



Litgrid

COMPANY'S CONDENSED INTERIM FINANCIAL STATEMENTS,  
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL  
REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN  
UNION (UNAUDITED), FOR THE TWELVE MONTHS PERIOD ENDED  
31 DECEMBER 2023



## **CONFIRMATION OF RESPONSIBLE PERSONS**

February 29, 2024 Vilnius

Following the Law on Securities of the Republic of Lithuania and Rules on Information Disclosure approved by the Bank of Lithuania, we, Rokas Masiulis, Chief Executive Officer of LITGRID AB, Vytautas Tauras, Chief of Finance Department of LITGRID AB and Asta Vičkačkienė, Head of Accounting Division of LITGRID AB, hereby confirm that, to the best of our knowledge, the attached LITGRID AB unaudited condensed interim financial statements for the twelve months period ended 31 December 2023 are prepared in accordance with the International Financial Reporting Standards adopted by the European Union, give a true and fair view of the LITGRID AB assets, liabilities, financial position, profit and loss and cash flows.

**Rokas Masiulis**  
Chief Executive Officer  
(The document is signed by a qualified electronic signature)

**Vytautas Tauras**  
Chief Financial Officer  
(The document is signed by a qualified electronic signature)

**Asta Vičkačkienė**  
Head of Accounting Division  
(The document is signed by a qualified electronic signature)



## Translation note

*This version of the accompanying documents is a translation from the original, which was prepared in Lithuanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the accompanying documents takes precedence over this translation.*

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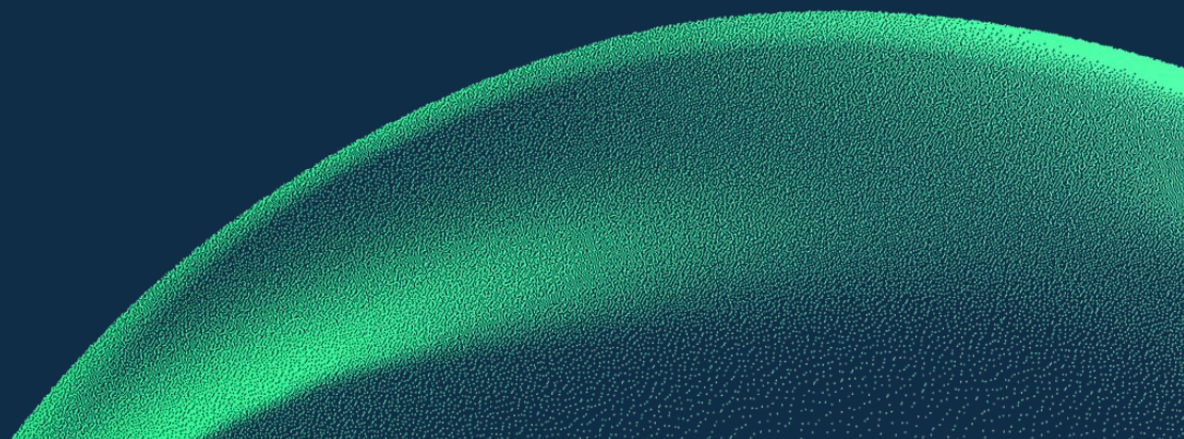
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The condensed interim financial statements were signed on 29 February 2024.

Rokas Masiulis  
Chief Executive Officer  
(The document is signed by qualified electronic signature)

Vytautas Tauras  
Chief Financial Officer  
(The document is signed by qualified electronic signature)

Asta Vičkačkienė  
Head of Accounting Division  
(The document is signed by qualified electronic signature)





INTEREM STATEMENT OF FINANCIAL POSITION  
(All amounts in EUR thousands unless otherwise stated)

	Notes	At 31 December 2023	At 31 December 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	5	4,941	5,484
Property, plant and equipment	6	395,157	361,718
Right-of-use assets	7	5,355	5,592
Investments in a joint venture		45	45
Deferred income tax assets	16	7,121	11,085
<b>Total non-current assets</b>		<b>412,619</b>	<b>383,924</b>
<b>Current assets</b>			
Inventories		41	3
Prepayments		1,883	1,622
Trade receivables under contracts with customers	8	18,629	61,080
Other trade receivables	9	8,283	2,558
Other amounts receivable		40,072	892
Prepaid income tax		28,934	28,598
Loans granted	10	167,082	232,008
Other financial assets		4,444	7,361
Cash and cash equivalents	11	634	499
<b>Total current assets</b>		<b>270,002</b>	<b>334,621</b>
<b>TOTAL ASSETS</b>		<b>682,621</b>	<b>718,545</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		146,256	146,256
Share premium		8,579	8,579
Revaluation reserve		23,320	-
Legal reserve		12,105	14,626
Other reserves		40	47,003
Retained earnings/(deficit)		48,386	(49,484)
<b>Total equity</b>		<b>238,686</b>	<b>166,980</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Non-current borrowings	13	28,143	34,285
Lease liabilities	14	5,038	5,299
Congestion management revenue	15	264,173	64,095
Provisions		823	941
Other non-current amounts payable and liabilities	18	1,880	34,392
<b>Total non-current liabilities</b>		<b>300,057</b>	<b>139,012</b>
<b>Current liabilities</b>			
Current portion of non-current borrowings	13	6,143	6,143
Current borrowings	13	43	-
Current portion of lease liabilities	14	455	403
Trade payables	17	63,092	70,146
Current portion of congestion management revenue	15	35,166	287,400
Advance amounts received		29,602	35,506
Income tax payable		-	-
Provisions		1,607	648
Other current amounts payable and liabilities	18	7,770	12,307
<b>Total current liabilities</b>		<b>143,878</b>	<b>412,553</b>
<b>Total liabilities</b>		<b>443,935</b>	<b>551,565</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>682,621</b>	<b>718,545</b>

INTEREM STATEMENT OF COMPREHENSIVE INCOME  
(All amounts in EUR thousands unless otherwise stated)

	Notes	For the twelve months period ended at 31 December 2023	For the twelve months period ended at 31 December 2022 (reclassification)
<b>Revenue</b>			
Revenue from electricity transmission and related services	20	366,822	418,953
Other income	21	3,016	1,355
<b>Total revenue, other and dividend income</b>		<b>369,838</b>	<b>420,308</b>
<b>Operating expenses</b>			
Expenses for purchase of electricity and related services	22	(251,258)	(420,106)
Wages and salaries and related expenses		(17,630)	(15,601)
Purchases of repair and maintenance services		(9,425)	(8,771)
Other expenses	23	(13,237)	(12,343)
<b>Total operating expenses</b>		<b>(291,550)</b>	<b>(456,821)</b>
<b>EBITDA</b>		<b>78,288</b>	<b>(36,513)</b>
Dividend income		-	43
Depreciation and amortisation	5,6,7	(19,737)	(20,582)
Impairment (reversal of impairment) expenses		(21,623)	-
Assets write-off expenses (reversal)		(294)	(466)
Reversal of impairment of inventories and amounts receivable		10	55
Impairment of investments			
<b>Operating profit/(loss) (EBIT)</b>		<b>36,644</b>	<b>(57,463)</b>
Financial income		4,853	63
Financial costs		(419)	(947)
<b>Financial income (costs) net</b>		<b>4,434</b>	<b>(884)</b>
<b>Profit/(loss) before income tax</b>		<b>41,078</b>	<b>(58,347)</b>
<b>Income tax</b>	16		
Current year income tax income/(expenses)		7,156	16,772
Deferred income tax income/(expenses)		152	(7,909)
<b>Total income tax</b>		<b>7,308</b>	<b>8,863</b>
<b>Profit/(loss) for the period</b>		<b>48,386</b>	<b>(49,484)</b>
<b>Other comprehensive income (expenses) that will not be reclassified to profit or loss</b>			
Gain on revaluation of non-current assets		27,435	-
Deferred tax (expenses)		(4,115)	-
<b>Total comprehensive income/(expenses) for the period</b>		<b>71,706</b>	<b>(49,484)</b>
<b>Basic and diluted earnings/(deficit) per share (in EUR)</b>	25	<b>0.096</b>	<b>(0.098)</b>



**INTEREM STATEMENT OF COMPREHENSIVE INCOME**  
(All amounts in EUR thousands unless otherwise stated)

	Notes	For the three months period ended at 31 December 2023	For the three months period ended at 31 December 2022 (reclassification)
<b>Revenue</b>			
Revenue from electricity transmission and related services		201,980	131,435
Other income		(107,088)	551
<b>Total revenue, other and dividend income</b>		<b>94,892</b>	<b>131,986</b>
<b>Operating expenses</b>			
Expenses for purchase of electricity and related services		(67,337)	(122,689)
Wages and salaries and related expenses		(4,632)	(4,663)
Purchases of repair and maintenance services		(2,856)	(2,944)
Other expenses		(3,955)	(3,314)
<b>Total operating expenses</b>		<b>(78,780)</b>	<b>(133,610)</b>
<b>EBITDA</b>		<b>16,112</b>	<b>(1,624)</b>
Dividend income		-	-
Depreciation and amortisation		(4,895)	(5,077)
Impairment (reversal of impairment) expenses		(21,623)	-
Assets write-off expenses (reversal)		(429)	(260)
Reversal of impairment of inventories and amounts receivable		112	10
<b>Operating profit/(loss) (EBIT)</b>		<b>(10,723)</b>	<b>(6,951)</b>
Financial income		1,519	58
Financial costs		(142)	(332)
<b>Financial income (costs) net</b>		<b>1,377</b>	<b>(274)</b>
<b>Profit/(loss) before income tax</b>		<b>(9,346)</b>	<b>(7,225)</b>
<b>Income tax</b>			
Current year income tax income/(expenses)		9,427	30,401
Deferred income tax income/(expenses)		4,983	(29,186)
<b>Total income tax</b>		<b>14,410</b>	<b>1,215</b>
<b>Profit/(loss) for the period</b>		<b>5,064</b>	<b>(6,010)</b>
<b>Other comprehensive income (expenses) that will not be reclassified to profit or loss</b>			
Gain on revaluation of non-current assets		27,435	-
Deferred tax (expenses)		(4,115)	-
<b>Total comprehensive income/(expenses) for the period</b>		<b>28,384</b>	<b>(6,010)</b>
<b>Basic and diluted earnings/(deficit) per share (in EUR)</b>		<b>0.010</b>	<b>(0.012)</b>

INTEREM STATEMENT OF CHANGES IN EQUITY  
(All amounts in EUR thousands unless otherwise stated)

	Note	Share capital	Share premium	Legal reserve	Revaluation reserve	Other reserves	Retained earnings/ (deficit)	Total
<b>Balance at 1 January 2022</b>		<b>146,256</b>	<b>8,579</b>	<b>14,626</b>	-	<b>32,034</b>	<b>20,013</b>	<b>221,508</b>
Comprehensive income/(expenses) for the period		-	-	-	-	-	(49,484)	(49,484)
Transfer to retained earnings		-	-	-	-	-	-	-
Transfer to reserves		-	-	-	-	14,969	(14,969)	-
Dividends	12	-	-	-	-	-	(5,044)	-
<b>Balance at 31 December 2022</b>		<b>146,256</b>	<b>8,579</b>	<b>14,626</b>	-	<b>47,003</b>	<b>(49,484)</b>	<b>172,024</b>
<b>Balance at 1 January 2023</b>		<b>146,256</b>	<b>8,579</b>	<b>14,626</b>	-	<b>47,003</b>	<b>(49,484)</b>	<b>166,980</b>
Comprehensive income/(expenses) for the period		-	-	-	23,320	-	48,386	71,706
Transfer to retained earnings		-	-	-	-	-	-	-
Transfer to reserves		-	-	(2,521)	-	(46,963)	49,484	-
Dividends	12	-	-	-	-	-	-	-
<b>Balance at 31 December 2023</b>		<b>146,256</b>	<b>8,579</b>	<b>12,105</b>	<b>23,320</b>	<b>40</b>	<b>48,386</b>	<b>238,686</b>



**INTEREM STATEMENT OF CASH FLOWS**  
(All amounts in EUR thousands unless otherwise stated)

	Notes	At 31 December 2023	At 31 December 2022
<b>Cash flows from operating activities</b>			
Profit/(loss) for the period		48,386	(49,484)
<b>Adjustments for non-cash items:</b>			
Depreciation and amortisation expenses	5,6,7	19,737	20,582
Revaluation of property, plant and equipment		21,624	-
Impairment/(reversal of impairment) of assets		(10)	(55)
Loss on disposal of financial assets		-	121
Impairment of property, plant and equipment		108	-
Income tax expenses/(income)	16	(7,308)	(8,863)
(Gain)/loss on disposal/write-off of property, plant and equipment		174	461
Elimination of results of financing and investing activities:			
Interest income		(4,849)	(20)
Interest expenses		489	678
Dividend income		-	(43)
Other finance costs/(income)		(74)	226
<b>Changes in working capital:</b>			
(Increase)/decrease in trade receivables and other amounts receivable		36,593	(22,423)
(Increase)/decrease in inventories, prepayments and other current assets		(269)	726
Increase/(decrease) in amounts payable, grants, deferred revenue and advance amounts received		(160,658)	22,456
Revenue generated from congestion management		108,088	-
Changes in other financial assets		2,917	(2,002)
Income tax (paid)		380	(14,987)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>65,328</b>	<b>(52,627)</b>
<b>Cash flows from investing activities</b>			
(Acquisition) of property, plant and equipment and intangible assets		(143,632)	(74,157)
Grants received		15,727	72,086
Loans granted to related parties	10	65,408	(188,414)
Congestion management revenue received		-	272,502
Acquisition of a joint venture		-	(45)
Interest received		4,389	-
Dividends received		-	43
Financial assets acquired		-	(13,090)
Financial assets disposed		-	13,786
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(58,108)</b>	<b>82,711</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowings	13	(6,142)	(25,249)
Settlement of lease liabilities	13	(494)	(362)
Interest paid	13	(495)	(757)
Dividends paid		(26)	(5,036)
Other cash flows from financing activities		72	-
<b>Net cash (outflow) from financing activities</b>		<b>(7,085)</b>	<b>(31,404)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>			
		<b>135</b>	<b>(1,320)</b>
Cash and cash equivalents at the beginning of the period	11	499	1,819
<b>Cash and cash equivalents at the end of the period</b>	11	<b>634</b>	<b>499</b>

The accompanying notes are an integral part of these condensed interim financial statement.



## 1. General information

LITGRID AB (the "Company") is a public limited liability company registered in the Republic of Lithuania. The address of its registered office is Karlo Gustavo Emilio Manerheimo g. 8, LT-05131, Vilnius, Lithuania. The Company was established as a result of the unbundling of Lietuvos Energija AB operations. The Company was registered with the Register of Legal Entities on 16 November 2010. The Company's code is 302564383.

LITGRID AB is an operator of electricity transmission system, operating electricity transmissions in the territory of Lithuania and ensuring stability of operation of the whole electric power system. The Company is also responsible for the integration of the Lithuanian electric power system into the European electricity infrastructure and the single electricity market.

On 27 August 2013, the National Energy Regulatory Council (the "NERC") granted a licence to the Company to engage in electricity transmission activities for an indefinite term.

The principal objectives of the Company's activities include ensuring stability and reliability of the electricity system in the territory of the Republic of Lithuania within the areas of its competence, creation of objective and non-discriminatory conditions for the use of the transmission networks, management, use and disposal of electricity transmission system assets and its appurtenances.

As at 31 December 2023, the Company's authorised share capital amounted to EUR 146,256,100.20 and it was divided into 504,331,380 ordinary registered shares with the nominal value of EUR 0.29 each. All shares are fully paid.

	Number of shares held		Number of shares held (%)	
	At 31 December 2023	At 31 December 2022	At 31 December 2023	At 31 December 2022
EPSO-G UAB	491,736,153	491,736,153	97.5	97.5
Other shareholders	12,595,227	12,595,227	2.5	2.5
<b>Total</b>	<b>504,331,380</b>	<b>504,331,380</b>	<b>100</b>	<b>100</b>

The ultimate controlling shareholder of EPSO-G UAB (company code 302826889, address: Gedimino pr. 20, Vilnius) is the Ministry of Energy of the Republic of Lithuania.

As from 22 December 2010, the shares of the Company are listed on the additional trading list of NASDAQ OMX Vilnius Stock Exchange, issue ISIN code LT0000128415.

The Company's investments in the joint venture were as follows:

Company name	Address of the company's registered office	Shareholding as at 31 December 2023	Shareholding as at 31 December 2022	Profile of activities
Baltic RCC OÜ	Kadaka tee 42, EE-12915 Tallinn Eesti	33.33%	33.33%	Provision of services ensuring safety and reliability of the electricity system and coordination between the transmission network operators of the Baltic region

As at 31 December 2023, the Company had 410 (31 December 2022: 389) employees.



CONDENSED NOTES TO THE COMPANY'S INTERIM FINANCIAL STATEMENTS  
(All amounts are in EUR thousands unless otherwise stated)

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## **2. Summary of principal accounting policies**

### **2.1 Basis of preparation**

These condensed interim Company's financial statements, for the twelve months period ended 31 December 2023 are prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union and applicable to interim financial statements (IAS 34 „Interim Financial Reporting“).

In order to better understand the data presented in this condensed interim financial statements, this financial statements should be read in conjunction with the audited Company's financial statements for the year 2022.

The presentation currency is euro. These financial statements are presented in thousands of euro, unless otherwise stated.

The financial year of the Company coincides with the calendar year.

These financial statements have been prepared on a historical cost basis, except for property, plant and equipment which is recorded at revalued amount, less accumulated depreciation and estimated impairment loss, and financial assets which are carried at fair value.

These financial statements for the twelve months period ended 31 December 2023 are not audited. Financial statements for the year ended 31 December 2022 are audited by the external auditor UAB „PricewaterhouseCoopers“.

## **3. Climate Change Management**

Through its activities, the Company aims to directly contribute to the implementation of the United Nations Sustainable Development Goals, focusing on ensuring access to clean and modern energy, combating climate change, developing modern infrastructure and innovations, ensuring safe and decent working conditions, promoting employee well-being, and creating a sustainable supply chain.

A sustainability significance analysis has been conducted, and based on the results, a matrix of sustainability topics' significance has been prepared. Regular environmental impact assessments and greenhouse gas emissions inventories are conducted, and plans for recommended impact reduction measures are approved, along with the calculations of the potential impact reduction for each measure.

The Company plays a crucial role in ensuring the smooth and reliable transition of Lithuania to an integrated energy system that incorporates large amounts of renewable energy resources. This facilitates sectoral decarbonization and promotes the exchange of climate-neutral energy. The Renewable Energy Center has been established within the Company to ensure a smoother development of renewable energy in Lithuania.

## **4. Change in presentation in the statement of comprehensive income**

In 2023, to provide the users of the EPSO-G group's consolidated financial statements with the up-to-date information, the Company decided to change the presentation and classification of items in the statement of comprehensive income.

The reason for the changes in the statement of comprehensive income, alternative performance indicators EBITDA and EBIT have been singled out so that the users of the financial statements, including the Company's management, could see these indicators in the statement of comprehensive income, monitor them and make prompt decisions based on these indicators.

The Company provides information about changes in classification and line items in the statement of comprehensive income for the year ended 31 December 2022.

CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATEMENTS  
(All amounts are in EUR thousands unless otherwise stated)

	For the twelve months period ended at 31 December 2022 (before reclassification)	Reclassification	For the twelve months period ended at 31 December 2022 (after reclassification)
<b>Revenue</b>			
Revenue from electricity transmission and related services	418,953	-	418,953
Other income	1,355	-	1,355
<b>Total revenue, other and dividend income</b>	<b>420,308</b>	<b>-</b>	<b>420,308</b>
<b>Operating expenses</b>			
Expenses for purchase of electricity and related services	(420,106)	-	(420,106)
Depreciation and amortisation	(20,582)	20,582	-
Wages and salaries and related expenses	(15,601)	-	(15,601)
Purchases of repair and maintenance services	(8,771)	-	(8,771)
Telecommunications and IT system expenses	(2,214)	2,214	-
Write-off expenses of property, plant and equipment	(461)	461	-
Reversal of impairment of inventories and amounts receivable	55	(55)	-
Other expenses	(10,134)	(2,209)	(12,343)
<b>Total operating expenses</b>	<b>(477,814)</b>	<b>20,993</b>	<b>(456,821)</b>
<b>EBITDA</b>			
			<b>(36,513)</b>
Dividend income	-	43	43
Depreciation and amortisation	-	(20,582)	(20,582)
Assets write-off expenses (reversal)	-	(466)	(466)
Reversal of impairment of inventories and amounts receivable	-	55	55
<b>Operating profit/(loss) (EBIT)</b>	<b>(57,506)</b>	<b>-</b>	<b>(57,463)</b>
Financial income	63	-	63
Financial costs	(947)	-	(947)
Dividend income	43	(43)	-
<b>Other financial income (expenses) in net value</b>	<b>(841)</b>	<b>(43)</b>	<b>(884)</b>
<b>Profit/(loss) before income tax</b>	<b>(58,347)</b>	<b>-</b>	<b>(58,347)</b>
<b>Income tax</b>			
Current year income tax income/(expenses)	16,772	-	16,772
Deferred income tax income/(expenses)	(7,909)	-	(7,909)
<b>Total income tax</b>	<b>8,863</b>	<b>-</b>	<b>8,863</b>
<b>Profit/(loss) for the period</b>	<b>(49,484)</b>	<b>-</b>	<b>(49,484)</b>
<b>Total comprehensive income/(expenses) for the period</b>	<b>(49,484)</b>	<b>-</b>	<b>(49,484)</b>



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CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATEMENTS  
(All amounts are in EUR thousands unless otherwise stated)

5. Intangible assets

	Patents and licences	Computer software	Other intangible assets	Statutory servitudes and protection zones*	Total
<b>Net book amount at 1 January 2022</b>	<b>61</b>	<b>2,158</b>	<b>247</b>	<b>2,486</b>	<b>4,952</b>
Acquisitions	86	2,546	-	-	2,632
Write-offs	-	(298)	-	-	(298)
Reclassification to/from PP&E	-	89	-	-	89
Reclassification between categories	239	(239)	-	-	-
Value adjustment due to change in assumptions	-	-	-	(795)	(795)
Off-set of grants against intangible assets	-	-	-	-	-
Amortisation charge	(70)	(941)	(85)	-	(1,096)
<b>Net book amount at 31 December 2022</b>	<b>316</b>	<b>3,315</b>	<b>162</b>	<b>1,691</b>	<b>5,484</b>
<b>Net book amount at 1 January 2023</b>	<b>316</b>	<b>3,315</b>	<b>162</b>	<b>1,691</b>	<b>5,484</b>
Acquisitions	7	2,251	-	176	2,434
Write-offs	-	-	-	-	-
Reclassification to/from PP&E	886	(816)	-	-	70
Reclassification between categories	-	-	-	-	-
Value adjustment due to change in assumptions	-	-	-	201	201
Off-set of grants against intangible assets	-	(2,415)	-	-	(2,415)
Amortisation charge	(332)	(425)	(76)	-	(833)
<b>Net book amount at 31 December 2023</b>	<b>877</b>	<b>1,910</b>	<b>86</b>	<b>2,068</b>	<b>4,941</b>



CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATEMENTS  
(All amounts are in EUR thousands unless otherwise stated)

**6. Property, plant and equipment**

	Land	Buildings	Structures and machinery	Other property, plant and equipment	Construction work in progress	Total
<b>Net book amount at 1 January 2022</b>	<b>520</b>	<b>19,159</b>	<b>283,495</b>	<b>9,566</b>	<b>25,311</b>	<b>338,051</b>
Acquisitions	-	-	1,092	804	54,318	56,214
Change in prepayments for PP&E	-	-	-	-	18,225	18,225
Revaluation	-	-	-	-	-	-
Write-offs	-	-	(1,299)	-	-	(1,299)
Impairment	-	-	-	-	-	-
Reclassification to inventories	-	-	-	(71)	-	(71)
Reclassification to intangible assets	-	-	-	-	(89)	(89)
Reclassification off-set of grants against intangible assets	-	-	-	-	-	-
Reclassifications between grant categories	-	-	(4,878)	(465)	5,343	-
Reclassification between categories	-	656	11,782	1,091	(13,529)	-
Off-set of connection revenue against non-current assets	-	-	(914)	-	(50)	(964)
Off-set of grants against non-current assets	-	-	-	-	(29,182)	(29,182)
Depreciation charge	-	(640)	(16,599)	(1,928)	-	(19,167)
<b>Net book amount at 31 December 2022</b>	<b>520</b>	<b>19,175</b>	<b>272,679</b>	<b>8,997</b>	<b>60,347</b>	<b>361,718</b>
<b>Net book amount at 1 January 2023</b>	<b>520</b>	<b>19,175</b>	<b>272,679</b>	<b>8,997</b>	<b>60,347</b>	<b>361,718</b>
Acquisitions	-	492	13,909	4,136	157,931	176,468
Change in prepayments for PP&E	-	-	-	-	(6,591)	(6,591)
Revaluation	-	543	5,245	23	-	5,811
Write-offs	-	-	(95)	101	-	6
Impairment	-	-	-	(108)	-	(108)
Reclassification to inventories	-	-	-	(200)	-	(200)
Reclassification to intangible assets	-	-	-	-	(70)	(70)
Reclassification off-set of grants against intangible assets	-	-	-	-	2,415	2,415
Reclassifications between grant categories	-	-	(47,175)	(984)	48,159	-
Reclassification between categories	-	700	69,004	1,291	(70,995)	-
Off-set of connection revenue against non-current assets	-	(492)	(13,886)	(1,078)	(1,417)	(16,873)
Off-set of grants against non-current assets	-	-	-	-	(108,961)	(108,961)
Depreciation charge	-	(612)	(15,937)	(1,909)	-	(18,458)
<b>Net book amount at 31 December 2023</b>	<b>520</b>	<b>19,806</b>	<b>283,744</b>	<b>10,269</b>	<b>80,818</b>	<b>395,157</b>

Newly acquired property, plant, and equipment is stated at acquisition cost reduced by grants received/receivable for the acquisition of property, property, plant, and equipment. Grants comprise financing from the EU support funds, a portion of congestion management revenue designated for the financing of investments, payments for the expenses incurred during the connection of producers to the transmission network and performance of works for the relocation/reconstruction of the transmission network's installations initiated by customers.

The company's property, plant and equipment are shown at revalued amounts. The company performed revaluation of its property, plant and equipment at 31 December 2023.

## 7. Right-of-use assets

	Land	Buildings	Motor vehicles	Other property, plant and equipment	Total
<b>Net book amount at 1 January 2022</b>	<b>4,330</b>	<b>31</b>	<b>148</b>	-	<b>4,509</b>
Acquisitions	-	-	1,402	-	<b>1,402</b>
Write-offs	-	-	(661)	(127)	<b>(788)</b>
Depreciation charge	(45)	(16)	(258)	-	<b>(319)</b>
Depreciation (write-offs)	-	-	661	127	<b>788</b>
<b>Net book amount at 31 December 2022</b>	<b>4,285</b>	<b>15</b>	<b>1,292</b>	-	<b>5,592</b>
<b>Net book amount at 1 January 2023</b>	<b>4,285</b>	<b>15</b>	<b>1,292</b>	-	<b>5,592</b>
Acquisitions	-	70	140	-	<b>210</b>
Write-offs	-	(47)	(59)	-	<b>(106)</b>
Depreciation charge	(45)	(16)	(385)	-	<b>(446)</b>
Depreciation (write-offs)	-	48	57	-	<b>105</b>
<b>Net book amount at 31 December 2023</b>	<b>4,240</b>	<b>70</b>	<b>1,045</b>	-	<b>5,355</b>

## 8. Trade receivables under contracts with customers

	At 31 December 2023	At 31 December 2022
Amounts receivable for electricity transmission and related services	18,082	58,414
Accumulated amounts receivable for electricity services	547	2,666
<b>Carrying amount at the end of the period</b>	<b>18,629</b>	<b>61,080</b>

As at 31 December 2023, trade receivables from contracts with customers were 69% lower than as at 31 December 2022.

Trade receivables for electricity transmission and related services at 31 December 2023 compared to 31 December 2022 decreased as the price for ancillary services was 8 times lower and the price for balancing/imbalance services was 4.3 times lower.

## 9. Trade receivables

	At 31 December 2023	At 31 December 2022
Amounts receivable for electricity transmission and related services	49	17
Congestion management revenue receivable	770	649
PSO funds receivable	-	354
Accumulated amounts receivable for electricity transmission and related services	7,408	1,477
Other trade receivables	56	61
<b>Carrying amount at the end of the period</b>	<b>8,283</b>	<b>2,558</b>



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**10. Loans granted**

	At 31 December 2023	At 31 December 2022
Loan to EPSO-G UAB (under the cashpool agreement)	166,600	232,008
Accrued interest on loans	482	-
<b>Carrying amount</b>	<b>167,082</b>	<b>232,008</b>

After the issuing of the permission by the NERC, the Company and EPSO-G UAB concluded the group account (cashpool) agreement on 26 February 2021. The agreement establishes the possibility to use free congestion management revenue for intercompany lending and borrowing purposes. The agreement valid until 26 February 2022 and contained two possible extensions of 12 months each.

On 26 February 2023 the company extended the borrowing agreement with UAB "EPSO-G" for the second time until 26 February 2024, applying from 1 March 2023 variable interest rate linked to ESTR (euro short-term rate).

Under the group account agreement the Company's positive funds balance transferred to the disposal of EPSO-G UAB is accounted for as amounts receivable (loans granted) in the statement of financial position and is not included in the line item of cash and cash equivalents.

**11. Cash and cash equivalents**

	At 31 December 2023	At 31 December 2022
Cash at bank	634	499
<b>Carrying amount at the end of the period</b>	<b>634</b>	<b>499</b>

**12. Dividends**

On 11 April 2023, the Ordinary General Meeting of Shareholders of LITGRID AB the decision was made to approve the draft profit (loss) distribution for the year ended 31 December 2022. The dividends have not been declared for 2022, as the Company reported a loss at the end of the year.

On 20 April 2022, the Ordinary General Meeting of Shareholders of LITGRID AB approved the distribution of the Company's profit (loss) for 2021. EUR 5 044 thousand was allocated to dividends for the year ended 31 December 2021. Dividends per share amounted to EUR 0.01.

**13. Borrowings**

Borrowings of the Company were as follows:

	At 31 December 2023	At 31 December 2022
<b>Non-current borrowings</b>		
Bank borrowings	28,143	34,285
<b>Current borrowings</b>		
Current portion of non-current borrowings	6,143	6,143
	43	49
<b>Total borrowings at the end of the period</b>	<b>34,329</b>	<b>40,477</b>



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Maturity of non-current borrowings:

	At 31 December 2023	At 31 December 2022
From 1 to 2 years	6,143	6,143
From 2 to 5 years	12,000	14,142
After 5 years	10,000	14,000
<b>Total</b>	<b>28,143</b>	<b>34,285</b>

As at 31 December 2023 the weighted average interest rate on the Company's borrowings was 0.94% (0.94 % as at 31 December 2022).

Reconciliation of net debt balances and cash flows from financing activities in 2023 and 2022:

	At 31 December 2023	At 31 December 2022
Cash and cash equivalents	634	499
Non-current borrowings	(28,143)	(34,285)
Lease liabilities	(5,038)	(5,299)
Current portion of non-current borrowings	(6,143)	(6,143)
Interest charged on borrowings	(43)	(49)
Current portion of lease liabilities	(455)	(403)
<b>Net debt</b>	<b>(39,188)</b>	<b>(45,680)</b>
Cash and cash equivalents	634	499
Borrowings with a fixed interest rate	(39,822)	(46,179)
Borrowings with a variable interest rate	-	-
<b>Net debt</b>	<b>(39,188)</b>	<b>(45,680)</b>

	Cash	Borrowings	Other financing	Leases	Total
<b>Net debt at 1 January 2022</b>	<b>1,819</b>	<b>(65,769)</b>	-	<b>(4,594)</b>	<b>(68,544)</b>
Increase (decrease) in cash and cash equivalents	(1,320)	-	-	-	(1,320)
New leases	-	-	-	(1,402)	(1,402)
Write – offs and termination of leases	-	-	-	-	-
Lease payments	-	-	-	294	294
Repayment of a borrowing	-	25,249	-	-	25,249
Interest charged	-	(621)	(25)	(68)	(714)
Interest paid	-	664	25	68	757
<b>Net debt at 31 December 2022</b>	<b>499</b>	<b>(40,477)</b>	-	<b>(5,702)</b>	<b>(45,680)</b>
<b>Net debt at 1 January 2023</b>	<b>499</b>	<b>(40,477)</b>	-	<b>(5,702)</b>	<b>(45,680)</b>
Increase (decrease) in cash and cash equivalents	135	-	-	-	135
New leases	-	-	-	(210)	(210)
Write – offs and termination of leases	-	-	-	2	2
Lease payments	-	-	-	417	417
Repayment of a borrowing	-	6,142	-	-	6,142
Interest charged	-	(360)	(52)	(77)	(489)
Interest paid	-	366	52	77	495
<b>Net debt at 31 December 2023</b>	<b>634</b>	<b>(34,329)</b>	-	<b>(5,493)</b>	<b>(39,188)</b>





CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATEMENTS  
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**14. Lease liabilities**

Lease liabilities and their movement were as follows:

	At 31 December 2023	At 31 December 2022
<b>Carrying amount at the 1 January</b>	<b>5,702</b>	<b>4,594</b>
Leases	210	1,402
Terminated contracts	(2)	-
Expenses of interest charged	77	68
Lease payments (principal and interest)	(494)	(362)
<b>Carrying amount at the end of the period</b>	<b>5,493</b>	<b>5,702</b>
Non-current lease liabilities	5,038	5,299
Current lease liabilities	455	403
<b>Total liabilities</b>	<b>5,493</b>	<b>5,702</b>

Maturity of non-current lease liabilities:

	At 31 December 2023	At 31 December 2022
Current portion	455	403
<b>Repayment terms of non-current liabilities:</b>		
From 1 to 2 years	433	373
From 2 to 3 years	298	370
From 3 to 5 years	29	275
After 5 years	4,278	4,281
<b>Total</b>	<b>5,493</b>	<b>5,702</b>

**15. Congestion management revenue**

	At 31 December 2023	At 31 December 2022
Non-current portion of congestion management revenue included in liabilities	264,173	64,095
Current portion of congestion management revenue included in liabilities	35,166	287,400
<b>Total congestion management revenue at the end of the period</b>	<b>299,339</b>	<b>351,495</b>

	At 31 December 2023	At 31 December 2022
<b>Congestion management revenue at 1 January</b>	<b>351,495</b>	<b>109,087</b>
Congestion management revenue received during the period	108,527	267,296
Congestion management revenue use to finance property, plant and equipment	(15,192)	(22,992)
Congestion management revenue recognised as income during the period	(145,491)	(1,896)
<b>Congestion management revenue at the end of the period</b>	<b>299,339</b>	<b>351,495</b>



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\* Under the NERC resolution No O3E-1330 of 30 September 2022 Regarding adjustment of the service price cap of Litgrid AB in 2023. The transmission's services tariff was reduce by the congestion management revenue amounted to EUR 35,575 thousand per quarter of 2023, the total amount was EUR 142,300 thousand.

**16. Current and deferred income tax**

In accordance with tax legislation of the Republic of Lithuania, the Company's profit (loss) for the twelve-month period ended 2023 was subject to a 15% income tax (2022: 15%).

As at 31 December 2023, the Company's accrued tax losses and deferred tax asset recognised for such losses amounted to EUR 11 220 thousand and EUR 1 683 thousand, respectively (31 December 2022: EUR 55 374 thousand and EUR 8 306 thousand, respectively).

In 2023, given the response from the State Tax Inspectorate on the eligibility to receive tax incentive in respect of the Company's investment projects received in November 2022, the Company assessed investment projects implemented in 1999-2023, and, in 2023, revised tax returns for 202-2021 reduced income tax payable by EUR 9 952 thousand, and additionally recognised the deferred tax asset of EUR 3 165 thousand.

For the purpose of calculating income tax for 2023, the taxable profit was reduced by 70% of the tax losses carried forward from 2022, by reducing the deferred tax asset.

**17. Trade payables**

	At 31 December 2023	At 31 December 2022
Amounts payable for electricity	26,684	53,737
Amounts payable for repair works, services	11,556	4,900
Amounts payable for property, plant and equipment	24,852	11,509
<b>Carrying amount at the end of the period</b>	<b><u>63,092</u></b>	<b><u>70,146</u></b>

In December 2023 compared to December 2022 the debt for electricity decreased by 1.5 times due to the decrease in exchange electricity price, and increased the debt for property, plant and equipment the projects by 2.2 times due to investment projects of synchronization with the Continental Europe.



CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATEMENTS  
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**18. Other payable amounts and liabilities**

	At 31 December 2023	At 31 December 2022
<b>Other non-current amounts payable and liabilities</b>		
Advance amounts received from connection of new consumers	1,595	1,115
Non-current trade payables	-	32,802
Deferred revenue	131	321
Grants received in advance*	154	154
<b>Carrying amount at the end of period</b>	<b>1,880</b>	<b>34,392</b>
<b>Other current amounts payable and liabilities</b>		
<b>Non-financial liabilities</b>		
Employment-related liabilities	379	303
Accrued expenses relating to vacation reserve	1,758	1,442
VAT payable	-	4,055
Real estate tax payable	-	622
<b>Total non-financial liabilities</b>	<b>2,137</b>	<b>6,422</b>
<b>Financial liabilities</b>		
Dividends payable	496	522
Interest payable *	-	49
Accrued other expenses	1,481	2,580
Deposits received **	2,889	2,334
Fee payable to the regulator	618	394
Other amounts payable and current liabilities	149	6
<b>Total financial liabilities</b>	<b>5,633</b>	<b>5,885</b>
<b>Total carrying amount of financial and non-financial liabilities</b>	<b>7,770</b>	<b>12,307</b>

\* Starting from 2023, payable loan interest is reclassified as short-term loans.

\*\* Deposits received consist of deposits received from customers under imbalance purchase - sale contracts.

**19. Information by segments**

The Company is engaged in electricity transmission and related services activities and operates as one segment. All non-current assets of the Company are located in Lithuania, where the Company carries out its activity. During the twelve months of 2023, revenue from the Lithuanian clients accounted for 84% of the Company's total revenue (during the twelve months of 2022: – 82 percent).

The Company's revenue by geographical location of customers:

	At 31 December 2023	At 31 December 2022
Lithuania	306,313	344,221
Estonia	29,534	43,862
Sweden	8,691	15,840
Poland	3,354	5,846
Latvia	2,221	1,448
Norway	4,816	7,838
Other countries	14,909	1,253
<b>Total</b>	<b>369,838</b>	<b>420,308</b>

CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATEMENTS  
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The Company's revenue from the major clients in 2023:

Company name	At 31 December 2023
Energijos Skirstymo Operatorius AB	90,767
Elering AS	29,812
Ignitis UAB	29,286

The Company's revenue from the major clients in 2022:

Company name	At 31 December 2022
Energijos Skirstymo Operatorius AB	200,602
Ignitis UAB	48,486
Ignitis Gamyba AB	27,705

## 20. Revenue from electricity transmission and related services

	At 31 December 2023	At 31 December 2022
<b>Revenue from contracts with customers</b>		
<b>Revenue from electricity transmission and related services</b>		
Electricity transmission services	64,180	72,516
Trade in balancing/imbalance electricity	108,264	175,145
Electricity ancillary services	27,992	137,175
Revenue from other sales of electricity and related services	5,867	2,025
<b>Total revenue from electricity transmission and related services</b>	<b>206,303</b>	<b>386,861</b>
<b>Other income from contracts with customers</b>		
Income from administration of guarantees of origin	78	129
<b>Total other income</b>	<b>78</b>	<b>129</b>
<b>Total revenue from contracts with customers</b>	<b>206,381</b>	<b>386,990</b>
<b>Revenue not attributable to contracts with customers</b>		
Services under public service obligation (PSO) scheme*	-	28,893
Electricity transmission services (tariff compensation using congestion management revenue)	142,300	-
Electricity transmission services (recognised as income)	3,191	1,896
Other electricity-related services	14,937	1,161
Revenue from connection of producers and relocation of electrical installations	13	13
<b>Total revenue not attributable to contracts with customers</b>	<b>160,441</b>	<b>31,963</b>
<b>Total revenue</b>	<b>366,822</b>	<b>418,953</b>

All revenues are recognised over – time.

Revenue from electricity transmission and related services in 2023 compared to 2022 decreased by 46.7% as:

- The electricity transmission revenue decreased by 11.5% due to decrease in volume of electricity transmitted by 6.9% and decrease in the actual transmission price by 4.9% (excludes the congestion management funds used to reduce transmission tariff).

CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATEMENTS  
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- The revenue from balancing/imbalance energy sale decreased by 38.2% due to decrease in the electricity sale price by 57.5%, although the volume of electricity sold increased by 46.2%.
- Revenue from ancillary services decreased 79.6%. The main reason for this was a 55.9% lower ancillary services acquisition component to the transmission service price.

\* In 2023, no revenue was generated from PSO services (balancing of electricity produced from renewable energy sources), as the Company no longer provides this service.

## 21. Other income

	At 31 December 2023	At 31 December 2022
Income from lease of assets	551	534
Interest on late payment and default charges	1609	696
Gain on disposal of assets	476	0
Other income	380	125
<b>Total</b>	<b>3,016</b>	<b>1,355</b>

## 22. The most significant changes in operating expenses

	At 31 December 2023	At 31 December 2022
Expenses for purchase of imbalance and balancing electricity	108,515	203,588
Expenses for electricity ancillary services	98,121	111,633
Expenses for electricity technological needs	38,273	99,576

Expenses from electricity transmission and related services in 2023 compared to 2022 decreased:

- Expenses for additional services decreased by 12.1% to EUR 98.1 million.
- Balancing and imbalance electricity expenses, despite a higher quantity but lower price, decreased by 37.9% reaching EUR 108.5 million. In 2022, balancing and imbalance electricity expenses comprised PSO expenses of EUR 28.8 million, which were eliminated from the reconciliation between changes in balancing and imbalance electricity expenses.
- Expenses of compensating for electricity purchase technological losses in the transmission network decreased by 61.6% to EUR 38.3 million due to a 61.1% lower average electricity purchase price.

## 23. Other expenses

	At 31 December 2023	At 31 December 2022
Telecommunications and IT system expenses	(2,465)	(2,214)
Tax expenses	(2,670)	(2,421)
Fee payable to the regulator	(2,473)	(1,578)
Business protection expenses	(870)	(748)
Membership fee	(518)	(436)
Management service cost	(505)	(242)
Business trips	(399)	(260)
Insurance expenses	(445)	(243)
Transport expenses	(303)	(301)
Premise rental expenses	(287)	(354)
Other expenses	(2,302)	(3,546)
<b>Carrying amount at the end of period</b>	<b>(13,237)</b>	<b>(12,343)</b>

#### 24. Related-party transactions

The Company's related parties in 2023 and in 2022 were as follows:

- EPSO-G (the parent company). 100% of EPSO-G share capital is owned by the Ministry of Energy of the Republic of Lithuania;
- EPSO-G UAB Group companies:
  - Amber Grid AB (common shareholders);
  - Tetas UAB (common shareholders);
  - Baltpool UAB (common shareholders);
  - UAB“Energy cells“ (common shareholders).
- Ignitis grupė UAB companies
- Other state-controlled companies:
  - VĮ Ignalinos atominė elektrinė;
  - VĮ Registrų centras;
  - Other state-controlled companies or those under significant influence.
- Management.

Transactions with related parties are carried out in accordance with the requirements of the Law on Public Procurement or the tariffs approved under legislation.

The Company's transactions with related parties between January and December of 2023 and balances arising from these transactions as at 31 December 2023 were as follows:

Related parties	Amounts receivable and accrued revenue	Amounts payable and accrued expenses	Loans granted	Purchases	Sales	Other sales
<b><u>EPSO-G UAB group companies</u></b>						
EPSO-G UAB	-	150	167,082	505	-	4,849
TETAS UAB	279	1,526	-	9,811	-	625
BALTPPOOL UAB	-	-	-	-	-	-
ENERGY CELLS UAB	15	861	-	2,455	535	-
<b><u>State-owned companies</u></b>						
Energijos Skirstymo Operatorius AB	13,765	1,145	-	1,656	90,743	-
Ignitis Gamyba AB	477	12,592	-	130,303	4,082	-
Ignitis Grupės Paslaugų Centras UAB	29	-	-	-	285	-
Ignitis UAB	983	809	-	9,594	29,812	-
Vilniaus Kogeneracinė Jėgainė UAB	111	100	-	616	549	-
Kauno Kogeneracinė Jėgainė UAB	-	36	-	276	79	-
Transporto Valdymas UAB	-	-	-	-	-	-
State Enterprise Lithuanian Road Administration	-	-	-	-	1,086	-
STATE ENTERPRISE IGNALINA NUCLEAR POWER PLANT	55	-	-	-	535	-
LTG Infra AB	37	75	-	-	295	-
State Enterprise Centre of Registers	-	1	-	402	-	-
	<b>15,751</b>	<b>17,295</b>	<b>167,082</b>	<b>155,618</b>	<b>128,001</b>	<b>5,474</b>



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The Company's transactions with related parties between January and December of 2022 and balances arising from these transactions as at 31 December 2022 were as follows:

Related parties	Amounts receivable and accrued revenue	Amounts payable and accrued expenses	Loans granted	Purchases	Sales	Other sales
<b><u>EPSO-G UAB group companies</u></b>						
EPSO-G UAB	25	79	232,008	242	-	13,850
TETAS UAB	365	2,046	-	9,702	-	180
BALTPPOOL UAB	354	-	-	-	12,279	-
UAB ENERGY CELLS	123	48	-	38	200	-
<b><u>State-owned companies</u></b>						
Energijos Skirstymo Operatorius AB	33,059	985	-	4,039	200,591	-
Ignitis Gamyba AB	3,712	25,387	-	181,932	27,705	-
Ignitis Grupės Paslaugų Centras UAB	27	-	-	-	295	-
Ignitis UAB	10,138	-	-	11,176	48,486	-
Vilniaus Kogeneracinė Jėgainė UAB	8	100	-	579	212	-
Kauno Kogeneracinė Jėgainė UAB	-	81	-	771	194	-
Transporto Valdymas UAB	-	-	-	123	-	-
State Enterprise Lithuanian Road Administration	-	321	-	-	-	-
State Enterprise Ignalina Nuclear Power Plant	159	-	-	-	1,152	-
LTG Infra AB	127	15	-	-	652	-
VĮ Registrų centras	-	205	-	240	-	-
	<b>48,097</b>	<b>29,267</b>	<b>232,008</b>	<b>208,842</b>	<b>291,766</b>	<b>14,030</b>

**Payments to key management personnel**

**At 31 December 2023**

**At 31 December 2022**

Employment-related payments*	1,110	803
Whereof: Termination benefits*	3	-
Number of key management personnel (average annual)	8	7

\* - with employer contributions for social security.

During the 2023 and 2022 the Management of the Company did not receive any loans, guarantees, or any other payments or property transfers were made or accrued.

Key management personnel consists of the Company's heads of administration, heads of the departments and members of the collegial management bodies. Payments to the members of the collegial management bodies for the twelve months 2023 amounted to EUR 66 thousand (compared to in 2022 EUR 40 thousand).

**25. Basic and diluted earnings per share**

During the 2023 and 2022, the Company's basic and diluted earnings per share were as follows:

	<b>At 31 December 2023</b>	<b>At 31 December 2022</b>
Profit/(loss) for the period attributable to the Company's shareholders (EUR thousands)	48,386	(49,484)
Weighted average number of shares (units)	504,331,380	504,331,380
<b>Basic and diluted earnings/(deficit) per share (in EUR)</b>	<b>0.096</b>	<b>(0.098)</b>



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**26. Events after the reporting period**

On 23 February 2024 the company extended the borrowing agreement with UAB "EPSO-G" for the second time until 24 May 2024, applying from 1 March 2023 variable interest rate linked to ESTR (euro short-term rate).

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