capacity per unit:
     - price of the variable part for the year 2025 set by resolution No. O3E-792 on 31 May 2024, was 1.84 EUR/MWh.
   - NERC on 15 November 2024 adopted decision on reloading service prices for the year 2025. Differentiated LNG reloading tariff was set based on size of LNG cargos to be reloaded:
     - Small scale cargos up to 15,000 m^3 LNG – 0.82 EUR/MWh (0.72 EUR/MWh in 2024);
     - Medium scale cargos from 15,000 up to 50,000 m^3 LNG – 0.64 EUR/MWh (0.56 EUR/MWh in 2024);
     - Large scale cargos from 50,000 m^3 LNG – 0.46 EUR/MWh (0.40 EUR/MWh in 2024).

2. **Liquid energy products transshipment services (27% from the total consolidated revenue in 2025, 29% in 2024)**
   One performance obligation exists – to provide liquid energy product loading service for which the loading rate is specified. The Company acts as a principal in the service provision. Revenue is recognized over time due to the following reasons:
   - By providing the services of loading of liquid energy products, the Group and the Company do not create an alternative use of the assets, which could be sold as goods;
   - The Group and the Company shall have the unconditional right to compensation for the performed share of loading services. In the event the client does not perform or is behind the schedule in performing his obligations, the Company, having notified the client, has the right to suspend the provision of services and/or to detain the liquid energy products within the terminal until the client's obligations are fulfilled. All the consequences and losses arising from the detention of liquid energy products and/or suspension of the provision of services shall be borne by the client. With the client's delay in dispatching the liquid energy products from the terminal, additional storage fees shall be applied. This way the Group and the Company shall not only be compensated for the expenses of storage of liquid energy products, but also earn income;

- If the customer unilaterally terminates the contract, he is usually obliged to pay the Take-or-Pay fee, if such was provided for in the contract, or the difference between the planned minimum annual amount to be loaded and the amount actually loaded.

Calculation of the percentage of completeness of performance obligation at year end is calculated in the following way. The Group and the Company recognise revenues from liquid energy products transshipment considering the level of fulfilment of a service. The level of fulfilment of service is measured as the percentage of transshipment cost expenses already incurred from the total cost of services. In the case where a reliable evaluation of the service agreement is impossible, the revenues are recognised only as a part of expenses incurred that can be recoverable. Service provided at certain level of completion is already received and consumed by the customer and the customer benefits from it (the customer would not incur the whole loading service cost if the service was performed again), therefore, the management believes that percentage of completion accounting method applied by the Group and the Company are in line with IFRS 15 requirements.

3. **Income from other LNG terminal activities (7% from the total consolidated revenue in 2025, 13% in 2024). Such income include:**

- Small-scale LNG reloading station in Klaipėda:

Small-scale LNG reloading station activities have one performance obligation – to provide LNG reloading station services. Company acts as a principal in the service provision. Revenues are recognized over time when services are rendered.

- The Group and the Company have an enforceable right to payment for the rendered LNG reloading station services to date;
- The customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the benefits are created.

4. **Income from consulting activities (10% from the total consolidated revenue in 2025, 10% in 2024). Such income include:**

- Operation of LNG terminal in Açu port in Brazil:

Operation of LNG terminal in Açu port in Brazil has one performance obligation – to provide LNG terminal management and operation services. The Group and the Company act as principal in the service provision. Revenues are recognized over time based on services provided:

- The customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the benefits are created;
- The Group's and the Company's performance enhances the assets controlled by the customer;
- The Group and the Company has an enforceable right to payment for performance completed to date.

- Operation of LNG terminal in Wilhelmshaven port in Germany:

Operation of LNG terminal in Wilhelmshaven port in Germany has one performance obligation – to provide LNG terminal management and operation services. The Group and the Company act as principal in the service provision. Revenues are recognized over time based on services provided:

- The customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the benefits are created;
- The Group's and the Company's performance enhances the assets controlled by the customer;
- The Group and the Company has an enforceable right to payment for performance completed to date.

5. **Other revenue**

Revenues from other activities consist of sales of goods and other services rendered (mainly storage of liquid energy products, consulting services). The Group and the Company act as a principal in the service provision. Revenues from sales of goods are recognized when the control of the goods is passed to the customer (at a point in time), revenues from other services – when the services are provided (over the period of time).

Revenues are recorded in the statement of comprehensive income under the item "Revenues from contracts with customers", and the assets resulting from contracts with customers are accounted for as short-term assets under the item "contract assets" in the statement of financial position. Related costs are accounted for in the statement of comprehensive income under the item "Cost of sales".

Due to the Group's and the Company's business nature the management did not make any other significant accounting judgments, estimates or assumptions relating to revenue from contracts with customers recognition except for Take-or-Pay transactions described before.

The Group and the Company do not provide the customers with any post-sale services and do not provide customers with the ability to purchase a service warranty separately; therefore, the Group and the Company do not identify any related performance obligations and do not recognise any deferred revenue related to warranties.

The Group and the Company provide the customers with the assurance-type warranties where the customer is provided the assurance that the related product or service will comply with agreed-upon specifications. The Group and the Company do not recognize a general provision for warranty obligations. Instead, provisions are recorded on a case-by-case basis when a customer submits a claim and after a detailed assessment of the defect or issue. Provisions are measured based on estimated repair or replacement costs and recognized in accordance with IAS 37 (Provisions, Contingent Liabilities, and Contingent Assets).

2.21. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group and the Company review at least at each reporting date the carrying amounts of non-financial assets, excluding inventories and deferred income tax assets, to assess whether an indication of impairment exists. If such indication exists, the Group and the Company estimate the asset's recoverable amount.

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the profit (loss). Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is accounted in the same caption of the profit or loss as the impairment loss.

Recoverable amount of an asset or a cash-generating unit is its value in use or fair value less costs to sell depending on which is greater. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For impairment testing the asset that cannot be assessed individually is grouped into the minimum asset's group generating cash inflows during continuous use and that is independent from other asset or asset's groups generating cash flows (cash generating unit or CGU).

Where the carrying amount of an asset exceeds its recoverable amount the impairment loss is recognised in the profit or loss. Impairment losses related to the value of CGU are proportionally attributed to decrease the carrying amount of the asset, prescribed to the unit (unit group).

Previously recognised impairment losses are reversed only if there is any indication that such losses no longer exist or have decreased. The reversal is limited so that the carrying amount of the asset does not exceed the carrying amount that would have been determined net of depreciation or amortisation had no impairment loss

All amounts are in EUR thousand unless otherwise stated.

been recognised for the asset in prior years. The reversal is accounted in the same caption of the profit or loss as the impairment loss.

2.22. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in accordance with IFRS as adopted by the EU, requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.22.1. Significant accounting judgements

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Impairment evaluation of property, plant and equipment and right of use asset: key assumptions regarding identification of cash generating units (Note 3);
- Revenue recognition: key judgements about identification of performance obligations and recognition (Note 15);
- Assessment for regulatory assets and liabilities (Note 26);
- Classification of Property, Plant, and Equipment (Note 3);
- Classification of Operating Segments (Note 4).

2.22.2. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties as at 31 December 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Provision for acquisition of emission allowances (Note 16);
- The deferred income tax (Note 22);
- Useful life of property, plant and equipment and intangible assets (Note 3);
- Residual value and useful life of the FSRU (Note 3);
- Net realisable value of inventory (Note 6);
- Assessment of impairment losses on receivable amounts: key assumptions determining the impairment allowance (Note 7);
- Measurement of non-current employee benefits: key actuarial assumptions (Note 11);
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources (Note 25).

All amounts are in EUR thousand unless otherwise stated.

3 PROPERTY, PLANT AND EQUIPMENT

GROUP							
	Land	Buildings and structures	Machinery, plant and equipment	Other non-current assets	FSRU and related equipment	Construction in progress	TOTAL
ACQUISITION COST							
Balance as at 31 December 2023	**38**	**186,149**	**201,047**	**27,360**	**-**	**1,786**	**416,380**
Acquisitions	-	118	1,636	2,777	7,886	3,773	16,190
Transfer from Right-of-use-asset	-	-	-	-	390,049	-	390,049
Advance payments	-	-	-	2	-	-	2
Retirements and disposals	-	-	(170)	(444)	-	-	(614)
Transfer from construction in progress	-	1,529	358	-	-	(1,887)	-
Reclassification	-	-	285	(285)	-	-	-
Effect of foreign currency translation	-	-	-	(35)	-	-	(35)
Balance as at 31 December 2024	**38**	**187,796**	**203,156**	**29,375**	**397,935**	**3,672**	**821,972**
Acquisitions	-	338	576	1,210	938	9,157	12,219
Advance payments	-	-	134	36	-	2,392	2,562
Retirements and disposals	-	(3)	(113)	(776)	-	-	(892)
Transfer from construction in progress	-	650	777	-	-	(1,427)	-
Transfer from inventories	-	-	-	-	-	1	1
Reclassification	-	6	12	(18)	-	-	-
Balance as at 31 December 2025	38	**188,787**	**204,542**	**29,827**	**398,873**	**13,795**	**835,862**
ACCUMULATED DEPRECIATION AND IMPAIRMENT:							
Balance as at 31 December 2023	**-**	**122,014**	**133,510**	**19,303**	**-**	**844**	**275,671**
Depreciation for the year	-	3,164	4,350	1,587	789	-	9,890
Retirements and disposals	-	-	(169)	(377)	-	-	(546)
Impairment for the year (reversal)	-	-	-	500	-	-	500
Transfer from Right-of-use-asset	-	-	-	-	109,727	-	109,727
Effect of foreign currency translation		-	-	(22)	-	-	(22)
Balance as at 31 December 2024	**-**	**125,178**	**137,691**	**20,991**	**110,516**	**844**	**395,220**
Depreciation for the year	-	3,264	4,636	1,893	15,159	-	24,952
Retirements and disposals	-	(1)	(113)	(750)	-	-	(864)
Impairment for the year (reversal)	-	-	-	750	-	-	750
Balance as at 31 December 2025	**-**	**128,441**	**142,214**	**22,884**	**125,675**	**844**	**420,058**
Net book value as at 31 December 2023	**38**	**64,135**	**67,537**	**8,057**	**-**	**942**	**140,709**
Net book value as at 31 December 2024	**38**	**62,618**	**65,465**	**8,384**	**287,419**	**2,828**	**426,752**
Net book value as at 31 December 2025	**38**	**60,346**	**62,328**	**6,943**	**273,198**	**12,951**	**415,804**

All amounts are in EUR thousand unless otherwise stated.

COMPANY							
	Land	Buildings and structures	Machinery, plant and equipment	Other non-current assets	FSRU and related equipment	Construction in progress	TOTAL
ACQUISITION COST							
Balance as at 31 December 2023	**38**	**186,149**	**200,974**	**27,216**	**-**	**1,786**	**416,163**
Acquisitions	-	118	1,636	2,766	7,886	3,773	16,179
Transfer from Right-of-use-asset	-	-	-	-	390,049	-	390,049
Advance payments	-	-	-	2	-	-	2
Retirements and disposals	-	-	(170)	(433)	-	-	(603)
Transfer from construction in progress	-	1,529	358	-	-	(1,887)	-
Reclassification	-	-	285	(285)	-	-	-
Balance as at 31 December 2024	**38**	**187,796**	**203,083**	**29,266**	**397,935**	**3,672**	**821,790**
Acquisitions	-	338	576	1,111	938	9,157	12,120
Advance payments	-	-	134	36	-	2,392	2,562
Retirements and disposals	-	(3)	(113)	(706)	-	-	(822)
Transfer from construction in progress	-	650	777	-	-	(1,427)	-
Transfer from inventories	-	-	-	-	-	1	1
Reclassification	-	6	12	(18)	-	-	-
Balance as at 31 December 2025	**38**	**188,787**	**204,469**	**29,689**	**398,873**	**13,795**	**835,651**
ACCUMULATED DEPRECIATION AND IMPAIRMENT:							
Balance as at 31 December 2023	**-**	**122,014**	**133,473**	**19,209**	**-**	**844**	**275,540**
Depreciation for the year	-	3,164	4,350	1,551	789	-	9,854
Retirements and disposals	-	-	(169)	(369)	-	-	(538)
Impairment for the year (reversal)	-	-	-	500	-	-	500
Transfer from Right-of-use-asset	-	-	-	-	109,727	-	109,727
Balance as at 31 December 2024	**-**	**125,178**	**137,654**	**20,891**	**110,516**	**844**	**395,083**
Depreciation for the year	-	3,264	4,636	1,871	15,159	-	24,930
Retirements and disposals	-	(1)	(113)	(682)	-	-	(796)
Impairment for the year (reversal)	-	-	-	750	-	-	750
Balance as at 31 December 2025	**-**	**128,441**	**142,177**	**22,830**	**125,675**	**844**	**419,967**
Net book value as at 31 December 2023	**38**	**64,135**	**67,501**	**8,007**	**-**	**942**	**140,623**
Net book value as at 31 December 2024	**38**	**62,618**	**65,429**	**8,375**	**287,419**	**2,828**	**426,707**
Net book value as at 31 December 2025	**38**	**60,346**	**62,292**	**6,859**	**273,198**	**12,951**	**415,684**

All amounts are in EUR thousand unless otherwise stated.

The depreciation of property, plant and equipment

	GROUP		COMPANY	
	2025	2024	2025	2024
Cost of sales	24,730	9,707	24,730	9,707
Operating expenses	222	183	200	147
TOTAL	24,952	9,890	24,930	9,854

In 2025 the depreciation in the Statement of Comprehensive Income was reduced by EUR 354 thousand amortisation of related grant (EUR 345 thousand – in 2024).

Part of the Group's and the Company's property, plant and equipment with the acquisition cost of EUR 44,728 thousand as at 31 December 2025 was completely depreciated (EUR 42,052 thousand on 31 December 2024), however, it was still in operation.

Property, plant and equipment completely depreciated but still in operation by asset group:

GROUP and COMPANY		
	2025	2024
Machinery, plant and equipment	27,846	28,237
Buildings and structures	2,532	2,434
Intangible assets	1,994	1,620
Other non-current assets	12,356	9,761
TOTAL	44,728	42,052

The Group and the Company did not capitalize any borrowing costs as there were no qualifying assets under development in the year of 2025 and 2024.

The Group's and the Company's property, plant and equipment (PPE) pledged to the Ministry of Finance of Republic of Lithuania:

	31-12-2025	31-12-2024
PPE attributed to LNGT pledged for the guarantee given to European Investment Bank and Nordic Investment Bank (more on Note 12)	32,816	34,651
PPE attributed to Subačius liquid energy terminal pledged for the guarantee given to Nordic Investment Bank	3,853	3,970
	36,669	38,621

Impairment of property, plant and equipment and right-of-use assets attributed to LNG reloading station assets

The management of the Group and the Company has assessed the internal and external indications of impairment for property, plant and equipment attributed to LNG reloading station as at 31 December 2025.

During 2025, significant changes in the economic environment and financial markets did not take place on both regional and global scales. As at 31 December 2025, the management of the Group and the Company did not identify any other negative significant events or changes in circumstances that would indicate potential impairment of assets attributed to the LNG reloading station.

Impairment of property, plant and equipment and right-of-use assets attributed to Klaipėda liquid energy terminal assets

During 2025, significant changes in the economic environment and financial markets did not occur at both regional and global scales. As at 31 December 2025, the management of the Group and the Company did not identify any other negative significant events or changes in circumstances that would indicate potential impairment of assets attributed to the Klaipėda liquid energy terminal.

Right-of-use assets

GROUP					
	Land	Buildings and structures	Machinery, plant and equipment	Other non-current assets	TOTAL
ACQUISITION COST					
Balance as at 31 December 2023	**26,455**	**2,206**	**390,122**	**430**	**419,213**
Acquisitions	-	1,025	37	20	1,082
Remeasurement	35	(150)	-	-	(115)
Reclassification to PPE	-	-	(390,049)	-	(390,049)
Effect of foreign currency translation	-	(7)	-	-	(7)
Balance as at 31 December 2024	**26,490**	**3,074**	**110**	**450**	**30,124**
Acquisitions	-	-	27	188	215
Remeasurement	286	(46)	-	-	240
Balance as at 31 December 2025	**26,776**	**3,028**	**137**	**638**	**30,579**
ACCUMULATED DEPRECIATION AND IMPAIRMENT:					
Balance as at 31 December 2023	**8,457**	**1,453**	**96,335**	**88**	**106,333**
Depreciation for the year	542	296	13,451	135	14,424
Reclassification to PPE	-	-	(109,727)	-	(109,727)
Effect of foreign currency translation	-	(3)	-	-	(3)
Balance as at 31 December 2024	**8,999**	**1,746**	**59**	**223**	**11,027**
Effect of foreign currency translation	-	-	-	(2)	(2)
Depreciation for the year	551	289	21	191	1,052
Balance as at 31 December 2025	9,550	2,035	80	412	12,077
Net book value as at 31 December 2023	17,998	753	293,787	342	312,880
Net book value as at 31 December 2024	17,491	1,328	51	227	19,097
Net book value as at 31 December 2025	17,226	993	57	226	18,502

All amounts are in EUR thousand unless otherwise stated.

COMPANY					
	Land	Buildings and structures	Machinery, plant and equipment	Other non-current assets	TOTAL
ACQUISITION COST					
Balance as at 31 December 2023	**26,455**	**2,165**	**390,122**	**430**	**419,172**
Acquisitions	-	1,025	37	20	1,082
Remeasurement	35	(154)	-	-	(119)
Reclassification to PPE	-	-	(390,049)	-	(390,049)
Balance as at 31 December 2024	**26,490**	**3,036**	**110**	**450**	**30,086**
Acquisitions	-	-	27	22	49
Remeasurement	286	(46)	-	-	240
Balance as at 31 December 2025	**26,776**	**2,990**	**137**	**472**	**30,375**
ACCUMULATED DEPRECIATION AND IMPAIRMENT:					
Balance as at 31 December 2023	**8,457**	**1,432**	**96,334**	**88**	**106,311**
Depreciation for the year	542	281	13,451	135	14,409
Reclassification to PPE	-	-	(109,727)	-	(109,727)
Balance as at 31 December 2024	**8,999**	**1,713**	**58**	**223**	**10,993**
Depreciation for the year	551	289	21	140	1,001
Balance as at 31 December 2025	**9,550**	**2,002**	**79**	**363**	**11,994**
Net book value as at 31 December 2023	**17,998**	**733**	**293,788**	**342**	**312,861**
Net book value as at 31 December 2024	**17,491**	**1,323**	**52**	**227**	**19,093**
Net book value as at 31 December 2025	**17,226**	**988**	**58**	**109**	**18,381**

On 6 December 2024 the Floating Storage and Regasification Unit (hereinafter – the FSRU) Independence has been transferred to the ownership of the Company and registered in the Lithuanian Seagoing Register. Earlier, the LNG terminal FSRU Independence was leased from the Norwegian company Höegh Evi and classified under Right-of-use assets, with corresponding Lease liabilities reported on the statement of financial position. The Law on Liquefied Natural Gas Terminal of the Republic of Lithuania provided the obligation to acquire and own the FSRU by the end of 2024 and to ensure its operation until 31 December 2044. Following the decision of the General Meeting of Shareholders in 2022, the sale and purchase agreement for the FSRU Independence was signed in spring 2024, and the vessel was subsequently taken over on 6 December 2024. The transaction value was EUR 138.04 million (USD 153.50 million).

Depreciation of right-of-use assets

	GROUP		COMPANY	
	2025	2024	2025	2024
Cost of sales	623	12,447	606	12,447
Operating expenses	429	1,977	395	1,962
TOTAL	1,052	14,424	1,001	14,409

Since right-of-use assets do not generate separate cash flow, the management of the Group and the Company have assessed the internal and external indications of impairment of right-of-use assets along with other tangible assets as common CGU as at 31 December 2025 and 31 December 2024. The management did not identify any impairment indications of the right-of-use assets as at 31 December 2025.

4 INFORMATION ABOUT SEGMENTS

The management of the Group and the Company has identified the following segments following the Group's strategy:

- **LET** – Liquid energy terminals in Klaipėda, Subačius, and Marijampolė (under a lease agreement) offering transshipment services for liquid energy products, long-term storage solutions for such products, and other related services;
- LNG business that includes LNGT and comLNG segments:
  - **LNGT** – LNG terminal in Klaipėda which receives and stores liquefied natural gas, regasifies and supplies it to Gas Main pipeline;
  - **comLNG** – LNG commercial activities – include LNG reloading station and execution of other global LNG projects.

The Group includes its investments in subsidiaries and associates to the specific segments according to which activities these entities are involved in: UAB KN Global Terminals, UAB SGD SPB, KN Açu Serviços de Terminal de GNL LTDA, KN Energies Deutschland GmbH, and UAB KN New Energy Solutions – comLNG, BALTPOOL UAB – LET.

As at 31 December 2025, there were six customers each of which generated revenues exceeding 10% of the total Group's and the Company's revenues and in total amounted to EUR 72,708 thousand:

- Customer A – EUR 16,149 thousand (LET);
- Customer B – EUR 12,357 thousand (LNGT);
- Customer C – EUR 12,073 thousand (LNGT);
- Customer D – EUR 11,154 thousand (LNGT);
- Customer E – EUR 10,824 thousand (LNGT);
- Customer F – EUR 10,151 thousand (LNGT).

As at 31 December 2024, there were four customers each of which generated revenues exceeding 10% of the total the Group's and the Company's revenues and in total amounted to EUR 52,508 thousand:

- Customer A – EUR 14,858 thousand (LNGT);
- Customer B – EUR 14,699 thousand (LET);
- Customer C – EUR 11,799 thousand (LNGT);
- Customer D – EUR 11,152 thousand (LNGT).

All amounts are in EUR thousand unless otherwise stated.

Main indicators of the segments of the Group included in the statement of comprehensive income and statement of financial position for the financial year 2025 and 2024 are described below:

GROUP				
For the year ended 31 December 2025	LET	LNG LNGT	 comLNG	Total
Revenues from contracts with customers	28,631	63,637	12,941	**105,209**
Wages, salaries, and social security	(9,638)	(5,855)	(3,780)	**(19,273)**
Expenses related to the FSRU	-	(9,222)	-	**(9,222)**
Tax on environmental pollution and Emission allowances	(255)	(5,850)	-	**(6,105)**
Repair and maintenance of assets	(1,110)	(249)	(578)	**(1,937)**
Electricity	(822)	(14)	(37)	**(873)**
Other expenses	(5,650)	(5,116)	(3,502)	**(14,268)**
EBITDA	**11,156**	**37,331**	**5,044**	**53,531**
Depreciation and amortisation	(5,848)	(17,916)	(1,122)	**(24,886)**
Depreciation of right-of-use-assets	(520)	(314)	(218)	**(1,052)**
Loan interest expense	(20)	(7,856)	(42)	**(7,918)**
Interest on financial lease liabilities	(353)	(112)	(70)	**(535)**
Share of the associate's profit or (loss)	(31)	-	-	**(31)**
Interest revenue	532	829	472	**1,833**
Other finance income and finance costs	122	1	(64)	**59**
PROFIT BEFORE INCOME TAX	**5,038**	**11,963**	**4,000**	21,001
Income tax expense	64	(1,766)	(1,088)	**(2,790)**
SEGMENT NET PROFIT	**5,102**	**10,197**	**2,912**	18,211
Acquisitions of tangible and intangible assets	8,868	3,613	146	**12,627**
Segment total assets*	118,210	338,525	23,986	**480,721**
Loan and related liabilities	-	311,194	-	**311,194**
Lease liabilities	17,884	4,843	2,385	**25,112**
Segment total liabilities	39,155	333,708	9,502	**382,366**

GROUP				
For the year ended 31 December 2024	LET	LNG LNGT	 comLNG	Total
Revenues from contracts with customers	26,660	55,806	11,189	**93,655**
Wages, salaries, and social security	(9,703)	(4,311)	(2,742)	**(16,756)**
Expenses related to the FSRU	-	(7,824)	-	**(7,824)**
Tax on environmental pollution and Emission allowances	(252)	(3,937)	-	**(4,189)**
Repair and maintenance of assets	(1,236)	(253)	(283)	**(1,772)**
Electricity	(832)	(13)	(36)	**(881)**
Other expenses	(6,165)	(5,726)	(1,504)	**(13,395)**
EBITDA	**8,472**	**33,742**	**6,624**	**48,838**
Depreciation of right-of-use-assets	(538)	(13,708)	(179)	**(14,425)**
Depreciation and amortisation	(5,552)	(3,213)	(1,118)	**(9,883)**
Loan interest expense	-	(6,095)	2	**(6,093)**
Interest on financial lease liabilities	(364)	(812)	(43)	**(1,219)**
Share of the associate's profit or (loss)	(8)	-	-	**(8)**
Interest revenue	1,855	145	305	**2,305**
Other finance costs and finance income	(840)	752	(83)	**(171)**
PROFIT BEFORE INCOME TAX	**3,025**	**10,811**	**5,508**	19,344
Income tax expense	23	(3,097)	(904)	**(3,978)**
SEGMENT NET PROFIT	**3,048**	**7,714**	**4,604**	15,366
Acquisitions of tangible and intangible assets	5,992	10,320	41	**16,353**
Segment total assets*	119,341	340,892	24,394	**484,627****
Loan and related liabilities	(20)	320,414	(42)	**320,352**
Lease liabilities	18,385	4,924	2,3570	**25,666**
Segment total liabilities	37,250	338,686	8,066	**384,002****

* Segment total assets - total assets of the Group, excluded Cash and cash equivalents and short-term deposits at the period end.

** See Note 28 for details regarding the restatement as a result of an error.

The Group's and Company's customers are both Lithuanian and foreign. Revenue by geography is as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
Lithuanian clients	52,835	55,714	52,835	55,714
Foreign clients	52,374	37,941	47,081	33,693
TOTAL	**105,209**	**93,655**	**99,916**	**89,407**

Majority of property, plant and equipment is located in Lithuania and only less than 1% - in Brazil.

All amounts are in EUR thousand unless otherwise stated.

5 INVESTMENT IN SUBSIDIARIES

COMPANY	Ownership	31-12-2025	31-12-2024
Cost of shares of UAB KN Global Terminals	100%	4,540	4,540
Cost of shares of UAB KN New Energy Solutions	100%	58	58
TOTAL		4,598	4,598

The Company indirectly controls subsidiaries UAB SGD SPB, KN Açu Serviços de Terminal de GNL LTDA, and KN Energies Deutschland GmbG.

UAB KN Global Terminals

The subsidiary was registered on 20 November 2015. The main activity – expansion of operation of international LNG terminal activities, LNG transportation activities, other economic activities.

The authorized capital of UAB KN Global Terminals is EUR 4,540,000, divided into 4,540,000 shares, each with a nominal value of EUR 1.00, granting 4,540,000 votes.

On 13th of December 2019, when the Company was appointed as the operator of the liquefied natural gas (LNG) terminal in the Brazilian Port of Açu, UAB KN Global Terminals together with UAB SGD SPB established KN Acu Serviços de Terminal de GNL LTDA. According to the long-term contract with Gas Natural Açu (GNA), KN, through its subsidiary, assumes the responsibility for the provision of safe, reliable and efficient operations, including maintenance of the jetty and its installations, gas pipeline and gas metering stations as well as support for the commissioning of the LNG Terminal.

On 17th of September 2024, UAB KN Global Terminals has registered a German subsidiary KN Energies Deutschland GmbH. KN through this subsidiary is responsible for the smooth execution of its commitments to the German state-owned company, Deutsche Energy Terminal GmbH (DET), by providing technical operation and maintenance services for the second floating LNG import terminal at Wilhelmshaven (Wilhelmshaven 2).

The management of the Company has reassessed indications of impairment of its investment in the subsidiary and found no indications as at 31 December 2025.

Unaudited statement of financial position of UAB KN Global Terminals is as follows:

UAB KN Global Terminals	2025	2024
Non-current assets	576	576
Current assets	9,060	6,352
Current liabilities	45	53
Equity	9,591	6,875

Unaudited statement of comprehensive income of UAB KN Global Terminals is, as follows:

UAB KN Global Terminals	2025	2024
Revenue	2,986	1,066
(Expenses)	(269)	(105)
Profit (loss)	2,717	961

UAB KN New Energy Solutions

The subsidiary UAB KN New Energy Solutions (Burių str. 19, 92276 Klaipėda, 304139242) was established and registered on 27 December 2018. UAB KN New Energy Solutions objective is to invest in development, implementation, and management of infrastructure both in Lithuania and abroad for transportation, short-term storage, and transshipment of carbon dioxide and other new energy sources.

The authorized capital of UAB KN New Energy Solutions is EUR 58,000, divided into 58,000 shares, each with a nominal value of EUR 1.00, granting 58,000 votes.

Unaudited statement of financial position of UAB KN New Energy Solutions is as follows:

UAB KN New Energy Solutions	2025	2024
Current assets	28	34
Current liabilities	1	1
Equity	27	33

Unaudited statement of comprehensive income of UAB KN New Energy Solutions is as follows:

UAB KN New Energy Solutions	2025	2024
Revenue	-	-
(Expenses)	(6)	(6)
Profit (loss)	(6)	(6)

6 INVENTORIES

GROUP and COMPANY	31-12-2025	31-12-2024
Spare parts, construction materials and other inventories	1,140	1,130
Diesel fuel for the LNG Terminal purpose	312	439
Emission allowances	-	204
Fuel for transport and other equipment	131	118
Liquefied natural gas	45	46
TOTAL	1,628	1,937

No write down of inventories to net realisable value accounted as at 31 December 2025 and 31 December 2024.

In 2025 the Group and the Company recognised inventories for EUR 1,547 thousand (in 2024: EUR 2,191 thousand) in cost of sales and EUR 42 thousand in operating expenses (in 2024: EUR 77 thousand). Inventories recognised as costs during the year were included into following captions under costs of sales and operating expenses:

All amounts are in EUR thousand unless otherwise stated.

	2025	2024
INVENTORIES RECOGNISED UNDER COST OF SALES:		
Natural gas	1,055	1,091
FSRU fuel	86	504
Materials for repair and maintenance of assets	147	276
Emission allowances	204	252
Transport fuel	41	51
Work safety materials	13	16
Other	1	1
	1,547	**2,191**
INVENTORIES RECOGNISED UNDER OPERATING EXPENSES:		
Transport fuel	33	38
Other	9	39
	42	**77**

7 TRADE RECEIVABLES, CONTRACT ASSETS, AND OTHER RECEIVABLES

	GROUP		COMPANY	
	31-12-2025	31-12-2024 (restated)*	31-12-2025	31-12-2024 (restated)*
Trade receivables	15,278	14,422	14,293	13,739
Other receivables	25,964	15,599	25,653	15,360
Contract assets	422	309	422	309
TOTAL	**41,664**	**30,330**	**40,368**	**29,408**

* See Note 28 for details regarding the restatement as a result of an error.

Trade and other receivables are non-interest bearing and are generally settled on 2 - 20 days payment terms.

Trade receivable disclosed below:

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Receivables from LNG terminal activities	11,187	11,024	11,187	11,024
Receivables for transshipment of liquid energy products and other related services	3,593	3,502	3,593	3,502
Receivable for operating and management services	2,010	1,408	1,025	725
Less: impairment allowance	(1,512)	(1,512)	(1,512)	(1,512)
TOTAL	**15,278**	**14,422**	**14,293**	**13,739**

The Group and the Company has recognized impairment allowance in the amount of EUR 1,512 thousand on 31 December 2025 (EUR 1,512 thousand on 31 December 2024).
Trade receivables from related parties and other third-party customers:

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Receivables from third-party customers	9,955	8,847	8,949	8,153
Receivables from related parties (Note 27)	5,323	5,575	5,344	5,586
TOTAL	**15,278**	**14,422**	**14,293**	**13,739**

The aging analysis of trade receivables of the Group and the Company as at 31 December 2025 and 2024 is presented in Note 25 Financial Assets and Liabilities and Risk Management.

The performance of 100% of Company's financial liabilities is ensured by the State Guarantee and aligned with EU commission. The Finance Ministry of the Republic of Lithuania, being issuer of the state aid guarantee, takes all existent and future receivables from security supplement as collateral. The pledge of receivables from security supplement was signed on 20 February 2025.

Other receivables disclosed below:

	GROUP		COMPANY	
	31-12-2025	31-12-2024 (restated)*	31-12-2025	31-12-2024 (restated)*
Excise duty receivable (1)	15,925	12,948	15,925	12,948
VAT receivable	19	199	6	199
Deposit for dividends payment	5	-	5	-
Other receivable taxes (2)	190	227	-	-
Other receivables (3)	9,825	2,225	9,717	2,213
TOTAL	**25,964**	**15,599**	**25,653**	**15,360**

* See Note 28 for details regarding the restatement as a result of an error.

(1) The Company as the owner of the excise warehouse is responsible for declaring and paying excise duty for its customers in the course of providing transshipment services while the customers have the contractual obligation to reimburse such expenses. Excise duty payable to the authorities is recognized as other payables, while the corresponding amounts reimbursable by customers are recognized as other receivables.

(2) Other receivable taxes relate to subsidiary KN Acu Serviços de Terminal de GNL Ltda receivable social security taxes (INSS). INSS retention is a mandatory withholding of social security contributions on certain service invoices in Brazil. When KN Acu Serviços de Terminal de GNL Ltda issues invoices to its clients, the clients are required to withhold 11% of the service value and pay it directly to the tax office. Withheld tax can be used to offset future social security contributions payable by the company.

(3) At the end of August 2024, the Company's client Bioenergy World Trade OU, using an independent inspector, conducted quality tests on the product which was stored in the Company's storage tank as per the contract with the client. Having found discrepancies in the quality standard, the Company conducted an internal investigation and determined that the quality of the client's product had changed. The change in product quality occurred due to technical circumstances related to the quality of the damper during the testing of the tank's fire protection system. The client submitted a claim to the Company, which in

All amounts are in EUR thousand unless otherwise stated.

turn applied to the insurance company. The tripartite agreement was signed, and the insurance company has paid a one-time EUR 2,200 thousand compensation to the client on behalf of KN in 2025. As at 31 December 2024, the Company has recognized EUR 2,200 thousand as other receivables, with an equivalent EUR 2,200 thousand provision for claim liability. The receivable amount and the liability were settled in 2025.

As at 31 December 2025, the Group and the Company have recognized EUR 9,642 thousand as other receivables due to an excess payment made to the lending bank in December, 2025. The payment was returned to the Company in January, 2026.

Contract assets are disclosed below:

GROUP and COMPANY	31-12-2025	31-12-2024
Accrued revenue	392	309
Contract fulfilment costs	30	-
TOTAL	**422**	**309**

Accrued revenue for storage of liquid energy products as at 31 December 2025 and as at 31 December 2024 is calculated as percentage of completion based on expenses incurred from the total estimated cost of contracted services. Upon completion of transshipment of liquid energy products and acceptance by the customer, the amounts initially recognized as contract assets are reclassified as trade receivables. The amount of EUR 30 thousand accounted as contract assets are contract fulfilment costs that will be reclassified to the statement of comprehensive income as expenses proportionally to the fulfilment of service contract.

8 OTHER FINANCIAL ASSETS

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Short-term deposits (1)	61,535	45,300	54,000	40,000
Other guarantees (2)	803	658	803	658
Receivable interests from short-term deposits	415	1,120	366	1,071
Deposit for tax obligations (3)	210	3,321	210	3,321
Other short-term investments (4)	341	-	-	-
TOTAL	**63,304**	**50,399**	**55,379**	**45,050**

(1) As at 31 December 2025, the Group had 18 short-term deposits at banks, amounted to EUR 61,535 thousand, with maturity of more than 3 months, the Company had 7 short-term deposits at banks, amounted to EUR 54,000 thousand, with maturity of more than 3 months. Annual interest rate is from 1.50% to 2.33% for agreements signed.

(2) On 29 March 2024 the Company had provided credit support (bank guarantees) on behalf of KN Acu Serviços de Terminal de GNL LTDA to its clients UTE GNA I GERAÇÃO DE ENERGIA S.A. and UTE GNA II GERAÇÃO DE ENERGIA S.A. As at 31 December 2024, the aggregated amount of credit support was EUR 658 thousand (USD 687 thousand). On 28 July 2025, the aggregated amount of credit support was increased to EUR 803 thousand (USD 944 thousand). The guarantees are issued from deposited funds.

(3) In 2020-2021 the Group and the Company made a deposit to the State tax inspection for tax which may arise from the movement of excise goods under suspension of excise duty. The additional EUR 5,000 thousand of excise duty cash collateral was deposited in 2025. During May – September EUR 8,111 thousand was recovered as the deposits were replaced with a bank guarantee for of the Company's excise warehouses.

(4) Other short-term investments include investment into fixed-income investment fund which at initial recognition is recognised at fair value and subsequently remeasured at fair value through profit or loss.

Management of the Group and the Company considered potential impairment losses on other financial assets as per IFRS 9 requirements. Based on management's assessment performed and best estimate, the carrying amount of other financial assets approximates fair value and no indications of impairment exist as at 31 December 2025 and 31 December 2024.

9 CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Cash at banks	4,902	10,252	4,333	9,429
Short-term deposits (1)	7,459	6,951	6,000	5,000
TOTAL	**12,361**	**17,203**	**10,333**	**14,429**

(1) As at 31 December 2025, the Company had 1 short-term deposit at bank amounted to EUR 6,000 thousand, with maturity of less than 3 months. Annual interest rate was 1.90%. The Group additionally had 6 fixed-income investments in Bank Deposit Certificates (CDB) which amounted to EUR 1,459 thousand. Deposits have daily liquidity and are redeemable at any time without the loss of interest earned.

Cash and cash equivalents are not pledged as at 31 December 2025 and 31 December 2024. The Group and the Company didn't have restricted cash as at 31 December 2025 and 31 December 2024.

Calculated values of cash and cash equivalents are denominated in the following currencies showed in EUR:

	GROUP		COMPANY	
Currency	31-12-2025	31-12-2024	31-12-2025	31-12-2024
EUR	10,880	15,812	10,311	14,389
USD	22	40	22	40
BRL	1,459	1,351	-	-
TOTAL	**12,361**	**17,203**	**10,333**	**14,429**

All amounts are in EUR thousand unless otherwise stated.

Management of the Group and the Company considered potential impairment losses on cash held in banks as per IFRS 9 requirements. Assessment is based on official Standard & Poor's long–term credit ratings:

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
AA-	3,879	7,413	3,680	7,413
A+	-	5,963	-	4,944
A	6,653	2,072	6,653	2,072
BB	1,459	-	-	-
BB-	-	1,351	-	-
N/A	370	404	-	-
TOTAL	**12,361**	**17,203**	**10,333**	**14,429**

Based on management's assessment performed and best estimate, the carrying amount of cash and its equivalents approximates fair value and no indications of cash impairment exist as at 31 December 2025 and 31 December 2024.

10 ISSUED CAPITAL AND RESERVES

The Company's authorised capital is EUR 110,315,009.65, divided into 380,396,585 shares, each with one voting right. All shares are paid. 72.47% of the shares (275,687,444 shares) are owned by the State of Lithuania, represented by the Ministry of Energy.

The Company has not acquired any of its own shares and has arranged no deals regarding acquisition or transfer of its own shares during the year 2025 and 2024.

	Legal reserves	Reserve for own shares	Other reserves
Balance as at 1 January 2024	**11,051**	**11,928**	**-**
Transfer between reserves	-	-	7,192
Balance as at 31 December 2024	**11,051**	**11,928**	**7,192**
Transfers from restricted reserves	-	-	(7,191)
Share of profit allocated to investments implementation	-	-	13,127
Share of profit allocated to financial assistance	-	-	100
Balance as at 31 December 2025	**11,051**	**11,928**	**13,228**

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfers of not less than 5% of net profit, calculated in accordance with International Financial Reporting Standards, are compulsory until the reserve reaches 10% of the share capital. The legal reserve is fully formed as at 31 December 2025 and 31 December 2024.

Other reserves are formed based on the decision of the General Shareholders' Meeting on profit distribution. According to the Group's and the Company's dividend policy, dividends for the years 2021-2024 are calculated by eliminating from the distributable profit unrealised foreign exchange rates impact and other unrealised gains (losses). While setting amounts of the dividends, the Board of the Group and the Company also considers funds necessary for strategic investment projects, financial and non-financial liabilities, and other relevant factors. If no other financial indications exist, the Company applies a dividend policy that allocates a fixed percentage of net profit to dividends based on predefined ROE intervals laid out in the dividend policy. The remaining profit (loss) is distributed to other reserves which can be further used only for the purposes approved by the General Shareholders' Meeting.

11 EMPLOYEE BENEFIT OBLIGATIONS

Provisions for non-current employee benefits represent payable amounts calculated in accordance with the Lithuanian laws. Each employee at retirement age is entitled to receive a payment of 2 monthly salaries upon retirement. As at 31 December 2025 and 31 December 2024 the Company and the Group have recognized employee benefits related to the length of service of employees, which is described in the collective agreement. Depending on the time spent in the Company, the employee is entitled to a higher benefit payment than the one prescribed by the law.

As at 31 December 2025 and 31 December 2024, the Company and the Group reclassified a portion of non-current employee benefits under short-term liabilities. The short-term portion of retirement benefits represents obligation expected to be settled within 12 months from the reporting date. This includes benefits for employees who will retire within the next financial year.

On 31 December 2025 the liabilities related to the defined benefit obligations to the employees terminating the employment on the normal retirement date are EUR 1,285 thousand (EUR 993 thousand – on 31 December 2024) as follows:

GROUP and COMPANY	31-12-2025	31-12-2024
Start of period	**993**	**816**
Calculated per year	316	206
Paid per year	(24)	(29)
End of period	**1,285**	**993**
Current	153	161
Non-current	1,132	832

The main preconditions applied to assess long-term employee benefit liability are presented below:

GROUP and COMPANY	31-12-2025	31-12-2024
Discount rate	2.91%	3.30%
Staff turnover rate	5.36%	6.32%
Future salary increases	5.20%	6.00%

12 BORROWINGS AND LEASE LIABILITIES

Borrowings

GROUP and COMPANY	31-12-2025	31-12-2024
Nordic Investment Bank's loan (b, c, d)	274,131	282,266
European Investment Bank's loan (a)	34,731	38,757
Payable loan interest	2,992	94
Capitalised bank administrative fees	(415)	(507)
Capitalised Guarantee payment to the Ministry of Finance to the Republic of Lithuania	(245)	(258)
TOTAL	311,194	320,352
Current	28,469	18,952
Non-current	282,725	301,400

(a) A credit contract dated on 9 July 2013 was concluded by the Company with European Investment Bank (EIB) for the implementation of the LNGT project.

The performance of 100% Company's contractual financial liabilities is ensured by the State Guarantee and aligned with EU commission. The Finance ministry of the Republic of Lithuania being issuer of the state aid guarantee has pledge on all property, plant and equipment created during LNGT project (Note 3).

Credit was facilitated in several tranches:

	Maturity	Amount received (TEUR)	Interest rate	Balance as at 31-12-2024	Repaid during 2025	Balance as at 31-12-2025
1st tranche	20-12-2033	15,000	Fixed margin + 3 months EURIBOR	8,852	(983)	7,869
2nd tranche	28-11-2034	15,000	Fixed margin + 3 months EURIBOR	9,836	(984)	8,852
3rd tranche	20-09-2034	24,700	Fixed margin + 3 months EURIBOR	20,069	(2,059)	18,010
TOTAL		54,700		38,757	(4,026)	34,731

The loan is repaid in equal instalments on quarterly basis.

According to the contract with EIB, the Borrower shall ensure that the ratio of EBITDA to Interest in respect of the period of twelve months ending on the last day of each of the Borrower's financial years shall not fall below 4.0:1.0. The Company complied with covenants prescribed in the loan agreement as at 31 December 2025 and as at 31 December 2024.

(b) On 27 November 2014, the Company has concluded the Credit Agreement with the Nordic Investment Bank (NIB) regarding granting a credit for the further implementation of the LNGT project.

The loan is repaid in equal instalments on semi-annual basis.

	Maturity	Amount received (TEUR)	Interest rate	Balance as at 31-12-2024	Repaid during 2025	Balance as at 31-12-2025
	19-06-2034	22,000	Fixed margin + 6 months Euribor	13,390	(1,414)*	11,976
TOTAL		22,000		13,390	(1,414)	11,976

* Includes a correction of negative interest for the previous periods in the amount of EUR 6 thousand which reduces the repayment of the loan (Note 25).

The loan is repaid in equal instalments on semi-annual basis.

(c) On 19 November 2019, the Company concluded the Credit Agreement with the Nordic Investment Bank (NIB) regarding granting a credit of EUR 134,145 thousand for restructuring of the lease payments of the FSRU. The credit was withdrawn in 20 tranches during a 5-year period.

	Maturity	Amount received (TEUR)	Interest rate	Balance as at 31-12-2024	Repaid during 2025	Balance as at 31-12-2025
	31-12-2044	134,145	Combination of fixed margin and fixed margin + 6 months Euribor	134,145	(3,354)	130,791
TOTAL		134,145		134,145	(3,354)	130,791

The loan is repaid in equal instalments on semi-annual basis.

The performance of 100% Company's contractual financial liabilities is ensured by the State Guarantee and aligned with EU commission. The Finance ministry of the Republic of Lithuania being issuer of the state aid guarantee has following collateral structure: Subačius liquid energy terminal and all existent and future receivables from security supplement till 2044. For issuance of the state guarantee, likewise historically, a guarantee administration payment of 0.1% to the Ministry of Finance of the Republic of Lithuania was incurred.

(d) On 9 March 2020, the Company concluded the Credit Agreement with the Nordic Investment Bank (NIB) regarding granting a credit for the acquisition of the FSRU. On 28 November 2024, the Company withdrew the amount of EUR 138,100 thousand.

	Maturity	Amount received (TEUR)	Interest rate	Balance at 31-12-2024	Repaid during 2025	Balance as at 31-12-2025
	31-12-2044	138,100	Fixed margin + 6 months Euribor	134,731	(3,367)	131,364
TOTAL		138,100		134,731	(3,367)	131,364

The loan is repaid in equal instalments on semi-annual basis.

The performance of 100% Company's contractual financial liabilities is ensured by the State Guarantee and aligned with EU commission. The Finance ministry of the Republic of Lithuania being issuer of the state aid guarantee has following collateral structure: Subačius liquid energy terminal and all existent and future receivables from security supplement till 2044. For issuance of the state guarantee, likewise historically, a one-time guarantee administration payment of 0.1% to the Ministry of Finance to the Republic of Lithuania was incurred.

All amounts are in EUR thousand unless otherwise stated.

Lease liabilities

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Lease liabilities	25,112	25,666	24,965	25,659

Lease liabilities as at 31 December 2025 and as at 31 December 2024 can be specified as follows:

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Land rent	18,912	19,093	18,912	19,093
Jetty rent	4,820	4,900	4,820	4,900
Other*	1,380	1,673	1,233	1,666
TOTAL	**25,112**	**25,666**	**24,965**	**25,659**
Short-term	1,301	1,253	1,249	1,246
Long-term	23,811	24,413	23,716	24,413

* Other comprises of lease of transport vehicles, office rent.

The interest rate for lease liabilities varies from 2.0% to 4.5% as at 31 December 2025 (0.5% to 2% as at 31 December 2024). The main characteristics of rent agreements by asset group, as well as the movement of the lease liability can be presented as follows:

	GROUP				COMPANY			
	Land	Jetty	Other	TOTAL	Land	Jetty	Other	TOTAL
Year of maturity	2091	2065	2031		2091	2065	2031	
Carrying amount as at 31-12-2024	19,093	4,900	1,673	**25,666**	19,093	4,900	1,666	**25,659**
Interest	377	96	62	**535**	377	96	51	**524**
Interest payment	(284)	(72)	(60)	**(416)**	(284)	(72)	(50)	**(406)**
Lease payments	(560)	(104)	(477)	**(1,141)**	(560)	(104)	(436)	**(1,100)**
Reassessment	286	-	(46)	**240**	286	-	(46)	**240**
Additional disbursement	-	-	228	**228**	-	-	48	**48**
Carrying amount as at 31-12-2025	18,912	4,820	1,380	**25,112**	18,912	4,820	1,233	**24,965**

As at 31 December 2025 and 31 December 2024 the Group and the Company did not have residual value guarantees related to lease agreements or leases not yet commenced to which the Group and the Company are committed.

RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

The following table provides disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities (loans taken), including both changes arising from cash flows and non-cash changes:

	GROUP		COMPANY	
	Loans	Lease liabilities	Loans	Lease liabilities
Current and non-current interest-bearing loans and borrowings, including interest payable as at 1 January 2024	**164,383**	**210,082**	**164,383**	**210,063**
Additional loan disbursements (Cash flows)	164,929	-	164,929	-
New contracts (Non-cash item)	-	1,080	-	1,080
Loan repayments (Cash flows)	(8,813)	-	(8,813)	-
Repayment of lease liabilities (Cash flows)	-	(185,433)	-	(185,422)
Net gains on foreign exchange derivatives	-	(8,054)	-	(8,054)
Interest and loan administration fee charged	6,093	1,219	6,093	1,219
Interest and loan administration fee paid (Cash flows)	(5,998)	(1,302)	(5,998)	(1,301)
Guarantee payments (Cash flows)	(242)	-	(242)	-
The effect of changes in foreign exchange rates	-	8,192	-	8,192
Current and non-current interest-bearing loans and borrowings, including interest payable as at 1 January 2025	**320,352**	**25,666**	**320,352**	**25,659**
New contracts (Non-cash item)	-	228	-	48
Loan repayments (Cash flows)	(12,167)	-	(12,167)	-
Repayment of lease liabilities (Cash flows)	-	(1,141)	-	(1,100)
Interest and loan administration fee charged	7,918	535	7,918	524
Interest and loan administration fee paid (Cash flows)	(4,909)	(416)	(4,909)	(406)
Reassessment	-	240	-	240
Current and non-current interest-bearing loans and borrowings, including interest payable as at 31 December 2025	**311,194**	**25,112**	**311,194**	**24,965**

All amounts are in EUR thousand unless otherwise stated.

13 DEFERRED GOVERNMENT GRANTS

GROUP and COMPANY	2025	2024
Balance as at 1 January	**4,942**	**5,115**
Received during the year	2,062	186
Amortisation	(354)	(345)
Compensation of costs	(452)	(14)
Balance as at 31 December	**6,198**	**4,942**

Amortisation of grants related to assets of EUR 354 thousand for 2025 (EUR 345 thousand for 2024) has been included in the cost of sales in the statement of comprehensive income.

KNE has signed a EUR 3,020 thousand Grant Agreement with the European Commission to conduct technical and commercial studies for a planned CO2 terminal in Klaipėda of which EUR 1,057 thousand was received in 2025. The EU will co-finance 50% of the project costs. During 2025, EUR 443 thousand of received grant was used to offset expenses incurred. Also, the FSRU electrification project has been granted EUR 6,000 thousand in funding from the European Union's Modernisation Fund of which EUR 1,000 thousand was received in 2025. The grant will be used to reduce the depreciation expenses of related assets over their expected useful lives once completed.

The Group and the Company have no unfulfilled conditions or contingencies attached to these grants as at 31 December 2025 and as at 31 December 2024.

14 TRADE PAYABLES AND OTHER LIABILITIES

	GROUP		COMPANY	
	31-12-2025	31-12-2024 (restated)*	31-12-2025	31-12-2024 (restated)*
Trade payables	4,743	4,358	4,702	4,366
Other payables and current liabilities	16,474	12,571	16,335	12,527
TOTAL	**21,217**	**16,929**	**21,037**	**16,893**

* See Note 28 for details regarding the restatement as a result of an error.

Trade payables disclosed below:

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Payable for fixed assets	1,382	1,541	1,382	1,541
Payable to contractors	1,320	243	1,320	243
Other payments related to the FSRU	274	1,076	274	1,076
Contribution for NERC payable	191	167	191	167
Payable for port charges	154	154	154	154
Payable for IT systems and services	151	30	151	30
Payable for gas services	103	165	103	165
Payable for electricity	103	112	103	112
Payable for inventory	95	273	95	273
Payable for railway services	72	101	72	101
Payable for testing and inspections	78	37	78	37
Other trade payables	820	459	779	467
TOTAL	**4,743**	**4,358**	**4,702**	**4,366**

On 31 December 2025 no trade payables were denominated in USD (on 31 December 2024 – EUR 912 thousand were denominated in USD).

Trade payables are non-interest bearing and are normally settled within 30-day payment terms.

Other payables and current liabilities disclosed below:

	GROUP		COMPANY	
	31-12-2025	31-12-2024 (restated)*	31-12-2025	31-12-2024 (restated)*
Excise duty payable (1)	15,080	11,956	15,080	11,956
Refund liability (2)	441	-	441	-
Accrued expenses and liabilities	281	212	281	205
Dividends payable (3)	184	-	184	-
Accrued amounts payable to contractors	141	-	141	-
Real estate tax payable	120	126	120	126
Payable for insurance	22	130	22	130
Accrued expenses related to the FSRU	-	56	-	56
Other liabilities	45	65	34	54
Other taxes payable	160	26	32	-
TOTAL	**16,474**	**12,571**	**16,335**	**12,527**

* See Note 28 for details regarding the restatement as a result of an error.

(1) The Company as the owner of the excise warehouse is responsible for declaring and paying excise duty for its customers in the course of providing transshipment services while the customers have the contractual obligation to reimburse such expenses. Excise duty payable to the authorities is recognized as other payables, while the corresponding amounts reimbursable by customers are recognized as other receivables.

(2) Refund liability relates to the proportional return due to the excess of return on investment (earned excess income) from regulated activities in 2022-2023. NERC has determined the amount of the repayment, which is proportionally covered throughout the year by reducing the additional component of security of natural gas supply to the natural gas transmission price. The total returned amount for 2025 is presented in Note 17 Revenue from contracts with customers.

(3) The Company has an agreement with Financial Markets Department of AB SEB Bankas for accounting of the Company's securities, including the handling of the payment of dividends to the Company's shareholders. As at 31 December, a total amount of EUR 184 thousand of declared dividends remains unpaid due to a lack of beneficiary payment details. As a result, the Company has recognised both a deposit with the paying agent, presented under Other receivables, and a corresponding liability for outstanding dividends under Other payables and current liabilities. As at 31 December 2024, the deposit was equal to the liability; thus, they were offset. In 2025, the Company has signed an additional agreement to reduce the outstanding deposit to EUR 5 thousand. The deposit is presented under Other receivables.

All amounts are in EUR thousand unless otherwise stated.

15 PAYROLL RELATED LIABILITIES

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Accrual of annual bonuses	1,634	1,219	1,572	1,219
Accrued vacation reserve	1,191	1,083	1,101	1,010
Salaries payable	812	761	811	739
Social insurance payable	340	377	337	318
Income tax payable	350	323	281	261
Other deductions	4	2	4	2
TOTAL	**4,331**	**3,765**	**4,106**	**3,549**

16 PROVISIONS

	GROUP		COMPANY	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Emission allowances provisions (1)	6,192	4,583	6,192	4,583
Legal provision (2)	708	2,200	-	2,200
TOTAL	**6,900**	**6,783**	**6,192**	**6,783**

(1) Greenhouse gas emission allowances in advance are distributed for the periods covering the next few years. The current period started from 2023 and ends in 2025. Liabilities for emissions are recognised only as emissions are made and only when the reporting entity has made emissions in excess of the rights held. The net liability as at 31 December 2025 is determined using the spot rate prevailing on that date.

Emission allowances are accounted for when evaluating the deficit between the emission allowances allocated under the national allocation plan for emission allowances and the actual pollution for the particular year. The quantity of used emission allowances is audited by external auditors each year.

Movement of provision:

GROUP and COMPANY	**2025**	**2024**
Balance as at 1 January	**(4,583)**	**(6,419)**
Purchase of emission allowances	-	448
Unused emission allowances	-	(204)
Used emission allowances	204	-
Emission allowances paid	4,360	5,700
Additional provision made	(6,173)	(4,108)
Balance as at 31 December	**(6,192)**	**(4,583)**

(2) At the end of August 2024, the Company's client Bioenergy World Trade OU, using an independent inspector, conducted quality tests on the product which was stored in the Company's storage tank as per the contract with the client. Having found discrepancies in the quality standard, the Company conducted an internal investigation and determined that the quality of the client's product had changed. The change in product quality occurred due to technical circumstances related to the quality of the damper during the testing of the tank's fire protection system. The client submitted a claim to the Company, which in turn applied to the insurance company. The tripartite agreement was signed, and the insurance company has paid a one-time EUR 2,200 thousand compensation to the client on behalf of KN in 2025. As at 31 December 2024, the Company has recognized EUR 2,200 thousand as other receivables, with an equivalent EUR 2,200 thousand provision for claim liability. The receivable amount as well as the liability amount were settled in 2025.

As at 31 December 2025, the amount for legal provision includes a provision of EUR 708 thousand due to a possible claim from a customer.

Movement of provision:

	GROUP		COMPANY	
	2025	2024	2025	2024
Balance as at 1 January	**(2,200)**	**(944)**	**(2,200)**	**(944)**
Decrease in provision	2,200	944	2,200	944
Additional provision made	(708)	(2,200)	-	(2,200)
Balance as at 31 December	**(708)**	**(2,200)**	**-**	**(2,200)**

17 REVENUE FROM CONTRACTS WITH CUSTOMERS

	GROUP		COMPANY	
	2025	2024	2025	2024
Revenue from LNGT regasification services collected directly from LNGT users	62,022	46,074	62,022	46,074
Sales of liquid energy products transshipment services	27,988	25,576	27,988	25,576
Other sales related to LNG terminals activity	7,434	11,765	7,434	11,765
Sales of consulting services	10,604	9,124	5,311	4,876
Other sales related to transshipment	691	1,116	691	1,116
Biomethane liquefaction service	217	-	217	-
Income from LNGT services included in security supplement	(3,747)	-	(3,747)	-
TOTAL	**105,209**	**93,655**	**99,916**	**89,407**

Unsatisfied long-term contracts with customers

The following table shows unsatisfied performance obligations resulting from long-term contracts with customers:

	GROUP		COMPANY	
	2025	2024	2025	2024
Aggregate amount of the transaction price allocated to the long-term contracts with customers that are partially or fully unsatisfied as at 31 December	490,089	563,279	453,602	505,096

80% of the Group's transaction price allocated to unsatisfied performance obligations as of 31 December 2025 is related to the allocated long-term LNG regasification capacities for the period 2025 – 2032 and is expected to be proportionally recognised as revenue during this period. 47% of the Group's transaction price allocated to the long-term contracts with customers will be recognised as revenue withing 3-year period.

All amounts are in EUR thousand unless otherwise stated.

18 COST OF SALES

	GROUP		COMPANY	
	2025	2024	2025	2024
Depreciation and amortisation (incl. amortisation of grants)	(24,467)	(9,536)	(24,467)	(9,536)
Wages, salaries and social security	(10,932)	(9,865)	(10,226)	(9,336)
Expenses related to the FSRU (1)	(9,222)	(7,824)	(9,222)	(7,824)
Tax on environmental pollution and Emission allowances	(6,105)	(4,189)	(6,105)	(4,189)
Repair and maintenance of assets	(1,881)	(1,772)	(1,777)	(1,555)
Port charges	(1,532)	(1,578)	(1,532)	(1,578)
Natural gas	(1,061)	(1,087)	(1,061)	(1,087)
Railway services	(1,003)	(984)	(1,003)	(984)
Insurance	(968)	(1,012)	(940)	(1,012)
Contribution for National Energy Regulatory Council (NERC)	(876)	(668)	(876)	(668)
Electricity	(873)	(880)	(873)	(880)
Depreciation of right-of-use asset	(623)	(12,448)	(606)	(12,448)
Tax on real estate	(498)	(490)	(498)	(490)
Other	(2,900)	(2,185)	(1,720)	(1,799)
TOTAL	**(62,941)**	**(54,518)**	**(60,906)**	**(53,386)**

(1) Following the Company's acquisition of the FSRU at the end of 2024, its technical operation continues to be managed by Hoegh Evi under a five-year agreement, with an option to extend the contract for an additional five years.

19 OPERATING EXPENSES

	GROUP		COMPANY	
	2025	2024	2025	2024
Wages, salaries and social security	(8,341)	(6,891)	(7,326)	(6,502)
Telecommunication and IT expenses	(1,277)	(870)	(1,237)	(851)
Consulting and legal costs (1)	(883)	(1,085)	(772)	(1,084)
Impairment of assets	(750)	(500)	(750)	(500)
Salaries and other related expenses to governing bodies	(436)	(427)	(436)	(427)
Depreciation and amortization	(419)	(347)	(358)	(250)
Depreciation of right-of-use asset	(429)	(1,977)	(395)	(1,962)
Expenses for business trips	(293)	(181)	(267)	(167)
Operating tax expense	(247)	(140)	(175)	(142)
Advertising and external communication	(192)	(630)	(192)	(630)
Expenses for refresher courses	(190)	(171)	(175)	(165)
Other	(1,814)	(1,546)	(2,120)	(1,243)
TOTAL	**(15,271)**	**(14,765)**	**(14,203)**	**(13,923)**

(1) Remuneration to auditors. Consulting and legal costs contain EUR 75 thousand expenses incurred for financial statutory audit performed by PricewaterhouseCoopers UAB of the Group and the Company for the year ended 31 December 2025 (EUR 75 thousand – for the year ended 31 December 2024). Remuneration to the independent audit firms for regulated activity testing services amounts to EUR 14 thousand for both, the Group and the Company, (EUR 14 thousand – for the year ended 31 December 2024). Remuneration to the statutory auditor for services related to sustainability report (without issuing limited assurance conclusion) amounts to EUR 0 thousand for both, the Group and the Company, (EUR 39 thousand – for the year ended 31 December 2024). Remuneration to auditors for non-audit services amounts to EUR 1,6 thousand for both, the Group and the Company, and is included in line Expenses for refresher courses (EUR 0 thousand for the year ended 31 December 2024).

20 OTHER GAINS/(LOSSES)

	GROUP		COMPANY	
	2025	2024	2025	2024
Gains from insurance compensation (1)	412	-	412	-
Gains from legal proceedings (2)	105	-	105	-
Profit (loss) from sale of fixed asset	21	-	(16)	-
Other gains	58	158	52	142
TOTAL	**596**	**158**	**553**	**142**

(1) Gains from insurance compensation include EUR 224 thousand received in connection with a customer claim relating to product quality discrepancies. The Company filed a claim with its insurer to compensate both the customer and KN for the losses incurred. In addition, EUR 188 thousand was received from the contractor's insurance company as compensation to KN for losses arising from the contractor's inability to fulfil contractual obligations.

(2) An amount of EUR 105 thousand was awarded to KN Energies as a compensation of damages during a legal case against companies UAB "Naftos Grupė" and UAB "Artilona" where the Company was a civil plaintiff. More information about the case can be found in Note 26 Commitments and Contingencies.

21 FINANCE INCOME AND FINANCE COSTS

	GROUP		COMPANY	
	2025	2024	2025	2024
Interest income from financial assets held for cash management purposes	1,833	2,305	1,449	2,000
Other finance income	191	70	179	60
FINANCIAL ACTIVITY INCOME, TOTAL	**2,024**	**2,375**	**1,628**	**2,060**
Interest expenses on borrowings	(7,918)	(6,093)	(7,918)	(6,093)
Interest expenses on lease liabilities	(535)	(1,219)	(524)	(1,219)
Losses from currency exchange	(112)	(378)	(86)	(415)
Net gains (loss) on foreign exchange derivatives (1)	(3)	8,054	(3)	8,054
Net exchange on foreign currency exchange lease liabilities	-	(7,734)	-	(7,734)
Other finance costs	(17)	(183)	-	(13)
FINANCIAL ACTIVITY EXPENSES, TOTAL	**(8,585)**	**(7,553)**	**(8,531)**	**(7,420)**

(1) On 20 August 2024 KN, in preparation for the acquisition of FSRU, conducted currency hedging transaction, fixing the exchange rate to mitigate the impact of exchange rate variation. KN, together with the Ministry of Energy and the National Energy Regulatory Council, initiated the necessary legislative changes to the "Law on Natural Gas of the Republic of Lithuania." As a result, KN was able to reduce the loan amount for the acquisition of the FSRU by EUR 8 million and in turn reduce the cost to end-users of natural gas.

All amounts are in EUR thousand unless otherwise stated.

22 INCOME TAX

	GROUP		COMPANY	
	2025	2024	2025	2024
Current income tax expense	(1,091)	(903)	-	-
Deferred tax expenses	(1,699)	(3,075)	(1,699)	(3,075)
Income tax expense recorded in the profit (loss)	**(2,790)**	**(3,978)**	**(1,699)**	**(3,075)**

Reconciliation between income tax expense of the Group and Company and the result of taxable income of the Group and the Company multiplied by income tax rate for the years 2025 and 2024 is as follows:

GROUP	2025	2024
Accounting profit before tax	21,001	19,344
Applying the Lithuanian tax rate (2025: 16%; 2024: 15%)	3,360	2,902
Effect of tax rates in foreign jurisdictions	425	435
Tax effect of:		
Tax-exempt income	(113)	(9)
Charity expenses deductible twice for tax purposes	(32)	-
Non-deductible expenses	308	116
Income tax recognised in other comprehensive income	22	31
Adjustments in respect of prior years	9	(309)
Investment projects' relief	(1,165)	-
Difference in the FSRU residual value between financial and tax accounting	-	740
Adjusted Right of Use assets and Lease liabilities (previous years)	-	(6)
Effect of changes in tax rate	111	13
Net movement in other deferred tax relating to other temporary differences	(72)	-
Other	(63)	65
TOTAL	2,790	3,978

COMPANY	2025	2024
Accounting profit before tax	18,426	16,872
Applying the applicable tax rate (2025: 16%; 2024: 15%)	2,948	2,531
Tax effect of:		
Tax-exempt income	(113)	(9)
Charity expenses deductible twice for tax purposes	(32)	-
Non-deductible expenses	39	114
Income tax recognised in other comprehensive income	22	31
Adjustments in respect of prior years	9	(309)
Investment projects' relief	(1,165)	-
Difference in the FSRU residual value between financial and tax accounting	-	740
Adjusted Right of Use assets and Lease liabilities (previous years)	-	(6)
Effect of changes in tax rate	111	13
Net movement in other deferred tax relating to other temporary differences	(72)	-
Other	(48)	(30)
TOTAL	1,699	3,075

All amounts are in EUR thousand unless otherwise stated.

Movements of deferred tax balances:

GROUP and COMPANY Balance as at 31 December 2025	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Other	Net	Deferred tax assets	Deferred tax liabilities
Right-of-use asset	(3,885)	(94)	-	-	(3,979)	-	(3,979)
Lease liability	4,105	94	-	-	4,199	4,199	-
Accelerated depreciation for tax purposes	179	(1)	-	-	178	178	-
Vacation reserve	161	26	-	-	187	187	-
Accrued annual bonuses	195	72	-	-	267	267	-
Emission allowances	733	320	-	-	1,053	1,053	-
Impairment of non-current assets	7,315	111	-	-	7,426	7,426	-
Long-term employee benefit liability	159	37	22	-	218	218	-
Associates' equity method	23	7	-	-	30	30	-
Investment projects' relief	-	76	-	-	76	76	-
Different depreciation rates of non-current assets	(22,969)	(429)	-	1	(23,398)	-	(23,398)
Accrued taxable losses	15,438	(1,933)	-	-	13,506	13,506	-
Investment incentive of non-current assets under the law previously in force	(1,668)	15	-	-	(1,653)	-	(1,653)
Deferred tax assets (liabilities) before set-off	**(214)**	**(1,699)**	**22**	**1**	**(1,890)**	**27,140**	**(29,030)**
Offset of deferred tax assets and deferred tax liabilities	-	-	-	-	-	(27,140)	27,140
NET DEFERRED TAX ASSETS (LIABILITIES)	**(214)**	**(1,699)**	**22**	**1**	**(1,890)**	**-**	**(1,890)**

GROUP and COMPANY Balance as at 31 December 2024	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Other	Net	Deferred tax assets	Deferred tax liabilities
Right-of-use asset	(48,041)	44,156	-	-	(3,885)	-	(3,885)
Lease liability	31,972	(27,867)	-	-	4,105	4,105	-
Accelerated depreciation for tax purposes	177	2	-	-	179	179	-
Vacation reserve	124	37	-	-	161	161	-
Accrued annual bonuses	227	(32)	-	-	195	195	-
Emission allowances	962	(229)	-	-	733	733	-
Other temporary differences	1	(1)	-	-	-	-	-
Impairment of non-current assets	7,212	103	-	-	7,315	7,315	-
Long-term employee benefit liability	123	5	31	-	159	159	-
Associates' equity method	8	15	-	-	23	23	-
Different depreciation rates of non-current assets	(1,174)	(21,795)	-	-	(22,969)	-	(22,969)
Accrued taxable losses	12,912	2,526	-	-	15,438	15,438	-
Investment incentive of non-current assets under the law previously in force	(1,673)	5	-	-	(1,668)	-	(1,668)
Deferred tax assets (liabilities) before set-off	**2,830**	**(3,075)**	**31**	**-**	**(214)**	**28,308**	**(28,522)**
Offset of deferred tax assets and deferred tax liabilities	-	-	-	-	-	(28,308)	28,308
NET DEFERRED TAX ASSETS (LIABILITIES)	**2,830**	**(3,075)**	**31**	**-**	**(214)**	**-**	**(214)**

As at 31 December 2025 the Group and the Company did not recognise as deferred tax asset in total amounting to EUR 314 thousand: EUR 257 thousand from allowance of trade accounts receivable and EUR 57 thousand from Group companies' tax losses carried forward (UAB KN Global Terminals, UAB SGD SPB, UAB KN New Energy Solutions). As at 31 December 2024 the Group and the Company did not recognise as deferred tax asset in total amounting to EUR 312 thousand: EUR 242 thousand from allowance of trade accounts receivable and EUR 70 thousand from Group companies' tax losses carried forward (UAB KN Global Terminals, UAB SGD SPB, UAB KN New Energy Solutions). In 2025 the Company did not recognize a current income tax payable as taxable profit was fully offset by the utilisation of tax losses carried forward (up to the 70% limit) and investment project relief.

In the Statement of Financial position deferred income tax liability and deferred income tax asset are set off as they both are related to the same tax authority.

While assessing deferred income tax asset and liability components as at 31 December 2025 and 2024 the Company has used the domestic Lithuanian income tax rates of 17% and 16%, respectively. The Group's subsidiary KN Açu Serviços de Terminal de GNL Ltda applies Brazilian Tax System and subsidiary´s administration has elected the Real Profit Regime that is calculated on quarterly basis. The official rates for Income tax rate is 25% and Social Contribution on Net Profit is 9%. Another Group's subsidiary KN Energies Deutschland GmbH applies German Tax System where the official tax rates are 15% for Income Tax which is then subject to a surcharge of 5.5% (solidarity surcharge). In addition, the subsidiary is subject to a municipal trade tax which is 14.7%. This results in a total tax rate of 31.4%.

23 EARNINGS (LOSS) PER SHARE, BASIC AND DILUTED

All amounts are in EUR thousand unless otherwise stated.

Basic earnings per share are calculated by dividing net profit (loss) of the Group by the weighted average number of ordinary shares outstanding. Diluted earnings per share equal to basic earnings per share as the Group has no instruments issued that could dilute shares issued.

Basic and diluted earnings per share are as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
Net profit attributable to shareholders	18,211	15,366	16,727	13,797
Weighted average number of outstanding ordinary shares (thousand)	380,397	380,397	380,397	380,397
EARNINGS AND REDUCED EARNINGS (IN EUR)	**0.05**	**0.04**	**0.04**	**0.04**

24 DIVIDENDS

	2025	2024
Dividends declared	8,622	5,000
Weighted average number of shares (thousand)	380,397	380,397
DIVIDENDS DECLARED PER SHARE (EXPRESSED IN EUR PER SHARE)	**0.02**	**0.01**

25 FINANCIAL ASSETS AND LIABILITIES AND RISK MANAGEMENT

Credit risk

The Group and The Company have significant concentration of trading counterparties. Trade receivables from the main customers are as follows:

- Client A accounted for approximately 25% as at 31 December 2025 (about 26% as at 31 December 2024) of the total Group's and Company's receivables from all its customers.
- Client B – as at 31 December 2025 accounted for approximately 13% (about 10% as at 31 December 2024) of the total Group's and Company's receivables from all its customers.
- Client C – as at 31 December 2025 accounted for approximately 9% (about 9% as at 31 December 2024) of the total Group's and Company's receivables from all its customers.
- Client D – as at 31 December 2025 accounted for approximately 8% (about 10% as at 31 December 2024) of the total Group's and Company's receivables from all its customers.

The average payment terms for the main customers mentioned above varies from 10 to 20 calendar days, whereas the usual payment terms for all other customers is 5 business days. A possible credit risk for the Group's and the Company's customers is managed by continuous monitoring of outstanding balances.

The Group's and the Company's procedures are in force to ensure on a permanent basis that services are provided to reliable customers and do not exceed an acceptable credit exposure limit. The Group and the Company trade only with reputable third parties, so there is no requirement for collateral.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, if any, in the Statement of Financial position. Consequently, the Group and the Company consider that its maximum exposure is reflected by the amount of trade receivables and other receivables, net of allowance for doubtful accounts, contract assets, and cash and other short-term deposits recognized at the date of the Statement of Financial position. In accordance with the requirements of IFRS 9, the Group and the Company assessed the expected credit loss (ECL). Considering the customers' payment history, the structure of receivables, and other available information, it was determined that the calculated ECL amount is immaterial to the financial statements. More information about the credit ratings for banks where the Group and the Company hold cash and cash equivalents is shown in Note 9. In the management's opinion there were no reasonably likely circumstances, which would raise additional obligations to the Group and the Company.

The following table provides information about the exposure to credit risk for trade receivables from the customers:

GROUP 31-12-2025			
	Gross carrying amount	Loss allowance	Credit impaired
Current (not past due)	10,603	-	No
1-30 days past due	109	-	No
31-59 days past due	111	-	No
60-89 days past due	101	-	No
90-179 days past due	379	-	No
180-279 days past due	-	-	-
More than 280 days past due*	5,487	(1,512)	Yes
TOTAL	**16,790**	**(1,512)**	

All amounts are in EUR thousand unless otherwise stated.

COMPANY 31-12-2025

	Gross carrying amount	Loss allowance	Credit impaired
Current (not past due)	9,618	-	No
1-30 days past due	109	-	No
31-59 days past due	111	-	No
60-89 days past due	101	-	No
90-179 days past due	379	-	No
180-279 days past due	-	-	-
More than 280 days past due*	5,487	(1,512)	Yes
TOTAL	**15,805**	**(1,512)**	

*No impairment was recognised for the EUR 3,975 thousand receivable from AB Amber Grid, as it is offset by advance payments received (fines and penalties paid to the Company by AB Amber Grid) totalling EUR 4,002 thousand, resulting in a net payable of EUR 27 thousand. For more details on penalties and fines, see Note 26 Commitments and contingencies.

GROUP 31-12-2024

	Gross carrying amount	Loss allowance	Credit impaired
Current (not past due)	9,841	-	No
1-30 days past due	385	-	No
31-59 days past due	78	-	No
60-89 days past due	96	-	No
90-179 days past due	47	-	No
180-279 days past due	-	-	-
More than 280 days past due	5,487	(1,512)	Yes
TOTAL	**15,934**	**(1,512)**	

COMPANY 31-12-2024

	Gross carrying amount	Loss allowance	Credit impaired
Current (not past due)	9,158	-	No
1-30 days past due	385	-	No
31-59 days past due	78	-	No
60-89 days past due	96	-	No
90-179 days past due	47	-	No
180-279 days past due	-	-	-
More than 280 days past due*	5,487	(1,512)	Yes
TOTAL	**15,251**	**(1,512)**	

Interest rate risk

The Group's and the Company's income and operating cash flows are influenced by changes in market interest rates, which are linked to EURIBOR base. Overall, 83% of loan portfolio is exposed to floating interest rate risk and no hedging derivative instruments were used. Thus, such standing has implications on financial results.

EIB facility with 3 tranches is exposed to 3 months EURIBOR with zero-floor applicable on EURIBOR base. In contrast, NIB facilities are exposed to 6 months EURIBOR with no zero-floor applicable on EURIBOR base.

	Maturity date	Carrying amount as at 31-12-2025	Carrying amount as at 31-12-2024	Interest rate	Floating interest rate exposure
EIB loan:					
1st tranche	20-12-2033	7,869	8,852	fixed margin + 3 months EURIBOR	negative total interest rate is set at zero
2nd tranche	28-11-2034	8,852	9,836	fixed margin + 3 months EURIBOR	negative total interest rate is set at zero
3rd tranche	20-09-2034	18,010	20,069	fixed margin + 3 months EURIBOR	negative total interest rate is set at zero
NIB loan:					
LNG terminal infrastructure	19-06-2034	11,976	13,390	fixed margin + 6 months EURIBOR	negative interest accrued and offset on the repayment date as part of the loan
Security supplement reduction	31-12-2044	130,791	134,145	Combination of fixed margin and fixed margin + 6 months Euribor	negative interest accrued and offset on the repayment date as part of the loan
FSRU acquisition	31-12-2044	131,364	134,731	fixed margin + 6 months Euribor	negative interest accrued and offset on the repayment date as part of the loan
		308,862	**321,023**		

The Group and the Company are constantly assessing possibilities to hedge interest rate risks on their loans.

The Group's and the Company's excess liquidity in forms of money and time deposits are distributed across the accounts of major Lithuanian banks, which are granted with The Standard and Poor's or equivalent long-term term borrowing BBB- or better external rating according to the foreign rating agencies. Partner bank's rating is assessed either on a stand-alone or applying a bank group logic into which exposure is present. Also, the Group and the Company are monitoring recommendation of the Central Bank of Lithuania.

Retrospectively, risk related to the funds security in banks was limited, because the Group and the Company carried out transactions with the banks that have high ratings provided by the foreign rating agents.

As at 31 December 2025 increase/decrease in EURIBOR interest rate by 10 basis points would increase/decrease yearly interest expenses amount by EUR 254 thousand (as at 31 December 2024 – EUR 267 thousand).

Exchange rate risk

The Group and the Company are exposed to foreign currency fluctuations primarily related to the U.S. dollar and Brazilian Real. Before the Group and the Company has acquired the Floating Storage and Regasification Unit (FSRU) a major part of exchange rate risk arose from lease liabilities recognized according to IFRS 16 "Leases". Other foreign exchange rate risks arise from future commercial transactions and already recognized liabilities.

All amounts are in EUR thousand unless otherwise stated.

Summary of exchange rates as at 31 December 2025 and 31 December 2024 to EUR:

	Exchange rate as at 31-12-2025	Average exchange rate in 2025	Exchange rate as at 31-12-2024	Average exchange rate in 2024
USD	1.1757	1.1296	1.0444	1.0823
BRL	6.4929	6.3110	6.4760	5.8245

GROUP 31-12-2025 (EUR THOUSAND)	EUR	USD	BRL	TOTAL
Cash and cash equivalents	10,880	22	1,459	12,361
Trade receivables	14,338	-	940	15,278
Lease liabilities	(25,023)	-	(89)	(25,112)
Trade payables	(4,683)	-	(60)	(4,743)
TOTAL	**(4,488)**	**22**	**2,250**	**(2,216)**

COMPANY 31-12-2025 (EUR THOUSAND)	EUR	USD	BRL	TOTAL
Cash and cash equivalents	10,311	22	-	10,333
Trade receivables	14,293	-	-	14,293
Lease liabilities	(24,965)	-	-	(24,965)
Trade payables	(4,702)	-	-	(4,702)
TOTAL	**(5,063)**	**22**	**-**	**(5,041)**

GROUP 31-12-2024 (EUR THOUSAND)	EUR	USD	BRL	TOTAL
Cash and cash equivalents	15,812	40	1,351	17,203
Trade receivables	13,728	-	694	14,422
Lease liabilities	(25,659)	-	(7)	(25,666)
Trade payables	(3,357)	(953)	(48)	(4,358)
TOTAL	**524**	**(913)**	**1,990**	**1,601**

COMPANY 31-12-2024 (EUR THOUSAND)	EUR	USD	BRL	TOTAL
Cash and cash equivalents	14,389	40	-	14,429
Trade receivables	13,739	-	-	13,739
Lease liabilities	(25,659)	-	-	(25,659)
Trade payables	(3,413)	(953)	-	(4,366)
TOTAL	**(944)**	**(913)**	**-**	**(1,857)**

Liquidity risk

The Company's and Group's policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its commitments at a given date in accordance with its strategic plans.

	GROUP		**COMPANY**	
	31-12-2025	31-12-2024 (restated)*	31-12-2025	31-12-2024 (restated)*
Current ratio (1)	1.80	1.93	1.66	1.78
Quick ratio (2)	1.78	1.89	1.64	1.74

* See Note 28 for details regarding the restatement as a result of an error.

(1) Current ratio = total current assets / total current liabilities
(2) Quick ratio = (total current assets - inventories) / total current liabilities

The table below summarizes the maturity profile of the Group's and Company's financial liabilities as at 31 December 2025 assessed on contractual undiscounted payments:

GROUP	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	TOTAL
Trade and other payables	21,217	184	20,944	89	-	-	21,217
Lease liabilities	25,112	-	669	1,148	6,108	25,439	33,364
Loan and interest	311,194	-	10,857	24,522	98,569	239,902	373,850
Balance as at 31 December 2025	**357,523**	**184**	**32,470**	**25,759**	**104,677**	**265,341**	**428,431**

COMPANY	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	TOTAL
Trade and other payables	21,037	184	20,764	89	-	-	21,037
Lease liabilities	24,965	-	654	1,104	6,007	25,439	33,204
Loan and interest	311,194	-	10,857	24,522	98,569	239,902	373,850
Balance as at 31 December 2025	**357,196**	**184**	**32,275**	**25,715**	**104,576**	**265,341**	**428,091**

All amounts are in EUR thousand unless otherwise stated.

The table below summarizes the maturity profile of the Group's and Company's financial liabilities as at 31 December 2024 assessed on contractual undiscounted payments:

GROUP							
	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	TOTAL
Trade and other payables (restated)*	16,929	-	16,747	182	-	-	16,929
Lease liabilities	25,666	-	373	1,115	6,212	26,265	33,965
Loan and interest	320,352	-	1,300	25,547	102,751	267,560	397,158
Balance as at 31 December 2024	**362,947**	**-**	**18,420**	**26,844**	**108,963**	**293,825**	**448,052**

* See Note 28 for details regarding the restatement as a result of an error.

COMPANY							
	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	TOTAL
Trade and other payables (restated)*	16,893	-	16,711	182	-	-	16,893
Lease liabilities	25,659	-	370	1,111	6,212	26,265	33,958
Loan and interest	320,352	-	1,300	25,547	102,751	267,560	397,158
Balance as at 31 December 2024	**362,904**	**-**	**18,381**	**26,840**	**108,963**	**293,825**	**448,009**

* See Note 28 for details regarding the restatement as a result of an error.

Fair value of financial assets and liabilities

The Company's and Group's principal financial instruments not carried at fair value are trade and other receivables, trade and other payables, non-current and current borrowings, and short-term deposits.

Fair value is stated as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All amounts are in EUR thousand unless otherwise stated.

The following methods and assumptions are used to estimation the fair value of each class of financial assets and liabilities as at 31 December 2025:

GROUP	Carrying amount				Fair value			
	Fair value - hedging instruments	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade receivables	-	15,278	-	15,278	-	-	-	-
Other receivables	-	25,964		25,964	-	-	-	-
Contract assets	-	422	-	422	-	-	-	-
Cash	-	12,361	-	12,361	-	-	-	-
Short-term deposits	-	61,535	-	61,535	-	-	-	-
Other financial assets	-	341	-	341	-	341	-	-
	-	**115,901**	**-**	**115,901**	**-**	**341**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings*	-	-	(311,194)	(311,194)	-	-	(311,194)	(311,194)
Financial lease liabilities	-	-	(25,112)	(25,112)	-	-	-	-
Trade and other payables	-	-	(21,217)	(21,217)	-	-	-	-
	-	**-**	**(357,523)**	**(357,523)**	**-**	**-**	**(311,194)**	**(311,194)**

COMPANY	Carrying amount				Fair value			
	Fair value - hedging instruments	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade receivables	-	14,293	-	14,293	-	-	-	-
Other receivables	-	25,653	-	25,653	-	-	-	-
Contract assets	-	422	-	422	-	-	-	-
Cash	-	10,333	-	10,333	-	-	-	-
Short-term deposits	-	54,000	-	54,000	-	-	-	-
	-	**104,701**	**-**	**104,701**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings*	-	-	(311,194)	(311,194)	-	-	(311,194)	(311,194)
Financial lease liabilities	-	-	(24,965)	(24,965)	-	-	-	-
Trade and other payables	-	-	(21,037)	(21,037)	-	-	-	-
	-	**-**	**(357,196)**	**(357,196)**	**-**	**-**	**(311,194)**	**(311,194)**

* The fair values for the borrowings are not materially different from their carrying amounts since their interest payable is close to current market rates. They are classified as level 3 in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

All amounts are in EUR thousand unless otherwise stated.

The following methods and assumptions are used to estimation the fair value of each class of financial assets and liabilities as at 31 December 2024:

GROUP	Carrying amount				Fair value			
	Fair value - hedging instruments	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade receivables	-	14,422	-	14,422	-	-	-	-
Other receivables (restated)**	-	15,599	-	15,599	-	-	-	-
Contract assets	-	309	-	309	-	-	-	-
Cash	-	17,203	-	17,203	-	-	-	-
Short-term deposits	-	45,300	-	45,300	-	-	-	-
	-	**92,833**	**-**	**92,833**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings*	-	-	(320,352)	(320,352)	-	-	(320,352)	(320,352)
Financial lease liabilities	-	-	(25,666)	(25,666)	-	-	-	-
Trade and other payables (restated)**	-	-	(16,929)	(16,929)	-	-	-	-
	-	**-**	**(362,947)**	**(362,947)**	**-**	**-**	**(320,352)**	**(320,352)**

COMPANY	Carrying amount				Fair value			
	Fair value - hedging instruments	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade receivables	-	13,739	-	13,739	-	-	-	-
Other receivables (restated)**	-	15,360	-	15,360	-	-	-	-
Contract assets	-	309	-	309	-	-	-	-
Cash	-	14,429	-	14,429	-	-	-	-
Short-term deposits	-	40,000	-	40,000	-	-	-	-
	-	**83,837**	**-**	**83,837**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings*	-	-	(320,352)	(320,352)	-	-	(320,352)	(320,352)
Financial lease liabilities	-	-	(25,659)	(25,659)	-	-	-	-
Trade and other payables (restated)**	-	-	(16,893)	(16,893)	-	-	-	-
	-	**-**	**(362,904)**	**(362,904)**	**-**	**-**	**(320,352)**	**(320,352)**

* The fair values for the borrowings are not materially different from their carrying amounts since their interest payable is close to current market rates. They are classified as level 3 in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

** See Note 28 for details regarding the restatement as a result of an error.

Capital management

The primary objectives of the Company's capital management are to ensure that the Company complies with externally imposed capital requirements. Capital includes equity attributable to equity holders.

The Company manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of its activities. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company must keep its equity at least up to 50% of its share capital, as imposed by the Law on Companies of Republic of Lithuania as at 31 December 2025 and as at 31 December 2024.

The Company's activities are financed using its equity and loan capital.

26 COMMITMENTS AND CONTINGENCIES

Material contractual liabilities (acquisition of property, plant and equipment) amounted to EUR 20,764 thousand as at 31 December 2025 (EUR 3,561 thousand as at 31 December 2024). EUR 16,347 thousand of contractual liabilities relate to LNG terminal electrification project to design and install a power cable which will allow to supply electricity from renewable sources to the Klaipėda LNG terminal. The remaining amount relates to ongoing projects of liquid energy products accounting system upgrade and other.

The Company has taken out part of NIB loan on a quarterly basis until the end of 2024, fulfilling the legal obligation to reduce the security supplement until the acquisition of the Floating Storage and Regasification Unit (FSRU) and to spread the costs of the LNG terminal over the expected period of its operation. The revenue cap of LNG terminal was reduced by the part of the loan taken. In accordance with the provision of the NERC Methodology, it is foreseen after the acquisition of the FSRU, the reduced income in 2020-2024 will be compensated to cover the loan repayments according to the loan schedule over the period 2025-2044.

Regulatory assets and liabilities

Although IFRS standards do not currently permit the recognition of regulatory assets and liabilities, management estimates that the Group and the Company had an outstanding regulatory liability of EUR 12,499 thousand as at 31 December 2025 (EUR 6,816 thousand as at 31 December 2024). This liability arises from the regulatory framework governing the Company's regulated activities, under which the Company is not permitted to earn returns in excess of those established by the applicable regulatory methodology.

The regulatory liability comprises (i) regulatory differences approved by the regulator and (ii) regulatory differences relating to the current year that are subject to future regulatory approval.

Summary of regulatory liabilities as at 31 December 2025 and 31 December 2024 to EUR thousand:

GROUP and COMPANY		
	31-12-2025	31-12-2024
Approved regulatory differences	6,815	2,080
Current year regulatory differences (not approved)	3,304	5,473
Current year return (-) / gain (+)	2,380	(737)
TOTAL	**12,499**	**6,816**

Legal disputes

- The Company is defending an action brought in 2014 by UAB "Naftos grupė", which allegedly incurred loss in the amount of EUR 5 million and additionally aims to recover the surplus of oil products allegedly owned by UAB "Naftos grupė" and stored by the Company.

  The case was suspended for more than 10 years due to commencement of criminal proceedings against UAB "Naftos grupė" and various individuals regarding the damage caused to the Company in the years 2008-2010 in the total amount of EUR 7,8 million.

  On February 20th, 2025, the Supreme Court of Lithuania determined that the convictions of UAB "Naftos grupė" and related individuals by the lower court rulings were justified. The Court also stated that compensation for lost income due to criminal actions should not be addressed in accordance with the procedure established by the Lithuanian Criminal Procedure Code, as it does not constitute actual material damage under this code, therefore, the Company shall have the right to bring an action in accordance with the procedure established by the Code of Civil Procedure of the Republic of Lithuania.

  The Supreme Court of Lithuania also awarded the Company EUR 105 thousand regarding unjustified issuance of credit invoices to UAB "Naftos grupė".

  Following the Decision of the Supreme Court of Lithuania and the commencement of insolvency proceedings of UAB "Naftos grupė", the suspended civil case was reopened. Currently the Company and UAB "Naftos grupė", represented by the bankruptcy administrator are undergoing a mediation process, where the parties are trying to resolve the dispute amicably.

- Since 2015 the Company is involved as a third interested party in the legal cases with AB Achema, which has submitted multiple complaints regarding the resolutions of NERC to the court of whose 10 are not processed. AB Achema requests the court to annul NERC resolutions related to the additional security component of natural gas supply transmission price. Two of the cases were resolved: one in the end of 2025 and the other – in the beginning of 2026 by the Court rejecting AB Achema's appeals regarding NERC decisions of May 2023 and November 2024 in full.

- AB Amber Grid, the natural gas transmission system operator, participates in legal proceedings with AB Achema. As a result of the ongoing disputes, AB Amber Grid calculates fine and interest for AB Achema for overdue payments for security supplement. As at 31 December 2025 the amount of the fine and interest calculated by AB Amber Grid and paid to the Company amounts to EUR 4,002 thousand (as at 31 December 2024 – EUR 4,002 thousand). The Company does not recognise the received payments for fines and interest as income until a court decision is rendered. Payments received are presented under Contract liabilities caption in the statement of financial position.

  In the opinion of the Company's management, the Company will not incur any significant additional costs related to this case, therefore, no provisions for those ongoing cases have been formed in the preparation of the financial statements of 31 December 2025.

All amounts are in EUR thousand unless otherwise stated.

27 RELATED PARTY TRANSACTIONS

A related party is defined in accordance with IAS 24 Related Party Disclosures. As at the date of approval of the financial statements, the following entities are considered related parties:

- Entities controlled by the State,
- Subsidiaries of the Company,
- Associates of AB "KN Energies",
- Other related parties, including associations and other organisations in which the Company or members of the Company's key management personnel hold positions in governing bodies or otherwise have the ability to exercise significant influence over financial and operating policies.

Transactions with Lithuanian State controlled enterprises and institutions, and other related parties:

GROUP		Purchases	Revenue	Receivables	Payables
AB Klaipeda State Seaport Authority	2025	2,706	-	-	465
	2024	2,622	-	-	461
AB "Amber Grid"	2025	111	(3,677)	3,975	4,002
	2024	-	-	3,975	4,002
UAB „Ignitis"	2025	-	10,825	1,263	-
	2024	-	11,154	1,600	-
Public Institution Lithuanian Energy Agency	2025	-	4,576	-	-
	2024	-	4,084	-	-
Energijos skirstymo operatorius, AB	2025	296	-	85	-
	2024	313	-	-	34
AB LTG CARGO	2025	1,145	-	-	72
	2024	1,157	-	-	101
Other related parties	2025	31	107	-	-
	2024	64	-	-	-
Transactions with related parties, in total:	**2025**	**4,289**	**11,831**	**5,323**	**4,539**
	2024	**4,156**	**15,238**	**5,575**	**4,598**

COMPANY		Purchases	Revenue	Receivables	Payables
AB Klaipeda State Seaport Authority	2025	2,706	-	-	465
	2024	2,622	-	-	461
AB "Amber Grid"	2025	111	(3,677)	3,975	4,002
	2024	-	-	3,975	4,002
UAB „Ignitis"	2025	-	10,825	1,263	-
	2024	-	11,154	1,600	-
Public Institution Lithuanian Energy Agency	2025	-	4,576	-	-
	2024	-	4,084	-	-
Energijos skirstymo operatorius, AB	2025	296	-	85	-
	2024	313	-	-	34
AB LTG CARGO	2025	1,145	-	-	72
	2024	1,157	-	-	101
KN Acu Serviços de Terminal de GNL Ltda	2025	8	68	21	-
	2024	2	65	11	-
KN Energies Deutschland GmbH	2025	1,328	-	-	247
	2024	117	-	-	56
UAB KN Global Terminals	2025	213	-	-	33
	2024	140	-	-	53
Other related parties	2025	31	107	-	-
	2024	64	-	-	-
Transactions with related parties, in total:	2025	**5,838**	**11,899**	**5,344**	**4,819**
	2024	**4,415**	**15,303**	**5,586**	**4,707**

- Purchases from State Klaipėda State Seaport Authority include land rent, jetty usage and the FSRU port fee.
- Receivables from AB "Amber Grid" include the amount of security supplement for two invoices issued in 2022. The payable amount includes interest and fines for AB Achema delayed payments of the security component to the upper ceiling of the natural gas transmission price. More information on the interest and fine can be found in Note 26 Commitments and Contingencies.
- Revenue from UAB Ignitis include revenue from LNG regasification and reloading services as well as revenue from customs brokerage services.
- In 2025 and 2024 revenue from Public Institution Lithuanian Energy Agency include revenue from rent of tanks.
- Purchases from AB LTG Cargo comprise purchase of railway services.
- Purchases from AB Energijos skirstymo operatorius include acquisition of electricity power.
- Purchases from KN Acu Serviços de Terminal de GNL Ltda include purchase of consulting services. Revenue from KN Acu Serviços de Terminal de GNL Ltda include consulting services and bank guarantees.
- Purchases from KN Energies Deutschland GmbH include reimbursement of general and administrative expenses.
- Purchases from UAB KN Global Terminals include reimbursement of general and administrative expenses.

Management salaries and other payments

The Company's management consists of the Chief Executive Officer (CEO) and Directors.

The Groups' management consists of the Chief Executive Officer (CEO), Directors and Directors of subsidiaries.

	GROUP		COMPANY	
	2025	2024	2025	2024
Payroll related costs	1,415	1,223	1,201	1,106
Average number of management	13	11	8	7

During 2025 and 2024 the management of the Group and the Company did not receive any loans, guarantees, and no other payments or property transfers occurred.

KN ENERGIES

All amounts are in EUR thousand unless otherwise stated.

28 RESTATEMENT OF COMPARATIVE FIGURES DUE TO CORRECTION OF ERROR

The Company as the owner of the excise warehouse is responsible for declaring and paying excise duty for its clients in the course of providing transshipment services. Excise duty payable to the authorities is recognized as other payables, while the corresponding amounts reimbursable by clients are recognized as other receivables. In prior periods, these balances were presented on a net basis in the financial statements. When preparing the 2025 financial statements, a presentation error was identified and corrected by restating each of the affected financial statements line items for the periods as follows:

1) Statement of Financial Position:

	GROUP					
	31-12-2024	Increase / (Decrease)	31-12-2024 (Restated)	01-01-2024	Increase / (Decrease)	01-01-2024 (Restated)
Statement of financial position (extract)						
Trade receivables, contract assets, and other receivables	18,374	11,956	30,330	12,516	9,647	22,163
Trade and other payables	4,973	11,956	16,929	5,432	9,647	15,079

	COMPANY					
	31-12-2024	Increase / (Decrease)	31-12-2024 (Restated)	01-01-2024	Increase / (Decrease)	01-01-2024 (Restated)
Statement of financial position (extract)						
Trade receivables, contract assets, and other receivables	17,452	11,956	29,408	11,579	9,647	21,226
Trade and other payables	4,937	11,956	16,893	5,144	9,647	14,791

Further relevant amounts were restated in Notes 4, 7, 14, and 25.

2) Statement of Cash Flow:

	GROUP			COMPANY		
	2024	Increase / (Decrease)	2024 (Restated)	2024	Increase / (Decrease)	2024 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES						
Net profit	15,366	-	15,366	13,797	-	13,797
Adjustments for non-cash items	**50,075**	**-**	**50,075**	**48,077**	**-**	**48,077**
CHANGES IN WORKING CAPITAL						
Decrease (increase) in trade and other accounts receivable	(5,895)	(2,479)	(8,374)	(6,086)	(2,479)	(8,565)
Increase (decrease) in trade and other payables	(2,747)	2,309	(438)	(2,054)	2,309	255
	39,842	**(170)**	**39,672**	**38,318**	**(170)**	**38,148**
Cash collateral (payment)	(170)	170	-	(170)	170	-
Income tax (paid)	(308)	-	(308)	-	-	-
Interest received	2,192	-	2,192	1,959	-	1,959
Net cash flows from (used in) operating activities	**41,556**	**-**	**41,556**	**40,107**	**-**	**40,107**

29 SUBSEQUENT EVENTS

No significant events have occurred after the date of financial statements that would require disclosure or amendment in the financial statements.

CONFIRMATION OF RESPONSIBLE PERSONS

31 March 2026

In accordance with the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Bank of Lithuanian, Responsible Persons Darius Šilenskis, Chief Executive Officer of AB KN Energies, Tomas Tumėnas, Chief Financial Officer of AB KN Energies, and Rasa Tamaliūnaitė, Chief Accountant of AB KN Energies, hereby confirm that, to the best of our knowledge, the Consolidated Report of AB KN Energies for the year ended 31 December 2025 prepared in accordance with International Financial Reporting Standards as adopted by the European Union give a true and fair review of the financial position, assets, liabilities, profit or loss, and cash flows as well as the development and performance of the business and the description of the principle risks and uncertainties.

Chief Executive Officer	Darius Šilenskis
Chief Financial Officer	Tomas Tumėnas
Chief accountant	Rasa Tamaliūnaitė