

**Joint Stock Company  
Conexus Baltic Grid**

**Dependency statement**

**for 2023**

**Table of Contents**

<b>Information on the Dependent Company</b>	<b>3</b>
<b>Dependency Statement</b>	<b>4</b>
<b>Accounting policies</b>	<b>6</b>
<b>Statement by the Board of Joint Stock Company Conexus Baltic Grid</b>	<b>8</b>
<b>Independent auditor's review report</b>	<b>9</b>

**Information on the Dependent Company**

Name of the Dependent Company	Joint Stock Company Conexus Baltic Grid
Legal status of the Dependent Company	Joint Stock Company
Number, place and date of registration	40203041605, Riga, 2 January 2017
Address	Stigu Street 14, Riga, Latvia, LV-1021
Dominant Company	Joint Stock Company <i>Augstsprieguma tīkls</i>
Auditor	“PricewaterhouseCoopers”Ltd Kr.Valdemara street 21-21, Rīga, LV-1010 Licence No.5 Responsible Sworn Auditor Ilandra Lejina Certificate No.168

## Dependency Statement

The Company, being a Dependent Company from 1 January to 31 December 2023, entered into transactions with the Controlling entity.

<b>Company</b>	<b>Relationship with the Dependent Company</b>
JSC <i>Augstsprieguma tīkls</i>	Controlling entity

**Transactions with the Controlling entity and other companies grouped with the Company, as well as transactions concluded by the Dependent Company acting in the interests of or being encouraged by these companies.**

**Transactions with the controlling entity, JSC *Augstsprieguma tīkls*:**

	<b>Performance</b>	<b>Counter-performance</b>	<b>Net result</b>
	EUR	EUR	EUR
Expenses from transactions with the controlling entity in the reporting year:			
Services received	694	(694)	-

The Company's accounts payable to the controlling entity as at 31.12.2023 was 0 EUR (2022: 0 EUR).

The Company has received appropriate counter-performance for each of the above-mentioned transactions with the controlling entity or other companies grouped with the Company.

During the period from 1 January to 31 December 2023, the Company did not enter into transactions with the controlling entity or other companies grouped with the Company that would be fully or partly unprofitable, involve special risk or differ significantly from the core business.

**Other activities performed or refrained by the Company acting in the interests of or being encouraged by the Controlling entity or other companies grouped with the Company during the reporting year**

During the period from 1 January to 31 December 2023, the Company did not perform activities or refrain from performing activities, acting in the interests of or being encouraged by the Controlling entity or other companies grouped with the Company, that would be fully or partly unprofitable to the Company, involve special risk or differ significantly from the core business.

**Activities performed during the reporting year to actually compensate the Company for the losses incurred**

During the period from 1 January to 31 December 2023, the Company did not incur any losses from transactions with its controlling entity. There were no activities performed in the interests of or encouraged by the Controlling entity or other companies grouped with the Company that would have caused losses to the Company.

## **Accounting policies**

### **General principles**

The Dependency Statement has been prepared in compliance with the Latvian Groups Act. The terms 'controlling entity' and 'dependent company', as well as other terms in this Statement are used within the meaning of the said legislation.

### **Materiality**

In reflecting and valuing transactions and other activities in the Dependency Statement, the Company has followed the principle of materiality.

Transactions (activities), their circumstances and valuations, the non-inclusion of which in the Dependency Statement would affect the opinion of a competent user on the relationship of the Dependent Company with the controlling entity throughout the financial year, are considered material.

### **Recording of transactions and activities**

The Dependency Statement reflects transactions and other activities unprofitable for the Company to the extent of their actual performance and counter-performance.

The Dependency Statement reflects all transactions (performance and counter-performance) attributable to the reporting period that affect the profit and loss account for the reporting year irrespective of the date invoices are issued or received or payments made. Transactions performed in prior years that affect the profit and loss account of the reporting year are reflected only if the performance was different than the counter-performance of these transactions at the date of transaction.

If the controlling entity has notified the Dependent Company in writing by the end of the financial year as to when and how all the losses resulting from an unprofitable transaction or activity will be compensated, the amount of compensation is reflected in the line 'Granted entitlement to compensation'.

### **Performance and counter-performance**

The Dependent Company's obligations pertaining to the transaction are considered the performance of a transaction. Counter-performance is the obligations by the party to the transaction other than the Dependent Company. Performance (counter-performance) can take the form of a payment, supply of goods or services, including actions carried out as operational activities, transfer of intangible assets and title as well as commitments to refrain from an action or permit an action, lease of properties, etc.

Performance and counter-performance is reflected at their fair value. Fair value is the amount for which the subject-matter of a transaction can be exchanged between informed and willing parties at arm's length.

**Accounting policies** (continued)

**Determining fair value of transactions and activities**

The Company's transactions and activities shall be valued:

1. based on comparison with other activities or transactions of the kind carried out by the Company with non-related parties during the reporting or previous year;
2. where the above has been impossible, based on comparison with other activities and transactions of the kind carried out by companies of the industry in the reporting or previous year;
3. where the above has been impossible, based on comparison with other information on the possible valuation of transactions or activities.

**Fully or partly unprofitable transactions or activities**

The following transactions or activities are considered fully or partly unprofitable:

1. where a loss is anticipated on commencement,
2. which result in a gross loss, or
3. in which the Company, if it were independent, would never engage due to the anticipated financial result.

**Special risk**

Transactions or activities related to special risk are those which materially differ in terms of risk from those typical of the company's or industry's business and in which the Company would never engage if it were independent.

**Transactions and activities materially different from core business**

Transactions and activities materially different from the Company's core business are those which drastically differ from the transactions and activities typical of the Company's core business and in which the Company would never engage if it were independent.

**Statement by the Board of Joint Stock Company Conexus Baltic Grid**

The **Board** of the Company hereby certifies that this Dependency Statement reflects all transactions and other activities in which the Company engaged or from which it refrained, being a Dependent Company within the meaning of the Group of Companies Law, and that the said Report provides a general idea of the relationship between JSC Conexus Baltic Grid and the Controlling entity.

In accordance with the circumstances known to the **Board** of the Company at the time of entering into the transactions reflected in the Dependency Statement, or performing other activities or refraining from them, the Company has received appropriate counter-performance for each transaction.

The **Board** of the Company considers that the Company did not incur any losses by performing other activities or refraining from them in the interests of the controlling entity or another company grouped with the JSC Augstsprieguma tīkls.

(signature\*)

(signature\*)

(signature\*)

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Uldis Bariss  
Chairman of the Board

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Rinalds Dimiņš  
Member of the Board

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Mārtiņš Gode  
Member of the Board

\* This document is signed electronically with a secure electronic signature and contains a time stamp