Baltic RCC

ANNUAL REPORT 2025

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Main activity:	Provision of engineering and technical services
Chairman of the Board:	Paulius Cicėnas
Shareholders:	AS AUGSTSPRIEGUMA TĪKLS, ELERING AS, LITGRID AB
Auditor:	KPMG Baltics OÜ

CONTENTS

1. EXECUTIVE SUMMARY

When we wrote the Annual Report for 2024, the Baltic States had just synchronized with the Continental European electricity system. At that moment, synchronization itself felt like the conclusion of a long journey. In 2025, we learned something every operator knows well: once a project is completed, the real work begins.

The year 2025 was the first full year in which the Baltic power system operated in synchronous mode with Continental Europe - not as a test, not as a transition, but as a daily operational reality. The tools we built, the processes we designed, and the responsibilities we prepared for were no longer theoretical. They became part of everyday system operation, directly influencing security, reliability, and coordination across the wider European grid.

In 2024, we often spoke about building the house. In 2025, we lived in it. And living in a house means caring for it, maintaining it, and making sure it remains warm, secure, and reliable, especially when conditions change. For Baltic RCC, this meant shifting our focus from development readiness to operational stability, quality, and trust.

Throughout the year, Baltic RCC worked closely with Baltic TSOs to ensure that regional coordination functions performed reliably under synchronous operation conditions. Coordinated Capacity Calculation became a routine operational service, supported by our internally developed CCC tool, which has been used consistently since synchronization. We expanded our role further by taking over CCC reporting and by starting the development of more automated reporting processes aligned with European methodologies and regulatory requirements.

Operating synchronously with Continental Europe also reinforced a simple truth: strong coordination depends on strong cooperation and high-quality data. During 2025, we addressed challenges related to grid model availability and quality, strengthened coordination and feedback with TSOs, and applied fallback solutions where necessary. These efforts were not always visible, but they were essential to ensuring secure operation in the first year of a new system reality.

At the same time, we continued to invest in the foundations of our future work. We advanced our open-source-based IT strategy to improve reliability, transparency, and independence. We also began preparations for ISO/IEC 27001 certification, reflecting our commitment to protecting information, managing risks responsibly, and meeting internationally recognised standards. These steps are not ends in themselves; they are part of ensuring that Baltic RCC remains a trusted and resilient partner in the European power system.

If 2024 was about arriving, 2025 was about belonging. The Baltic power system is now fully part of the Continental European synchronous area, and Baltic RCC is fully engaged in the shared responsibility that comes with that position. Our mission remains unchanged: to provide a coordinated regional view that supports the security of supply for the Baltic region and contributes to the stability of the European power system as a whole.

The work continues — and now it truly matters every single day.

Best regards,

Baltic RCC OÜ Management Board

Veiko Aunapuu, Member of the Board
Andrejs Eglītis, Member of the Board
Paulius Cicėnas, Chairman of the Board

2. COMPANY OVERVIEW

MISSION

Our mission is:

- To contribute to the security and reliability of the electricity network in Baltics and in Europe.
- To guarantee coordinated view and common approach on Baltic energy system operation to help Baltic TSOs to ensure efficient energy market and enhanced system reliability.

The Regional Coordination Centers (RCCs) are established in line with Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity and as of 1 July 2022 replace the regional security coordinators (RSCs) foreseen by the System Operation Guideline. RCCs cover the tasks carried out by RSCs as well as additional system operation, market related and risk preparedness tasks. In performing their tasks, RCCs contribute to the achievement of the 2030 and 2050 objectives set by the climate and energy policy frameworks, particularly in relation to fostering the security of supply and efficiency, as well as increasing the electrification of the energy sector.

Baltic RCC OÜ (hereinafter the Company) is a grid security service provider for the Baltic System Operation Region (hereinafter the Baltic SOR), established in 2022 in Tallinn, Estonia in accordance with the proposal prepared by the three Baltic TSOs: Elering AS, AS "Augstsprieguma Tīkls" and Litgrid AB (hereinafter the Baltic TSOs) in accordance with Article 35 of Regulation (EU) 2019/943.

VISION

The Company is driven by the vision that is set out to:

- Be the competence center for the regional coordination with the aim to guide the Baltic TSOs in the strategic developments and regional view on the security of supply;
- Provide the best coordination services for the Baltic and European TSOs to ensure regional security of supply.

The aim is to centralize the competence for both regional coordination and system security assessment to provide TSOs with guidance and ensure harmonization within the energy sector. By merging the competences, we are able to provide the high-quality services that aim to increase the security of supply in the region.

Delivering the vision, the Company and its employees aim to carry the values of the Company, which are:

1. **Professionalism** - “We remain professional in all our actions and keep the Company values and ethics at all times”;
2. **Cooperation** - “In decision making we take into account the interests of our stakeholders”;
3. **Trust** - "We keep our promises and are accountable for the regional coordination assessments";
4. **Transparency** - “All service providers receive transparent input and results from us. We make recommendations and decisions based on data and analyses”;
5. **Adaptability** - “We adapt to the new and unknown situations to see problems as opportunities, to deliver solutions that help to improve the security of supply".

The values serve as the foundation for all our interactions and activities and guiding the Company and employees through the moral and professional challenges encountered in task operations and development. We take pride in upholding these values in our daily work.

3. CORPORATE GOVERNANCE

3.1. The management of the Company

The management of the Company is based on the Estonian Commercial Code, Articles of Association and the Shareholders Agreement. The governance structure of the Company includes three levels in accordance with the Estonian Commercial Code (visualized in image below):

1. **The Shareholders of the Company** – The shares are allocated equally between the three Baltic TSOs: Elering AS, AS "Augstsprieguma Tīkls" and Litgrid AB;
2. **The Supervisory Board of the Company** - One representative from each Baltic TSO to supervise and overview the strategic operations;
3. **The Management Board of the Company** - Three members, elected by the Supervisory Board, the main responsibilities are day-to-day operations.

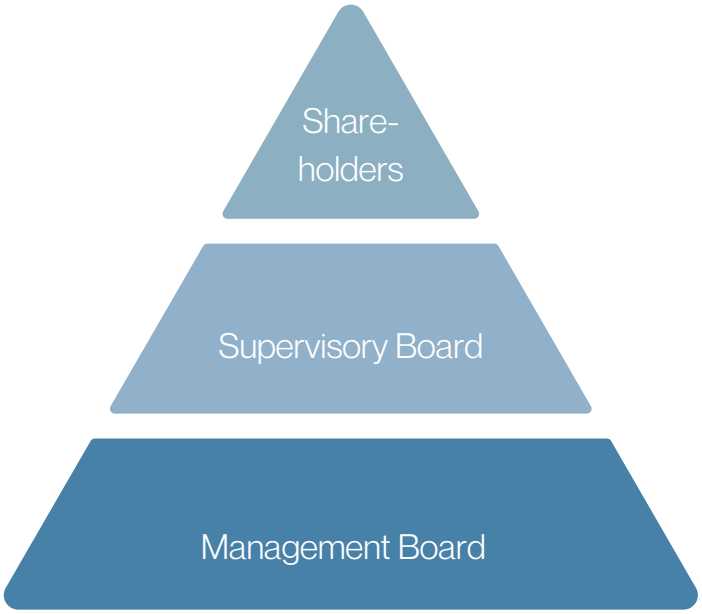


Figure 1. Company governance structure

3.1.1. Shareholders

The meeting of the Shareholders is the highest managing body of the Company. In accordance with the Articles of Association the main responsibilities of the Shareholders are:

(a) election and removal of the members of the Supervisory Board;

(b) deciding on conclusion and terms and conditions of transactions with the members of the Supervisory Board, deciding on the conduct of legal disputes with the members of Supervisory Board;

(c) amending the articles of association;

(d) increasing or decreasing the share capital or creation of any new share class, excluding the pre-emptive right of the shareholders to subscribe for and acquire new Shares, and approving the sale or any other disposal of Shares in the Company;

(e) entering into, or amending any material terms of, any convertible loan, warrant, option or another similar instrument which entitles the holder of such instrument to acquire shareholding in the Company;

(f) repurchasing or otherwise acquiring the Company's own Share by the Company and selling any own Share so acquired;

(g) effecting the merger, division, transformation, or dissolution of the Company;

(h) electing an auditor (if so decided by the Shareholders or required under applicable laws);

(i) approving the annual report;

(j) deciding on profit distribution;

(k) other matters which pursuant to the applicable laws, the articles of association or the Shareholders' Agreement are in the competence of the shareholders.

No meetings of the Shareholders were held in 2025. The following decisions of the Shareholders were made without convening a meeting in line with clause 3.4.4 of the Articles of Association, related to:

1. Approving the Annual Report 2024 and profit distribution;
2. Election of Supervisory Board members;
3. Election of financial auditor.

3.1.2. Supervisory Board

The Supervisory Board plans the activities and organizes the management of the Company and supervises the activities of the Management Board. The main responsibilities of the Supervisory Board are following:

(a) approving the main management and operational implementation policies of the Company, including policies regarding financial and risk management;

(b) endorsing and approving the Company's annual budget and any material changes thereto;

(c) approving the strategy and goals of the Company;

(d) supervision of the activities of the Management Board (incl. the execution of the resolutions of the Shareholders and the Supervisory Board);

(e) election and removal of the members of the Management Board;

(f) deciding on conclusion and terms and conditions of transactions with the members of the Management Board and the remuneration of the Management Board members, deciding on the conduct of legal disputes with the members of Management Board;

(g) entering into or amending any material terms of any transaction with a Shareholder or its affiliate;

(h) approving and reviewing of general key performance indicators of service provision and any key performance indicators set out by the Management Board;

(i) other matters which pursuant to the applicable laws, the articles of association of the Company or the Shareholders' Agreement are in the competence of the Shareholders.

The Supervisory Board consists of three members appointed by each Shareholder of the Company and the term of the Supervisory Board is three years. Members of the Supervisory Board elect amongst themselves the Chairman of the Supervisory Board whose term will be one year. From 4 May 2025 the Supervisory Board consists of the following members:

1. Erkki Sapp;
2. Donatas Matelionis;
3. Kalvis Ertmanis.

All the Supervisory Board members are authorized until 4 May 2028.

Total of seven meetings were held in 2025, and four decisions were formulated without a meeting. All the Supervisory Board members attended all the meetings.

3.1.3. Management Board

The Management Board is the governing body responsible for overseeing the Company's daily operations and representing it in all transactions and acts.

The Management Board members are appointed by the Supervisory Board for a 3-year term. The Management Board consists of three members, each appointed by a Supervisory Board member. The members of the Management Board may

represent the Company jointly, with a minimum of two Management Board members. The Management Board members elect a Chairman from among themselves for a term of three years.

For the current three-year term, ending on 4 May 2028, the Management Board consists of Paulius Cicėnas, Veiko Aunapuu, and Andrejs Eglītis. Based on the structure of the Company the responsibilities are divided accordingly:

- General organisational management (Veiko Aunapuu):
  - Overall lead of the Company and operations;
  - Representation of the Company in the EU and local organisations;
  - Strategy and other organisational questions.
- Task development (Paulius Cicėnas):
  - Strategy on task provision;
  - KPIs of the Company's operations;
  - Representation in the task development organisations.
- Task operations (Andrejs Eglītis):
  - Management of business tools and IT systems;
  - General technical setup of the Company's IT tools;
  - Representation of the Company in IT and tools related organisations.

The total remuneration for each Management Board member in 2025 is presented in Table 1 below. The amounts include taxes.

Table 1. Remuneration in thousand EUR

Board member	2025	2024
Veiko Aunapuu	64,4	58,9
Paulius Cicėnas	81,8	68,6
Andrejs Eglītis	74,9	74,6

3.2. Prevention of conflicts of interest

The members of the Management Board do not adopt resolutions based on their own interests, nor do they use commercial offers made to the Company to their own gain. The member of the Management Board notifies the Supervisory Board and other members of the Management Board of any conflicts of interest prior to the conclusion of their contract and without delay upon its subsequent

occurrence. The member of the Management Board promptly informs other members of the Management Board, and the Chairman of the Supervisory Board of any business offers related to the Company's economic activities directed at the member of the Management Board, their relatives, or other related persons.

The requirement to avoid any conflicts of interest is stipulated in the Commercial Code and in the contract concluded with the member of the Management Board. The member of the Management Board avoids any conflicts of interests arising between the interests of the Company and the member of the Management Board and informs the Company's Supervisory Board of its direct or indirect interest in the transactions carried out by the Company and immediately informs the Supervisory Board if a conflict of interest occurs or if a situation occurs in which such a conflict may arise. The Supervisory Board decides on the conduct of transactions with a member of the Management Board, or the conduct of transactions involving the personal interest of a member of the Management Board and specifies the terms of such transactions. The members of the Management Board must declare any related parties; the amounts of transactions executed with said related parties are disclosed in the Annual Report. The Company did not conclude any transactions with members of the Management Board or parties related to them in 2025.

3.3. Cooperation between Management Board and Supervisory Board

The Management Board and the Supervisory Board cooperate closely for the purpose of the best protection of interests of the Company. The Management Board and the Supervisory Board work together to develop the Company's strategy. The Management Board follows the strategic guidelines provided by the Supervisory Board when making management decisions. The Management Board regularly informs the Supervisory Board of all material circumstances regarding the planning of the Company's activities and business activities and draws special attention to significant changes in the Company's business activities. The Management Board forwards data, including financial reports, to the Supervisory Board in sufficient time prior to the Supervisory Board meetings. At the request of the Supervisory Board, the member of the Management Board provides the Supervisory Board with oral or written information regarding the activities of the Management Board and the Company and provides the Supervisory Board access to any information concerning the Management Board and the activities of the Company.

The management of the Company is governed by relevant laws, the Articles of Association, and the decisions of and the goals set by the Shareholders and the

Supervisory Board meetings.

3.4. Ethics and prevention of corruption

The Company has zero tolerance for corruption. The UN Global Compact Pact highlights four main consequences of corruption for companies:

1. The risk of violation of laws, as corruption is clearly an unlawful activity
The Company wants to be a class leader to other companies in terms of abidance with regulations and this can only be achieved if the Company complies with the requirements of legislation itself.

2. Reputational risk
It is important for the Company to have impeccable reputation.

3. Financial risk
It's possible to suffer remarkably serious economic damage because of corruption. This may become evident in higher purchasing costs, lower quality of the equipment purchased, etc.

4. Loss of internal trust
If employees notice that unethical behaviour is enabled in the Company, it will lead to a serious loss of trust in the Company, a decrease in loyalty and deterioration of the general Company culture.
The emergence of corruption must be prevented to avoid the negative consequences. The Company has established the Anti-Corruption and Equal Treatment Principles, which focuses primarily on the prevention of corruption and equal treatment in business activities. The principles address the following aspects of prevention of corruption:

- Bribery/income derived from corrupt practices;
- Conflicts of interest;
- Gifts and hospitality;
- Obligation and procedure of reporting suspicions;
- Fair and respectful treatment of all employees and stakeholders.

No corruption cases were identified in 2025.

4. KEY FINANCIAL INDICATORS

4.1. Economic environment

The Company operates both in regulated and competitive environment. With our core business being regulated by the European legislation we aim to fulfil tasks within the developed and agreed methodologies, however part of our business is also in a competitive market in providing the ad hoc and requested services from the energy community. The labour market in 2025 continues to be difficult, although despite of that, the Company has managed to find skilled employees.

The income of the Company is divided by two main sources:

Income from the Shareholders for the tasks and services provided within the Baltic SOR region

Income from non-shareholders for the tasks and services provided outside of the Baltic SOR region

Both incomes are directly or indirectly connected to related parties and therefore is regulated by the Company's Transfer Pricing policy. Based on the Transfer Pricing policy the principle used for service cost is assumed to be cost plus 5% based on industry standard. Due to that the profit of the Company is limited to 5% and that is the target for each year. In 2025 the Company paid out the dividends to the Shareholders.

4.2. Key financial indicators

Table 2 below reflects the key financial indicators for 2024/2025.

Table 2. Key financial indicators for 2024/2025

In thousands of euros	2025	2024
Revenue	**1 970**	**1 596**
Operating expenses	**1 885**	**1 481**
Operating profit	**84**	**115**
Operating profit before depreciation*	**166**	**193**
Income tax	**-45**	**4**
Net profit	**50**	**119**
Operating profit margin	**4,3%**	**7,2%**
Margin of operating profit before depreciation****	**8,4%**	**12,1%**
Net profit margin	**2,5%**	**7,5%**
Return on equity**	**17,6%**	**42,6%**
Equity to assets***	**22,6%**	**34,2%**
Investments in fixed assets	**0**	**0**

**Operating profit before depreciation = operating profit + depreciation*
***Return on equity = net profit / average equity*
****Equity to assets = equity / total assets*
*****Margin of operating profit before depreciation = operating profit before depreciation / revenue*

Main income of the Company comes from the provision of tasks and services. For year 2025, the operating profit margin was 4,3% and the net profit margin was 2,5%. The profit margin is in line with the Transfer Pricing policy. No major investments were made in 2025.

5. PERSONNEL POLICY AND SOCIAL ENVIRONMENT

5.1. Personnel policy

As of 31 December 2025, the Company employed 18 employees across three Baltic states. The main competence of the employees is related to the power system engineering and IT development. The employees are responsible for providing the operational tasks are divided into three levels: junior engineer, engineer, and senior engineer. The job market for qualified engineers is highly competitive, and the Company is competing with other energy sector firms to attract skilled employees.

The Company utilizes three approaches for supporting services:

1. **Internal Management** - Human resources, legal matters and daily organizational tasks are handled in-house;
2. **External Procurement** - Support and other necessary services are sourced from the open market through contracts;
3. **Shareholder Services** - In cases where open market procurement is not feasible for various reasons, certain services are obtained from the shareholders.

5.2. Social environment

We recognize our social responsibility, as the Company primarily operates on income generated by fulfilling tasks and providing services to Shareholders engaged in highly regulated industries that impact consumers in the Baltic states.

For that reason, the operating principles and risk appetite for the daily operation is and will be kept at a reasonable level to fulfil the owners' expectations, but at the same time not to take any financial or operational risks that could cause issues to the Shareholders' financial positions and could indirectly lead to unreasonable

cost to the end consumers.

At the same time, we recognize the social obligation in providing the critical services of the energy supply. Our actions are taken in respect to regional consumers to ensure security of supply as well the lowest possible energy price for the consumers in the Baltic region.

6. THE COMPANY'S TASKS

The Company fulfils tasks on the pan-European and regional level which can be shortly described as following.

Pan-European tasks:

1. **Common Grid Model (CGM)** - merging of a mathematical model of the pan-European electricity grid based on individual grid models (IGMs) which will be used for calculations by TSOs and RCCs.
2. **Short-Term Adequacy (STA)** - adequacy assessments based on the information provided by the relevant TSOs with the aim of detecting situations where a lack of adequacy is expected in any of the control areas, considering possible cross-border exchanges and operational security limits.
3. **Outage Planning Coordination (OPC)** - outage coordination of grid elements located in Europe. Data and service quality is ensured by identifying Tie-Line Inconsistencies (TLIs).
4. **Post-Operation and Post-Disturbances Analysis and Reporting (RIAR)** - to carry out post-operation and post-disturbances analysis and reporting. In case of TSO being in emergency, blackout or restoration system state, another TSO has moved from normal or alert system state to emergency system state, and the incident has been confirmed as at least a scale 2 incident as defined by the Incident Classification Scale (ICS) Methodology.
5. **Consistency assessment of TSOs' defence plans and restoration plans** - the Company has drafted a monitoring report on the consistency assessment of system defence and restoration plans carried out by TSOs in accordance with Article 6 of the Network Code on Emergency and Restoration.

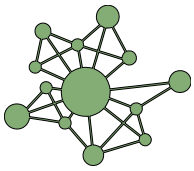
Regional tasks:

1. **Regional STA** – run in case of adequacy issue detected during pan-European process in the Baltic region. The process ensures detailed analyses of adequacy issues to be investigated by the Company and Baltic TSOs. The Company provides regular reports on the Baltic power system adequacy status to the Baltic TSOs.
2. **Regional OPC (Outage Planning Incompatibilities)** - outage coordination of grid elements and generating units. The main task is to provide assessment of regional OPC in the Baltic region and provide proposals to the Baltic TSOs how to mitigate and/or eliminate indicated incompatibilities.
3. **Common Grid Model for Baltic area (CGM_BA)** – one of the main tasks in the Baltic region, when the Company is performing the merge of the Baltic CGM with Poland's transmission system network models. CGM_BA is used to perform security analysis of the Baltic region transmission network system.
4. **Coordinated Security Analysis (CSA)** - within the scope of this task the Company performs regional transmission system network operational security assessment. If a constraint is detected, it shall recommend to the Baltic TSOs the most effective and economically efficient remedial action.
5. **Coordinated Capacity Calculation (CCC)** – calculation and determination of available cross-border transmission capacities between bidding zones of the Baltic region, considering the system security and already allocated capacities for different electricity markets.
6. **Training and Certification (T&C)** - continuous training and certification activities for RCC operators who are operating regulated tasks, to ensure necessary skills and knowledge.
7. **Maximum Entry Capacity (MEC)** - the maximum allowed foreign capacity on each given border that can participate in a capacity remuneration mechanism (CRM) during a certain delivery period. The MEC should reflect the value that an interconnected system can bring in at times of 'system stress', in terms of security of supply.
8. **Regional Procurement of Balancing Capacity** - is the facilitation of respective Load Frequency Control (LFC) Block TSOs in procurement of balancing capacity at the regional level as calculation provided by RCC of the availability of non-contracted balancing energy bids at the European platforms (PICASSO, MARI, TERRE) per type of reserve (aFRR, mFRR, RR), direction and validity period in respective SOR.
9. **Regional Sizing of Reserve Capacity** - yearly determination of the minimum required reserve capacity and daily short-term assessment of availability of

sharing amounts at the relevant SOR.

In the next subsections the Company's tasks and services are described in more detail.

6.1. Common Grid Model (CGM)



The CGM is a pan-European cooperation program that ensures seamless sharing of grid data between and among the TSOs through secure IT communication infrastructure and merging IGMs which is regulated by:

- The CGM methodology, pursuant to Article 17 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (CACM);
- Article 18 of the Commission Regulation (EU) 2016/1719 of 26 September 2016 establishing a guideline on forward capacity allocation (FCA);
- Articles 67 and 70 of the Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (SOGL);
- Agreed procedure pursuant to the Articles 12 and 15 of the Network Code on Operational Planning and Scheduling.

The Company is checking the quality and plausibility of IGMs provided by TSOs and facilitating their improvement to meet the criteria of quality and plausibility.

Operational performance

The process of combining the TSOs' IGMs is a recognized method for developing the CGM of the Europe's interconnected grid. The method facilitates regional coordination as outlined in Regulation (EU) 2019/943, Network Codes, and Guidelines.

The RCCs participate in the pan-European process of CGM creation based on a rotational principle. The pan-European process covers the following business processes for:

- Planning the pre-processing of data alignment for two days ahead and year ahead IGM creation by TSOs and RCCs;
- Scheduling the alignment for day ahead and intraday IGMs creations by TSOs and RCCs;
- Creating the IGMs and providing these to the Operational Planning Data Environment (OPDE) by TSOs;
- Validating the IGM model by RCC;

- Merging the CGM model and providing it to the OPDE by RCC.

Boundary service as part of the pan-European task is provided under the requirements set out in the OPDE Agreement for the Minimum Viable Solution.

Regional process covers the regional specifications set out by the Baltic SOR and includes CGM_BA, which is Baltic's CGM merged with Poland's network model. The CGM_BA is the basis for the Company's assessments to deliver the following tasks: CSA, CCC, OPC.

Coordinated actions and recommendations

Throughout the year, the Company coordinated operational actions and provided continuous recommendations to TSOs. Monitoring and reporting activities covered all relevant operational planning horizons, including day ahead, two days ahead, week ahead, month ahead, year ahead, and intraday timeframes.

The Company systematically monitored the availability of IGMs) in the Operational Planning Data Management (OPDM system and reported any instances of missing or incomplete IGMs to the respective TSOs. In addition, TSOs were informed of identified IGM-related issues, together with recommendations for corrective actions. These recommendations were primarily based on the results of ENTSO-E Interoperability Tests (IOP) and were complemented by feedback, findings, and observations arising from other coordinated operational processes and tasks. This combined input supported the continuous improvement of IGM data quality, consistency, and regulatory compliance across all operational planning horizons.

Effectiveness

In the first quarter of 2025, the month ahead modelling process was implemented, with IGMs provided by all Baltic TSOs. Considering all operational planning horizons (intraday, day ahead, two days ahead, week ahead, month ahead, and year ahead), the average availability of the CGM_BA reached 99%. This high level of availability enabled the execution of essential operational calculations and supported the maintenance of regional power system security.

Throughout 2025, the development of the European Merging Function (EMF) open-source tool was carried out as a continuous activity, focusing on enhancements to IGM retrieval, validation, scaling, and merging processes. These improvements increased overall system efficiency and introduced additional functionalities, including replacement logic for cases where IGMs were unavailable, as well as enhanced scalability to support growing operational demands.

Pre-emptive exclusion within the pan-European CGM creation process was discontinued, resulting in the inclusion of 100% of all submitted IGMs to the CGM generation.

Load-flow parameters were aligned across all involved RCCs and consistently applied during both IGM and CGM validation processes. While these measures led to a reduction in the total number of published models, they significantly improved the overall quality, consistency, and robustness of the CGM, thereby supporting reliable operational security.

Efficiency

The CGM_BA merging algorithm was technically optimized through improvements in data handling and processing logic, resulting in a reduction of the average merging time from approximately 10 minutes to around 5 minutes, corresponding to a performance improvement of about 50%.

In parallel, the CGM merging algorithm was enhanced to improve computational efficiency and scalability. As a result, the average merging time for the full Day Ahead Congestion Forecast (DACF) and Two Days Ahead Congestion Forecast (D2CF) processes was reduced from approximately 50–60 minutes to 15–20 minutes, representing a performance improvement of approximately 65–70%.

Shortcomings

The main shortcomings identified during the reporting period were related to the limited availability of the IT systems used to support the task. In particular, the availability of common IT systems essential for service provision was reduced during certain periods, with the Operational Planning Data Management (OPDM) system being most affected.

In addition, the unavailability and inconsistent quality of the IGMs. In 2025, ~46% of the D-2 IGMs used for CCC in the Baltic CCR region were replaced, meaning that the Company initiated fallback procedures in order to be able to solve the power flow.

Regional Planning Data Network (PDN) Hosting and Management

PDN is an internal data exchange platform hosted and managing by the Company and is used in safe environments to securely transfer files and operational data

between the Company and TSOs.

PDN is used to:

- Send and receive datasets (IGMs, reports, etc.);
- Communicate results between TSOs and RCCs;
- Manage data exchange status (e.g., Sent, Received, Successfully sent, Failed, etc.).

The System administrator ensures following quality requirements:

- Availability: the System uptime shall be not less than 99,8% of the calendar year for all business-critical functions;
- Confidentiality: The System operation shall follow the principles used in ISO/IEC 27001:2022 standard. All data operated by System Administrator must be stored in physically and logically protected premises.

6.2. Coordinated Security Analysis (CSA)

SOGL requires TSOs in each region together with the RCC to set up and perform operational security coordination tasks. CSA in the Baltic SOR region shall be based on EU methodology according to Article 75 of SOGL and regional common provisions for CSA task according to Article 76 of SOGL.

The full CSA task covers regional and cross-regional data exchanges and coordination between TSOs and RCCs. The main aspects of the CSA process are to perform operational security assessment, identify possible constraints, coordinate regionally and cross-regionally impacting remedial actions and monitoring their activation. The regional process shall be developed in accordance with the CSA methodology and All TSOs' of Baltic Capacity Calculation Region (CCR) common provisions for regional operational security coordination in accordance with Articles 76 and 77 of the Commission Regulation (EU) 2017/1485 of 2 August 2017 (hereinafter the Baltic ROSC).

Operational performance

The main objectives for CSA process are:

- Identification of operational security violations in transmission system;
- Determination of possible remedial actions to relieve violation and their impact on transmission system;
- Coordination of remedial actions with respective TSOs;
- Providing operational security assessment results to TSOs;
- Monitoring the inclusion and activation of the agreed remedial actions;

- Logging the exchanged data, coordination process and coordinated actions for monitoring reporting reasons.

Implementation status

The official current implementation scope of Baltic ROSC methodology went live from 31 January 2025 for day ahead and intraday timeframes performed on a daily basis. The implemented scope covers the coordinated regional operational security analysis (CROSA) process from input data provision from TSOs, simulation of N-1 on merged model to remedial action selection and coordination, according to the official Baltic ROSC methodology process timeframes. The data exchanges in the implemented solution adhere to the specification of Regional Coordination Processes and Network Code profiles. However, the coordinated cross-regional operational security assessment (CCROSA) processes were not included in the scope, as they require the fulfilment of ROSC methodology implementations of the neighbouring CCRs to full target solutions and standardized data exchange frameworks for establishing full cross-CCR collaboration.

The official go-live of the CROSA process, adhering to process timelines, defined in Baltic ROSC, served as operational milestone for the Company. Throughout the year the task saw various improvements to the task provision quality, performance and trustability, based on the knowledge collected during the operational phase. Moreover, TSO-RCC coordination experienced continuous improvements, as Baltic TSOs and RCC more actively participate in the remedial action coordination process.

In the end of 2025, the first working Remedial Action Optimization (RAO) solution was implemented, helping the Company provide more optimal and time-efficient remedial action proposals to TSOs. Current development efforts focus on improving the existing RAO solution to fulfil to all methodology and internal requirements, together with implementing a new in-house solution for more efficient and reliable remedial action coordination process.

Effectiveness

For 2025, the Company managed to achieve task fulfilment objectives by successfully delivering CROSA 99% of time, including cases of failures due to external IT tools and dependant processes.

Total remedial action (RA) proposals/rejections for 2025 CROSA process (monitored since 2025-02-10):

Total proposed: 2333
Total accepted: 933
Total rejected: 164
Total rejection rate: 7.3%

Timeframes	1D	ID08	ID16
Percentage of RA proposed from the Company within process timeframe for:	99%	61%	83%

In addition to the CSA results provision, the Regional Assessment process was maintained, limited to the D-1 timeframe. Within the defined process timelines, the share of RA proposals delivered by the Company reached 99% for D-1, while performance in intraday timeframes remained lower (61% for ID08 and 83% for ID16). It should be noted that the RA calculation process is currently semi-manual, which limits operational efficiency. As a result, intraday RA proposals are not consistently provided within the required deadlines.

Efficiency

Following the Company's transition to in-house development of tools for service delivery from the past year, developments were made to expand on these solutions. Further performance improvements were implemented, allowing the N-1 calculation performance to increase from around 30 seconds to about 15 seconds per timestamp. Average process runtime for 1D: 13min; ID08: 7mins; ID16: 4min.

Together with other tasks, architectural changes were made to ensure tool robustness and reliability. Finally, the newly developed RAO solution is also following in the steps of the Company-wide approach of using open-source, widely adaptable solutions and existing community projects.

Shortcomings

The main shortcomings of the task fulfilment are related to the external IT tools robustness, quality and accuracy of input data, frequent updates and

developments of related tools and used standards and lack of alignment betweenstakeholders and other regions.

6.3. Coordinated Capacity Calculation

From the synchronization with the continental Europe, the Baltic region has applied Capacity calculation methodology for the day ahead and intraday market timeframes within the Baltic CCR and all the Baltic CCR TSOs' have applied the CCC Methodology for Long-term Time Frames in Accordance with Article 10(1) of the Commission Regulation (EU) 2016/1719 of 26 September 2016 Establishing a Guideline on Forward Capacity Allocation.

Implementation status

Amendment No. 2 to the Agreement on the Coordinated Capacity Calculator for the Baltic Capacity Calculation Region was signed by the Baltic CCR members in 2025. With this amendment, the Company has been appointed as the Coordinated Capacity Calculator and performs coordinated capacity calculation in the Baltic CCR, as well as establishing the framework for coordinated capacity calculation among the Baltic CCR TSOs. The Company performs the CCC task in the following timeframes:

- Intraday;
- Day ahead;
- Week ahead;
- Month ahead;
- Year ahead;
- Quarter ahead (temporally postponed due to delay of quarter ahead IGMs implementation).

To increase robustness of task provision the Company has also internally developed fallback tool for coordination with the TSOs.

The main focus in 2026 will be to improve the internally developed IT tool to increase capacity calculation efficiency and further enhance the tool itself. Increased focus will also be placed on debugging the IGMs to ensure correctly calculated capacities on each Baltic region cross-border. Baltic TSOs have delegated reporting task to the Company:

1. Yearly report for Baltic SOR TSOs on CEP70 compliance based on Article 16(8) of Regulation (EU) 2019/943.
2. Yearly report to ENTSO-E on list of information based on Article 63 of FCA.
3. Yearly report on behalf of Baltic SOR TSOs to ENTSO-E on list of information based on Article 82 of CACM.

The Company has finalized manual reporting for the CEP70 delegated reporting task. The work will continue in 2026 to fully automate the CEP70 reporting process and finalize the remaining reporting tasks.

Effectiveness

The Company had two main KPIs on CCC task in 2025:

1. 99% of time capacity calculation results provided to TSOs as proposed capacity for D-0, D-1, W-1, M-1 and Y-1;
2. 99% of time capacity calculation results were coordinated for D-0, D-1, W-1, M-1 and Y-1.

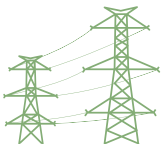
The total KPIs fulfilled for CCC task are:

	D-1	D-0	W-1	M-1	Y-1	Total
Total Average proposed over all operational timeframes:	99.37 %	98.46 %	98.90 %	100.00 %	100.00 %	**99.35 %**
Average coordinated:	99.08 %	98.46 %	97.80 %	100.00 %	100.00 %	**99.07 %**

Shortcomings

The main shortcomings of the task are related to the unavailability and inconsistent quality of the IGMs, as well as the robustness of the IT systems used.

6.4. Outage Planning Coordination (OPC)



According to Article 84 of SOGL all TSOs must jointly develop a methodology at least per synchronous area, for assessing the relevance for the outage coordination of power generating modules, demand facilities, and grid elements located in a transmission system or in a distribution system, including closed distribution systems. In line with Article 86 of SOGL, before 1 July of each calendar year, all TSOs of each outage coordination region shall jointly re-assess

the relevance of power generating modules and demand facilities for outage coordination based on the methodology developed in accordance with SOGL. The preliminary year ahead availability plans for the following calendar year must be provided by each TSO to all other TSOs before 1st November of each calendar year via OPDE as stated in Article 97 of SOGL.

The Company has performed the regional OPC assessment for the timestamps acknowledged by the Baltic TSOs which have been coordinated within dedicated coordination cycle telcos (RCC-TSO, RCC-RCC). The TSOs and RCCs reviewed the results of the Final regional OPC Assessment.

Regional OPC Y-1 assessment results have been uploaded into common data sharing platform (ENTSO-E SharePoint).

The Company provides a quality check on OPC task on a weekly basis by providing quality check on the Unavailability input data and hosts weekly coordination teleconferences to resolve any TLIs, performing regional OPC week ahead (W-1) calculation using W-1 CGM_BA. Moreover, the Company participates in weekly RCC-RSC teleconferences and has undertaken the role of OPC weekly merge operator. OPC and regional OPC results are presented at every weekly operational conference (WOPT) to Baltic TSOs.

Operational performance

During year 2025, the Company has not observed any major and critical incidents in Baltic TSOs outage coordination procedures and schedules. The regional Y-1 regional OPC assessment was performed for year 2026 and the report was successfully acknowledged by the Baltic TSOs OPC operators. There were no incidents with OPC tool merges while the Company was in the main or backup role for the OPC pan-European merge operator.

TSOs' weekly OPC TLIs resolving performance metric, from 1st to 4th OPC merge, percentage KPIs were: LITGRID 98.08%, AST 98.08% and ELERING 93.27%. TLIs were not completely solved on weeks 42 and 49.

Coordinated actions and recommendations

The Company monitors outage schedule of generation units >50MW.

All regional OPC loading violations, exceeding limits by 105% for lines and 110% for autotransformers, will have remedial actions proposed by the Company, discussed during weekly TSO-RCC OPC call and during weekly operational teleconference.

Effectiveness

From February 2025, the Company started performing regional M-1 regional OPC calculations and providing results to Baltic TSO's. During 2025 there were no issues observed with monthly calculations.

Regional OPC W-1 and M-1 calculations were always successful and on time.

During the Regional OPC processes process were proposed remedial actions for Baltic TSOs:

Timeframe	W-1	M-1	Y-1
RA accepted	13	3	14
RA rejected	0	0	0

Efficiency

The Company has participated in 98% of all RCC-RCC weekly and yearly calls. Only missed call in 2025 was on 25th of December.

The Company has participated in OPC workgroups responsible for defining requirements for future release of pan-European OPC tool specifications.

As the Company is RCC OPC administrator for all OPC pan-European related tasks, during 2025 all OPC rulebook updates were completed. During live STA-OPC sub team meetings OPC Pan European Rulebook changes were presented to all OPC TSO/RCC colleagues. Annual regional OPC report has been finalized and results accepted by TSO OPC single point of contacts.

Shortcomings

Noted by the Baltic TSO of troubles of working with OPC Pan EuropeanTool. This sometimes leads to warnings and errors in the tool, that are not necessarily fault of the TSOs. As OPC Pan European Tool is still improving, it is assumed that int the future it will be easier to work with the tool and there will be less problems from the TSO side of uploading outage data and general error management from RCC side.

Relevant assets calculation task

The methodology of relevant asset calculation based on qualitative and quantitative aspects that identify the impact on a TSO's control area of the availability status of either power generating modules, demand facilities, or grid elements which are located in a transmission system which are connected directly or indirectly to another TSO's control area and in particular on quantitative aspects based on the evaluation of changes of voltages and power flows on at least one grid element of a TSO's control area, due to the change of availability status of a potential relevant asset located in another control area.

That evaluation shall take place on the basis of Y-1 CGM_BA.

The Company shall provide relevant asset calculation based on Methodology for assessing the relevance of assets for outage coordination (RAOCM) Annex 1 selection for the following:

- Power influence threshold characteristics;
- Power filtering influence characteristics;
- Voltage influence threshold characteristics.

The Company shall evaluate:

- The proposition of relevant assets based on elements present in TSOs' submitted Y-1 models available in OPDE environment;
- The proposition of elements of the Outage Coordination Region that are outside of TSO's control area.

The update of relevant asset list shall be provided by the Company to the Baltic TSOs annually before 1st of April. If any of the TSOs requires a reassessment, the assessment shall be provided by the Company to TSOs within one month since receiving the request.

TSOs are responsible to assess the results, apply their threshold and update relevant assets list before 1 August of each calendar year according to SOGL Article 88(1).

6.5. Short-Term Adequacy (STA)

The Company is providing STA in line with Article 81 of SOGL. Each RCC shall perform regional adequacy assessments for at least the week ahead timeframe. Each TSO shall provide the regional security coordinator with the information necessary to perform the regional adequacy assessments, including:

a. the expected total load and available resources of demand response;
b. the availability of power generation modules; and
c. the operational security limits.

Each RCC shall perform adequacy assessments based on the information provided by the relevant TSOs with the aim of detecting situations where a lack of adequacy is expected in any of the control areas or at regional level, considering possible cross-border exchanges and operational security limits. It shall deliver the results together with the actions it proposes to reduce risks to the TSOs of the capacity calculation region. Those actions shall include proposals for remedial actions that allow the increase of cross-border exchanges. When performing the adequacy assessment, each RCC shall coordinate with other RCCs.

RCCs (on a rotating basis) perform a Cross-Regional Adequacy Assessment (CRAA) daily to highlight situations at ENTSO-E level where a lack of adequacy is expected. When not performing the CRAA, the RCCs monitor the CRAA results for their own area of responsibility for potential lack of adequacy situations.

Based on the CRAA results or on TSO requests, e.g., due to lack of adequacy assessed or by estimation of TSOs, RCCs shall perform a Regional Adequacy Assessment (RAA) in the relevant adequacy coordination region and shall deliver the results of the regional adequacy assessment together with the actions they propose to reduce the risk to the associated TSOs. The Company has prepared extensive additions to the regional task and set out to monitor and alert the TSOs when needed. A communication procedure is configured to alert the high-risk periods and provide early warnings.

Operational performance

During year 2025, and since the go-live of the STA task:

• the duty of the pan-European STA task was accomplished 100% of days/weeks as expected by the agreements;
• RAA was not triggered for the task area of the Company, therefore there was nothing to be reported on for the year 2025.

Coordinated actions and recommendations

No actions/recommendations were made during the year 2025, since no RAAs were triggered.

Effectiveness

Effectiveness of this task has been defined as:
The ratio of initiated RAA adequacy issues in Baltic SOR compared to the total number of the RAAs triggered for this area. Result for 2025: 100%.

Efficiency

Efficiency of this task has been defined as:
The ratio of finalized RAA adequacy issues compared to the number of triggered RAA issues in Baltic SOR. Result for 2025: 100%.

Shortcomings

There isn't a proper fallback procedure implemented for a case where the STA pan-European tool becomes totally unavailable, which would then mean that we wouldn't be able to fulfil the task. Additionally, the adequacy results rely heavily on the input data quality and accuracy, so we made some improvements which will help us keep track of the quality of the input data, yet it still needs some working on before it becomes fully reliable.

6.6. Post-Operation and Post-Disturbances Analysis and Reporting (RIAR)

The Post-Operation and Post-Disturbances Analysis and Reporting, also referred to as Regional Incident Analysis and Reporting (RIAR), is a legally mandated task for RCC, as outlined in Article 37 of Regulation (EU) 2019/943. It involves conducting post-operation and post-disturbance analysis and reporting. The RCC's methodology for these activities, titled "Post-Operation and Post-Disturbances Analysis and Reporting Methodology," was approved by ACER through Decision 04-2022, effective from 1 April 2022. RIAR involves the RCC investigating situations, where actions taken by a TSO in an emergency, blackout, or restoration system state have caused another TSO to transition from a normal or alert system state to an emergency system state. If the incident is confirmed to be at least a scale 2 incident as defined by the Incident Classification Scale (ICS)

Methodology, the RCC will provide recommendations to prevent similar occurrences in the future.

Operational performance

During 2025, several power system incidents were subject to post-operation and post-disturbance analysis under the RIAR framework, in accordance with Regulation (EU) 2019/943 and the ICS methodology.

The investigation of the grid incident in South-East Europe on 21 June 2024, which resulted in a partial blackout affecting Albania, Bosnia and Herzegovina, Montenegro, and Croatia, was finalised in early 2025. On 25 February 2025, ENTSO-E published the Final Report on this incident, integrating the work of the ICS Expert Panel and the RCC Investigation Subgroup. The report documents the sequence of events, identifies contributing factors, and defines recommendations aimed at strengthening operational coordination and system resilience.

On 28 April 2025 at 12:33 CEST, a major grid incident occurred on the Iberian Peninsula, causing a widespread blackout in mainland Spain and Portugal with limited impact in neighbouring areas of France. The event was classified as a scale 3 incident in accordance with the ICS methodology, triggering a full investigation. An ENTSO-E Expert Panel was established to conduct the investigation, and a factual report describing system conditions, the sequence of events, and restoration activities was published on 3 October 2025. The final report, including root cause analysis and recommendations, is expected to be published in early 2026.

On 18 May 2025, a power system incident occurred in North Macedonia. The RCCs were informed on 30 May 2025, and the nomination process was completed on 3 June 2025. The incident was classified as scale 3, below the threshold for an RCC-led investigation. A factual report describing the operational development of the event was published on 10 November 2025. The final report is expected to be completed and published in 2026.

On 4 July 2025, a power system incident occurred in the Czech Republic, resulting in outages in parts of the transmission network and temporary island operation. The incident was assessed under the ICS methodology and did not meet the threshold for an RCC-led investigation under the RIAR framework. A factual report documenting the operational development of the event and the restoration process was published on 19 December 2025. Further analytical work will be completed within the ICS reporting framework.

Coordinated actions and recommendations

On February 2025, the RCC investigation subgroup for the incident on 21 June 2024 issued two recommendations to ENTSO-E TSOs. These recommendations aim at preventing similar incidents in the future through improvements in the regional processes included in Article 37 of Regulation (EU) 2019/943. Both recommendations were limited to the 35 ENTSO-E members that are participating in regional processes through the delivery of IGMs.

Both recommendations include a target date of June 2026. It is possible that some TSOs won't be able to complete the implementation by then. In this case, they may request a review according to Article 42 (4) of Regulation (EU) 2019/943.

Recommendation R2411

Deliverable:

All TSOs (only ENTSO-E members) should check and adjust (if needed) their internal processes to ensure the IGMs reflect topological (scheduled and unscheduled) changes (e.g. topology status, exchange, load and generation). This IGM update should be automatic.

Action plan:

By 30 June 2026, all TSOs (only ENTSO-E members) should check and, if necessary, adjust their internal processes to promptly reflect all scheduled and unscheduled topological changes (e.g. topology status, exchange, load, and generation) in all IGM time frames to enable a more frequent intraday process. The update should occur at least every four hours and ideally every hour.

Status December 2025:

Since 20 TSOs already update their IGMs at least every four hours, the recommendation is only applicable to 15 TSOs. One TSO already informed that they would not be able to implement this recommendation and provided justification. For the remaining 14 TSOs, several TSOs have started working on the implementation. However, they have not yet completed the adoption of the recommendation.

Recommendation R2412

Deliverable: Review the quality of voltage level calculations performed on CGMs to analyse whether improvements are possible.
Action plan: Some TSOs are generally unable to consider voltage measures (such as line disconnections) before real time due to suspected low accuracy of the voltage results from the DACF and IDCF. These TSOs, along with the respective RCCs, should perform a quantitative assessment of this accuracy by 30 June 2026. The purpose of this assessment is to understand the limitations of these calculations and make an objective decision regarding whether such measures can be considered earlier. Considering the dynamic nature of the grid and the modelling limitations, improvements in the quality of the results cannot be assumed. Additionally, in certain cases, a simplified calculation and real-time measurements must be taken into consideration. Therefore, the objective of this recommendation is merely a quantitative assessment and decision-making. This does not include any changes to the models themselves. Only by improving the IGMs can dynamic simulations better reflect reality. ENTSO-E guidance may be available to support this.
Status December 2025: From the 35 TSOs, several TSOs have started working on the implementation. However, they have not yet completed the adoption of the recommendation. All RCCs are in contact with their TSOs to support the completion of this recommendation by June 2026. Two RCCs have already performed first quantitative assessments and shared the results with their TSOs.

Monitoring of recommendations in the Baltic region:

The Company is monitoring the implementation by Baltic TSOs. The recommendations are accepted by TSOs and the implementation process is started with target deadline of June 2026.

Effectiveness

- Effectiveness of this task has been defined as: Nomination and communication of RCC members within one week after the incident occurrence.
- Publication of the final incident report, including the RCC chapter, by the end of September in the year following the incident.

In two out of three cases, the nomination and communication of RCC members were completed within the defined one-week timeframe. In the remaining case, the nomination was delayed; however, once informed, the RCCs reacted promptly and without further delay.

For the incident that occurred on 21 June 2024, the final report was published on 25 February 2025, which is well within the foreseen timeline and significantly ahead of the regulatory deadline of 30 September 2025. This demonstrates that the effectiveness criteria for report publication were fully met.

Efficiency

The efficiency of this task can be assessed based on published reports in case of the RCC investigation threshold being met. Reducing this down to a one number KPI is not possible since each incident case is unique and difficult to compare with the other cases.

The Company dedicated 300 hours to process implementation, to enhance training materials for certifying additional investigators, and took a part in 2 investigations.

Shortcomings

In 2025, RCCs identified some room for improvement concerning the timely communication about incidents and concerning the availability of data for the investigations. These points were raised with ENTSO-E and considered in the update of the ICS methodology which will be applied from 2026 onwards.

6.7. Training and Certification (T&C)

The T&C task is based on RCC Training and Certification Methodology developed in line with Article 37(1)(g) of Regulation (EU) 2019/943 and approved by ACER on 18 May 2022. T&C covers the implementation of continuous training and certification activities to RCC operators who are performing tasks of regulated services. Goal of T&C is to ensure the necessary skills and knowledge level of RCC operators to fulfil tasks efficiently with high quality to region TSOs. 28 May 2026 is the deadline for all RCC operators to be certified.

Operational performance

The main objectives for T&C task are:

- Develop internal RCC Training Program and Annual Training plan with definition of roles and responsibilities of related parties, organizational and certification principles;
- Develop Joint Training Program with common guidelines for all European RCCs;
- Develop Joint and Internal Training modules for regulated tasks;
- Train and certify RCC operators according to defined guidelines and developed materials.

Training modules, including training and assessment materials were successfully implemented and RCC operator certification process was launched. By the end of 2025, 80% of operators had obtained certificates for performing all operational tasks.

The Company is yearly updating training materials and relevant information in coordination with T&C implementation working group on Joint Training Modules for STA, OPC, CGM, RIAR, Consistency assessment of TSO defense and restoration plans and Identification of Regional Electricity Crisis Scenarios pan-European tasks to realize qualitative training and certificate its operators to ensure a high level of task performance.

Internal Training Program and Annual Training Plan for 2026 was developed from both - regional and pan-European task perspective.

Effectiveness and efficiency

For training and certification realization, open-source Learning Management System is used with possibility to adjust its functionality depending for training program needs.

To evaluate Training and Certification, certification completion rate was introduced for 2025.

In 2025 the Company had very high certification completion rate - 99% of all performed certifications were successful.

Shortcomings

No shortcomings were identified in 2025.

6.8. Consistency assessment of transmission system operators' defence and restoration plans

In accordance with Articles 6 and 52 of Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration (NC ER) the Company has prepared a monitoring report on the consistency assessment of system defence, and restoration plans developed by TSOs. This consistency assessment must be performed in every 5 years in line with the TSOs' timeline to review the defence plans and restoration plans as agreed with ACER. The task was executed in 2024.

The task is limited to a formal check of the consistency of the documentation stated by the TSOs in the Excel templates provided to the Company. Excel templates list the existing procedures and/or agreements with the correct names and versions. Each TSO delivered their completed templates to the Company for each border.

6.9. Maximum Entry Capacity (MEC)

Pursuant to Article 21 of Regulation (EU) 2019/943, if resource adequacy problems have been identified in a Member State, Capacity Remuneration Mechanisms (CRM) open for cross-border capacity participation may be introduced as a last resort.

The resource adequacy concern must be identified by National Recourse Adequacy Assessment and/or European Resource Adequacy Assessment. If a TSO is implementing CRM, open for cross-border participation, RCC needs to calculate MEC value for foreign capacity participation in cross border capacity mechanisms (CM) and issue recommendation pursuant to Article 26(7) of Regulation (EU) 2019/943.

MEC is the maximum allowed foreign capacity on each given border that can participate in a capacity remuneration mechanism during a certain delivery period. The MEC should reflect the value that an interconnected system can bring in at times of 'system stress' - in terms of security of supply. All calculated amounts for each CRM border should be included in one recommendation, which annually are provided by RCC to relevant TSOs.

Operational performance and implementation status

As no cross-border capacity mechanisms are expected to be introduced in the Baltic region. The Company therefore did not provide MEC calculations or issue recommendations in 2025.

6.10. Identification of regional electricity crisis scenarios

In line with the task (m) described in Article 37(1) of the Regulation (EU) 2019/943, RCCs shall carry out tasks related to the identification of regional electricity crisis scenarios if and to the extent they are delegated to the regional coordination centres pursuant to Articles 5 and 6(1) of Regulation (EU) 2019/941 of the European Parliament and of the Council of 5 June 2019 on risk-preparedness in the electricity sector and repealing Directive 2005/89/EC.

The task was executed in 2024, in which the regional electrical crisis scenarios have been identified. The next process will be held in 2028.

Operational performance, including participation in the relevant ENTSO-E working groups, was ensured by the Company, with involvement in each stage of the crisis scenario assessment. The finalized report has been sent to the relevant stakeholders.

6.11. Facilitating the regional procurement of balancing capacity

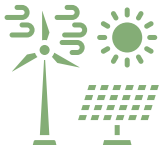
In accordance with Articles 37(1)(k), 37(5) and paragraph 8 of Annex I of the

Regulation (EU) 2019/943 RCCs should provide task of Facilitating the regional procurement of balancing capacity to respective SOR. It consists of calculation provided by RCC of the availability of non-contracted balancing energy bids at the European platforms (PICASSO, MARI, TERRE) per type of reserve (aFRR, mFRR, RR), direction and validity period in respective SOR and additional roles and responsibilities mentioned in “Methodology for the regional procurement of balancing capacity” and “Methodology for harmonising processes for the allocation of cross-zonal capacity for the exchange of balancing capacity or sharing of reserves”.

Implementation status

In 2025, the Company together with Baltic TSOs in Sizing and Procurement Implementation Working Group set up task development plan in SOR and started implementation to realize at least basic functionalities of task in line with stated “Methodology for the regional procurement of balancing capacity” deadlines. The task was implemented in the initial scope on 15 January 2026.

6.12. Regional sizing of reserve capacity



In line with Methodology for the regional sizing of reserve capacity in accordance with Article 37(1)(j) of Regulation (EU) 2019/943, RCCs need to perform Regional sizing of reserve capacity task. The task consists of 2 main parts - yearly determination of the minimum required reserve capacity and daily short-term assessment of availability of sharing amounts at the relevant SOR.

Implementation status

In 2025, the Company together with Baltic TSOs in Sizing and Procurement Implementation Working Group set up task development plan in SOR and started implementation to realize Regional sizing of reserve capacity task in line with Methodology for the regional sizing of reserve capacity in accordance with Article 37(1)(j) of Regulation (EU) 2019/943 deadlines.

Regional sizing of reserve capacity task part short-term assessment of availability of sharing amounts at the relevant SOR was postponed being assessed at 2026 as in Baltic SOR there are no sharing agreements between LFC blocks within a synchronous area or between synchronous areas in 2025.

7. GENERAL OUTLOOK

The Company's focus and objectives rest on three pillars - coordinated, integrated and secure power grid operations; optimal and resilient market operations; and IT system reliability, harmonisation and security.

7.1. Coordinated, integrated and secure operation of the power grid

We aim to ensure security of supply through the Coordinated, Integrated and Secure Operations of the power grid. Our primary focus aligns with the mandatory tasks defined by Regulation (EU) 2019/943, which are either implemented or will be completed in the coming years.

Tasks that have already been implemented will continue to be enhanced to fully meet the requirements of the defined methodologies, as well as the regional needs of the Baltic TSOs. At the beginning of the year, the Company focused on the implementation of the CCC task in order to be ready for synchronization with Continental Europe. This objective was achieved, and the internally developed CCC tool has been used for capacity calculation in the Baltic region since synchronization.

Regional services have been expanded by taking over the CCC reporting tasks. During the year, development was initiated to enable data collection and reporting in line with the requirements set out in EU regulations and European methodologies. Active development of new tasks, as well as those already initiated, is expected to be completed by 2026; however, further enhancements will continue based on regional needs.

The development of the new tasks Regional procurement of balancing capacity and Regional sizing of reserve capacity was initiated in 2025 and both tasks are planned to be finalized, with operational task provision starting in 2026.

In addition to the pan-European mandated tasks the Company offers and will continue to offer additional support to Baltic TSOs with the aim of achieving Coordinated, Integrated and Secure Operations of the power grid. The tasks currently provided include:

1. Regional outage planning and coordination task;
2. Regional merged model provision;
3. Regional short-term adequacy task;
4. Regional planning data network hosting and management;
5. Relevant asset calculation and assessment;
6. Reporting tasks for Baltic TSOs.

The aim is to further expand regional support in the future based on requests from Baltic TSOs, with a focus on achieving the vision of integrated and coordinated power grid.

We recognize that power grid operation and security are not solely the responsibility of TSOs. Long-term integration and coordination with other energy sector entities, such as gas TSOs, DSOs, and other market participants, are crucial to ensuring secure and reliable operations.

7.2. Optimal and resilient market operations

European energy grids rely heavily on energy and capacity markets, and system security cannot be achieved without well-functioning and resilient energy markets. When we refer to “markets”, we mean the resale of energy, long-term futures markets for energy and related products, and reserve markets for energy and capacity products.

Today, RCCs are mainly envisioned as Coordinated Capacity Calculator for energy markets and as optimizers for the sizing and procurement of reserve capacity markets. We believe that their role in market operations can and should be expanded also in the future.

With anticipation for CACM updated version it is expected that RCCs will be included into additional roles as market data facilitator. Main target and area of operation is pre-coupling data verification and data provision. Additionally, with Multi Nemo Arrangements the role for capacity and market results verification is seen as one possible area where RCC could take a leading role. Flow-based capacity calculation is one of the tasks that has been identified and will remain in focus of the Company for the following years. Both the implementation requirements definition and implementation of the calculation algorithm will be needed to develop in order to ensure that the flow-based capacity calculation is transparent and efficient to meet the expectations of TSOs and market. During 2025, we focused on gaining additional knowledge on the flow-based capacity calculation approach in order to be ready to support Baltic TSOs during the transition period from the NTC to the flow-based capacity calculation method, if such a decision is taken.

Additionally, the harmonisation and lead in data exchange solution provision with Regional Planning Data Network has potential to provide added value and harmonisation for market participants.

It remains clear that system security and markets go hand in hand and therefore RCC's role as harmoniser and cost optimisation is beneficial for long-term resilience and optimisation of costs. The end decision on delegation of tasks remains with the TSOs but RCC is open to take lead in the relevant tasks in area of possible market timeframes.

7.3. IT system reliability, harmonisation and security

The Company has set out open-source development as key strategic way how to reach the IT system reliability, harmonisation and security. We see that leveraging open-source technologies is beneficial for internal competence and code sharing. Base platform services like ELK (Elasticsearch, Logstash, and Kibana) and MinIO, contributing to the standardization of development efforts and help to develop more reliable and secure tooling.

In development, our goal is to transition all core functions to open-source platforms, allowing other stakeholders to reuse, enhance, and benefit from these solutions. This approach leverages the collective strength of the sector to establish common, standardised integrations and a shared codebase, which will ultimately enhance system security and availability in the long-term.

Open-source software development has encouraged innovation within organizations. By engaging with open-source projects, engineers can work on collaborative way and engage other interested parties to contribute to the projects. The collaborative environment of open-source communities allows

engineers to encounter diverse challenges, accelerating their problem-solving capabilities. Furthermore, working in open-source projects exposes engineers to best practices, global coding standards, and peer-reviewed work. This involvement enhances the quality of in-house development, as developers can bring new knowledge and fresh perspectives to internal projects.

One of the core principles of open-source is knowledge sharing. By adopting open-source tools and contributing to open-source projects, we aim to create a culture of collaboration and transparency. By allowing teams to openly share code, improvements can be made collectively, accelerating development cycles and increasing overall software quality. We target to include other RCCs in the community to merge the competences and help to find best solutions to the problems. By sharing the knowledge and tooling with other companies and RCCs we aim to share the competence and knowledge to help to ensure our long-term vision of becoming the competence centre for RCC related tasks.

In parallel, the Company is planning to obtain ISO/IEC 27001:2022 certification to further strengthen its information security management framework. This certification will support the systematic protection of information assets, enhance risk management related to data confidentiality, integrity, and availability, and demonstrate the Company's commitment to internationally recognised information security standards. Achieving ISO/IEC 27001:2022 certification will also increase trust among TSOs and other stakeholders and support the reliable delivery of coordinated services.

Open-source software offers us a significant cost advantage. Since open-source technologies are often available for free or at a lower cost than proprietary solutions, they have reduced licensing expenses. This allows the organization to allocate funds more effectively, particularly for research, development, and infrastructure improvements. Additionally, using open-source tools fosters internal innovation and encourages employees to take ownership of tools they are building upon, leading to reduced dependency on external vendors for support or customization.

8. DEVELOPMENT OUTLOOK AND MAIN INTEREST PROJECTS

The Company has set out the implementation plan for all services set out in Article 37(1) of Regulation (EU) 2019/943 and the initial implementation deadlines are set out in Table 3 below.

Table 3. Implementation deadlines for tasks set out in Article 37(1) of Regulation (EU) 2019/943

Task as per Article 37(1)	Implementation	Scope
Coordinated capacity calculation	10.02.2025	CCR (Capacity calculation region)
Supporting regional restoration	Q1 2027	Pan-EU, SOR
Facilitating procurement of balancing capacity	Q1 2026	SOR
Supporting needs for new infrastructures	Q1 2027	Pan-EU
Regional sizing of reserve capacity	Q2 2026	SOR
Crisis scenarios	Q1 2025	Pan-EU, SOR
Support optimization Inter TSO settlement	On demand	-
Seasonal adequacy	On demand	-

The implementation deadlines for individual tasks and scope of the tasks for which a methodology has not been confirmed are indicative and subject to amendments where necessary.

The Company's short-term goals up to 2027 focus on implementing the methodologies and tasks defined by EU regulations, supporting TSOs in improving IGM and CGM quality, strengthening the Company's IT stack, and enhancing IT system monitoring. To improve the quality of task delivery, the Company will work on capacity maximisation for the OPC task, develop a remedial action optimisation tool for the CSA task, and initiate the development of a common coordination tool for TSOs covering the CSA, CCC, and STA tasks, subject to positive results from a

proof of concept. The Company's main projects and focus areas are provided in Figure 2.

The tasks that are currently in development or will be developed once the methodologies are confirmed include the Capacity maximisation, as well as the Identification of new Infrastructure.

The core tasks – CCC, CSA and Merging function – are already in operation but will continue to require resources to enhance and achieve stable operation. Additionally, these tasks are facing new requirements from various stakeholders.

A new short-term target is the review, enhancement, and further development of the IT architecture, as well as increasing IT expertise to ensure high availability and reliability of the IT systems. These efforts focus on the third pillar of the RCC's strategy and aims to ensure business continuity though improved core functions availability and development quality.

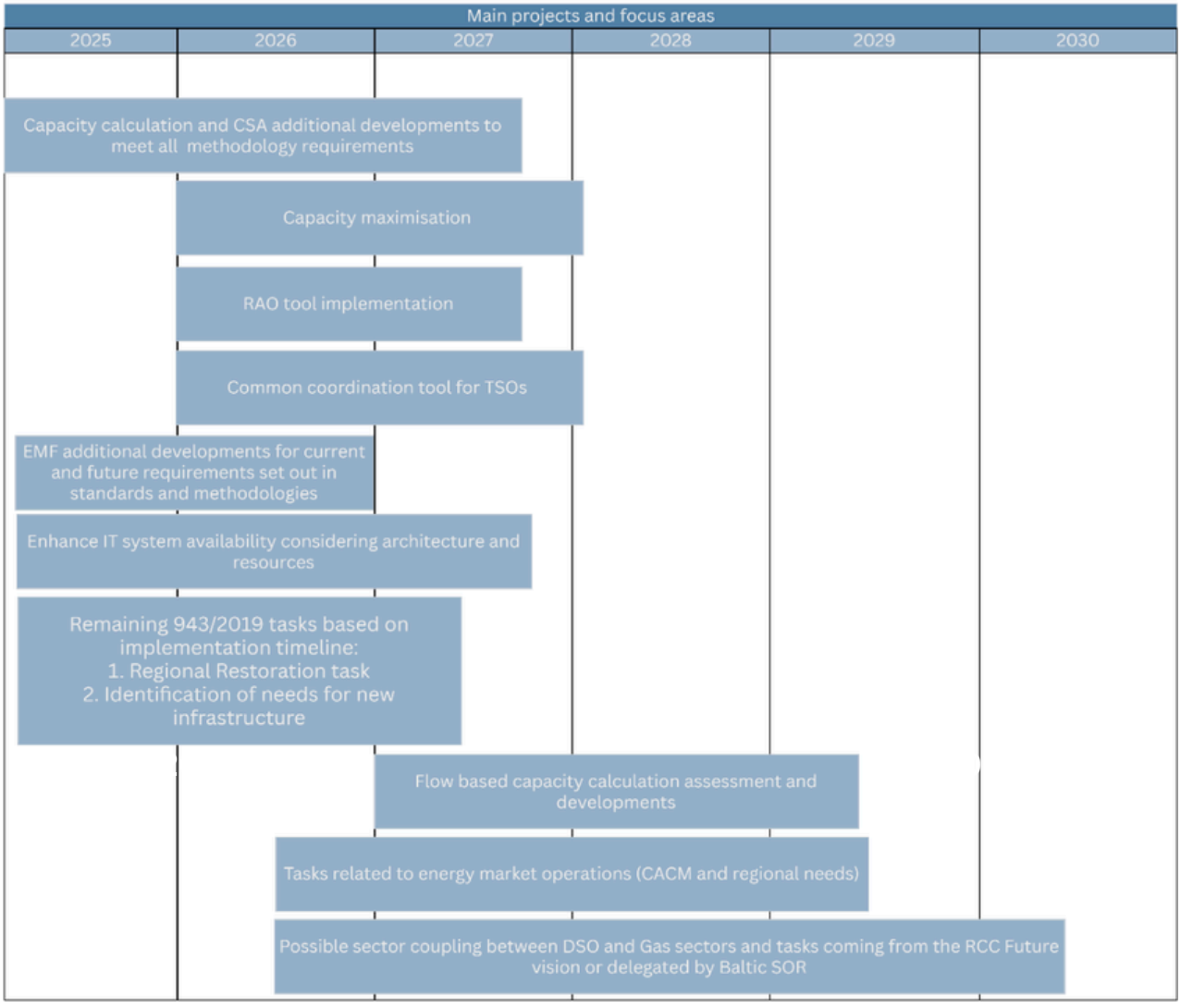


Figure 2. The Company's main projects and focus areas

Starting from 2027 and beyond, we anticipate that regional implementation will gain more focus due to the approval of the CACM regulation amendment that will grant additional responsibilities to the RCCs in line with the current amendment wording. In line with this RCCs will become more involved in other market procedures and communication with market participants.

At the same time, it is crucial to address any shortcomings in coordination between various energy sector entities, as improved coordination and integration could benefit all parties involved.

9. RISKS

As the Company is operating in similar environment with TSOs the risks we face are largely similar to the TSOs, external and internal factors both. The main risk categories identified internally are:

1. **Corporative;**
2. **IT/IT security;**
3. **Services implementation;**
4. **Operational.**

The risk management procedures, registries and mitigation plans are reviewed quarterly. The risks that are indicated either high or very high are reviewed regularly.

9.1. Corporative or Operational

Mandatory use of a single, centrally selected CGM merging tool for all RCCs may reduce operational flexibility for the Company and negatively impact the quality and efficiency of CGM production.

Cause:
Regulatory or governance decisions requiring RCCs to use one common vendor-provided merging tool instead of RCC-specific or in-house solutions.

Impact:
Increased operational and licensing costs due to reliance on a single vendor; longer response and processing times compared to the current Company's in-house merging tool; potential degradation of CGM quality and timeliness, affecting the provision of coordinated services to TSOs.

Mitigation measures:

- Advocate for technology-neutral regulatory requirements allowing RCCs to

use equivalent in-house solutions.

Status: **Ongoing** – implemented and continuously promoted through stakeholder engagement and regulatory discussions, as well as related working groups.

- Formally escalate the risk to Shareholders for awareness and oversight.

Status: **Implemented** – risk communicated through established governance and reporting channels.

9.2. Operational

Insufficient quality and consistency of IGMs provided by TSOs may lead to reduced quality of the CGM, which is the main input for task provision to TSOs.

Cause:
Incomplete, inconsistent, or delayed IGMs submitted by TSOs; limited validation capabilities; data quality issues in source systems.

Impact:
Reduced accuracy and reliability of capacity calculation and other coordinated services; increased need for fallback procedures and manual interventions; potential delays in task execution and risk of non-compliance with regulatory requirements.

Mitigation measures:

- Strengthen IGM validation and debugging processes.

Status: **Planned** – target implementation in 2026.

- Enhance CGM local quality monitoring.

Status: **Implemented** – monitoring processes in place and actively used.

- Increase coordination and feedback loops with TSOs on IGM quality issues.

Status: **Implemented** – regular coordination and feedback mechanisms established.

- Develop fall-back procedures to be possible replace the missing or bad quality IGM.

Status: **Implemented** – procedures defined and operationally applied.

9.3. IT and cybersecurity risks

We categorize our technical risk into primary domains, each managed through specific control frameworks:

- Identity and Access Management;
- Software Supply Chain & CI/CD Security;
- Data Sovereignty.

Mitigation:

The adoption of the ISO/IEC 27001:2022 standard serves as our primary framework for mitigating the technical and operational risks outlined above. Rather than relying on ad-hoc security measures, the ISMS provides a structured, risk-based approach to institutionalizing security.

10. FINANCIAL STATEMENTS (01.01.2025-31.12.2025)

Statement of financial position

in thousands of euros	Note	31.12.2025	31.12.2024
ASSETS			
Current assets			
Cash and cash equivalents	5	891	793
Trade and other receivables	6	57	71
Prepayments	6	4	6
Total current assets		**952**	**870**
Non-current assets			
Property, plant and equipment	7	31	43
Intangible assets	8	37	78
Total non-current assets		**68**	**121**
TOTAL ASSETS		**1020**	**991**
LIABILITIES			
Current liabilities			
Current lease liabilities	9, 10	21	28
Trade and other payables	9	759	605
Deferred income	9	0	4
Total current liabilities		**780**	**637**
Non-current liabilities			
Non-current lease liabilities	10	10	15
Total non-current liabilities		**10**	**15**
TOTAL LIABILITIES		**790**	**652**
Share capital	11	135	135
Retained earnings	11	95	204
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**230**	**339**
TOTAL LIABILITIES AND EQUITY		**1 020**	**991**

Notes 1 to 16 are an integral part of these annual accounts.

Statement of profit and loss and other comprehensive income

in thousands of euros	**Note**	**01.01.2025-31.12.2025**	**01.01.2024-31.12.2024**
Revenue	12	1 970	1 596
Goods, raw materials and services	13	-440	-389
Miscellaneous operating expenses	14	-183	-165
Personnel expenses	15	-1 182	-848
Depreciation expenses	7, 8	-81	-78
Operating profit		**84**	**115**
Profit before tax		**84**	**115**
Financial income/costs		13	6
Income tax		-2	-2
Icome tax from dividends	11	-45	0
Total comprehensive income for the period, net of tax		**50**	**119**
Profit attributable to:			
Owners of the Company		50	119
Total comprehensive income attributable to:			
Owners of the Company		50	119

Notes 1 to 16 are an integral part of these annual accounts.

Statement of cash flows

in thousands of euros	Note	31.12.2025	31.12.2024
Cash flow from operating activities			
Profit before tax		84	115
Adjustments for:			
- Depreciation	7, 8	81	78
- Gain and losses in property, plant and equipment	7	0	-6
Changes in working capital:			
- Change in trade and other receivables	6	16	43
- Change in trade an other payables	9	144	-68
Total cash flows from operating activities		**325**	**162**
Payment of lease liabilities	10	-21	-26
Paid interest	10	-2	-2
Paid dividends	11	-159	0
Paid income tax from dividends	11	-45	0
Total cash flows from financing activities		**-227**	**-28**
Net decrease in cash and cash equivalents		**98**	**134**
Cash and cash equivalents at the beginning of the period	5	**793**	**659**
Cash and cash equivalents at the end of the period	5	**891**	**793**

Notes 1 to 16 are an integral part of these annual accounts.

Statement of changes in equity

in thousands of euros	Share capital	Retained earnings	Total equity
	(Note 11)	(Note 11)	
Balance as at 31.12.2023	**135**	**85**	**220**
Dividends	0	0	0
Profit for the year	0	119	119
Balance as at 31.12.2024	**135**	**204**	**339**
Dividends	0	-159	-159
Profit for the year	0	50	50
Balance as at 31.12.2025	**135**	**95**	**230**

More detailed information on share capital is provided in Note 11.

Notes 1 to 16 are an integral part of these annual accounts.

Notes to the financial statements

Note 1. The Company and its operations

Baltic RCC OÜ (hereinafter "The Company") is a company established in the Republic of Estonia, entry in the commercial register on 20 June 2022. The registered address of the Company is Kadaka tee 42, 12915 Tallinn, Republic of Estonia. The Company has permanent establishments in Latvia and Lithuania. The main activity of the Company is the provision of engineering and technical services in the energy sector in Estonia, Latvia and Lithuania. The financial statements for the financial year ended on 31 December 2024, covers the units in Estonia, Latvia, and Lithuania.

The management of the Company is based on the Estonian Commercial Code, Articles of Association, and the Shareholders Agreement. The governance structure of the Company includes three levels in accordance with the Estonian Commercial Code:

1. The Shareholders of the Company - The shares are allocated equally between three Baltic TSOs: Elering AS, AS "Augstsprieguma Tīkls", and Litgrid AB;
2. The Supervisory Board of the Company - One representative from each Baltic TSO to supervise and overview the strategic operations;
3. The Management Board of the Company - Three members, elected by the Supervisory Board, the main responsibilities are day-to-day operations.

The Company's economic activities are regulated by the laws of the Republic of Estonia and the European Union.

Note 2. Standards, interpretations and amendments to published standards

The following new and amended standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. The Company has not adopted any of these new and amended standards earlier and does not expect that they would have a significant impact on the financial statements when become effective.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7);
- IFRS 18 Presentation and Disclosure in Financial Statements.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures;
- Annual Improvements to IFRS Accounting Standards – Volume 11.

The following standards and amendments have not been endorsed by the European Union as at 18 December 2025:

- IFRS 18 Presentation and Disclosure in Financial Statements;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

Note 3. Summary of significant accounting policies

The basis of preparation. These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union, under the historical cost convention. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Accounting and presentation currency. Financial statements are prepared in euros, which is the accounting and presentation currency. The annual report of the Company is prepared in thousands of euros.

Foreign currency conversion. Transactions in foreign currency are translated into the functional currency based on the exchange rates of the European Central Bank valid on the day of the transaction. Exchange rate gains and losses arising from the recognition of these transactions and the recalculation of the exchange rates of monetary assets and liabilities based on the year-end exchange rate are recognized in the profit or loss.

Cash and cash equivalents. In the statement of cash flows, cash and cash equivalents include short term (up to 3 months) highly liquid investments that can be converted to known amounts of cash and that lack significant risk of market value changes, incl. cash on hand, bank accounts and short-term deposits with original maturities of three months or less.

Classification, forward measurement and profit and loss

Financial assets

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets are not reclassified after their initial recognition, unless the entity changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in business model.

Financial assets are measured at amortized cost if both of the following conditions are met:

- the financial asset is held within the framework of a business model, the purpose of which is to hold the financial asset for the collection of contractual cash flows; and
- cash flows resulting from the contractual terms of the financial asset on specified dates, which are only the principal, and the interest calculated on the unpaid principal.

The Company classifies cash and cash equivalents, trade receivables and other receivables as financial assets measured at amortized cost.

The following table provides an overview of the Company's financial assets and their measurement and recognition of profits and losses.

Amortized cost	These assets are recorded at amortized cost using the internal interest rate method. From the amortized costs, the loss from the decrease in the value of the asset is deducted. Interest income, profit or loss from exchange rate changes and depreciation are reflected in the income statement. The profit or loss on derecognition is recognized in the income statement.

An entity derecognizes a financial asset if and only if the contractual rights to the cash flows arising from the financial asset terminate or if the entity transfers the financial asset and the transfer meets the criteria for derecognition. The entity transfers the right to receive contractual cash flows in a transaction in which all the risks and rewards of ownership of the financial asset are transferred, or where the entity does not transfer the risks and rewards of ownership of the financial asset during the transfer, but the entity does not retain control of the financial asset.

Transactions with which the Company transfers the assets recorded in its financial statements, but the Company retains all or the main risks and rewards of the transferred assets, in such cases the Company does not stop recording the transferred assets.

Financial liabilities

Financial liabilities are classified as measured at either amortized cost or at fair value through profit or loss. A financial liability is classified at fair value through profit or loss if it is held for trading, is a derivative instrument or is recognized as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net profit and loss, including any interest expense, is recognized in profit or loss.

Other financial liabilities are recorded at amortized cost using the internal interest rate method. Interest expenses and gains or losses from exchange rate changes are recognized in the income statement. The profit or loss on derecognition is recognized through net profit.

An entity removes a financial liability from its statement of financial position if, and only if, it has been extinguished. This means when the obligation defined in the contract has been fulfilled, cancelled, or expired. The Company ceases to recognize a financial liability if the terms of the financial liability are changed in such a way that the cash flows of the liability are significantly different from the original liability. In this case, the new financial liability based on the changed terms is recognized at fair value.

The difference between the residual balance sheet value of a terminated financial liability or a financial liability transferred to another party (or a part of a financial liability) and the consideration paid, including all non-monetary assets transferred or liabilities assumed, is recorded through net profit.

Offsetting

Financial assets and liabilities are offset and reflected as a net amount in the financial statement if and only if the Company has the legal right to offset the amounts at that moment and the Company has a conscious intention to either pay them on a net basis or to realize the asset and pay the liability at the same time.

Impairment of financial assets

The Company applies the expected credit loss model to financial assets carried at amortized cost when recognizing impairment.

The Company measures impairment at an amount equal to lifetime expected credit losses, except for financial assets that are measured at an amount equal to 12-month expected credit losses:

- other requirements;
- cash and cash equivalents whose credit risk has not increased significantly since initial recognition.

The Company applies the simplified method provided in IFRS 9 for the recognition of expected credit losses on all claims against buyers, which allows for the formation of a discount in the amount of expected credit losses during the validity period of the reserve.

The Company always records a discount formed against receivables in the amount equal to the expected credit loss during their validity period. To estimate the expected credit loss of said assets, a provisioning matrix is used, which is based on the Company's historical credit loss experience, which is adjusted by factors

related to specific debtors, general economic conditions and, if necessary, the time value of money. Expected credit losses are probability-weighted estimated credit losses. The credit loss is the difference between the contractual cash flows and the cash flows expected by the Company, discounted at the internal interest rate of the financial asset.

At each reporting date, the Company assesses whether the credit quality of financial assets recognized at amortised cost has declined. The credit quality of a financial asset has decreased if one or more events have occurred that have a negative impact on the expected future cash flows of this financial asset. Circumstances that give an indication that the credit quality of a financial asset has decreased are as follows:

- significant financial difficulties of the debtor;
- breach of contract (non-fulfilment of an obligation or non-payment by the due date);
- restructuring of the loan or advance on terms that the Company would not otherwise have done;
- it is likely that the debtor will run into payment difficulties.

Tangible assets. Tangible assets are tangible assets that a company uses in the provision of services, for rental or administrative purposes and that it intends to use for a period longer than one year.

The lower limit for the acquisition cost of tangible fixed assets is 10 000 euros. When a fixed asset is taken into account, its useful life is determined, and the depreciation rate is determined based on this. The exception is objects with an unlimited useful life (land, works of art of permanent value, books, etc.), which are not depreciated.

Depreciation of an asset begins when it is put into service and continues until the asset is fully depreciated and written off. If such an asset is used further, it is kept in the balance sheet with a zero residual value. In the event of the sale of a fixed asset, the acquisition cost of the fixed asset is removed from the balance sheet as accumulated depreciation. In the event of premature write-off of fixed assets, a depreciation act is drawn up.

The Company uses the straight-line method for depreciation of tangible fixed assets.

Tangible assets are amortized using the straight-line method over their useful lives:

	Useful lives in years
Rental premises	1-5 years

Intangible assets. Intangible assets are recognized in the statement of financial position only if the following conditions are met:

- the asset is controlled by the Company;
- it is probable that the future economic benefits that are attributable to the assets will flow to the Company;
- the cost of the asset can be reliably estimated.

An intangible asset is initially recognized at its cost, comprising its purchase price, any directly attributable expenditure on preparing the asset for its intended use and borrowing costs that relate to assets that take a substantial period of time to get ready for use. After initial recognition, an intangible asset is carried at its acquisition cost less any accumulated amortization and impairment losses.

Intangible assets are amortized using the straight-line method over their useful lives:

	Useful lives in years
Software and software Licenses	3-5 years

If impaired, the carrying amount of intangible assets is written down to the higher of value in use and fair value less costs of disposal.

Provisions and contingent liabilities. Provisions for liabilities and charges are non-financial liabilities of uncertain timing or amount. They are accrued when the Company has a present legal or constructive obligation as a result of past events and, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Other possible or present obligations arising from past events, but whose settlement is not probable or the amount of which cannot be measured with sufficient reliability are disclosed as contingent liabilities in the notes to the financial statements.

Share capital. Incremental costs directly attributable to the issue of new shares are recognized as a reduction of equity. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity.

Dividends. Dividends are recognized as a liability and deducted from equity in the period they are declared and approved. Dividends declared after the balance sheet date and before the publication of the annual accounts are disclosed in the notes to the annual report.

Revenue recognition. The fee specified in the customer contract is used as the

basis for measuring sales revenue. The Company recognizes revenue when it gives control of a good or provides a service to a customer. The following table presents information on the fulfilment and timing of operational obligations arising from customer contracts and, as a result, accounting principles for recording revenue.

Type of service	Fulfilment and timing of performance obligations, important payment terms	Accounting principles of sales revenue
Engineering services provided to Shareholders	Services are ordered in line with the service agreements. Payments for services are bi-annual in line with the Shareholders agreement.	Income is set twice a year in line with the Transfer Pricing methodology. Revenue is recognized at the time the service is rendered.
Engineering services provided to non-shareholders	Services are offered in line with the individual agreements for services. Payments for services are in line with the cost-profiles and standard term is either quarterly or annually	Income in line with the cost profile and invoices provided for services. Revenue is recognized at the time the service is rendered.

Rent calculation. When concluding a contract, the Company assesses whether the contract is a rental contract or if the contract contains rent. Contract forward a lease agreement (or includes a lease) if the agreement gives the right to control and use specified property for a fee within a certain period of time. To assess whether the contract gives the right to control and use the property, the Company uses the definition of a lease in IFRS 16.

Company as lessee. When concluding or amending a contract containing a rental component, the Company distributes the fee included in the contract to each to the rental component based on its stand-alone price. The Company recognizes the right-of-use asset and lease liability on the lease commencement date. The right-of-use asset is measured initially at the acquisition cost, which consists of the initial amount of the lease obligation. The initial amount of the rental obligation is adjusted by the advances made, by the direct expenses made and by the restoration costs (which result from property dismantling and restoration). Received rental discounts are deducted from the received amount. The right-of-use asset is depreciated using the straight-line method from the start date of the lease to the end of the lease period unless the lease agreement transfers ownership of the underlying asset to the group at the end of the lease period or if the residual value of the right-of-use asset indicates that the group plans to exercise the option to buy the asset. In this case is depreciated over the entire useful life of the right-of-use asset's underlying asset, which is determined on the same basis as in the case of the corresponding tangible fixed assets owned by the group. In addition, the right-of-use property is reduced in the event of losses

resulting from a decrease in value. Lease obligations of right-of-use assets are also adjusted on certain revaluations. The lease liability is initially measured at the present value of the lease payments that have not yet been paid during the lease term by the start date using the internal interest rate of the lease or, if this rate cannot be determined, alternative loan interest rate. In general, the group uses an alternative loan interest rate as a discount rate. The Company finds an alternative loan interest rate using different sources of financing. Received inputs are adjusted taking into account the lease terms and the type of leased asset to arrive at the leased asset to a suitable alternative loan interest rate. The rental payments included in the rental obligation include the following parts:

- fixed payments (including essentially fixed rental payments);
- fines for termination of the rental agreement (if the termination is sufficiently certain);
- purchase price (if the purchase of the asset is sufficiently certain);
- guaranteed residual value (expected value of the amount to be paid);
- Index or rate dependent rental payments.

The lease liability is measured at amortised cost. It will be recalculated when in the future there are changes in the rental payments due to the index or rate when the estimate of the guaranteed residual value changes in terms of the amount or if the group changes its assessment as to whether it is desired to use the asset buyout, lease options for extension or termination. The lease liability is also remeasured if the changes are fixed payments (including essentially fixed rental payments). If the lease liability is revalued for the reasons listed above, the right-of-use asset is recognized in the balance sheet corresponding adjustment in the cost. The effect of a change in a lease liability is recognized in the income statement if the carrying amount of the right-of-use asset is reduced to zero. The group has decided not to recognize right-of-use assets and lease liabilities for low-value asset leases and for short-term rentals. The Group recognizes the lease payments related to these leases as an expense on a straight-line basis during the rental period.

Employee benefits. Employee short-term benefits include wages, salaries and social taxes, benefits related to temporary suspension of employment contracts (holiday or other similar pay). These benefits are recognized in profit or loss in the year in which the associated services are rendered by the employees of the Company. Any amounts unpaid by the balance sheet date are recognized as a liability.

If during the reporting period, an employee has provided services for which payment of compensation is to be expected, the Company will recognize a liability (accrued expense) in the amount of forecasted compensation, from which all amounts already paid, will be deducted.

Taxation. According to the Income Tax Act in force in Estonia, legal entities do not pay income tax on their profits earned. Income tax is paid on fringe benefits, gifts, donations, reception expenses, dividends, and non-business-related disbursements. In Latvia, income tax is paid on dividends, non-business-related payments, and loans to related parties. In Lithuania, income tax is paid on dividends and payments not related to business. From 01.01.2025, the new tax rate of the profit distributed as dividends is 22/78 of the net amount to be paid out. The income tax accompanying the payment of dividends is recorded as a liability and an income tax expense when the dividends are declared. Corporate income tax paid on dividends is recorded in the income statement as income tax expense and in the balance sheet as deferred income tax liability to the extent of the planned dividend payment. The obligation to pay income tax arises on the 10th of the month following the dividend payment.

The maximum income tax liability that accompanies the payment of distributable earnings as dividends is disclosed in the annual financial statements, Note 11. Due to the specifics of the Tax Act, the Company registered in Estonia does not have differences between property taxation and the residual balance sheet value, and as a result, there are no deferred income tax claims or liabilities. In the income statement, the corporate income tax calculated on the profit in Lithuania is reflected. Taxation associated with a permanent establishment in Latvia and Lithuania is carried out in accordance with the legislation of the Republic of Latvia and the Republic of Lithuania. In the Republic of Latvia, the profit is taxed at a 20% income tax rate. In the Republic of Lithuania, profit is taxed at a 16% income tax rate.

Note 4. Financial risk management

The Company's activities entail various financial risks: credit risk, liquidity risk, market risk, currency risk. The purpose of financial risk management is to mitigate financial risks and reduce the volatility of financial results.

In the Company's opinion, the balance sheet values of the financial assets (Notes 5 and 6) and liabilities (Notes 9 and 10) reflected in the amortised cost in the statement of financial position do not differ significantly from their fair values as of 31 December 2024 and 31 December 2025. Receivables from clients and debts to suppliers are short-term, therefore, according to the management, their balance sheet value is close to their fair value.

The following table shows the classes of financial assets and financial liabilities of the Company according to IFRS 9 measurement categories:

Financial assets

in thousands of euros	**31.12.2025**	**31.12.2024**
Financial liabilities at amortized cost		
Cash and cash equivalents (Note 5)	739	393
Short-term deposits (Note 5)	152	400
Trade and other receivables (Note 6)	61	77
Total financial assets	**952**	**870**

Financial obligations

in thousands of euros	**31.12.2025**	**31.12.2024**
Financial liabilities at amortized cost		
Trade and other payables (Note 9)	781	637
Total financial liabilities	**781**	**637**

Credit risk

Credit risk reflects the potential loss resulting from the counterparty's inability to fulfill its obligations to the Company in a timely manner. The Company's primary risk is the counterparty's inability to pay regular payments resulting from the contract. Credit risk is mitigated applying the prepayments for the services to be

rendered for.

Monthly receivable report is reviewed and analysed by the Chairman of the Company. Information on credit risk is disclosed in Note 4. The book value of financial and contractual assets reflects the maximum credit risk.

To measure the expected credit losses, trade receivables are grouped based on the shared credit risk and the expiry period.

There were no losses resulting from the decline in the value of financial assets recorded in the income statement during the reporting period.

Liquidity risk

Liquidity risk is a risk where the Company will encounter difficulties in meeting its obligations associated with financial liabilities. The liquidity risk of the Company is closely related to the credit risk arising from contracts related to the counterparty. It is possible to use advance payments received on the basis of contracts to mitigate the risk.

The following table presents the liabilities as of 31 December 2025 according to their contractual maturity. The amounts in the table present the contractual undiscounted figures.

The liquidity analysis of financial liabilities as of 31 December 2025 is as follows:

in thousands of euros	**On demand and less than 1 month**	**1 to 12 months**	**Total 2025**	**On demand and less than 1 month**	**1 to 12 months**	**Total 2024**
Obligations						
Short-term rental liabilities (Note 10)	0	21	**21**	0	28	**28**
Trade and other payables (Note 9)	760	0	**760**	605	4	**609**
Total future payments	**760**	**21**	**781**	**605**	**32**	**637**

Market risk

The Company is open to market risk. Market risk arises mainly in relation to changes in service prices and open positions of assets and liabilities in foreign currencies. Management sets limits on acceptable open positions, which are

monitored on a daily basis, however, using this method does not completely prevent losses outside of these limits but limits their maximum amounts.

Currency risk. Currency risk is the risk that the fair value or cash flows of financial instruments will fluctuate in the future due to exchange rate changes. As the base currency of most the Company transactions and balances is the euro, The Company is not exposed to significant currency risk.

Capital management

The Company's main goal in capital risk management is to ensure the Company's sustainability in order to secure income for Shareholders and ensure confidence for creditors, while maintaining an optimal capital structure to reduce the cost of capital. For maintaining or improving the capital structure, the Company can regulate dividends paid to Shareholders, return part of the paid-in share capital to Shareholders, issue new shares or bonds and take out new loans.

According to common practice in the industry, the Company uses the ratio of equity and assets to monitor the capital structure, which is obtained by dividing the total amount of equity capital by the total amount of assets as of the balance sheet date. The Company's goal is to maintain a ratio of equity to assets between 15% - 40%.

The share of equity in total assets is shown in the following table:

in thousands of euros	**31.12.2025**	**31.12.2024**
Equity	230	339
Total assets	1 020	991
Equity to assets ratio	**23,0%**	**34,0%**

Note 5. Cash and cash equivalents

in thousands of euros	**31.12.2025**	**31.12.2024**
Cash and cash equivalents	739	393
Short-term deposits	152	400
Total cash and cash equivalents	**891**	**793**

Short-term deposits average interest rate 2025 was 1,75% and 2024 was 1,98%.

Note 6. Trade and other receivables

in thousands of euros	**31.12.2025**	**31.12.2024**
Trade receivables	0	23
Other receivables	7	7
Prepaid taxes	50	41
including refundable VAT	*50*	*41*
Prepayments	4	6
Total trade and other receivables	**61**	**77**

According to the accounting principles of the Company, as a rule, claims whose payment deadline has passed by more than 90 days are assessed. Claims overdue by more than 90 days are evaluated individually and according to the age of the claim, taking into account extraordinary effects such as the deterioration of the global economic situation, the debtor's known financial difficulties, non-compliance with payment deadlines. The total amount of the discount is adjusted as of the balance sheet date according to how much of the receivables assessed as unlikely to be received will be received in the later period. Impairment discounts are recognized as an expense in the income statement.

If the previously made estimate of the amount of unlikely receivables later changes, it must be reflected in the profit and loss account for the period of the change in estimate and not adjusted retroactively to previous periods. Receipt of an unlikely or hopeless claim must be shown as a reduction of the expense in the period in which the receipt occurs.

Note 7. Property, plant and equipment

Depreciation of fixed assets is reflected in the income statement 2025 in an item depreciation in sum 40 thousand euros.

in thousands of euros	Right-of-use assets	Total
Carrying amount as of 31.12.2023	**56**	**56**
Additions	48	48
Written off	-24	-24
Depreciation of the reporting period	-37	-37
Acquisition cost as of 31.12.2024	99	99
Accumulated depreciation as of 31.12.2024	-56	-56
Carrying amount as of 31.12.2024	**43**	**43**
Additions	28	28
Written off	0	0
Depreciation of the reporting period	-40	-40
Acquisition cost as of 31.12.2025	127	127
Accumulated depreciation as of 31.12.2025	-96	-96
Carrying amount as of 31.12.2025	**31**	**31**

Note 8. Intangible assets

Amortization of intangible assets is reflected in the income statement 2025 in an item depreciation in sum 41 thousand euros.

in thousands of euros	Acquired software, licenses	Total
Carrying amount as of 31.12.2023	**119**	**119**
Depreciation of the reporting period	-41	-41
Acquisition cost as of 31.12.2024	163	163
Depreciation as of 31.12.2024	-85	-85
Carrying amount as of 31.12.2024	**78**	**78**
Depreciation of the reporting period	-41	-41
Acquisition cost as of 31.12.2025	163	163
Depreciation as of 31.12.2025	-126	-126
Carrying amount as of 31.12.2025	**37**	**37**

Note 9. Trade and other payables

in thousands of euros	31.12.2025	31.12.2024
Current finance lease liabilities (Note 10)	21	28
Trade payables	8	6
Payables to related parties	385	379
Trade payables total	**414**	**413**
Taxes payable:		
Social security tax	24	23
Personal income tax	17	16
Corporate income tax and fringe benefits	2	2
Total tax payables	**43**	**41**
Accrued expenses- employee benefits:		
Salaries	44	38
Bonuses	192	84
Holiday pay	44	33
Social security and unemployment insurance tax	44	24
Total accrued expenses- employee benefits	**324**	**179**
Deffered income	0	4
Total Trade and other payables	**781**	**637**

Information on payables to related parties is disclosed in Note 16.

Note 10. Current and non-current lease liabilities

Analysis of undiscounted financial liabilities by due date:

in thousands of euros	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Total
Current and non-current lease liabilities 31.12.2024 (Note 9)	0	28	15	43
Total liabilities 31.12.2024	**0**	**28**	**15**	**43**
Current and non-current lease liabilities 31.12.2025 (Note 9)	0	21	10	31
Total liabilities 31.12.2025	**0**	**21**	**10**	**31**

The Company's statement profit and loss includes the following amounts relating to leases:

in thousands of euros	2025	2024
Interest expense on lease liabilities	2	2
Expense relating to short-term leases	21	28
Total lease related expenses	**23**	**30**

Note 11. Equity

The share capital of the Company consists of 3 common shares with a nominal value of 45 thousand euros. The shares have been paid in full. As of 31 December 2025, the Company had 95 thousand euros of undistributed profit eligible for distribution.

Dividends of 159 thousand euros were paid in 2025 from the retained earnings of previous years, on which income tax of 45 thousand euros has been paid.

As of 31 December 2025, it is possible to distribute 74,1 thousand euros as net dividends, and the corresponding income tax would be 20,9 thousand euros (with a tax rate of 22/78).

Note 12. Revenue

in thousands of euros	2025	2024
Sales of services (Note 16)		
Sales of services	1 970	1 596
Total revenue	**1 970**	**1 596**

Revenue by customer contract and geographical location:

in thousands of euros	2025	2024
Estonia (Elering AS)	526	407
Lithuania (Litgrid UAB)	527	407
Latvia (Augstsprieguma Tikls AS)	527	407
Belgium (ENTSO-E A.I.S.B.L)	390	375
Total sales revenue	**1 970**	**1 596**

in thousands of euros	2025	2024
Main services		
Engineering services provided to Shareholders	1 580	1 221
Engineering services provided to non-Shareholders	390	375
Total	**1 970**	**1 596**

Note 13. Goods, raw materials and services

in thousands of euros	2025	2024
Purchased services for the provision of engineering and technical services		
Purchased IT services (Note 16)	412	363
Purchased telecommunication services	28	26
Total Goods, raw materials and services	**440**	**389**

Note 14. Miscellaneous operating expenses

in thousands of euros	01.01.2025-31.12.2025	01.01.2024-31.12.2024
Financial services	74	58
Rent	14	10
Travel costs	56	57
Office costs	2	10
Legal services	0	4
Training costs	9	10
Audit and consultations	19	12
Personnel management costs	2	3
Other operating expenses	7	1
Total miscellaneous operating expenses	**183**	**165**

Note 15. Personnel expenses

in thousands of euros	01.01.2025-31.12.2025	01.01.2024-31.12.2024
Basic salaries, additional remuneration, bonuses, holiday pay	968	682
Other remuneration	26	20
Total remuneration to employees	**994**	**702**
Social tax	188	146
Total personnel expenses	**1 182**	**848**
including benefits for board members		
Basic salaries, additional remuneration, bonuses, holiday pay	211	202
Fringe benefits and fringe benefits' income tax	2	2
Social tax	54	51
Total remuneration to the members of the Management and Supervisory Board	**267**	**255**
Average number of employees	**21**	**18**
Average number of employees by type:		
Persons working under the employment contract	18	15
Members of the Management or Supervisory Board	6	6
Average salary of employees with bonuses reduced to full-time work per month (in euros)	4 609	3 789

**No fees were paid to members of the Supervisory Board in 2025.*

Note 16. Balances and transactions with related parties

Parties are generally considered to be related if they are under common control or if one party has the ability to control the other party or has significant influence or joint control over the other party in making financial and operational decisions. In considering each potential related party relationship, attention is paid to the substance of the relationship, not just the legal form.

The parties involved in the preparation of the annual report were:

- The state and companies under state control or significant influence;
- Management Board and Supervisory Board of the Company;
- close family members of the persons listed above, and companies controlled by them or under their significant influence.

Outstanding balances with related parties were as follows:

in thousands of euros	01.01.2025-31.12.2025	01.01.2024-31.12.2024
Trade and other payables		
Companies controlled or significantly influenced by the State	**385**	**379**

Income and expenses from transactions with related parties:

in thousands of euros	Related party	01.01.2025-31.12.2025	01.01.2024-31.12.2024
Income from the sales of services (Note 12)	**Companies under state control or significant influence**	**1 580**	**1 221**
Purchase of goods (Note 13)	Companies under state control or significant influence	6	10
Purchase of services (Note 13 and 14)	Companies under state control or significant influence	454	365
Total purchase of goods and services		**460**	**375**

- Income from the sale of services is mainly derived from the sale of engineering and technical services;
- The cost of the purchase of goods results from the goods necessary for the provision of engineering and technical services;
- The purchase of services consists mainly of services necessary for the provision of engineering and technical services.

Remuneration of the Management Board and members of Supervisory Board

A member of the Management Board is paid a monthly remuneration fixed in the service contract. When deciding on the remuneration of the Management Board, the Supervisory Board is based on an assessment of the activities of the members of the Management Board. When assessing the activities of the members of the Management Board, the Supervisory Board primarily takes into account the duties and activities of a specific member of the Management Board, the activities of the entire Management Board.

Management Board received remuneration for the Company operation, in 2025 the total remuneration accounted for each Management Board member accordingly to the table below. The amounts include taxes:

Remuneration in thousand EUR

Board member	2025	2024
Veiko Aunapuu	64,4	58,9
Paulius Cicėnas	81,8	68,6
Andrejs Eglītis	74,9	74,6

No fees were paid to the members of Supervisory Board in 2025.

During the reporting year, there were no transactions with companies in which the members of the Supervisory Board and the Management Board or their relatives have significant influence.

11. GLOSSARY

ACER: Agency for Cooperation of Energy Regulators;
aFRR: Automatically activated Frequency Restoration Reserve;
CACM: Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management;
CCC: Coordinated Capacity Calculation;
CCR: Capacity Calculation Region;
CCROSA: Coordinated Cross-Regional Operational Security Assessment;
CGM: Common Grid Model;
CGMA: Common Grid Model Alignment;
CM: Capacity Mechanism;
CRAA: Cross-Regional Adequacy Assessment;
CROSA: Coordinated Regional Operational Security Assessment;
CRM: Capacity Remuneration Mechanism;
CSA: Coordinated Security Analysis;
D2CF: Two Days Ahead Congestion Forecast;
DACF: Day Ahead Congestion Forecast;
EDX: Data Exchange Software;
ECP: Energy Communication Platform;
EMF: European Merging Function;
FCA: Commission Regulation (EU) 2016/1719 of 26 September 2016, establishing a guideline on Forward Capacity Allocation;
ICS: Incident Classification Scale;
IGM: Individual Grid Model;
IOP: CIM Interoperability Tests;
KPI: Key Performance Indicator;
LFC: Load Frequency Control;
MARI: Manually Activated Reserves Initiative;
mFRR: Manually activated Frequency Restoration Reserve;
NC ER: Network Code on Emergency and Restoration;
NC OPC: Network Code on Operational Planning and Scheduling;
NEMO: Nominated Electricity Market Operators;
OPC: Outage Planning Coordination;
OPDE: Operational Planning Data Environment;
OPDM: Operational Planning Data Management software;
OPI: Outage Planning Incompatibility;
PDN: Regional Planning Data Network;
PICASSO: The Platform for the International Coordination of Automated Frequency Restoration and Stable System Operation;
RA: Remedial Action;
RAA: Regional Adequacy Assessment;
RAO: Remedial Action Optimization;
RAOCM: Methodology for assessing the Relevance of Assets for Outage Coordination;
RIAR: Regional Incident Analysis and Reporting;
RMM: Regional Merged Model;
ROSC: Regional Operational Security Coordination;
RR: Replacement Reserves;
RSC: Regional Security Coordinator;
SOC: System Operations Committee;
SOGL: Guideline on Electricity Transmission System Operation Commission Regulation (EU) 2017/1485 of 02 August 2017 establishing a guideline on electricity transmission system operation;
SOR: System Operation Region;
STA: Short Term Adequacy;
TERRE: Trans European Replacement Reserves Exchange;
TLI: Tie-Line Inconsistency;
TSCNET: Munich based Regional Coordination Centre (RCC);
TSO: Transmission System Operator;
T&C: Training and Certification;
UAP: Unavailability Plan.

Profit allocation proposal

The retained earnings of the Company as of 31 December 2025 was 95 thousand euros. Meaning 85 thousand euros from 2023 and 119 thousand euros from 2024 financial year. After 2025 dividend payment 159 thousand euros 50 thousand euros from 2025 financial year.

The Management Board of the Company proposes to the Shareholders to distribute the retained earnings of the Company as follows:

To pay out the earnings of 2025 financial years as dividends to Shareholders. The total dividend payout amounts to 74,1 thousand euros, which represents the full net profit after taxes.

The Company’s sales revenue according to EMTAK 2025

The Company's sales revenue is divided by major areas of activity as follows:

	01.01.2025-31.12.2025
71129 Other engineering and technical activities	1 970

* EMTAK – Estonian economic activity classification

SIGNATURES OF THE MANAGEMENT BOARD TO THE 2025 ANNUAL REPORT

The signing of the Company's 2025 Annual Report in April 2026.

/signed digitally/
Management Board member
Veiko Aunapuu

/signed digitally/
Management Board member
Andrejs Eglītis

/signed digitally/
Chairman of the Management Board
Paulius Cicėnas