

SALES AND PURCHASE AGREEMENT No. 1

Date:

Klaipėda, Lithuania – Dortmund, Germany

AB "KN Energies" legal entity code 110648893, VAT code LT106488917 (hereinafter referred to as the "Buyer"), represented by [REDACTED], acting pursuant to CEO order No BV-32, 2025 of April 9th,

and

Volterion GmbH & Co, legal entity code HRA 19107 (hereinafter referred to as the "Seller"), represented by [REDACTED] acting in accordance with the CEO role, hereinafter collectively referred to as the "Parties" and individually as a "Party."

Based on the Buyer's decision, the Seller was selected as the winner of the procurement for "Installation of a battery energy storage system ≥ 4 kW, ≥ 10 kWh" (11137) (hereinafter referred to as the "Goods"), carried out in accordance with the Law on Procurement Entities in the Fields of Water Management, Energy, Transport, or Postal Goods. Accordingly, the Parties, wishing to formalize their obligations, have entered into the following Sales and Purchase Agreement (hereinafter referred to as the "Agreement").

1. Subject of the Agreement

1.1. The Seller undertakes to transfer to the Buyer the Goods, in compliance with the requirements set forth in Annex 1, the Technical Specification ("TS") and to perform the related services. The Buyer agrees to accept the Goods and related services that meet the requirements of the Agreement and the Annexes to the Agreement and to pay the Seller for them in accordance with the terms of this Agreement.

2. Price and payment terms

2.1. The total Agreement price **26.290,00 Eur** [twenty-six thousand two hundred ninety euros], exclusive of VAT, if applicable:

2.1.1. 24.790,00 Eur [twenty four thousand seven hundred ninety euros] exclusive of VAT (if applicable) - Installation of a battery energy storage system ≥ 4 kW, ≥ 10 kWh (Goods)

2.1.2. 1.500 Eur [one thousand five hundred euros], exclusive of VAT (if applicable) - after approximately two years, the Seller shall perform an on-site inspection of the PowerFB unit as a part of the 5-year warranty process. The related actual travel costs shall be invoiced separately, but shall not exceed but will not exceed 1.500 Eur [one thousand five hundred euros].

2.2. The total Agreement price includes all applicable taxes, fees, and the Seller's direct and indirect expenses, including costs related to translation, invoice submission, and other costs necessary for the proper performance of the Agreement (including the costs of electronic submission of invoices).

2.3. Goods shall be delivered in accordance with the procedure outlined in TS.

2.4. Upon completion and delivery of the Goods and related services, the Parties shall sign a final transfer and acceptance deed, confirming that the Goods comply with the requirements of this Agreement and its Annexes. The Goods must be duly and properly delivered by the Seller. The Buyer shall verify the quantity and quality of the delivered Goods. Any deficiencies identified during testing

shall be remedied by the Seller prior to acceptance. The signed transfer and acceptance deed shall serve as the basis for issuing the invoice.

2.5. Ownership of the Goods shall pass to the Buyer upon the signing of the transfer-acceptance deed.

2.6. The Buyer shall settle payments with the Seller for properly rendered Goods via bank transfer to the Seller's designated account specified in the Agreement, no later than thirty (30) days from the receipt date of both the transfer and acceptance deed and a correct invoice. The Seller shall submit the invoice electronically. Invoices, credit notes, and advance invoices that comply with the European electronic invoicing standard may be submitted through methods chosen by the Seller. However, electronic invoices, credit notes, and advance invoices that do not comply with the standard must be submitted exclusively via the SABIS information system. All invoices issued by the Seller must meet the legal requirements of the Republic of Lithuania. Additionally, the invoice must include the Agreement number, the transfer and acceptance deed number and date, and, if applicable, the specific project code and title, along with the contact details of the responsible persons from both Parties. If the Seller fails to submit the invoice electronically, the Buyer reserves the right to withhold payment.

2.7. The pricing method applied under this Agreement – mixed pricing (fixed fee and reimbursable expenses).

3. Obligations of the Parties

3.1. Obligations of the Seller:

3.1.1. Deliver the Goods meeting the requirements of the Agreement by its own transport, without additional charge and to provide the related services (works) (specified in clause 3.3 of the TS), no later than **8 (eight) months** from the date of entry into force of the Agreement, as stipulated in the TS and this Agreement.

3.1.2. Deliver the Goods in accordance with the procedure, conditions and deadlines set out in the Agreement and TS, ensuring compliance with the requirements normally imposed on items of this type and such period of use, and to guarantee the appropriate quality of the Goods sold.

3.1.3. Deliver the Goods, to the address Kunčią village, Subačiaus sen., LT-40400 Kupiškis district, Lithuania.

3.1.4. Provide the Buyer with all necessary documentation, including instructions for the use and maintenance of the Goods, and advise the Buyer on other related issues.

3.1.5. Submit to the Buyer a signed transfer and acceptance deed, along with an invoice in accordance with the procedure established in the Agreement.

3.1.6. The Seller shall, at their own expense, take back any defective Goods and replace them with high-quality Goods that meet the technical requirements within a reasonable period as specified by the Buyer.

3.1.7. Participate alongside the Buyer's representative in inspecting and confirming the quantity and quality of the delivered Goods to ensure compliance with the agreed specifications.

3.1.8. Provide all information related to the execution of the Agreement and payment for Goods rendered, upon the Buyer's request, at any time during the performance of the Agreement.

3.1.9. Promptly inform the Buyer in writing, no later than three (3) business days, regarding:

3.1.10.1. any inability to provide the Goods on time;

3.1.10.2. any changes to Seller's contact details, legal status, or designated representative;

3.1.10.3. in the event of a dispute between the Parties regarding the Agreement, appoint a representative to resolve the dispute no later than three (3) business days from the date the dispute arises.

3.1.11. Upon receiving the Buyer's written refusal to accept Goods as specified in Section 3.2.4 of the Agreement, implement the Buyer's requirement outlined in Section 4.2.2 of the Agreement within the timeframe specified by the Buyer.

3.1.12. Ensure that, throughout the formation and duration of the Agreement, the Seller, its subcontractors, affiliated entities, shareholders, and beneficiaries are not listed on any sanctions lists (EU, UN, United Kingdom, USA, or Lithuania) and are not engaged in activities related to money laundering, terrorist financing, or tax fraud. The Seller must promptly notify the Buyer, within one (1) business day, of any incident or development involving these entities.

3.1.13. The Seller shall guarantee the quality of the Goods and the absence of hidden defects and shall, at its own expense, rectify any quality defects in the Goods throughout the guaranty period of two years. The quality of the Goods must comply with the requirements and standards set forth in the Agreement and the applicable legal acts regulating the supply of such goods.

3.1.14. To rectify all defects at its own expense in the manner and within the time limits specified in the Agreement. The warranty period for the Goods or their parts begins upon the transfer of the Goods to the Buyer, after both Parties have signed the goods handover-acceptance deed. The warranty obligation period is extended for the period during which the Buyer was unable to use the Goods due to the Seller's fault or while the defects were being rectified. The warranty period for the Goods is set at 2 (two) years, to be extended for 2 (two) more years following the inspection and maintenance service as agreed after the initial two years of operation.

3.1.15. minimize the use of natural resources. Accordingly, all documentation related to the Agreement shall be transmitted in digital format (electronic version). When performing the Agreement, the Seller must reduce paper consumption by avoiding unnecessary copying or printing of documents. Submit documents (intermediate and final) exclusively, and, if signatures are required, use electronic signatures.

3.2. The Buyer undertakes to:

3.2.1. having verified and ensured that all Seller's obligations (delivered Goods and related services) under the Agreement have been fulfilled, the Buyer undertakes to sign the transfer-acceptance deed no later than within 5 (five) business days from the date of receipt of the delivered goods or to inform the Seller in writing about the refusal to accept the goods, sign the transfer-acceptance deed, and specify the deficiencies and the decision as stipulated in Clause 4.2.2 of the Agreement;

3.2.2. to check and assure the requirements as mentioned in the information sheet „Information Sheet „powerFB““ are fulfilled. In addition the Buyer will provide handling equipment at the site to transport the powerFB battery and allow to have the IBC container as close to the battery as possible to allow for filling the battery with the electrolyte. The necessary pump will be provided by the Seller.

3.2.3. pay the Seller for high-quality Goods, that meet the requirements of the Agreement, in accordance with the terms and conditions set forth in the Agreement;

3.2.4. provide the Seller with any reasonably necessary information available for the proper execution of the Agreement;

3.2.5. in the event of a dispute between the Parties regarding the Agreement, appoint a representative to resolve the dispute no later than three (3) business days from the date the dispute arises;

3.2.6. within five (5) business days from the receipt of the Goods and the signed transfer and acceptance deed, either sign the certificate or inform the Seller in writing of the refusal to sign, specifying any deficiencies and the action required, as stated in Section 4.2.2 of the Agreement;

3.2.7. promptly notify the Seller in writing, no later than three (3) business days, of any changes to its contact details, legal status, or designated representative.

3.3. Meetings between the Seller and the Buyer shall be conducted remotely to minimize environmental impact (e.g. fuel emissions), except when an in-person meeting is objectively necessary.

3.4. In the event of a dispute between the Buyer and the Seller regarding the quality of Goods provided, either Party may request an expert assessment. The Party requesting the assessment shall bear the costs, except when the assessment confirms complaints regarding the quality of Goods, in

which case the responsible Party shall cover the expenses. The Parties may also agree in writing to share the costs of the assessment equally.

3.5. Other obligations of the Parties are specified in the (TS).

4. Rights of the Parties

4.1. The Seller has the right to:

4.1.1. Require the Buyer to accept fully delivered quality Goods, that meet the requirements of the Agreement and Annexes to the Agreement or refuse to fulfill the Agreement if the Buyer, in breach of their obligations, fails or refuses to accept such Goods.

4.1.2. Demand payment from the Buyer for fully delivered quality Goods in accordance with the terms, conditions, and deadlines specified in the Agreement.

4.2. The Buyer has the right to:

4.2.1. Withhold payment for fully delivered quality Goods if an incorrect invoice is submitted, until the issue is resolved with the Seller and a correct invoice is provided.

4.2.2. upon identifying defects, demand that the Seller eliminate the defects free of charge within a reasonable period set by the Buyer and/or compensate for losses related to improper performance of the Agreement.

4.2.3. The Buyer may unilaterally terminate the Agreement and seek compensation for damages if the Seller fails to meet the Buyer's requirements outlined in Section 4.2.2 of the Agreement or otherwise fails to fulfill the Agreement.

4.2.4. Reduce its financial obligation to the Seller by the amount of any calculated penalties, with written notification provided to the Seller.

4.2.5. Withhold payments due to the Seller under the Agreement if deficiencies are identified or other contractual obligations are not fulfilled. The Buyer may exercise this right of withholding only to the extent necessary to ensure the fulfillment of legitimate requirements.

4.3. Additional rights of the Parties are outlined in the TS.

5. Liability of the Parties

5.1. For failure to fulfill or improper fulfillment of obligations assumed under the Agreement, the Parties shall be liable in accordance with applicable laws, considering the specific provisions of the Agreement.

5.2. The Seller shall be liable for all obligations undertaken under the Agreement, regardless of whether third parties are engaged to fulfill them.

5.3. Payment of penalties does not eliminate the right of a Party to demand compensation for direct losses incurred. The penalties specified in this Agreement are considered minimum, non-contestable damages for the Parties.

5.4. The total liability of either Party shall not exceed 100% of the Agreement's value, except for penalties arising from gross negligence or willful misconduct, breaches of confidentiality obligations, or intellectual property rights violations, which are not subject to this limitation.

5.5. Neither Party shall be liable for failure to perform or for delays in performing any obligations due to a Force Majeure event that (i) is beyond the reasonable control of the affected Party and not caused by its fault, and (ii) cannot be prevented or mitigated by the affected Party despite exercising reasonable diligence. In such cases, the Party unable to perform its obligations due to force majeure must promptly notify the other Party, specifying the circumstances hindering its performance and identifying the obligations it cannot fulfill. The performance of obligations will be suspended until these circumstances cease. If this notification is not received by the other Party within a reasonable time after the affected Party becomes aware or should have become aware of the force majeure

circumstances, the affected Party shall be liable for any losses incurred by the other Party due to the absence of timely notification.

5.6. When the force majeure circumstances cease, the Party previously unable to fulfill its obligations must promptly notify the other Party and resume performance of its obligations. However, if the Party fails to meet its contractual obligations due to force majeure for more than thirty (30) days, the other Party has the right to immediately terminate the Agreement by providing written notice to the affected Party.

6. Performance Guarantee of the Agreement

6.1. If the Seller fails to fulfill its contractual obligations to provide Goods on time, as specified in the TS due to its own fault, it shall, upon the Buyer's written request, pay a late fee of 0.05% of the Agreement value, for each day of delay.

6.2. If the Buyer fails to meet its contractual obligation to pay for Goods rendered within the terms specified in the Agreement, the Buyer shall, upon the Seller's written request, pay a late fee of 0.05% of the Agreement value for each day of delay. Withholding payment due to identified deficiencies (until the deficiencies are corrected and Goods delivered as per the Agreement) shall not be considered a delay in payment.

6.3. If the Buyer terminates the Agreement due to a material breach by the Seller, or if the Seller unjustifiably terminates the Agreement, the Seller shall, upon the Buyer's written request, pay a penalty of 10% of the Agreement value.

7. Duration of the Agreement

7.1. The Agreement takes effect from the date of signing and remains valid until all contractual obligations of the Parties have been fully fulfilled or until it is terminated as provided by law or under the terms of this Agreement.

7.2. Upon termination or expiration of the Agreement, provisions related to dispute resolution, as well as any other provisions that, by their nature, are intended to remain in effect after termination, shall continue to be valid.

7.3. If one Party fails to fulfill its contractual obligations or performs them improperly, constituting a material breach of the Agreement, the other Party may unilaterally terminate the Agreement by providing written notice to the breaching Party at least ten (10) business days in advance, along with justified reasons. A material breach shall be understood in accordance with the Agreement (as mutually agreed by the Parties on what constitutes a material breach). The following shall be considered material breaches under the Agreement:

7.3.1. The Seller's delay in delivering the Goods for more than thirty (30) days, where such delay is attributable to the Seller's fault;

7.3.2. If the Buyer identifies quality defects in the Goods delivered by the Seller on more than three (3) consecutive occasions;

7.3.3. If the Buyer, due to its own fault, delays the fulfillment of payment obligations for more than thirty (30) days beyond the due date.

7.4. The Buyer has the right to unilaterally terminate the Agreement by providing the Seller with twenty (20) business days' prior written notice. In such a case, the Buyer must pay the Seller for the portion of the service fee proportional to the Goods rendered and reimburse any other reasonable expenses incurred by the Seller in fulfilling the Agreement up to the time of receiving the termination notice from the Buyer. The Seller may unilaterally terminate the Agreement only for significant reasons, with twenty (20) business days' prior written notice to the Buyer. In such a case, the Seller must fully compensate the Buyer for any losses incurred.

7.5. The Agreement may be terminated at any time by mutual written consent of both Parties, in accordance with Article 98 of the Law on Public Procurement in the Water, Energy, Transport, and Postal Goods Sectors of the Republic of Lithuania (hereinafter referred to as the "Law") and other applicable legal provisions.

7.6. The Agreement shall be terminated immediately if the Government of the Republic of Lithuania, under the procedure established by the Law on the Protection of Objects of Importance to National Security, issues a decision confirming that the Agreement does not comply with national security interests (Article 50, paragraph 8 of the Law).

8. Confidentiality and Intellectual Property

8.1. The Parties undertake to comply with their confidentiality obligations. Confidential Information shall mean any information that a Party has marked or otherwise indicated in writing as private or confidential, as well as any information that, in view of the circumstances surrounding its disclosure, the receiving Party should reasonably recognize as confidential. Confidential Information includes non-public information related to the activities of both Parties and the performance of this Agreement. The receiving Party shall use the Confidential Information solely for the performance of this Agreement and shall ensure that such Confidential Information is not used in any manner that could be detrimental to the Party disclosing it. The confidentiality undertaking, in the form set out in Annex No. 2 to this Agreement, shall be completed by the Service Provider's specialists and employees engaged in the performance of this Agreement. The Service Provider shall submit the completed and signed confidentiality undertakings to the Client no later than five (5) business days from the date of signature of this Agreement. If the Service Provider replaces or appoints an additional specialist for the performance of the Agreement, a signed confidentiality undertaking by such specialist shall be submitted together with the request to appoint (or replace) the specialist.

8.2. The Parties expressly agree that all intellectual property rights, both monetary and non-monetary (to the permitted extent) (commercial secrets, copyrights and related rights objects, inventions and patents, know-how, designs, trademarks, commercial marks, industrial samples, utility models, ideas, processes, formulas, original program texts and object codes, data, programs, databases, other copyrighted works, enhancements, improvements, designs, techniques or any other works or innovations or any other objects) (hereinafter, the "Intellectual Property Objects"), which the Seller has created, conceived or developed under the terms of this Agreement shall belong exclusively to, and be under the exclusive ownership of, the Buyer for maximum extent for which rights are protected under the applicable laws and in an unlimited territory, with the right of the Buyer to transfer these rights and Intellectual Property Objects.

8.3. The Parties agree that the Buyer shall have a right to use the Intellectual Property Objects at its sole discretion, including but not limited to: (i) reproduce in any form or manner; (ii) publish; (iii) translate; (iv) adapt, arrange, stage, or otherwise rework; (v) distribute the original or a copy thereof by sale, lease, lending or other way transferring the ownership or possession right, also by importing or exporting; (vi) display the original or copies publicly; (vii) publicly perform in any way and by any means; (viii) broadcast, rebroadcast and otherwise make public, including make it publicly accessible by the computer networks (the Internet). The Buyer shall have the right to exercise the above-indicated rights in any way the Buyer wants: (i) with or without indication of authorship; (ii) with or without other content of authors' rights; (iii) with or without other text, sound, information or image; (iv) without a title, with the same title or under any other title; (v) in any environment or context. The remuneration for the Intellectual Property Rights is included in payment under this Agreement and no additional compensation is due to the Seller for the full assignment of Intellectual Property Objects.

8.4. Without the Buyer's prior written consent, the Seller may not publish articles about the Goods, refer to them in providing Goods to others, or disclose information obtained from the Buyer.

8.5. The Seller guarantees compensation (including legal costs) to the Buyer for any claims arising from the use of Intellectual Property Objects, except in cases where such infringement results from the Buyer's actions. If third parties make reasonable claims against the Buyer for intellectual property infringement related to the Goods, the Seller shall immediately address and remedy such infringement at its own expense and indemnify the Buyer for any losses incurred as a result.

8.6. The Seller warrants that neither it nor the authors of the Intellectual Property Objects will make any claims or demands against the Buyer or any third parties regarding the Buyer's use of the Intellectual Property Objects acquired under this Agreement.

8.7. The Seller undertakes not to incorporate any Intellectual Property Objects of itself or third parties, for which it has not received a permit, into the Buyer's Intellectual Property Objects or other Intellectual Property Objects provided by third parties to the Buyer. For clarity, no pre-existing intellectual property rights or those rights held by the Seller before delivery of the Goods including know-how, software, calculation methods (known as background intellectual property rights) shall become the property of the Buyer if the Buyer was notified prior and agreed that such intellectual property will be incorporated. Should any of the Seller's background intellectual property be required for the Buyer to use or have the benefit of the Goods or results, the Seller shall provide to the Buyer a none revocable, a non-exclusive, royalty-free, worldwide licence to use such background intellectual property rights.

8.8. Notwithstanding any other provisions in this contract, including particularly clauses 8.9 (with respect to referencing authorship) and 8.11 (with respect to the Seller's liability), the Seller: (i) shall not be liable for the Buyer's use of the Goods or any information or Intellectual Property Objects included where the Buyer has adapted, changed or in any way varied the Goods provided to it by the Seller, or uses the Goods in a manner inconsistent with the purpose or objectives of the project; (ii) does not consent to the use of its brand or image or name where that is linked to the Goods that the Buyer has adapted, changed or varied in any way.

8.9. Parties hereby agree that provisions of this Section 8 shall survive termination or expiry of the Agreement.

9. Suspension of Agreement

9.1. In the event of significant circumstances beyond the Seller's control that prevent the Seller from fulfilling its contractual obligations and/or due to other unforeseen circumstances (such as changes to applicable legislation or the enactment of new legal acts that impact the execution of this Agreement, or other circumstances unknown at the time of procurement that any other Buyer would encounter), the Buyer has the right to suspend the performance of the Seller's contractual obligations or part thereof.

9.2. If circumstances arise that prevent the Seller from fulfilling its contractual obligations, the Seller must immediately notify the Buyer, providing information and documents proving the impossibility of performing contractual obligations due to circumstances beyond the Seller's control. Once the circumstances preventing the Seller from performing contractual obligations cease to exist, the suspended Agreement term(s) shall be reinstated.

9.3. The period for suspending contractual obligations shall not exceed four (4) weeks.

9.4. In cases specified in clauses 9.1 and 9.2, the Buyer and the Seller shall sign an agreement on the suspension of contractual obligations, specifying the reasons for suspension, the suspension period, and attaching any supporting documents, if available.

9.5. If the Agreement is suspended with less time remaining until its expiration than the maximum suspension period, the Agreement performance period shall be extended by the amount of time that remained before the suspension.

9.6. If the Agreement is suspended with more time remaining until its expiration than the maximum suspension period, the Agreement duration shall be extended by the period for which it was suspended.

9.7. Upon resumption of contractual obligations, an agreement on the resumption of contractual obligations shall be signed.

10. Other conditions

10.1. The terms of the Agreement may be amended during its validity period as provided in this Agreement and Article 97 of the Law. During the Agreement's term, the Party initiating an amendment shall submit a written request to the other Party, including copies of documents supporting the circumstances, arguments, and explanations provided in the request. The other Party shall respond with reasoned feedback on the requested amendment within ten (10) days. All amendments to the Agreement are valid only when made in writing and signed by the authorized representatives of both Parties.

10.2. Contact persons of the Parties:

10.2.1. The Buyer designates –

as the person responsible for the performance of the Agreement. The Buyer's representative, as specified in this section, is authorized to sign transfer and acceptance deed and other documents directly related to the Agreement's execution. However, this representative is not authorized to agree to any modifications or amendments to the Agreement's terms, either orally, in writing, or by any other means.

10.2.2. The Seller's representative is

10.3. This Agreement and the relationship between the Parties, including its formation, validity, invalidity, implementation, and termination, shall be governed by and construed in accordance with the laws of the Republic of Lithuania.

10.4. Any dispute, controversy, or claim arising out of or in connection with this Agreement, including its breach, termination, or validity, shall first be settled amicably between the Parties. If the Parties are unable to resolve the dispute amicably within 14 (fourteen) days from the date on which one Party serves a written request for dispute resolution, the dispute shall be referred to the competent court in the jurisdiction where the Buyer's registered office is located.

10.5. The Parties' details, designated representatives, and their contact information specified in the Agreement may be changed by notifying the other Party in the manner provided in the Agreement within three (3) business days of such change. A separate amendment to the Agreement is not required for this update, and such notice shall be considered an integral part of the Agreement.

10.6. The Parties shall communicate in English. If the Agreement is provided in more than one language, the English version shall take precedence. Unless otherwise specified in the Agreement, all notices, consents, and other communications issued by a Party under this Agreement shall be considered valid and properly delivered if personally served with confirmation of receipt, or sent by registered mail or email (with receipt confirmation) to the addresses specified below, or to any other addresses provided by either Party in a notification.

10.7. The Agreement is concluded in accordance with the Civil Code of the Republic of Lithuania, the Law, the terms of the procurement, and the Seller's offer.

10.8. Parties commit to ensuring the security of personal data and to processing personal data lawfully, in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, repealing Directive 95/46/EC (General Data Protection Regulation), as well as other legal acts governing the processing of personal data.

10.9. Annexes:

- 10.9.1. Annex No. 1 – Technical Specification;
- 10.9.2. Annex No. 2 – Confidentiality Undertaking;
- 10.9.3. Annex No. 3 – Transfer-acceptance deed.

11. Contact Details and Signatures of the Parties

BUYER

**Public Limited Liability Company
KN Energies**

Legal entity code 110648893
VAT number LT106488917
Adress: Burių st. 19, LT-92276 Klaipėda
Telephone: +370 46 391772
Email: info@kn.lt
Account [REDACTED]
Bank: AB SEB bankas
Bank code: 70440

SIGNED by

[REDACTED]

SELLER

Volterion GmbH & CO KG

Dortmund, HRA 19107
VAT-ID-nu.: DE 341548629
44263 Dortmund
Carlo-Schmid-Allee 3
Germany

[REDACTED]

SIGNED by

[REDACTED]



TECHNICAL SPECIFICATION (TS)

1. CONCEPTS AND ABBREVIATIONS

- 1.1. **Customer** – AB “KN Energics”.
- 1.2. **Contractor** – economic entity, private legal entity, public legal entity, other organizations and their divisions or a group of such persons with whom the Customer concludes the Agreement.
- 1.3. **Contract** – a Contract concluded between the Contractor and the Customer regarding the Purchase Object.
- 1.4. **Purchase object:**
 - 1.4.1. **product** - a energy storage system;
 - 1.4.2. **works** - connection, adjustment and commissioning of the storage system.
- 1.5. **BESS** – a battery energy storage system, acquired through this procurement from the Contractor.
- 1.6. **Flow battery** – a battery in which two liquid electrolytes, separated by a membrane, provide energy through ion exchange.
- 1.7. **Battery efficiency** is the ratio of the electrical energy delivered from a secondary battery during discharge to the electrical energy delivered to the battery during the previous charge.
- 1.8. **State of Charge (SOC)** is the ratio of the remaining capacity to the nominal capacity at any given time. Nominal capacity is the maximum capacity of the battery specified by the manufacturer.
- 1.9. **Response time** – the time until the BESS starts delivering the nominal output power after receiving a control signal.
- 1.10. **TSPE** – telemetry system transmission equipment.
- 1.11. **DMZ** – (demilitarized zone) a server, computer (or several of them) inserted between a company's private (internal) network and a public (external) network, protecting data located on the company's servers from external users.

2. PURCHASE OBJECT

Installation of a battery energy storage system ≥ 4 kW, ≥ 10 kWh (hereinafter referred to as the “Object of Purchase”). The object of purchase is not divided into parts.

2.1. CURRENT SITUATION

- 2.1.1. The European Union and the governments of Lithuania, Latvia, Estonia and Poland have agreed on a Policy Plan aimed at connecting the Baltic electricity grid to the Continental European grid by 2025. This will require Lithuania to secure its own FCR.
- 2.1.2. The customer plans to install a battery energy storage system with a capacity of ≥ 4 kW / ≥ 10 kWh (Vanadium redox Flow) purchase, which would be used for domestic energy balancing by utilizing solar power plant production and local consumption.

3. REQUIREMENTS FOR THE PURCHASE OBJECT

3.1. The green criterion applies to the procurement object

The Client seeks to ensure that its and the Contractor's actions have the least possible impact on the environment, therefore:

- 3.1.1. During the public procurement and contract execution, communication between the Contractor and the Customer will be carried out only by electronic means (CVP IS tools, telephone, e-mail, etc.);
- 3.1.2. All documentation related to the performance of the Contract is provided to the Customer and the Contractor by electronic means (CVP IS means, electronic mail, etc.);
- 3.1.3. The contract will be signed only by electronic means (electronic signature);
- 3.1.4. The Contractor undertakes to reduce paper consumption, to abandon unnecessary copying and printing of documents, and if stationery is used, it must be made from recycled raw materials or suitable for recycling;
- 3.1.5. If printing is necessary, the Contractor undertakes to use recycled paper that meets the green procurement requirements approved by Order No. D1-508 of the Minister of the Environment of the Republic of Lithuania of 28 June 2011 “On Approval of the Procedure for the Application of Environmental Protection Criteria in Green Procurement” (hereinafter referred to as the “Description”);

- 3.1.6. If the purchased Goods are to be supplied or transferred in secondary packaging, they must meet the minimum environmental protection criteria set for packaging, unless this contradicts hygiene standards: the packaging must be considered recyclable packaging in accordance with the provisions of the Law on Environmental Pollution Tax of the Republic of Lithuania ;
- 3.1.7. If the Goods are purchased with delivery, the Contractor must strive to consume less natural resources when supplying the Goods and thus comply with the environmental protection principles set out in the Description, namely:
 - 3.1.7.1. to ensure that non-emission vehicles that meet the green procurement requirements approved in the Description are selected for the delivery of the Goods to the address specified by the Customer;
 - 3.1.7.2. to ensure that the optimal route is chosen for the delivery of the Goods to the address specified by the Customer;
- 3.1.8. The Contractor undertakes to ensure that its actions do not pollute the environment or pose a health risk, thereby complying with the environmental protection principle set out in paragraph 4.4.4 of the Description;
- 3.1.9. The Contractor undertakes to sort the waste generated during the performance of the Contract and to transfer waste suitable for recycling or reuse to a waste manager entitled to handle such waste, and to dispose of waste unsuitable for recycling or reuse in specially designated areas.

3.2. Requirements for compliance with national security interests

- 3.2.1. It is determined that goods/services/works procured by the Supplier pose a threat to national security and/or are not reliable if and when **(the condition applies only to the control system)** :
 - a) the manufacturer or the person controlling it is registered (if the manufacturer or the person controlling it is a natural person - permanent resident or having citizenship) in the states or territories specified in the prescribed list¹ of Article 92(14) of the Law of Procurement (LP);
 - b) services would be carried out from states or territories specified in the prescribed list of Article 92(14) of the LP.
- 3.2.2. If, according to the results of the evaluation, the Proposal can be recognized as the Winner, at the contracting entity's request the supplier will have to submit one or more of the following documents:
 - 1) a copy of the founding documents of the legal entity approved by the head of the legal entity,
 - 2) Extended extract from the register of legal entities with history,
 - 3) Extract from the information system of participants of legal entities,
 - 4) a copy of the document confirming the identity of the person (identity card or passport),
 - 5) a copy of the document confirming the permission to engage in the relevant economic activity (for example, business license, certificate of individual activity, etc.),
 - 6) a certificate of the declared place of residence or relevant documents of a member state or a third country
 - 7) other documents acceptable to the contracting entity.

Documents without an expiration date must be issued or printed from the information system no earlier than 3 months before the date on which the supplier must submit the documents at the request of the contracting entity.

3.3. DESCRIPTION OF THE PURCHASE OBJECT

- 3.3.1. The Provider must, in accordance with the requirements of the Technical Specification.
- 3.3.2. The Contractor shall deliver, connect, adjust and start up the BESS (final product) in a cabinet version with all the equipment installed in it to the Customer. The BESS shall include (including, but not limited to):
 - 3.3.2.1. Batteries that meet the technical specification requirements ;
 - 3.3.2.2. Battery energy management system (BMS), including inverter, power management system (active and reactive);

¹ States or territories to which related public procurement offers are subject to Article 92 of the Public Procurement Act. 14th provisions, list: 1) Russian Federation; 2) Republic of Belarus; 3) People's Republic of China, excluding the separate customs territory of Taiwan (Penghu, Kinmen, and Matsu); 4) Crimea annexed by the Russian Federation; 5) the territory of Transnistria not controlled by the Government of the Republic of Moldova; 6) The territories of Abkhazia and South Ossetia not under the control of the Sakartvel Government.

- 3.3.2.3. Transformer startup (if necessary);
- 3.3.2.4. Monitoring and control system;
- 3.3.3. The BESS must be accompanied by all additional goods, such as (including but not limited to) enclosures, distribution boxes, grounding devices, used devices, electrical installation, etc., necessary to ensure full system operation and operational functionality, which must comply with the requirements of the Technical Specification.
- 3.3.4. The scope of the purchase, which fully complies with these parts of the specifications, includes:
- 3.3.4.1. All components (parts) constituting the BESS, planning and design of the BESS, production of all equipment/materials and various goods necessary for the assembly and operation of the BESS, assembly into a unified system as a whole, transportation to the location, unloading, transportation, handling, storage;
- 3.3.5. All other related goods and/or works not specified in the Technical Specification, but necessary for the Contractor to fully fulfill the obligations of the Contractor under the Contract, as provided for in the scope of this Procurement, which the Contractor should perform/provide to the Customer in order to properly and safely operate the unit without additional investments, must be included in the price of this offer.
- 3.3.6. The proposed Product must be designed to be suitable for operation in the changing climatic conditions of Lithuania. Appropriate protective measures must be taken to protect the BESS and its operating environment from pollutants, sources of pollution, water and moisture, lightning and short circuits, vibration and electromagnetic interference, corrosion, etc.
- 3.3.7. The goods must comply with the requirements and conditions of Directives 2004/108/EC of the European Parliament and of the Council https://eur-lex.europa.eu/legal-content/LT/TXT/?uri=uriserv:OJ.L_.2004.390.01.0024.01.LIT and 2006/95/EC <https://eur-lex.europa.eu/legal-content/lt/TXT/?uri=CELEX:32006L0095>.
- 3.3.8. Any other work required for connection and adjustment shall be carried out as required at the site of the work or in accordance with the instructions of the Client's management staff. Without the written permission of the Client's authorized representative, the Contractor may not use and/or display photographs of the work and shall not use the publicity of the work for purposes other than participation in the procurement or performance of the Contract.
- 3.3.9. The product must meet the following requirements for grounding:
- 3.3.9.1. All metal parts of the equipment that are not connected to the electrical network, but that may be connected in the event of defects, must be grounded to the common grounding circuit of the AECs cabinet.
- 3.3.9.2. Protective metal cable conduits, metal structures, metal housings of devices, control and intermediate cabinets must be grounded.
- 3.3.9.3. Cable trays must be grounded according to the manufacturer's requirements.
- 3.3.9.4. Each device and cabinet must be grounded to the grounding circuit with a separate grounding copper wire (cannot be connected in series).
- 3.3.9.5. Automation cabinets must be powered by three-core cables - that is, a separate neutral wire N and a separate protective wire PE (subsystem TN-S according to the Rules for the Installation of Electrical Equipment).
- 3.3.9.6. The PE wire is connected to the grounding terminal of the automation cabinets, which is marked with a grounding symbol.
- 3.3.9.7. Shields of analog signal cables (in automation cabinets) must be connected according to the requirements specified by the manufacturer.
- 3.3.10. Technical requirements for the BESS and its components are provided in the annexes to the TS.
- 3.3.11. The Contractor must not damage or otherwise alter the condition of the provided amenities, premises or connection points or otherwise alter the technical condition.

4. SCOPE OF THE PROCUREMENT OBJECT

4.1. Applicable pricing:

Fixed price

4.2. The exact quantity specified . The contract price is equal to the Contractor's bid price excluding VAT. The Customer undertakes to purchase the entire specified quantity of goods and works.

Serial No.	Name	Sees pcs.	Quantity
1.	Battery energy storage system ≥ 4 kW, ≥ 10 kWh Vanadium redox Flow	1	Complete set
2.	Storage system connection, adjustment and commissioning works	1	Complete

5. DOCUMENTS PROVIDED DURING THE PERFORMANCE OF THE CONTRACT

Serial No.	Name	The moment of submission
5.1.	System Connection Guide	Before installing the storage device (no later than 7 days before implementation)
5.2.	Management and Maintenance Manual	Before installing the storage device (no later than 7 days before implementation)
5.3.	Equipment data sheets	After installation of the storage device (no later than 7 days after implementation)
5.4.	Compliance of equipment with standards applicable in Europe.	Before installing the storage device (no later than 7 days before implementation)
5.5.	Description of causes and effects	Before installing the storage device (no later than 7 days before implementation)
5.6.	Fire safety instructions, requirements, etc. related to fire safety	Before installing the storage device (no later than 7 days before implementation)

6. PLACE OF PERFORMANCE OF CONTRACTUAL OBLIGATIONS

Kunčių village, Subačiaus sen., LT-40400 Kupiškis district

7. PROCEDURE AND DEADLINES FOR SUPPLY OF GOODS AND PERFORMANCE OF WORK

7.1. Delivery and performance deadlines

The works must be completed no later than **8 (eight) months** from the date of signing the Agreement.

8. QUALITY AND DEFECTS REMEDY

8.1. For the product A warranty period of no less than 5 (five) years applies or by manufacturer, calculated from the date of signing the Goods Transfer-Acceptance Act, on condition that the inspection and services are carried out every 2 years.

8.2. The works are subject to a warranty period not shorter than that specified in the Civil Code.



8.3. A period of 60 (sixty) calendar days shall be set for the elimination of defects observed during the performance of the contract or the warranty period, from the moment the Customer sends the notification of the defective Goods and Works to the Contractor by e-mail.

9. CUSTOMER'S OBLIGATIONS RELATED TO THE PURCHASE OBJECT

- 9.1. Provide a safe, tidy and well-maintained environment and location for equipment installation;
 - 9.2. Provide a safe, tidy and well-maintained household space;
 - 9.3. Provide space for connecting electrical devices for work;
 - 9.4. Provide access to clean water (if necessary);
 - 9.5. Grant the necessary permits for the work to be carried out.
-

10. ACCESSORIES

Annex No. 1. – General requirements for battery energy storage systems.

Annex No.2. – Declaration of conformity with national security requirements.

General requirements for battery energy storage systems

Row. No.	Technical requirements (properties, parameters or performance of functions of a product, device, equipment)	The value of the required parameter or the function being executed	The Contractor must confirm compliance with the technical requirement by indicating: yes/no and, where required, enter the exact value of the proposed Product	Documents/links to information published by manufacturers on the Internet confirming the values of the proposed parameters
1.	Chemical composition	Vanadium based	1,6M	Safety data sheet
2.	Power (AC side)	≥ 4kW	➤ 4 kW	powerFB manual
3.	Isolated operation	A smooth automatic transition between operation when connected to the energy system and operation when disconnected from the energy system, and vice versa, must be ensured.	Yes	-
4.	Automatic synchronization	Automatic synchronization must be ensured upon return to operating mode after connection to the energy system.	Yes	-
5.	Storage capacity	≥10 kWh	➤ 10 kWh	powerFB Manual
6.	Nominal power at 30°C	≥ 4 kW the converter terminals, before the transformer, if used)	>4kW, at the converter terminals, upstream of the transformer, if used	

Row. No.	Technical requirements (properties, parameters or performance of functions of a product, device, equipment)	The value of the required parameter or the function being executed	The Contractor must confirm compliance with the technical requirement by indicating: yes/no and, where required, enter the exact value of the proposed Product	Documents/links to information published by manufacturers on the Internet confirming the values of the proposed parameters
7.	Inverter efficiency	By manufacturer	Maximum efficiency 48V: 96 %	VOLT_ data sheet stack rack
8.	Equipment warranty	Expected ≥ 5 years warranty for all equipment. The warranty shall cover the equipment against defects in materials, design, and workmanship under normal operating conditions.	5 years under condition of every 2 year an on site inspection and service intervals	-
9.	General requirements for the microclimate in the cabinet after assessing the operating conditions of the equipment in use	When assessing environmental conditions, microclimate control must ensure the operation of the BESS at the minimum and maximum possible on/off cycles and with the BESS switched off.	Yes	-
10.	Cooling	By manufacturer	Only needed at high temperatures > 40 C and high cycle activity	See powerFB manual, integrated heat exchanger, module is prepared for external water glycol cooling

Row. No.	Technical requirements (properties, parameters or performance of functions of a product, device, equipment)	The value of the required parameter or the function being executed	The Contractor must confirm compliance with the technical requirement by indicating: yes/no and, where required, enter the exact value of the proposed Product	Documents/links to information published by manufacturers on the Internet confirming the values of the proposed parameters
11.	Noise level	Less than or equal to 70 dB (at one meter distance)	< 70 dB	See powerFB manual
12.	Number of cycles	>20,000	>20,000	See powerFB manual

Row. No.	Technical requirements (properties, parameters or performance of functions of a product, device, equipment)	The value of the required parameter or the function being executed	The Contractor must confirm compliance with the technical requirement by indicating: yes/no and, where required, enter the exact value of the proposed Product	Documents/links to information published by manufacturers on the Internet confirming the values of the proposed parameters
13.	Type	New and unused, transportable metal cabinet.	The battery is covered by metal sheets.	-
14.	Measurements	Manufacturer's discretion (specify)	L 81 x W 121 x H 195 cm	See powerFB manual
15.	Protection class	CE Certification	CE Certification	
16.	Climatic conditions	The cabinet must be adapted to operate in Lithuanian climatic conditions: - temperature regime within the narrowest limits than -28°	Yes 0-40 °C, 0-80 % relative humidity non-condensing	See powerFB manual

		C to +33° C. if cannot meet the requirements for place must be provided.		
17.	Building a cabinet	The cabinet must be designed to be placed on a flat, but not solid surface, or a foundation must be provided. Otherwise please provide requirements for installation	No cabinet, the inverters are placed on a mounting plate (wall connected)	See product offer made
18.	Lifting the cabinet	The loaded cabinet must be suitable for lifting by the upper corners with slings vertically by cranes, with hooks, chains or swivel devices, by the lower corners with slings, by a forklift using fork (tunnel) grooves.	No (the total weight including electrolyte is 1300kg) The floor area at the installation site is clean, dustfree and has sufficient loadbearing capacity	See powerFB manual and especially powerFB installation information sheet.

CONFIDENTIALITY UNDERTAKING

19 September 2025
(date)

Dortmund

I, [REDACTED] acting in the capacity of Volterion GmbH & Co. KG in the role as CEO (Geschäftsführer), and while performing the contract, SALES AND PURCHASE AGREEMENT Volterion Flow battery for Klaipėda, Lithuania, concluded between AB „KN Energies“ and Volterion GmbH & Co. KG, (hereinafter – the Contract),”

1. I hereby confirm that I am familiar with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), the laws of the Republic of Lithuania governing personal data protection, information security and cybersecurity requirements, other legal acts referred to in the Contract, and I undertake, in performing the Contract, to comply with personal data protection, information security and cybersecurity requirements.

2. I undertake:

2.1. From the moment of signing the Contract, I undertake to safeguard and use solely for the purposes of performing the Contract all information related to the Contract and its performance that becomes known to me, as well as any documents that are provided or made accessible to me.

2.2. To ensure the confidentiality and security of the information and documents received from AB 'KN Energies' and of the information and documents created during the performance of the Contract, to use such received and created information and documents solely for the purposes of performing the Contract, not to disseminate, reproduce, use them for my personal or third-party needs, and not to disclose them in any form or manner to third parties, except in cases provided for by the laws of the Republic of Lithuania.

2.3. To safeguard all entrusted documents and information in such a manner that third parties are not able to access or use them.

2.4. Upon termination of the Contract, to return all entrusted documents and information or, with the AB „KN Energies“ permission, destroy them; and not to retain any copies of the entrusted documents and information.

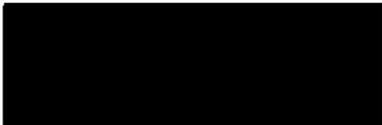
2.5. To immediately notify in writing the AB „KN Energies“ Information and Cybersecurity Officer by email at incidentai@kn.lt and by phone at +370 46 391772 of any actual or potential unauthorized use or disclosure of confidential information, or any other action that may be considered an information security breach, and to take all reasonable measures to prevent further disclosure or loss of information and to mitigate any negative consequences, as well as to identify and provide AB „KN Energies“ with all facts related to the information security breach;

2.6. To comply with the confidentiality obligations set out in sub-clauses 2.1–2.5 during the performance of the Contract and after its completion or termination, as well as in the event of any change or termination of my employment relationship.

3. I understand that confidential information shall mean all information related to the Contract and its performance, including documents that become known to me in the course of performing the Contract and that are not publicly available and whose disclosure is not required by the laws of the Republic of Lithuania.

I have been informed that:

- 3.1. This undertaking shall remain in force for an indefinite period of time;
- 3.2. Any information and documents related to the Contract and its performance that become known to me may be disclosed only in cases provided for by the laws of the Republic of Lithuania;
- 3.3. If I breach this undertaking, I shall pay the AB „KN Energijos“ a penalty of EUR 5,000 (five thousand euros) for each breach of confidential information and compensate the AB „KN Energijos“ and/or third parties for any damage and losses incurred, and shall be held liable in accordance with the laws of the Republic of Lithuania, provided that the total liability under this undertaking shall in no event exceed the total contract value, except in cases of wilful misconduct or gross negligence.



(signature)



(name, surname)

TRANSFER - ACCEPTANCE DEED (GOODS)

[date], Klaipeda

Volterion GmbH & Co (hereinafter referred to as the **'Seller'**), legal entity code _____, represented by _____, _____ acting under the __/__/2025 Agreement No. _____ concluded between the Buyer and the Seller (hereinafter referred to as the **'Agreement'**), does hereby transfer with the present Transfer - Acceptance deed (hereinafter referred to as the **'Deed'**), and

Public Limited Liability Company KN Energies (hereinafter referred to as the **'Buyer'**), legal entity code 110648893, represented by _____, _____, acting under the Agreement, does hereby accept the following Goods provided under the Agreement:

No.	Description of Goods	Notes	Quantity
1.			
2.			
3.			
4.			

Definitions used in the present Deed shall bear the same meaning as indicated in the Agreement.

The Buyer:

The Seller:

signature

signature