



Saules BESS Company Presentation

June 2026

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Target market

The target market assessment by the product manufacturer Signet Bank AS has led to the conclusion that: (i) the target market for the bonds is eligible counterparties, professional clients, and retail clients, each as defined in Directive 2014/65/EU (MIFID II); (ii) all channels for distribution of the Bonds to eligible counterparties, professional clients and retail clients are appropriate.

Any person subsequently offering, selling or recommending the Bonds (a Distributor) should take into consideration the manufacturer’s target market assessment, however, a Distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

Today's Presenters



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Glossary

Glossary	Description
BESS	Battery Energy Storage System
PV	Photovoltaics
PPA	Power Purchase Agreement
COD	Commercial operation date
EPC	Engineering, Procurement and Construction
RTE	Round-trip efficiency
SES	Solar Energy System
RTB	Ready-to-Build
TSO	Transmission system operator - AS Augstsprieguma tīkls
FFR	Fast Frequency Reserves
FCR	Frequency Containment Reserves
aFFR	Automatic Frequency Restoration Reserves
mFRR	Manual Frequency Restoration Reserves
CHP	Combined Heat and Power
RES IPP	Renewable Energy Independent Power Producer

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| Executive Summary

BESS Secured Bond Opportunity

Leading Latvian renewable energy producer issuing up to €22M senior secured bonds to fund 120 MWh BESS development

- ❑ **3.5-year maturity** with quarterly coupon payments at **11.5% per annum**¹
- ❑ **Clear delivery timeline** – 70 MWh by May 2026, full 120 MWh commissioned by Q3–Q4 2026
- ❑ **Fully ring-fenced** and cash generating BESS investment
- ❑ **Favourable market conditions**, with BESS balancing demand projected to **grow at least 63% by 2030** on a conservative forecast
- ❑ **Strong unit economics** on prudent assumptions, generating **€27M EBITDA by FY 2030**
- ❑ **Signed EPC contract** with fixed CAPEX of **€195k/MWh**
- ❑ **Experienced management team** with proven on-time, on-budget delivery

€22 million

Senior Secured Bonds

120 MWh

Total BESS Development

71 MWp

Existing PV platform of 8 parks

€27 million

EBITDA by FY 2030

1.14x

EBITDA / CAPEX by FY 2030

38% LTV

Secured bonds / Assets² at the end of bond term



Note: Images are illustrative only and do not depict the actual project site or equipment configuration

Footnotes

1: Coupon Rate to be set on the Issue Date as 3-month EURIBOR plus a fixed margin determined at pricing (currently indicative at 11.5% per annum)

2: BESS Residual Value

Bond Offering Summary

Issuer	Saules BESS SIA
Type of bond	Senior secured bonds
Issue size	Up to €22,000,000
Coupon rate	9.00% + 3 month EURIBOR, paid Quarterly
Maturity	3.5 years (31.12.2029)
Collateral	<ul style="list-style-type: none"> 1st ranking commercial pledge on assets and shares of Saules BESS SIA 1st ranking commercial pledge on shares of Saules Energy SIA Corporate guarantee from Saules Energy SIA
Type of placement	Private placement with minimum subscription of €100,000
Nominal value	€1,000
Call option¹	@103% - Year 1, @102% - Year 2, @101% - Year 3, @100% - 6 months before maturity
Put option	@101% - Change of Control, Listing failure, De-listing Event
Financial covenants	<ul style="list-style-type: none"> Equity / Assets: starting from Q1 2028 min 30% Interest Coverage Ratio: starting from Q1 2028 min 1.5x Net debt / EBITDA: starting from Q1 2028 max 4.0x
Amortisation schedule (mandatory)	Year 1 - €1,000,000 Year 2 - €3,000,000 Year 3 - €3,000,000 Year 3.5 - (Bullet - remaining principal)
Use of proceeds	Financing of CAPEX projects (120 MWh BESS projects) and €13 million loan refinancing
Listing	Listing on Nasdaq Riga First North within 6 months after the Issue Date

Offering Timeline

Start of subscription period

10
June

End of subscription period

19
June

Allocation and subscription results

22
June

Issue date

30
June

| Project & Group Overview

BESS basics – battery energy storage at a glance

How BESS works

What is BESS

- Containerised **Li-ion battery storage**; ~5 MWh per unit
- **12+ year** asset life; modular, scalable, bankable
- Deployed **standalone** or **co-located** with solar PV or wind

How it works

- **Charges** when electricity is cheap or in surplus (off-peak)
- **Discharges** when prices spike or TSO needs grid support
- **Round-trip efficiency (RTE) ~85–90%** - for every 100 MWh stored, ~87 MWh delivered back
- Dispatch optimised **24/7 by automated power trader** (e.g. Capalo AI, AOX Trade)

Revenue streams

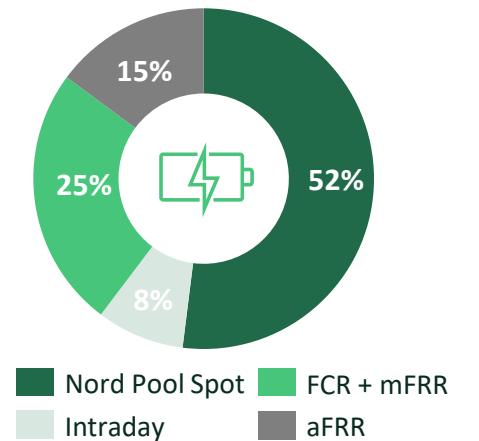
1 Energy spread optimization

- Buy low / sell high on **Nord Pool** spot and intraday
- **Virtual intraday arbitrage** – spread trading

2 Balancing / ancillary services

- TSO pays for **standby capacity** (FCR, aFRR, mFRR)
- **Energy payments** when BESS activated
- **AI-optimized bidding of unused capacity**

Revenue stack¹



¹ Forecasted revenue split for FY 2027

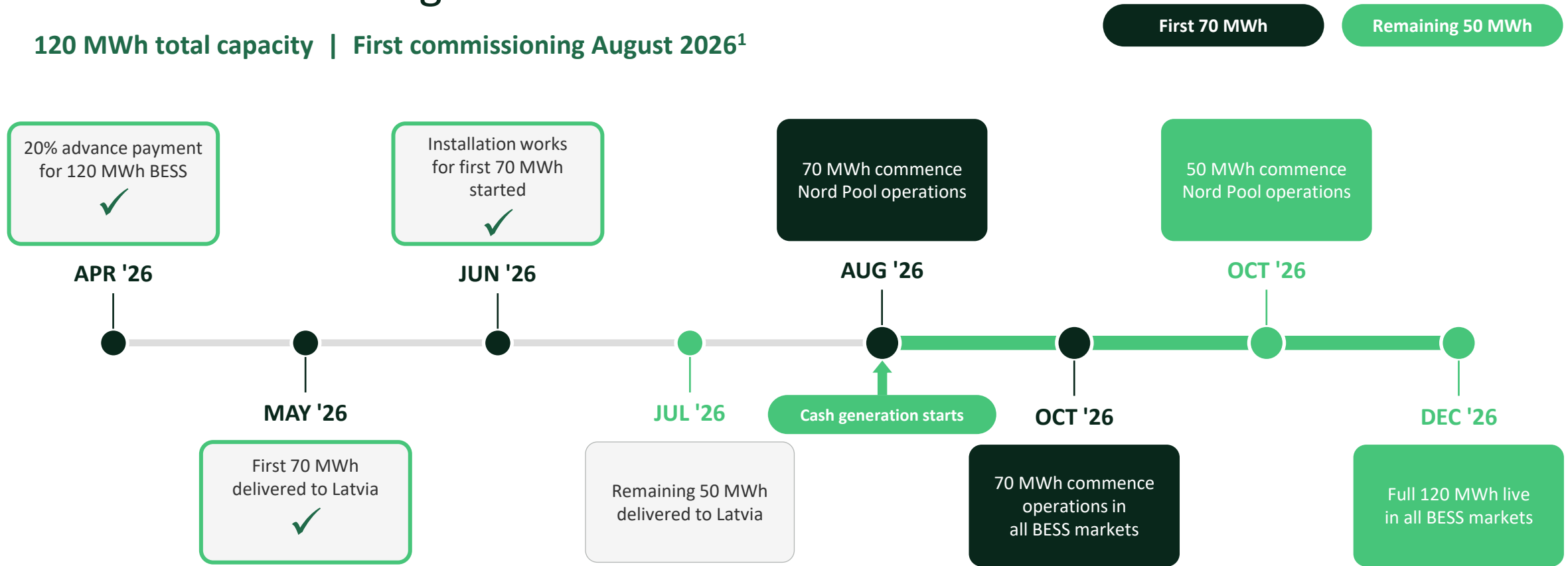
Simplified BESS + Solar PV system



FCR = frequency containment reserve (automatic); aFRR = automatic frequency restoration (PICASSO); mFRR = manual frequency restoration (MARI)
TSO = AS Augstsprieguma tīkls (Latvian transmission system operator); RTE = round-trip efficiency

BESS Commissioning Timeline

120 MWh total capacity | First commissioning August 2026¹



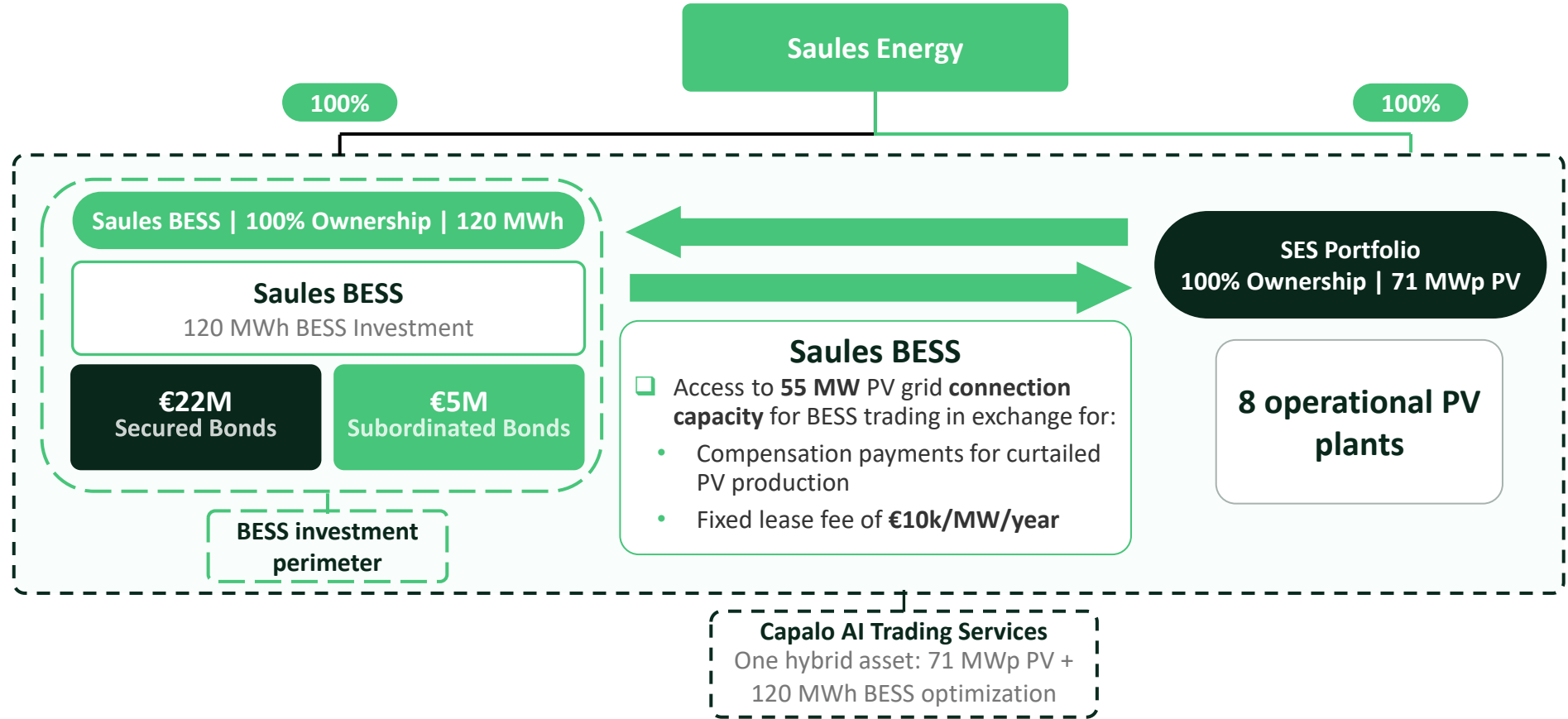
First 70 MWh BESS delivered to Latvia in May | 120 MWh fully operational by December 2026 | Enables €27M EBITDA by FY 2030

Footnotes

¹: The successful implementation of the Project and adherence to the timeline will be supported by experienced partners (Saules Energy, Kehua Tech, RNRG GmbH and Capalo AI) who together have already delivered and commissioned BESS projects in Latvia

Fully ring-fenced and cash generating collateral

- ❑ **Saules Energy** is 75% owned by **Merito Sustainable Energy Fund I AIF**, a EUR 20 million investment fund backed by 86 investors, while the remaining 25% is owned by the management team
- ❑ **Ring-fenced** Saules BESS investment perimeter
- ❑ Benefit from **already built grid connections**
- ❑ Secured with **liquid BESS collateral**
- ❑ **€27M EBITDA** generation potential by FY 2030



| Market Environment

Favourable and growing BESS market conditions

Market Size and Revenue Opportunity

BESS Revenue Drivers and Market Opportunities

- Rising Balancing Demand ⇒ High-Value Flexibility Revenues
- Growing Electricity Demand ⇒ Structural Supply Gaps
- Increasing Price Volatility ⇒ Arbitrage Upside
- Grid Constraints and Congestion ⇒ Localised Price Premiums
- PV + BESS Co-location ⇒ Revenue Stacking and Optimisation

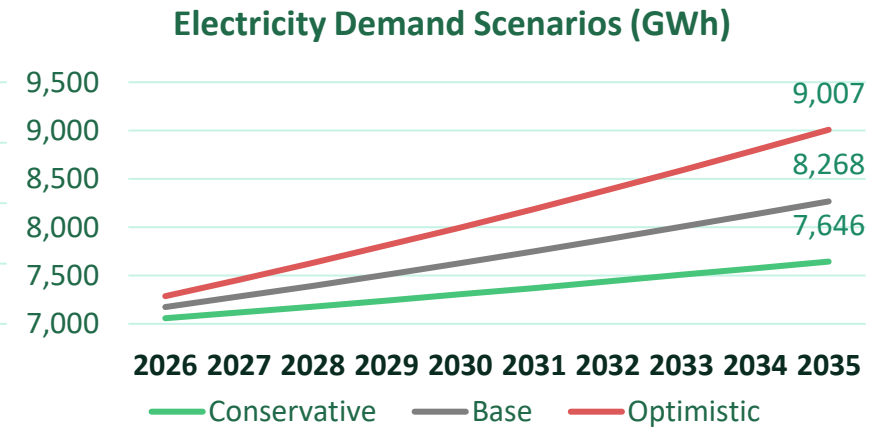
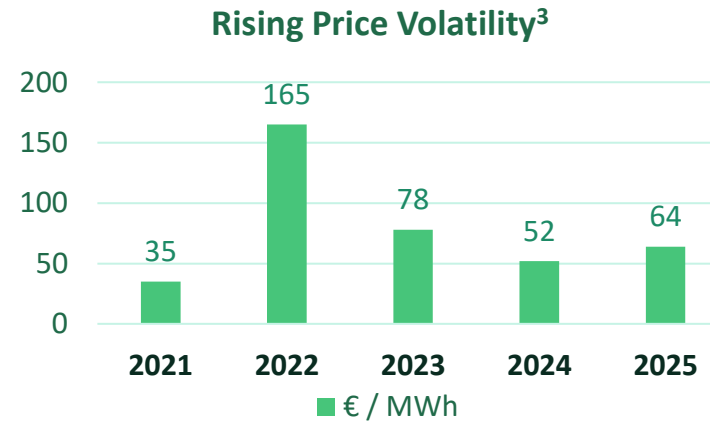
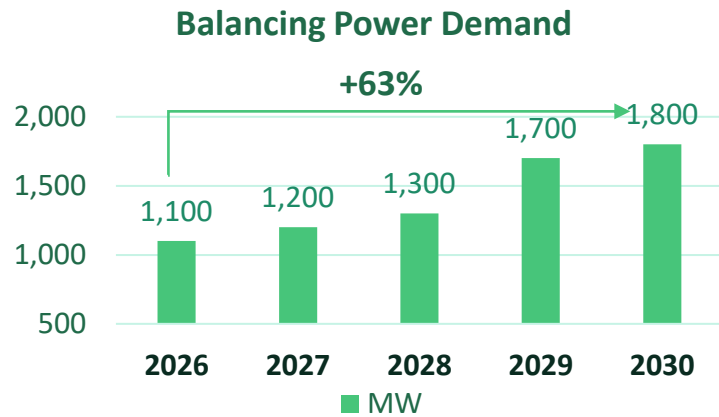
+63%
Balancing power demand (2030)¹

+30%
Electricity demand (2035)²

+77%
Renewable energy penetration (2035)²

~4%
Saules BESS (MW) market share 2028

Forecast Based on Latvia's Energy Strategy 2050 (Conservative Scenario)



Expanding revenue opportunities for BESS across balancing markets and ancillary services

Capture wider spreads as Latvia's grid evolves to accommodate new operational constraints

Latvia must add 190GWh of new power annually over next 10 years and is expected to do so primarily through renewable energy especially though solar, emphasizing the need for BESS to balance the grid

Footnotes

1: AS Augstsprieguma tīkls koncerna vidējā termiņa darbības stratēģija 2026.-2030.gadam

2: AS Augstsprieguma tīkls Pārvaldes sistēmas operatora ikgadējais novērtējuma ziņojums 2025

3: Latvia Electricity Price Spreads 2020–2025, (indicative spreads reconstructed from Nord Pool hourly price data - Average daily spread = average of (daily max hourly price – daily min hourly price)

Strong unit economics

BESS delivers very attractive unit economics even on prudent assumptions

❑ Baltic structural premium

- Post-BRELL disconnection (Feb 2025) – shallow balancing and limited baseload capacity → higher and more volatile prices vs. Western Europe

❑ Performance benchmarks

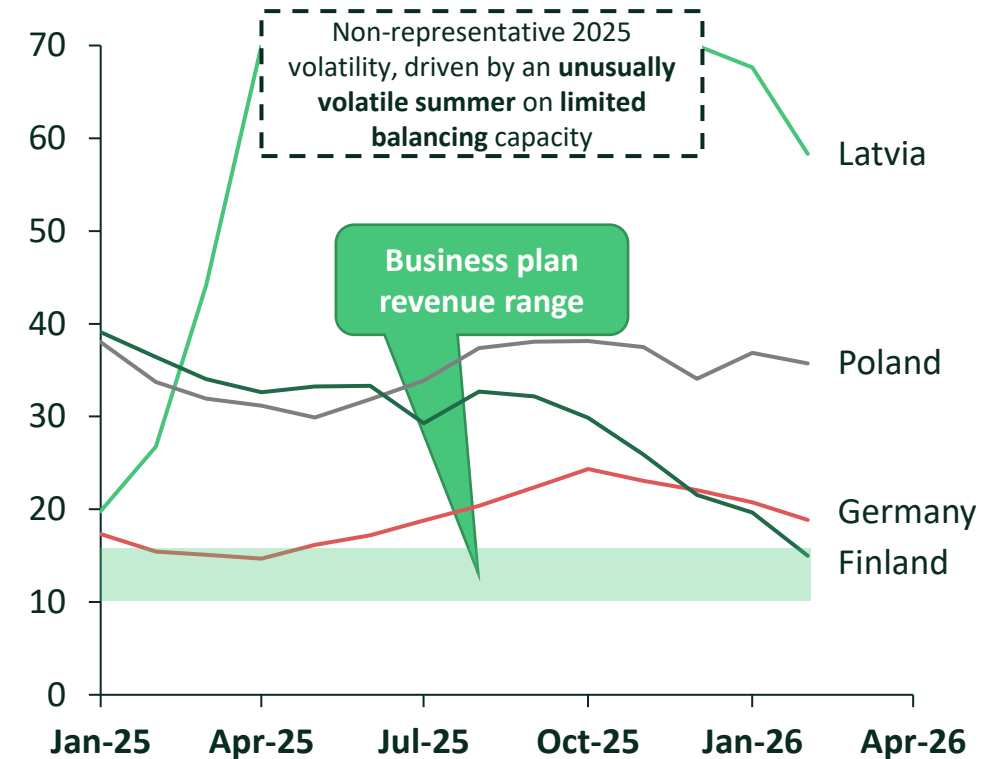
- **Finland proxy:** avg. **€28k/MW/month** for 2h BESS in 2025
- **Latvia (Feb 2026):** **€50–60k/MW/month** – 2-3× Poland, 4-5× Germany
- **Ernst & Young validation:** business model and revenue assumptions confirmed by EY commercial due diligence

❑ Outlook

- Year 2026 and 2027 operational months are expected as **peak-revenue period** before margin compression from new entrants
- **Long-run stabilisation:** avg. **€10–15k/MW/month** assumed as Baltic market deepens – below current **German** levels
- **€27 million EBITDA** generation potential by FY 2030, **covering all BESS development CAPEX**

6-month trailing average 2h BESS revenues by market

k€/MW/month



Source: Clean Horizon Storage Index

*Based on Capalo AI factual operational data in Latvia

| Financial Highlights

Issuer Key Financials Summary

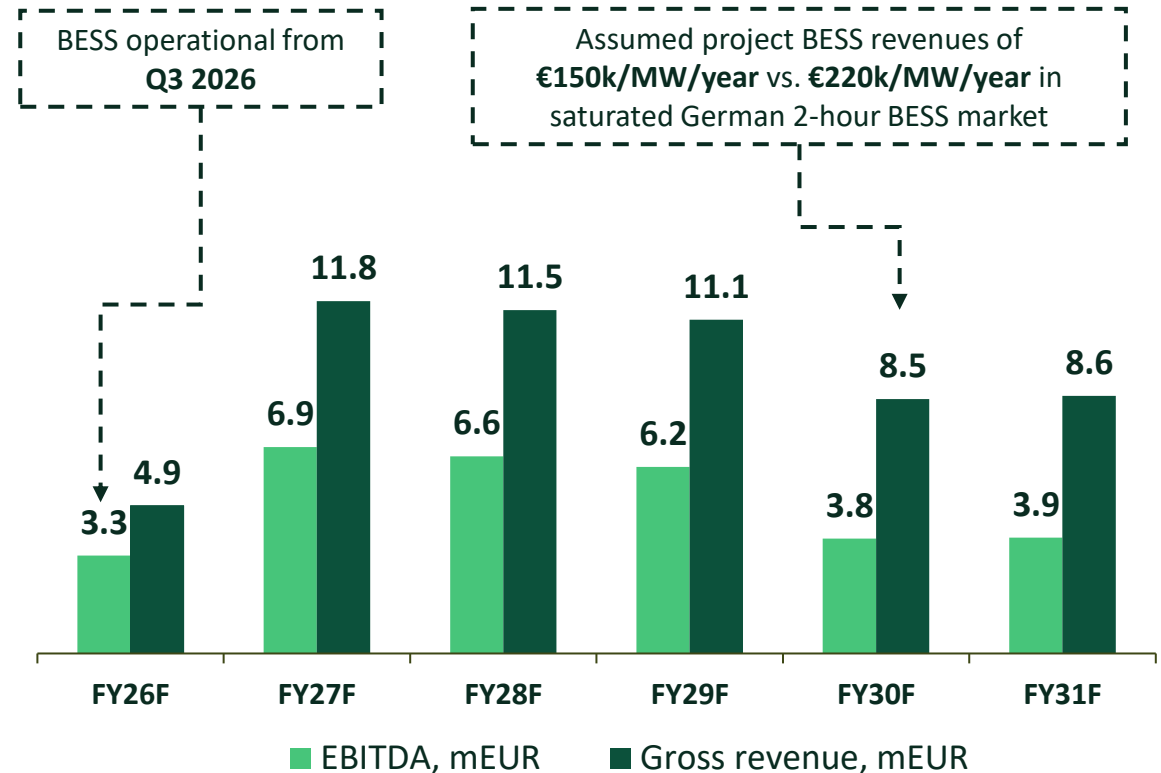
Saules BESS financial projections

Key business case assumptions

- BESS revenues from **SPOT, Intraday, mFRR, aFRR and FCR** markets
- Trading commissions based on a **binding proposal by Capalo AI**¹
- **50% gross revenue haircut** applied to simulations for market saturation risk
- Forecasts **more conservative than German market revenues**
- BESS **round-trip-efficiency 87%**, avg. **1.25 cycles/day**
- Saules BESS compensates PV plants for all **curtailed energy**
- **Fixed fee of €553k/year** for PV plant grid connections
- Total BESS CAPEX **€195k/MWh**
- Distribution fees based on **current tariffs**



€27M EBITDA generation potential by FY 2030



Footnotes

1: Capalo AI is an AI-powered energy trading, forecasting, and optimization platform for renewable energy and flexibility assets

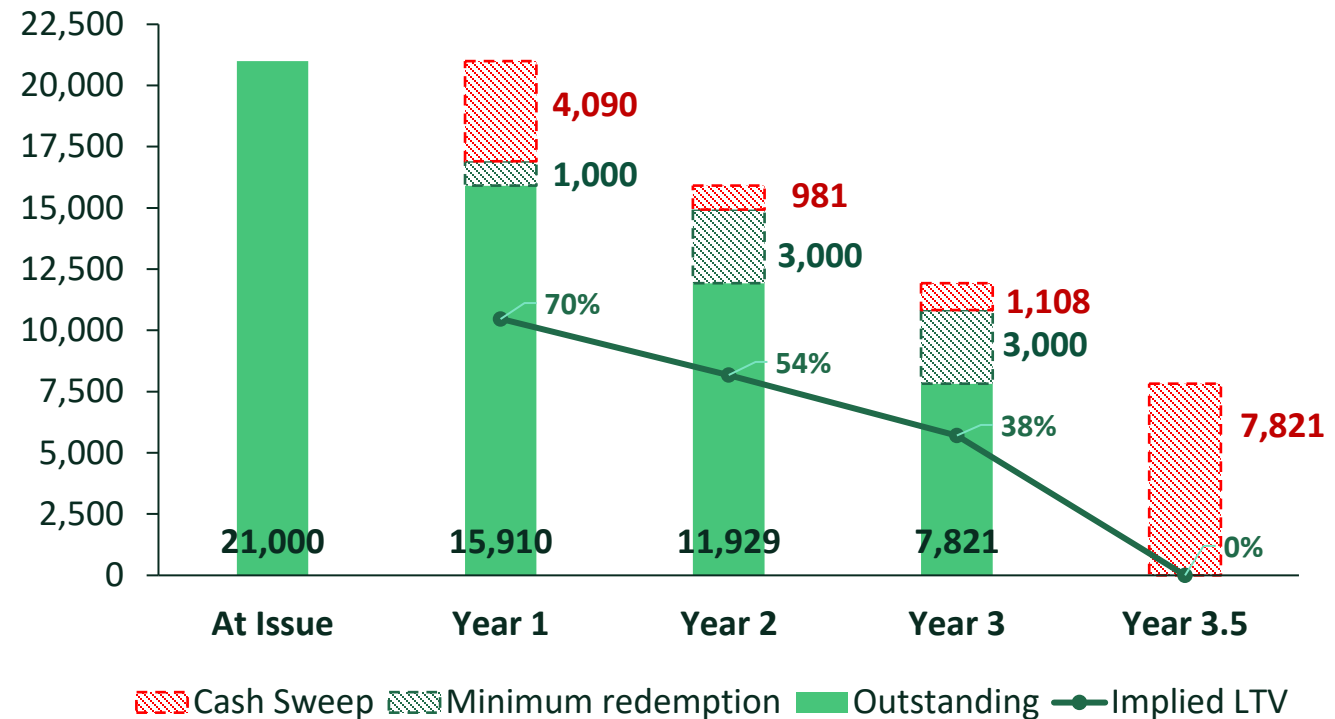
Issuer secured bond deleveraging

Secured bond amortisation profile

- Secured bonds amortise from **€21.0m at issue to €7.8m by Year 3** – a **~63% reduction** via minimum bond redemptions together with cash sweep payments
- Collateral coverage strengthens rapidly – implied LTV against BESS asset value¹ declines from **70% to 38% by Year 3**
- Amortisation schedule is built on **conservative assumptions**, excluding the **short-term revenue premium** currently available in the Latvian BESS market – providing upside to the deleveraging profile
- Refinancing at year 3.5 through a combination of internal funds and bank financing

Rapid deleveraging of secured bonds – implied LTV falls to 38% by Year 3

Amortisation schedule of Secured bonds (€'000)



Issuer's Revenue & Costs Breakdown Projections 26-2030

Diversified Revenue Streams Across BESS Operations

€ thousand		2026F	2027F	2028F	2029F	2030F
BESS markets						
	aFRR up	285	909	760	657	475
	aFRR Down	256	836	723	650	471
	Spot	2,984	6,109	6,406	6,566	5,318
	FCR + mFRR	916	2,920	2,438	2,160	1,573
	Intraday	8	17	22	27	27
	Intraday Virtual	482	961	1,105	1,066	616
Gross revenue		4,932	11,753	11,454	11,125	8,478
	BESS: Distribution fee (fixed)	(631)	(1,810)	(1,810)	(1,810)	(1,810)
	BESS: Distribution fee (variable)	(132)	(384)	(391)	(399)	(407)
	Broker fee	(371)	(973)	(967)	(968)	(787)
	BESS revenue sharing	(124)	(458)	(446)	(432)	(329)
Net revenue		3,674	8,128	7,840	7,516	5,145

Comments

- 1 **Based on Capalo AI forecasts**, with gradual saturation applied up to 50% of forecasted values
- 2 **Fixed distribution fees** payable to the DSO (*AS Sadales tīkls*)
- 3 **Volume-based distribution fees** payable to the DSO (*AS Sadales tīkls*)
- 4 **Trading and optimisation fees** based on Capalo AI binding offer
- 5 **50% revenue share** payable to Zilupes SES on the 10 MWh BESS only, under the cooperation agreement

Issuer's Income Statement Projections 26-2030

Financial Performance Reflecting Growth and Cost Discipline

€ thousand	2026F	2027F	2028F	2029F	2030F
Gross revenue					
BESS: Distribution fee (fixed)	(631)	(1,810)	(1,810)	(1,810)	(1,810)
BESS: Distribution fee (variable)	(132)	(384)	(391)	(399)	(407)
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BESS revenue sharing	(124)	(458)	(446)	(432)	(329)
Net revenue	3,674	8,128	7,840	7,516	5,145
BESS: payment for grid connection ¹	(193)	(559)	(571)	(582)	(594)
BESS: Operations and Maintenance ²	(146)	(425)	(434)	(442)	(451)
Administration expenses	(68)	(259)	(264)	(270)	(275)
EBITDA	3,266	6,884	6,571	6,222	3,825
Depreciation	(83)	(1,216)	(1,216)	(996)	(996)
Interest expenses ³	(1,435)	(2,822)	(2,301)	(1,836)	(1,272)
Commission payments	(525)	-	-	-	-
One-off BESS warranty payment ⁴	-	-	-	-	(600)
Profit or loss before corporate income tax	1,223	2,845	3,054	3,391	957
Corporate income tax for the reporting year	(1)	(4)	(4)	(4)	(4)
Profit or loss for the reporting period	1,222	2,841	3,050	3,386	953

Comments

- 1** Lease payments to the PV plants for use of its grid connections, at fixed €10k/MW/year payment
- 2** Includes general operation and maintenance fees for the BESS
- 3** Includes interest payments on both the secured and subordinated bonds
- 4** Includes one-off extended BESS performance warranty payment in year 4

Issuer's Balance Sheet Projections 26-2030

Capital Structure and Financial Position Overview

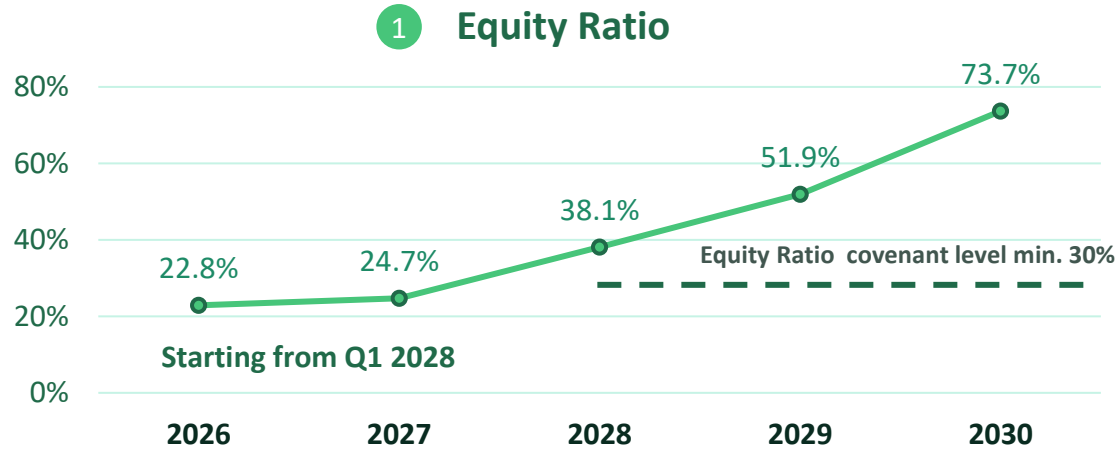
€ thousand		31.12.2026	31.12.2027	31.12.2028	31.12.2029	31.12.2030
Fixed assets (PPE)	1	23,354	22,358	21,362	20,366	19,370
Total non-current assets		23,354	22,358	21,362	20,366	19,370
Receivables		306	171	165	158	108
Cash	2	3,598	2,473	2,545	500	500
Total current assets		3,905	2,644	2,709	658	608
Total assets		27,258	25,001	24,071	21,024	19,978
Share capital		3	3	3	3	3
Retained earnings	3	-	1,222	4,063	7,113	10,499
Net profit (loss) for current year		1,222	2,841	3,050	3,386	953
Total equity		1,225	4,066	7,116	10,502	11,455
Secured Bonds		21,000	15,910	11,929	5,494	3,495
Subordinated Bonds		5,000	5,000	5,000	5,000	5,000
Accounts payable		34	26	27	27	28
Total liabilities		26,034	20,936	16,955	10,522	8,523
Total equity and liabilities		27,258	25,001	24,071	21,024	19,978

Comments

- 1 **Comprised of BESS equipment only** – battery cells, transformers and inverters, depreciated on a straight-line basis
- 2 **Cash reserved for scheduled bond amortisation payments and potential bond calls**
- 3 **Earnings retained at the Issuer level throughout the bond tenor, no dividend distributions are planned prior to full bond redemption**

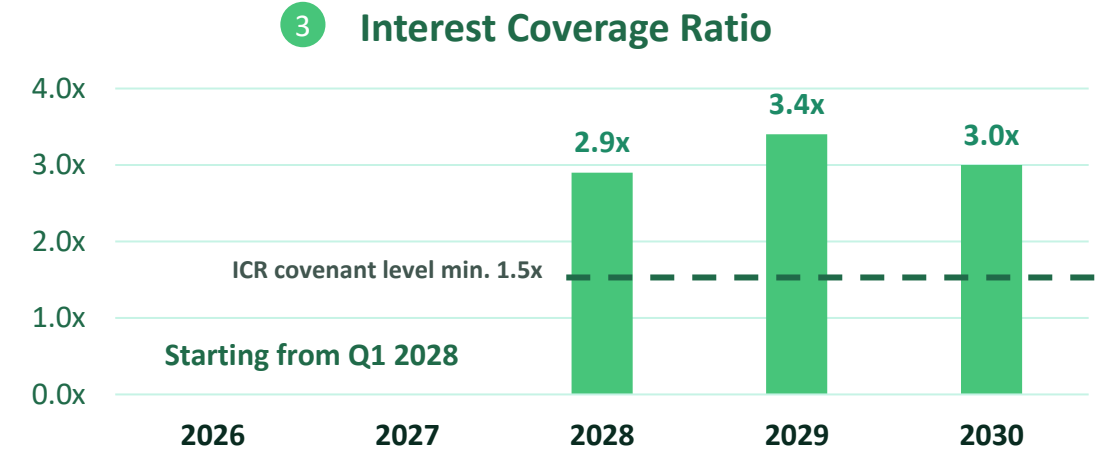
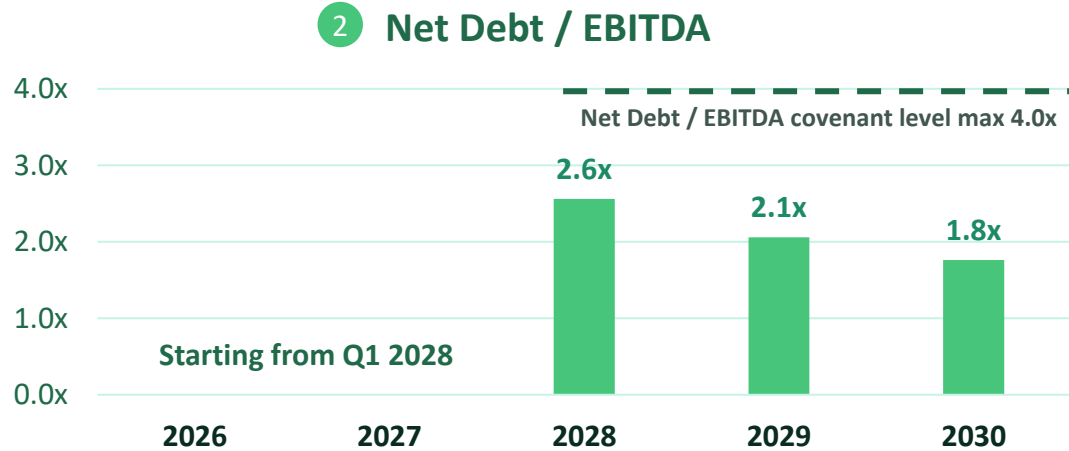
Issuer's Financial Ratio Development 26-2030

Covenant Compliance with Comfortable Headroom



Comments

- 1 **Equity Ratio**¹ covenant compliance is tested on quarterly basis starting from Q1 2028 min. 30%
- 2 **Net Debt / EBITDA** compliance is tested on quarterly basis starting from Q1 2028 with max. ratio level at 4.0x
- 3 **Interest Coverage Ratio** compliance is tested on quarterly basis starting from Q1 2028 with min. ratio level at 1.5x



Footnotes 1: Adjusted by subordinated debt. Equity Ratio = (Equity + Subordinated Debt) / Total Assets

| Transaction Overview

Key Terms & Conditions of the Notes Issue (1/2)

Issuer	Saules BESS SIA
Type of bond	Senior secured bonds
Issue size	Up to €22,000,000
Coupon rate	9.00% + 3 month EURIBOR, paid Quarterly
Maturity	3.5 years (31.12.2029)
Duration	3 years (according to amortisation schedule)
Amortisation schedule	Year 1 - €1,000,000, Year 2 - €3,000,000, Year 3 - €3,000,000, Year 3.5 - (Bullet - remaining principal)
Collateral	<ul style="list-style-type: none"> 1st ranking commercial pledge on assets and shares of Saules BESS SIA 1st ranking commercial pledge on shares of Saules Energy SIA Corporate guarantee from Saules Energy SIA
Subordination	<ul style="list-style-type: none"> Subordination of Merito Sustainable Energy FUND I AIF loans to Saules Energy SIA Subordination of Merito Sustainable Energy FUND I AIF loans to SES Subsidiaries Subordination of Saules Energy SIA loans to Saules BESS SIA
Type of placement	Private placement with minimum subscription of €100,000
Nominal value	€1,000
Call option	Year 1 - @103%, Year 2 - @102%, Year 3 - @101%, 6 months before maturity - @100%, only in case of full redemption/refinancing
Put option	Change of Control, Listing failure, De-listing Event @101%
Financial covenants	<ul style="list-style-type: none"> Equity / Assets: starting from Q1 2028 min 30% Interest Coverage Ratio: starting from Q1 2028 min 1.5x Net debt / EBITDA: starting from Q1 2028 max 4.0x
Use of proceeds	Financing of CAPEX projects (120 MWh BESS projects) and €13 million loan refinancing
Listing	Listing on Nasdaq Riga First North within 6 months after the Issue Date
Arranger	Signet Bank AS
Legal Counsel	Sorainen ZAB SIA
Collateral Agent & Trustee	Eversheds Sutherland Bitāns ZAB SIA

Timeline	
Subscription period	10 – 19 June 2026
Results & Allocation	22 June 2026
Issue date (T+6 settlement)	30 June 2026
Listing	Within 6 months after issue date

Key Terms & Conditions of the Notes Issue (2/2)

<p>Undertakings</p>	<ul style="list-style-type: none"> ▪ No Change of Business ▪ Not to commence Issuer’s and HoldCo reorganization, liquidation and not to reduce equity capital ▪ Any current or future unsecured loans should be subordinated to the bonds ▪ Any current or future related party loans shall be subordinated to the bonds ▪ Early redemption of subordinated bonds is permitted only after full redemption of the secured bonds ▪ Repurchases of subordinated bonds in the secondary market are prohibited until the secured bonds are fully redeemed ▪ Restriction on dividends and dividend-like payments ▪ The Issuer shall not make any payments to shareholders or related parties other than on arm’s length terms and in the ordinary course of business and subject to the restrictions on distributions set out in these Terms ▪ Restriction on the disposal of assets (if such transaction would have a material adverse effect) ▪ Restriction to pledge the same assets in favour of other lenders ▪ The Issuer shall ensure completion and commissioning of the Project in accordance with the agreed timeline and budget and shall promptly notify the Bondholders of any material delay or cost overrun ▪ To ensure that Collateral is insured with a reputable insurance company during the term of bonds on terms and coverage levels consistent with prudent industry practice ▪ Gradual accumulation of cash for bond redemption prior to maturity ▪ Ensure that 100% of the Issuer’s cash turnover is processed through accounts held with Signet Bank ▪ Include notes on the First North within 12 months after the Issue Date ▪ Any transactions with Related Parties shall be at market prices, except for Permitted BESS Agreements, which shall be on terms consistent with prudent market practice ▪ The Issuer shall not terminate or materially amend any Material Contract other than in the ordinary course of business on fair and reasonable terms ▪ The Issuer and Related parties shall maintain in full force and effect all material agreements required for the operation and revenue generation of the Project (including any trading and optimization agreements) on terms consistent with prudent market practice and shall not materially amend, terminate or replace such agreements on terms materially less favourable ▪ The Issuer shall ensure that the Facility is traded, aggregated and optimised with the objective of maximising revenues from wholesale, ancillary and other relevant electricity markets, within the agreed trading mandate, cycle limits and prudent operating parameters. The Issuer shall procure and maintain trading arrangements with a competent trading and optimisation service provider selected on arm’s length terms, and shall not materially amend, terminate or replace such arrangements on terms materially less favourable to the Issuer or the Bondholders without prior written consent of the Bondholders.
<p>Reporting covenants</p>	<ul style="list-style-type: none"> ▪ From the Issue Date, to prepare and publish unaudited quarterly reports within 2 months after the reporting period ▪ From the Issue Date to prepare and publish audited annual reports within 5 months after the reporting period ▪ Proof of compliance with the financial covenants to be included in every quarterly report starting from 2028 ▪ Publish financial reports via Issuer’s website (after Issue Date) and Nasdaq Baltic (after listing) ▪ Annual report should be audited by a reputable (Top 6-7) auditor
<p>Events of default</p>	<ul style="list-style-type: none"> ▪ Non-payment ▪ Breach of financial covenants (20 business day Equity cure) ▪ Breach of other material undertakings (20 business day remedy) ▪ Cross-default (EUR 200,000 threshold) ▪ Issuer insolvency or bankruptcy petition

Key Risk Factors (1/2)

Category	Risk
Macroeconomic and Geopolitical Risks	Macroeconomic volatility and geopolitical developments across Baltics, Europe, and global markets may adversely affect the Issuer’s financial performance and investment returns
Macroeconomic and Geopolitical Risks	Geopolitical instability in neighboring regions may adversely affect the Issuer’s BESS portfolio, funding environment, and financial performance
Macroeconomic and Geopolitical Risks	Public health crises or future pandemics may adversely affect the Issuer’s operations, investment activities, and financial performance
Macroeconomic and Geopolitical Risks	Risk of the local tax regime changes
Macroeconomic and Geopolitical Risks	Changes in laws, regulations and enforcement activities may adversely affect the Group’s products and services and the markets in which it operates
Risks Related to Issuer’s Business	Risk of increase of expenditures due to inflation
Risks Related to Issuer’s Business	Dependence on external funding may expose the Issuer to refinancing risk, limited access to capital, or increased financing costs
Risks Related to Issuer’s Business	Risks related to development of renewable energy business
Risks Related to Issuer’s Business	Risks related to inability to complete projects under construction
Risks Related to Issuer’s Business	The Issuer’s financial position is dependent on the performance of electricity market
Risks Related to Issuer’s Business	Volatility in consolidated financial performance, intercompany dependencies, and impairment risk may affect the Issuer’s financial results
Risks Related to Issuer’s Business	Operational management risk may affect the Issuer’s strategic execution, performance, and long-term value creation
Risks Related to Issuer’s Business	Taxation and legal structure risks may adversely affect the Issuer’s financial efficiency
Risks Related to Issuer’s Business	Cybersecurity and data protection risks are limited at the Issuer level but may be material within certain portfolio companies
Risks Related to Issuer’s Business	ESG and sustainability risks at the Issuer level
Risks Related to Issuer’s Business	Increasing competition from BESS and renewable market participants
Risks Related to Issuer’s Business	Insufficient or unavailable insurance coverage may result in unmitigated losses and adverse financial impact in the event of damage, interruption, or liability claims
Risks Related to Issuer’s Business	Failure to comply with applicable laws and regulations may result in penalties, operational restrictions, or adverse financial impact
Risks Related to Issuer’s Business	Risks of technological disruption
Risks Related to Issuer’s Business	The loss of one or more key personnel members of the Group could have an adverse effect on its business
Risks Related to Issuer’s Business	Failure to attract and retain qualified personnel may affect the profitability of the Issuer’s operations
Risks Related to Issuer’s Business	Natural disasters and other business disruption risks

For a complete overview of risks, please refer to the full list provided in the Issue Terms of the Bonds Program

Key Risk Factors (2/2)

Category	Risk
Risks related to Collateral	Enforcement of the Collateral may be limited or challenged under Applicable Law, reducing the effectiveness of the security
Risks related to Collateral	Bondholders holding Secured Bonds rely on the Trustee to enforce security, and the enforceability of Parallel Debt under Latvian law is uncertain
Risks related to Collateral	The market value of the Collateral may fluctuate and may not fully cover Bondholders' claims upon enforcement
Risks related to Collateral	The Trustee may fail to adequately perform its duties in relation to the Collateral
Risks related to Collateral	Enforcement of the Collateral may be delayed, limited, or legally challenged due to procedural and regulatory constraints
Risks related to Collateral	Changes to Applicable Laws may affect the enforceability of the Collateral and the rights of Bondholders holding Secured Bonds
Risks related to Collateral	Bondholders holding Secured Bonds are dependent on the Trustee for enforcement, and any failure in its performance may adversely affect their rights under the Collateral
Risks related to the Bonds	Insufficient cash flow or inability to refinance may impair the Issuer's ability to service debt and meet its obligations under the Bonds
Risks related to the Bonds	The Issuer may not be able to repay or refinance the Bonds at maturity
Risks related to the Bonds	Subordination risk may limit Bondholders' recovery in the event of enforcement or insolvency
Risks related to the Bonds	Limited liquidity may restrict Bondholders' ability to sell the Bonds before maturity
Risks related to the Bonds	The Bonds may not be listed, which may adversely affect their tradability or delisting risk
Risks related to the Bonds	The market price of the Bonds may fluctuate, and Investors may suffer losses if selling before maturity
Risks related to the Bonds	The Issuer's right to redeem or repurchase the Bonds may limit Bondholders' return and reinvestment opportunities
Risks related to the Bonds	Changes in tax laws or withholding obligations may reduce the return on the Bonds for certain Investors
Risks related to the Bonds	Investors may be exposed to foreign exchange risk if they measure returns in a currency other than EUR
Risks related to the Bonds	Bondholders may be bound by majority decisions, which could adversely affect their individual rights
Risks related to the Bonds	Certain Investors may receive preferential allocation or terms, and the proportionality principle may not be observed

For a complete overview of risks, please refer to the full list provided in the Issue Terms of the Bonds Program

Thank you!

Contact us

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| Appendix

Appendix 1 – Management Team

Leadership Team Powering Solar & BESS Value Creation



Artūrs Plūme

Chief Executive Officer

Serial entrepreneur & investor in renewables

- ❑ Founded & scaled multiple ventures in forestry and solar energy
- ❑ Track record in investor relations & capital allocation across renewable projects
- ❑ Commissioned 14 utility-scale solar plants (130 MWp) incl. 3 hybrid BESS projects (40 MWh)



Māris Plūme

Chief Operating Officer

Banking & CleanTech executive

- ❑ 9 years at Swedbank — Baltic & Latvian management board level
- ❑ Deep expertise in procurement, supply chain & CAPEX budget control
- ❑ Board member, Latvian Renewable Energy Alliance; leads Solar & BESS sections



Gatis Lazda

Chief Technology Officer

20+ yr engineer specialised in renewable energy delivery

- ❑ Qualified engineer — 20+ years across design, construction & grid connection
- ❑ Led installation of 190 MWp solar & development of 80 MWh BESS projects
- ❑ Pioneer in Baltic utility-scale renewables since 2019; delivered 6 projects for Latvenergo

Appendix 2 – Investor Team

Seasoned Investment Professionals with Proven Track Record



Mikus Janvars
Managing Partner
Merito Partners

- Seasoned M&A professional
- Principal investing, executive management and supervisory board-level experience



Jānis Pizičs
Partner
Merito Partners

- Experienced entrepreneur and executive in multinationals
- Business scaling and management track record (1,300 employees, 10 countries)



Oskars Vainovskis
Associate
Merito Partners

- Deep expertise across the private equity landscape
- Track record in M&A and deal advisory execution



Appendix 3 - Top-tier partners ensuring project quality across every layer of the value chain

Sponsors

Fund manager & Developers

- Investment structured under **Merito Sustainable Energy Fund**
- AIFP regulated by the **Bank of Latvia**
- Existing **71 MWp PV portfolio** under management
- Seasoned founders with **M&A, structuring, financing** experience across **30+ countries**
- Management Team: **130 MW** PV installations + **40 MWh** BESS capacity commissioned



Trading

BESS Power Trader

- AI-driven BESS trading platform
- Active in **Sweden, Finland, Latvia, Lithuania**; expanding to **7 more countries** in 2026
- 300 MW** operational BESS; **1+ GWh** signed capacity
- 200 MW+** PV solar capacity live under trading
- Key accounts: **E-Energia, Taaleri Energija, Nordic Solar, European Energy**
- 24/7 automated dispatch across all revenue streams
- AOX Trade** – current PV trading partner; also under evaluation for BESS trading



BESS Provider

Equipment Supplier

- Tier 1** global energy storage supplier
- 12+ GWh** of BESS deployed globally
- Assets already **deployed and operational in Latvia**
- Selected via competitive tender (5 providers evaluated)
- Technical DD completed by **Wind Prospect** which confirmed technical capabilities
- Business and ESG DD by **Ernst & Young**



EPC Contractor

Construction Partner

- Parent company: **RNRG GmbH**
- 15+ years** building utility-scale PV across Europe, ME & India
- 2+ GW** installed PV + **400+ MWh** BESS capacity installed
- Built Merito's existing **71 MWp PV portfolio**
- Already **qualified with operational BESS in Latvia**
- Proven delivery reliability and quality



Appendix 4 – Merito Sustainable Energy Fund

Advancing Sustainable Energy Through Solar & BESS Investments



Merito Sustainable Energy Fund I AIF is a **€20M Fund** backed by **86 investors**



Fund's portfolio company **SIA Saules Energy (Group)** successfully developed a **71.5 MW PV portfolio** on time and on budget



Saules BESS SIA (Issuer) a fully **Ready-to-Build (RTB) BESS business case** for portfolio expansion is now developed, with all required permits secured and construction underway

Operational results	FY 2024	FY 2025	YoY growth, %
MWh produced	35,136	52,528	+49%
Net revenue (€ thousand)	2,152	2,703	+26%
EBITDA (€ thousand)	1,595	2,027 ¹	+27%
Capture price (€/MWh)	64.3	57.8	-10%

Footnote

1: Adjusted for one-off portfolio due diligence expenses



SIA Saules Energy current PV portfolio



Cēsu SES



Kalkūnes SES



Zilupes SES



Brenguļu SES



Inčukalna SES



Carnikavas SES



Kokneses SES



Valmieras SES

Appendix 5 – Group’s Consolidated Historical Financials for FY 2025 (1/2)

Stable Group Earnings Supporting Debt Service Capacity

€ thousand		FY 2025
Revenues	1	2,703
COGS	2	(96)
Gross Profit		2,607
Selling expenses		-
Administrative expenses	3	(201)
Other operating Income	4	71
Other operating expenses	5	(543)
Depreciation and amortization		(1,297)
Other non-operating income or expenses		(15)
Interest and similar income		3
Interest and similar expenses	6	(2,134)
Profit or loss before corporate income tax		(1,510)
Corporate income tax for the reporting year		(2)
Profit or loss for the reporting period		(1,512)
EBITDA		1,934

Comments

- 1 **Net turnover:** Revenue net of broker commissions, including electricity sales, balancing services, and guarantees of origin
- 2 **Distribution costs:** Payments to local DSOs for electricity distribution tariffs
- 3 **Administrative expenses:** PV plant maintenance, Group management, and accounting services
- 4 **Other income:** Recharged administrative expenses to management entities
- 5 **Other expenses:** Personnel, utilities, IT, equipment, and transportation costs
- 6 **Finance costs:** Interest on Fund-provided loans and bank borrowings

Appendix 5 – Group’s Consolidated Historical Financials for FY 2025 (2/2)

Strong Consolidated Balance Sheet Supporting Credit Profile

€ thousand		31.12.2025
Fixed assets (PPE)	1	39,911
Goodwill	2	5,025
Total non-current assets		44,935
Inventory		29
Receivables		110
Cash	3	1,151
Total current assets		1,290
Total assets		46,225
Share capital		5,250
Retained earnings		(1,546)
Quasi capital	4	19,761
Total equity and quasi-equity		23,465
Loans from credit institutions	5	20,921
Total non-current liabilities		20,921
Loans from credit institutions	5	1,368
Accounts payable	6	380
Current taxes payable		9
Deferred income and accrued expenses		83
Total current liabilities		1,840
Total liabilities		22,761
Total equity and liabilities		46,225

Comments

- 1 **Property, plant & equipment:** PV infrastructure assets net of accumulated depreciation
- 2 **Equity adjustment:** Impact from Group reorganization (September 2025), including contribution of SES SPV investments by Saules Energy
- 3 **Restricted cash:** Cash held in pledged bank deposits in line with loan covenants
- 4 **Quasi capital:** Subordinated funding provided by shareholders, offering structural flexibility and supporting the Group’s capital structure
- 5 **Loans from credit institutions:** Secured senior bank borrowings with defined amortisation schedules, used to finance PV asset development and operations; **to be increased by up to €22m secured and €5m unsecured bond financing at Saules BESS level**
- 6 **Other liabilities:** Deferred payments (up to 2 years) for PV plant construction and due diligence, settled in Q1 2026

Appendix 6 – Bond Collateral & Use of Proceeds

Robust security structure underpinning clearly defined use of proceeds

Bond Collateral

- ❑ Senior secured bonds backed by a **pledge over all Issuer assets**
- ❑ **Security package includes:**
 - First rank pledge over **shares Issuer (SIA Saules BESS)**
 - First rank pledge over **shares of SIA Saules Energy**
- ❑ **Additional structural protections:**
 - **Covenants** (Net Leverage, interest coverage, equity ratio)
 - **Dividend restrictions** subject to covenant compliance
 - **Negative pledge** and limitations on additional indebtedness
- ❑ **Gradual accumulation of cash** for bond redemption prior to maturity

Use of Proceeds

- ❑ **Growth investments**
 - Expansion of BESS business operations / portfolio
 - Capex into high-return project
- ❑ **Refinancing of existing bank loan³ € 13 million**
 - Optimization of maturity profile
 - Reduction of refinancing risk
- ❑ **General corporate purposes**



Collateral market value

Mandatory Redemption Dates	Bonds outstanding (€ million) ¹	BESS Residual Value (€ million)	BESS Market Value (€ million) ²
Year 1	20.0	22.8	19.4
Year 2	16.0	21.9	18.6
Year 3	13.0	20.9	17.8
Year 3.5	-	20.4	17.3

Sources and Uses of Proceeds

Sources	€ million	Uses	€ million
Senior Secured Bond	21.0	Refinancing existing bank loan ³	13.0
Subordinated Bond	5.0	Financing BESS projects	10.5
		Working capital financing	2.5
Total sources	26.0	Total uses	26.0

Footnotes

1: According to minimum periodic redemption schedule

2: BESS Market Value estimated at 85% of net book value after amortisation, reflecting remaining useful life and expected asset degradation

3: Existing bank loan used for BESS development purposes

Appendix 7 – Competitive landscape

Leading the Latvian BESS market

Type	Description	BESS portfolio	Positioning	Market participant
RES IPP	An independent power producer and non-utility generator that owns power generation facilities	55MW BESS with 120MWh commissioning in Dec 2026	55 MW BESS + PV portfolio 71.5 MW, developing BESS to store intermittent energy for future use and improve core services	
Utility – TSO	A major, well-established entity in the power market that develops BESS to stabilise or enhance core services, typically in response to specific needs	80MW BESS with 160MWh operating since 2024	AST, as a regulated TSO, cannot compete in the electricity market and uses BESS solely for system stability and balancing.	
Utility - Generator & retailer	A major, well-established entity in the power market that develops BESS to stabilise or enhance core services, typically in response to specific needs, and also operates retail arm	40MW BESS with 80MWh commissioning in 2027 (planned 250MW / 500MWh by 2030) ¹	40MW BESS + operates ~2.6 GW of capacity, mainly hydro and flexible CHP, creating strong conditions for BESS integration.	
Utility - Generator & retailer	A small entity in the power market that develops BESS to stabilise or enhance core services, typically in response to specific needs, and also operates retail arm	3MW BESS with 6MWh operating since 2024 6MW BESS with 20MWh commissioning in 2026	9 MW BESS + PV portfolio 30 MW, developing BESS to store intermittent energy for future use and improve core services	
RES IPP	An independent power producer and non-utility generator that owns power generation facilities	284MW BESS ² with 568MWh commissioning in 2026/2027	284 MW BESS + PV portfolio 52 MW (+329MW under construction) ¹ , developing BESS to store intermittent energy for future use and improve core services	

Footnotes

1: Page 13 - https://latvenergo.lv/storage/app/media/uploaded-files/LE_prezentacija_2025_12men_nerev.pdf

2: Company data <https://sunly.ee/en/our-projects>

Appendix 8

BESS containers arriving in Riga by the end of May

MSC GERMANY Container Ship IMO: 9987316

[Overview](#) [Port call log](#) [Vessel characteristics](#) [Ownership](#) [Performance](#)



MSC OLBIA Container Ship IMO: 9987299

[Overview](#) [Port call log](#) [Vessel characteristics](#) [Ownership](#) [Performance](#)



Locations of the delivery ships can be seen here:
<https://www.marinetraffic.com/en/ais/details/ships/shipid:9457854>
<https://www.marinetraffic.com/en/ais/details/ships/shipid:9210648>

Xiamen Kehua Digital Energy Tech Co.,Ltd
 Add: Room 208-38, Hengye Building, No. 100 Xiangxing Road, Torch High-tech Zone (Xiang'an) Industrial Zone, Xiamen, China
 Tel: +86-592-5160516 Email: intertrade@kehua.com
 www.kehua.com

To: KL SYSTEMS SIA
 From: Xiamen Kehua Digital Energy Tech Co., Ltd.
 Date: March 2026

Manufacturer Declaration Letter

Reference:
 KL SYSTEMS orders

We, Xiamen Kehua Digital Energy Tech Co., Ltd., hereby confirm that KL SYSTEMS SIA has placed the order with us for 5MWh BESS containers together with PCS & transformers skid. We further confirm that the 20% advance payment has been received, which constitutes formal order confirmation and triggers the commencement of production.

The first batch, comprising 35MW/70MWh BESS containers and AC transformers and PCS skid, has been fully manufactured and is scheduled for shipment in the coming weeks. The goods shall be delivered to Latvia by 15 May 2026.

The second batch of the order, totaling 25MW/50MWh, is currently under production. It is planned to be completed by the end of April 2026, with delivery to Latvia by mid-July 2026.

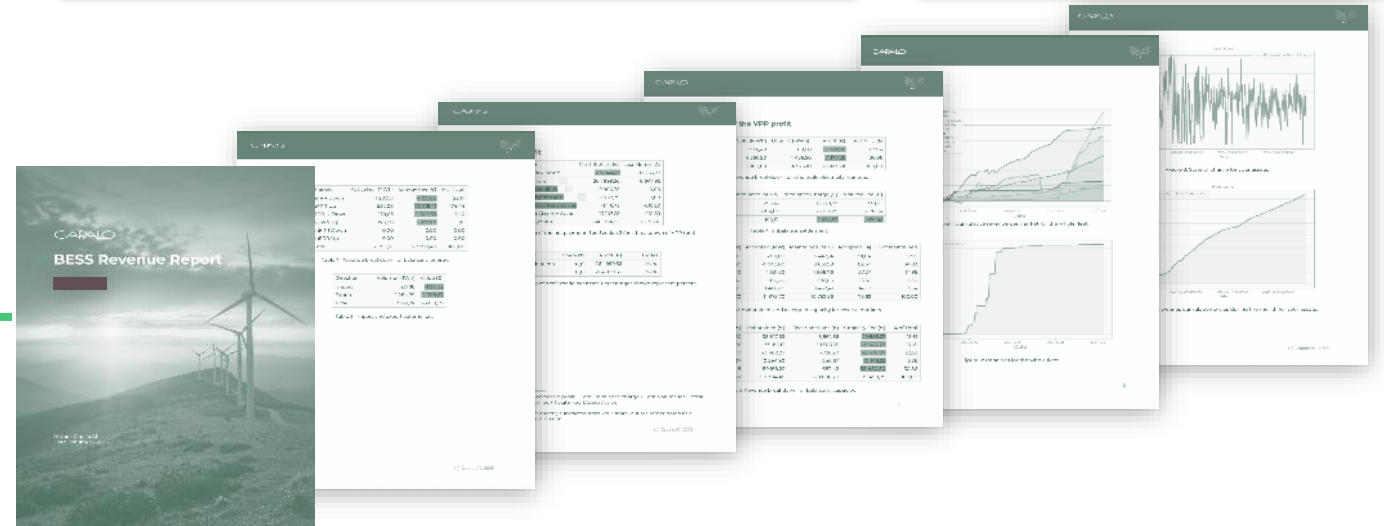
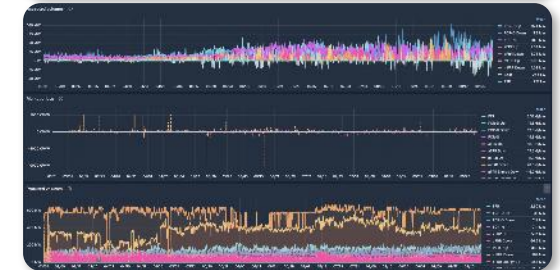
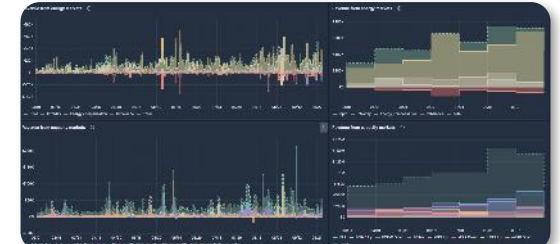
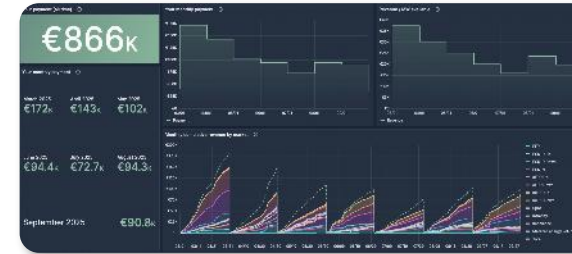
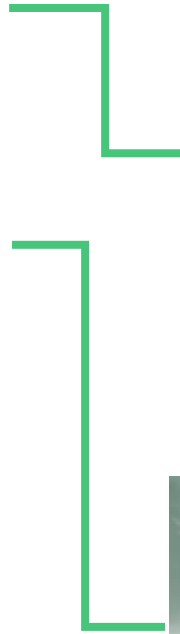
WANG JUNGUANG

 Head of EUROPE renewable
 Xiamen Kehua Digital Energy Tech Co., Ltd
 Mar 20th 2026.

Appendix 9

Capalo AI trading dashboard

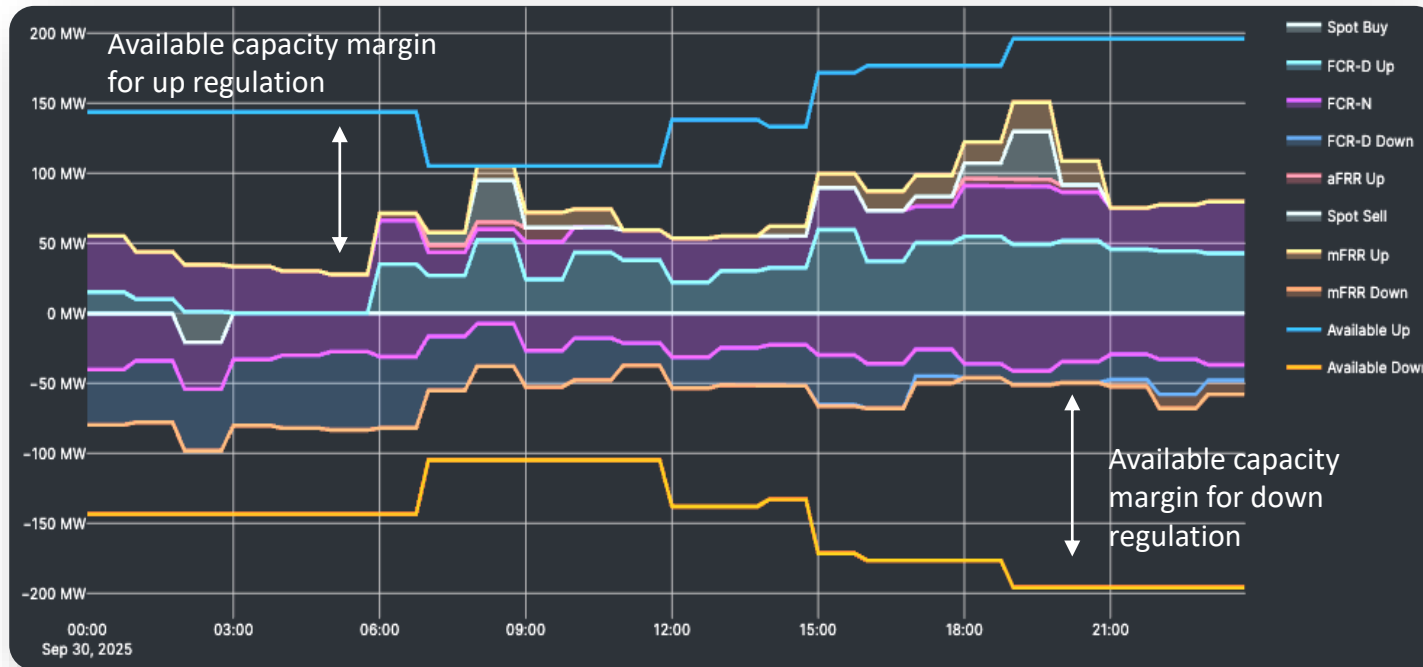
- Access to **asset's trading performance through Grafana dashboard** with real-time performance and **realized revenues & estimates for the ongoing trading period**
- Monthly Report** which breaks down the revenue payments for the billing period attached to a self billing invoice
- Designated Key Account Manager** to work with and run **trading performance reviews** to discuss the performance and market developments behind the revenue numbers



Appendix 10

Capalo AI's Virtual Power Plant approach avoids costly penalties

Fleet accepted volumes per market and total available capacity for up/down regulation, MW/15min



The fleet has available capacity to compensate sudden losses of an asset's capacity **avoiding costly penalties (>2-3 capacity price) and imbalances**