

*The purpose of this document is to serve as a general overview and it must be mentioned that the requirements may strongly depend on individual circumstances (e.g. tax residence status, possibility to prove it, etc.) and its content is subject to change. This document contains summarised information on the Lithuanian legislative provisions as well as the requirements applicable as of 15 April 2026.*

## **Reduced tax rate application to interest received by a Lithuanian tax non-resident**

### **1. Legislative background**

#### **1.1. Interest paid to individuals**

In accordance with the Law on Personal Income Tax, interest income (including, to the extent applicable, the positive difference between the redemption price and the issue price of the Bonds) received by a Lithuanian tax non-resident bondholder is subject to taxation in Lithuania. The personal income tax (“PIT”) rates applicable to non-employment related income are 15%, 20%, 25% and 32%, depending on the amount of annual income. When withholding PIT at source, the issuer applies the rates set out in Article 6 of the Law on Personal Income Tax by reference to the amount of each particular payment only (Article 23(7) of the Law on Personal Income Tax). Accordingly, the issuer will in practice withhold 15% PIT at source on each interest payment.<sup>1</sup>

To the extent a Lithuanian tax non-resident has an obligation to file an annual return under Lithuanian law, if the aggregate annual Lithuanian-source income of such Lithuanian tax non-resident exceeds the applicable thresholds (12, 36 and/or 60 AWP) and consequently a part of such income is subject to a higher rate (20%, 25% or 32%), the Lithuanian tax non-resident is required to recalculate the PIT liability on the basis of total annual income, file an annual personal income tax return (form GPM314) with the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania and pay the resulting difference by 1 May of the following year.

The 15% PIT applies to that part of annual non-employment related income that does not exceed 12 average work pays (“AWP”). The 20% PIT applies to that part of such income that exceeds 12 AWP but does not exceed 36 AWP. The 25% PIT applies to that part of such income that exceeds 36 AWP but does not exceed 60 AWP. The 32% PIT applies to that part of such income that exceeds 60 AWP. 1 AWP in 2025 is EUR 2,108.88 (the amount of 12 AWP is EUR 25,306.56; the amount of 36 AWP is EUR 75,919.68; the amount of 60 AWP is EUR 126,532.80). 1 AWP in 2026 is EUR 2,312.15 (the amount of 12 AWP is EUR 27,745.80; the amount of 36 AWP is EUR 83,237.40; the amount of 60 AWP is EUR 138,729.00). The AWP amount changes every year. The relevant annual income of a person that is taxed in Lithuania includes: interest (except for interest on non-equity securities of the Government of Lithuania), income from distributed profits, payments to members of the management board and the supervisory board, income from lease or sale of real property located in Lithuania, royalties, employment income, compensations for copyright violations, income from sports and performing activities and income related to such activities.

If a Lithuanian tax non-resident carries out his or her activities in Lithuania through a fixed base and is paid interest in connection with activities of this fixed base, then the Lithuanian tax non-resident must include the interest into the calculation of the fixed base income.

#### **1.2. Interest paid to other recipients (other than individuals)**

According to the Law on Corporate Income Tax<sup>2</sup>, interest income (including, to the extent applicable, the positive difference between the redemption price and the issue price of the Bonds) paid:

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<sup>1</sup> Articles 5(4), 22(2), 23(1), 23(7) of the Law on PIT.

<sup>2</sup> Articles 4(4), 5(1), 37 of the Law on Corporate Income Tax.

- to a Lithuanian tax non-resident bondholder, which is registered or otherwise organised in a state of the European Economic Area or in a state with which the Republic of Lithuania has concluded and brought into effect a double taxation treaty (“**DTT**”), will not be subject to the withholding tax; and
- to a Lithuanian tax non-resident bondholder, other than those listed above, will be subject to 10% withholding tax.

If the issuer is unable to identify the bondholder and determine such bondholder's eligibility for a lower tax rate or exemption from withholding tax, payments of interest to any such bondholder will be subject to the 15% PIT to be withheld by the issuer.

If a bondholder carries out activities in Lithuania through a permanent establishment and interest paid is related to the activities of this permanent establishment, then the recipient must include such interest into the calculation of the taxable profit of the permanent establishment.

### *Double Taxation Treaties*

In case the individual is a tax resident of a state with which Lithuania has a valid DTT, more beneficial provisions of the DTT overrule the regulation of the Law on PIT and the applicable PIT rate can be replaced with the one set in the relevant DTT.

If the individual is a tax resident of a state with which Lithuania does not have a valid DTT, the PIT rate of 15/20/25/32%, as explained above, is applicable.

Please note that Latvian tax residents in accordance with the relevant DTT fulfilling requirements set out in Paragraph 0 below are subject to a 0% PIT rate.

## **2. The application of the reduced PIT rate in accordance with the DTT when withholding at source**

If, based on the DTT, the Lithuanian tax non-resident wishes the lower PIT rate to be applicable to the bonds interest income, he/she is to provide the interest paying company with one of the following documents:

- (i) completed “*Claim for reduction or exemption from the anticipatory tax withheld at source*” (the so-called **Form FR0021 (DAS-1)**) (attached as Annex 1 and available here: <https://www.vmi.lt/evmi/formos>) (the “**Signed and Completed Form FR0021 (DAS-1)**”); **OR**
- (ii) if according to laws of the bondholder’s state of residence its tax authorities do not complete and do not sign the Form FR0021 (DAS-1), then the bondholder should provide:
  - a. completed Sections I, II, III, and IV of the Form FR0021 (DAS-1) (the “**Partially Completed Form FR0021 (DAS-1)**”); and
  - b. a tax residence certificate.

The tax residence certificate is to include (i) the name, surname, and personal identity number of the bondholder; (ii) confirmation of the competent authority of the state of residence of the bondholder that the bondholder is a resident of the relevant state in accordance with the tax treaty between the Republic of Lithuania and the relevant state and is entitled to use the requested tax relief; (iii) the taxation year (period) to which the confirmation pertains.

One original copy of above-described documents should be prepared, confirmed, and provided to the issuer for each calendar year separately.

How to complete Form FR0021 (DAS-1):

- The preamble of the form should indicate the name of the state of tax residence.
- Sections I-III should be completed either by the Company or by the non-resident individual. The box “Pajamos/Income” in Section III should indicate that the income will be received in the form of interest on bonds.
- Section IV should indicate only the name, surname of the tax non-resident individual, his/her signature, date and place of signing.
- Section V should be completed and confirmed by the tax authorities of the state of tax residence (by the signature of the representative, stamp). In case the tax authorities do not confirm such form, a tax residence certificate from the tax authorities of the state of residence is to be enclosed.

Once the above-mentioned sections of the form are completed and the required tax residence certificate is obtained, the original documents should be submitted to the issuer at the following address:

AB "Panevėžio stiklas"  
 Pramonės g. 10,  
 Panevėžys, LT-35100,  
 Lithuania

Upon the receipt of the above-described documents from the bondholder, the issuer will be able to withhold the PIT on interest at a reduced rate.

### **3. Claiming for PIT refund in Lithuania, if higher PIT has been withheld from interest income**

In case the PIT has already been withheld at source at the standard rate, i.e. if the bondholder that is a Lithuanian tax non-resident individual did not complete the steps described in paragraph 2 above, it is possible to claim for a tax refund by applying the lower PIT rate set in a respective DTT. The following documents are required:

- (i) “*Claim for refund of the tax withheld at source*” (the so-called **Form FR0022 (DAS-2)**) should be submitted to the Lithuanian tax authority (attached as Annex 3 and available at: <https://www.vmi.lt/evmi/formos>); OR
- (ii) completed Sections I, II, III, and IV of Form FR0022 (DAS-2) together with a tax residence certificate.

A tax residence certificate is to include (i) the name, surname, and personal identity number of the bond holder; (ii) confirmation of the competent authority of the state of residence of the bond holder that the bond holder is a resident of the relevant state and is entitled to use the requested tax relief; (iii) taxation year (period) to which the confirmation pertains.

Two copies of the form should be completed, i.e. one should be provided to the Lithuanian tax authority and the other should remain for the records of the individual.

The PIT refund can be claimed for the current year and for five past calendar years. One original copy of Form FR0022 (DAS-2) and the tax residence certificate should be prepared, confirmed, and provided for each calendar year separately.

Form FR0022 (DAS-2) is to be completed as follows:

- The preamble of the form should indicate the name of the state of tax residence.
- Section I is to be completed by the bond holder. The PIT overpayment is refunded to the bank account indicated in Section I of the request and payments can then be transferred to the bank accounts opened either in Lithuania or in a foreign state.
- Sections II, III and IV are to be completed by the paying company, they must indicate the details of the paying company, income amounts, the withheld PIT.
- Section V should indicate only the name, surname of the tax non-resident individual, his/her signature, date and place of signing.
- Section VI should be completed and confirmed by the tax authorities of the bond holder's state (by the signature of the representative, stamp). In case the tax authorities do not confirm such form, a tax residence certificate from the tax authorities of the bond holder's state is to be enclosed.

One copy of Form FR0022 (DAS-2) should be posted to the Lithuanian tax authority at the below-indicated address along with a copy of the individual's personal document (passport or ID card), which must be notarised or apostilled:

Vilnius County State Tax Inspectorate  
Ulonų str. 2  
Vilnius, LT-01509  
Lithuania

The decision regarding the PIT refund should be made and the overpayment must be refunded within 30 calendar days after the completed Form FR0022 (DAS-2) is received by the Lithuanian tax authority.