

AB AMBER GRID
CONDENSED CONSOLIDATED AND THE COMPANY'S FINANCIAL STATEMENTS
AS OF 30 JUNE 2020
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION

Consolidated and Company's Statement of financial position

	Notes	Group		Company	
		As of 30 June	As of 31	As of 30 June	As of 31
		2020	December 2019	2020	December 2019
ASSETS					
A. Non-current assets		233,880	209,346	233,789	209,215
I. Intangible assets	4	2,559	2,910	1,943	2,262
II. Property, plant and equipment	4	223,512	201,362	223,509	201,359
II.1. Land		125	125	125	125
II.2. Buildings		5,640	5,183	5,640	5,183
II.3. Plant and equipment		145,836	147,770	145,836	147,770
II.4. Machinery and equipment		36,086	37,714	36,086	37,714
II.5. Motor vehicles		663	773	663	773
II.6. Other		2,179	2,637	2,176	2,634
II.7. Construction in progress		32,983	7,160	32,983	7,160
III. The right-of-use assets	6	2,901	2,001	2,758	1,850
IV. Non-current financial assets		4	4	675	675
IV.1. Investment in the subsidiary		-	-	675	675
IV.2. Non-current trade receivables	7	-	-	-	-
IV.3. Other non-current financial assets		4	4	-	-
V. A deferred tax asset		4,904	3,069	4,904	3,069
B. Current assets		35,780	46,783	29,545	28,094
I. Inventories and prepayments		1,510	2,651	1,493	2,640
I.1. Raw materials, spare parts and other inventories		1,154	2,119	1,154	2,119
I.2. Prepayments		356	532	339	521
II. Accounts receivable		28,637	25,251	27,718	25,253
II.1. Trade receivables	7	5,730	5,860	4,889	5,865
II.2. Other receivables	7	22,907	19,391	22,829	19,388
III. Corporate income tax paid in advance		250	-	250	-
IV. Other financial assets	9	5,004	18,648	2	4
V. Cash and cash equivalents		379	233	82	197
Total assets		269,660	256,129	263,334	237,309

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The accompanying notes are an integral part of these financial statements.

Consolidated and Company's Statement of financial position (cont'd)

	Notes	Group		Company	
		As of 30 June	As of 31	As of 30 June	As of 31
		2020	December	2020	December
		2019	2019	2019	2019
EQUITY AND LIABILITIES					
C. Equity		145,244	137,854	145,127	138,172
I. Share capital		51,731	51,731	51,731	51,731
II. Reserves		74,638	74,638	74,638	74,638
II.1. Legal reserve		5,173	5,173	5,173	5,173
II.2. Other reserves		69,465	69,465	69,465	69,465
III. Retained earnings (deficit)		18,875	11,485	18,758	11,803
D. Accounts payable and liabilities		124,416	118,275	118,207	99,137
I. Amounts payable after one year and non-current liabilities		49,655	54,075	49,534	53,945
I.1. Non-current borrowings	10	46,652	51,739	46,652	51,739
I.2. A right-of-use asset and corresponding liability	6	2,492	1,849	2,371	1,719
I.3. Non-current employee benefits		487	487	487	487
I.4. Deferred income tax liability		-	-	-	-
I.5. Other non-current liabilities		24	-	24	-
II. Accounts payable within one year and short-term liabilities		74,761	64,200	68,673	45,192
II.1. Current financial liability		34,181	6,452	34,181	6,272
II.2. Current portion of non-current borrowings	10	6,174	13,618	6,174	13,618
II.3. A right-of-use asset and corresponding liability	6	437	160	414	138
II.4. Current year portion of non-current employee benefits		53	53	53	53
II.5. Trade payables	12	16,727	6,967	13,201	4,191
II.6. Advance amounts	13	2,660	17,103	269	1,431
II.7. Income tax payable		21	688	-	688
II.8. Payroll related liabilities		2,300	1,723	2,222	1,655
II.9. Other payables and current liabilities	14	12,208	17,436	12,159	17,146
Total equity and liabilities		269,660	256,129	263,334	237,309

The accompanying notes are an integral part of these financial statements.

Commercial Director acting as CEO	Vytautas Ruolia		5 August 2020
Head of accounting	Rasa Baltaragienė		5 August 2020

Consolidated and Company's Income statement

		Group			
		For the period of three months ended 30 June 2020	For the period of three months ended 30 June 2019 (adjusted)*	For the period of six months ended 30 June 2020	For the period of six months ended 30 June 2019 (adjusted)*
	Notes				
I.	Revenue	11,265	10,929	24,860	25,965
II.	Expenses	(8,634)	(10,439)	(19,087)	(19,655)
II.1.	Cost of natural gas	(1,316)	(3,483)	(4,385)	(5,903)
II.2.	Depreciation and amortization	(2,783)	(2,577)	(5,524)	(5,021)
II.3.	Remuneration and related social security tax expenses	(2,563)	(2,495)	(5,014)	(4,910)
II.4.	Repair and technical maintenance expenses	(513)	(545)	(1,186)	(1,328)
II.5.	Taxes other than income tax Telecommunications and IT	(481)	(457)	(977)	(906)
II.6.	systems expenses	(364)	(211)	(718)	(419)
II.7.	Other expenses	(614)	(671)	(1,283)	(1,168)
III.	Operation profit (loss)	2,631	490	5,773	6,310
IV.	Financial activity	(71)	(85)	(151)	(192)
IV.1.	Income	1	5	2	8
IV.2.	Expense	(72)	(90)	(153)	(200)
V.	Profit (loss) before income tax	2,560	405	5,622	6,118
VI.	Income tax	1,292	(69)	1,768	(1,075)
VI.1.	Current period income tax	(49)	(33)	(67)	(1,024)
VI.2.	Deferred income tax	1,341	(36)	1,835	(51)
VII.	Net profit (loss)	3,852	336	7,390	5,043
	Basic and diluted earnings (loss) per share (Eur)			0,04	0,03

*The adjustment was made due to the application of IFRS 16 to land lease, the effect of the adjustment is disclosed in detail in Note No. 17.

The accompanying notes are an integral part of these financial statements.

Commercial Director acting as CEO	Vytautas Ruolia		5 August 2020
Head of accounting	Rasa Baltaragienė		5 August 2020

Consolidated and Company's Statement of comprehensive income

		Group			
		For the period of three months ended 30 June 2020	For the period of three months ended 30 June 2019	For the period of six months ended 30 June 2020	For the period of six months ended 30 June 2019
I.	Net profit (loss)	3,852	336	7,390	5,043
II.	Total comprehensive income (loss)	3,852	336	7,390	5,043

The accompanying notes are an integral part of these financial statements.

Commercial Director acting as CEO	Vytautas Ruolia	5 August 2020
Head of accounting	Rasa Baltaragienė	5 August 2020

Income statement

		Company				
		For the period of three months ended 30 June 2020	For the period of three months ended 30 June 2019 (adjusted)*	For the period of six months ended 30 June 2020	For the period of six months ended 30 June 2019 (adjusted)*	
	Notes					
I.	Revenue	16	10,946	10,855	24,089	25,633
II.	Expenses		(8,475)	(10,304)	(18,773)	(19,406)
II.1.	Cost of natural gas		(1,316)	(3,483)	(4,385)	(5,903)
II.2.	Depreciation and amortization		(2,735)	(2,544)	(5,429)	(4,961)
II.3.	Remuneration and related social security tax expenses		(2,475)	(2,423)	(4,839)	(4,774)
II.4.	Repair and technical maintenance expenses		(513)	(545)	(1,186)	(1,328)
II.5.	Taxes other than income tax Telecommunications and IT systems expenses		(481)	(457)	(977)	(906)
II.6.			(344)	(197)	(679)	(390)
II.7.	Other expenses		(611)	(655)	(1,278)	(1,144)
III.	Operation profit (loss)		2,471	551	5,316	6,227
IV.	Financial activity		(70)	(84)	(149)	(191)
IV.1.	Income		1	6	2	9
IV.2.	Expense		(71)	(90)	(151)	(200)
V.	Profit (loss) before income tax		2,401	467	5,167	6,036
VI.	Income tax		1,294	(69)	1,788	(1,075)
VI.1.	Current period income tax		(47)	(33)	(47)	(1,024)
VI.2.	Deferred income tax		1,341	(36)	1,835	(51)
VII.	Net profit (loss)		3,695	398	6,955	4,961
	Basic and diluted earnings (loss) per share (Eur)	15			0,04	0,03

*The adjustment was made due to the application of IFRS 16 to land lease, the effect of the adjustment is disclosed in detail in Note No. 17.

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Commercial Director acting as CEO	Vytautas Ruolia	5 August 2020
Head of accounting	Rasa Baltaragienė	5 August 2020

Statement of comprehensive income

		Company			
		For the period of three months ended 30 June 2020	For the period of three months ended 30 June 2019	For the period of six months ended 30 June 2020	For the period of six months ended 30 June 2019
I.	Net profit (loss)	3,695	398	6,955	4,961
II.	Total comprehensive income (loss)	3,695	398	6,955	4,961

The accompanying notes are an integral part of these financial statements.

Commercial Director acting as CEO	Vytautas Ruolia	_____	5 August 2020
Head of accounting	Rasa Baltaragienė	_____	5 August 2020

Consolidated and Company's Statement of changes in equity

Group	Authorised share capital	Legal reserve	Other reserves	Retained earnings (deficit)	Total
Balance as of 31 December 2018	51,731	5,173	94,817	(20,478)	131,243
Transfer from other reserves	-	-	(25,352)	25,352	-
Dividends declared	-	-	-	(5,227)	(5,227)
Total comprehensive income (loss)	-	-	-	5,043	5,043
<i>Net profit (loss) for the year</i>	-	-	-	5,043	5,043
Balance as of 30 June 2019	51,731	5,173	69,465	4,690	131,059
Transfer from other reserves	-	-	-	-	-
Dividends declared	-	-	-	-	-
Total comprehensive income (loss)	-	-	-	6,795	6,795
<i>Net profit (loss) for the year</i>	-	-	-	6,795	6,795
Balance as of 31 December 2019	51,731	5,173	69,465	11,485	137,854
Total comprehensive income (loss)	-	-	-	7,390	7,390
<i>Net profit (loss) for the year</i>	-	-	-	7,390	7,390
Balance as of 30 June 2020	51,731	5,173	69,465	18,875	145,244

The accompanying notes are an integral part of these financial statements.

Commercial Director acting as CEO	Vytautas Ruolia		5 August 2020
Head of accounting	Rasa Baltaragienė		5 August 2020

Statement of changes in equity

Company	Authorised share capital	Legal reserve	Other reserves	Retained earnings (deficit)	Total
Balance as of 31 December 2018	51,731	5,173	94,817	(20,125)	131,596
Transfer from other reserves			(25,352)	25,352	-
Dividends declared				(5,227)	(5,227)
Total comprehensive income (loss)	-	-	-	4,961	4,961
<i>Net profit (loss) for the year</i>	-	-	-	4,961	4,961
Balance as of 30 June 2019	51,731	5,173	69,465	4,961	131,330
Transfer from other reserves	-	-	-	-	-
Dividends declared	-	-	-	-	-
Total comprehensive income (loss)	-	-	-	6,842	6,842
<i>Net profit (loss) for the year</i>	-	-	-	6,842	6,842
Balance as of 31 December 2019	51,731	5,173	69,465	11,803	138,172
Total comprehensive income (loss)	-	-	-	6,955	6,955
<i>Net profit (loss) for the year</i>	-	-	-	6,955	6,955
Balance as of 30 June 2020	51,731	5,173	69,465	18,758	145,127

The accompanying notes are an integral part of these financial statements.

Commercial Director acting as CEO	Vytautas Ruolia		5 August 2020
Head of accounting	Rasa Baltaragienė		5 August 2020

Consolidated and Company's Statement of cash flows

	Group		Company	
	30 June 2020	30 June 2019 (adjusted)*	30 June 2020	30 June 2019 (adjusted)*
I. Cash flows from (to) operating activities				
I.1. Net profit (loss)	7,390	5,043	6,955	4,961
Adjustments of non-cash items and other corrections:				
I.2. Depreciation and amortisation	5,524	5,021	5,429	4,961
I.3. Loss (gain) on property, plant and equipment, doubtful trade accounts receivable and inventories write-off and disposal	-	15	-	15
I.4. Revaluation loss of fixed assets	-	-	-	-
I.5. Impairment losses (reversal of impairment) for property, plant and equipment, financial assets, allowance for doubtful trade accounts receivable and inventories	95	(15)	95	(15)
I.6. Income tax expenses (income)	(1,768)	1,075	(1,788)	1,075
I.7. Interest (income)	-	(8)	-	(8)
I.8. Interest expenses	153	200	151	200
I.9. Amortisation of grants (deferred revenue)	-	775	-	775
I.10. Elimination of other non-cash items	-	-	-	-
	11,394	12,106	10,842	11,964
Changes in working capital:				
I.11. Decrease (increase) in inventories	876	810	876	810
I.12. Decrease (increase) in trade accounts receivable	130	1,161	976	1,308
I.13. Decrease (increase) in other accounts receivable and prepayments	6,041	846	6,123	1,013
I.14. Increase (decrease) in trade accounts payable	(14,269)	(9,866)	(1,810)	(1,639)
I.15. Increase (decrease) in other accounts payable and other current liabilities	(5,777)	825	(5,545)	704
I.16. Decrease (increase) in other financial assets	13,644	8,551	2	47
I.17. Income tax (paid)	(993)	(381)	(993)	(381)
Total changes in working capital	(348)	1,946	(371)	1,862
Net cash flows from operating activities	11,046	14,052	10,471	13,826
II. Cash flows from (to) investing activities				
II.1. (Acquisitions) of property, plant and equipment and intangible assets	(38,236)	(10,321)	(38,114)	(10,312)
II.2. Proceeds from sales of property, plant and equipment	-	25	-	25
II.3. Grants received	12,490	1,553	12,490	1,553
II.4. Loans recovered	-	-	-	150
II.5. Interest received	-	6	-	6
Net cash flows (to) investing activities	(25,746)	(8,737)	(25,624)	(8,578)

The accompanying notes are an integral part of these financial statements.

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Consolidates and Company's statements of cash flows (cont'd)

	Group		Company	
	30 June 2020	30 June 2019 (adjusted)*	30 June 2020	30 June 2019 (adjusted)*
III. Cash flows from (to) financing activities				
III.1. Dividends (paid)	(1)	(5,225)	(1)	(5,225)
III.2. Proceeds from borrowings	-	10,000	-	10,000
III.3. (Repayments) of borrowings	(12,711)	(5,444)	(12,531)	(5,444)
III.4. The overdraft	27,910	(4,352)	27,910	(4,352)
III.5. Interest (paid)	(184)	(190)	(183)	(190)
III.6. The right-of-use assets	(168)	(74)	(157)	(69)
III.7. Other cash flows from (to) financial activities	-	8	-	8
Net cash flows from (to) financing activities	14,846	(5,277)	15,038	(5,272)
IV. Net increase (decrease) in cash and cash equivalents	146	38	(115)	(24)
V. Cash and cash equivalents at the beginning of the period	233	42	197	34
VI. Cash and cash equivalents at the end of the period	379	80	82	10

* The adjustment was made due to the reclassification of cash and cash equivalents with another financial assets item and due to the application of IFRS 16 to land lease. The significant effect of the adjustments is disclosed in Note No. 17.

The accompanying notes are an integral part of these financial statements.

Commercial Director acting as CEO	Vytautas Ruolia	5 August 2020
Head of accounting	Rasa Baltaragienė	5 August 2020

Notes to the consolidated and the Company's financial Statements

1 General information

The consolidated financial statements disclose the financial position and performance of the AB Amber Grid (hereinafter referred to as the 'Company') and its subsidiary UAB GET Baltic (hereinafter together referred to as the 'Group').

AB Amber Grid was registered on 25 June 2013 after the spin-off from AB Lietuvos Dujos of the natural gas transmission activity with respective assets, rights and obligations attributed to the activity in question. The Company's operations date back to 1 August 2013.

On 10 April 2015, upon the obtaining of a positive decision from the European Commission, the National Energy Regulatory Council (before National Commission for Energy Control and Prices) issued in respect of the Company an open-ended License No. L2-3 (GDP) for the engagement in the Transmission System Operator's activity within the territory of Lithuania.

The Company is engaged in the natural gas transmission system operator's activity and provides to system users, other operators, and gas market players the following services:

- transmission of natural gas in the territory of the Republic of Lithuania;
- balancing of natural gas flows in the transmission system;
- administration of the funds intended to compensate for the installation and fixed operating costs of the Liquefied Natural Gas Terminal, its infrastructure and connector and, as from 2016, for reasonable costs of the designated supplier for the supply of an obligatory quantity of liquefied natural gas;
- administration of the register of guarantees of origin for gas produced from renewable energy sources.

On 30 June 2020, the Company had 109 contracts for natural gas transmission services with the users of natural gas transmission system (natural gas costumers, natural gas distribution system operators, natural gas supply companies that supply gas up to customers systems). In addition, Company had entered into natural gas balancing agreements with 2 natural gas trade companies that trade natural gas, but do not use Company's transmission system infrastructure.

The Company's largest shareholder is UAB EPSO-G. UAB EPSO-G is 100-percent owned by the Republic of Lithuania and is managed by trust by the Ministry of Energy of the Republic of Lithuania. UAB EPSO-G is in charge of the management of the shareholdings of the electricity and gas transmission system operators of the Republic of Lithuania.

Since 1 August 2013, the Company's shares have been traded on a stock exchange; they are listed on the Baltic Secondary Trading List of NASDAQ OMX Vilnius Stock Exchange (ISIN code LT0000128696, instrument AMG1L).

As of 30 of June 2020 and 31 December 2019, the Company's shareholders were as follows:

	Number of shares owned	Ownership share (percent)
UAB EPSO-G (Company Code 302826889, Gedimino av. 20, Vilnius)	172,279,125	96.58
Other shareholders	6,103,389	3.42
	<u>178,382,514</u>	<u>100.00</u>

The Company's share capital amounts to EUR 51,730,929.06. It is divided into 178,382,514 ordinary registered shares with par value of EUR 0.29 each.

Company	Company code	Registered address of the company	Stake of shares held as of 30 June 2020	Stake of shares held as of 31 December 2019
UAB GET Baltic	302861178	Geležinio Vilko st. 18 A, Vilnius	100 %	100 %

GET Baltic is a Joint Stock Company registered in the Republic of Lithuania. The Company was registered in the Register of Legal Entities on 13 September 2012. The Company is the sole shareholder of GET Baltic, which owns 100% of the authorized capital. On 30 June 2020 and 31 December 2019 the authorized capital of GET Baltic was valued of EUR 580,450 and it consists of 3,055,000 ordinary registered shares with a nominal value of EUR 0.19.

GET Baltic is a licensed natural gas market operator with a status of Registered Reporting Mechanism status provided by the ACER. The Company administrates the electronic trading system for trading spot and forward natural gas products with physical delivery in the market areas located in Lithuania, Latvia, Estonia and Finland. The Company also provides the following services to wholesale natural gas market participants:

- Providing REMIT data to the ACER;
- Providing inside information;
- Distribution of indirect natural gas transmission capacity at interconnection points between the Baltic States;
- Organizing LNG auction;
- Announcement of balancing marginal pricing.

On 30 June 2020 Get Baltic had 97 registered stock exchange participants.

On 30 June 2020 the average number of employees of the Group and the Company consisted 324 (as at 30 June 2019 – 334); on 30 June 2020 the Company consisted of 317 employees (as at 30 June 2019 - 328).

2 Accounting principles

The financial statements present the figures in thousands of euros. The financial year of the Group and the Company coincides with the calendar year.

These condensed interim consolidated and the Company's financial statements, including the statements of financial standing and profit (loss) accounts, statements of comprehensive income, cash flow statement and the statements of changes in equity for the period ended 30 June 2020 have not been audited. The consolidated and the Company's financial statements for the period ended 31 December 2019 have been audited and prepared in accordance with International Financial Reporting Standards (IFRS).

For a better understanding of the information presented in these financial statements, these condensed financial statements should be read together with the annual consolidate and the Company's financial statements for the period ended 31 December 2019. UAB Deloitte Lietuva carried out an audit of Consolidated and Company's Financial Statements for the period ended on 31 December 2019.

The Group's and the Company's condensed interim consolidated financial statements as of 30 June 2020 were prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The Group and the Company have been following the same accounting principles as the ones that were followed in the preparation of financial statements for the year 2019.

The statements were prepared based on an acquisition cost, excluding tangible fixed assets, which were presented at revalued amount.

In accordance with the accounting principles of fixed assets of EPSO–G UAB group companies, assets are accounted at revalued amount deducting accumulated depreciation and impairment losses, whereas grants are accounted for by reducing the carrying amount of the related asset.

1 January 2019, the Company and the Group first adopted IFRS 16 and its amendments using a modified retrospective method, in which rights-of-use assets and liabilities were recognized in equal amounts, without any adjustment to equity.

3 Information by segments

The Group singles out 2 operating segments: 1) natural gas transmission operations and 2) natural gas exchange operator activities.

All non-current assets of the Group are located in Lithuania, where the Company operates.

As of 30 June 2020, the Group generated 68 % (30 June 2019: 70 %) of its total revenue from the system users in Lithuania, and 29 % (30 June 2019: 29 %) of revenue totalled from transportation of gas to adjacent transmission systems accounted for 3% (30 June 2019: 1%) of revenue originated from the revenue from services provided by the Natural Gas Exchange.

The Group's information on segments for the six months period ended on 30 June 2020 is disclosed below:

	Transfer activity	Activities of the gas exchange	Total
Revenues	24,089	800	24,889
Income having eliminated the income of Group entities	24,089	771	24,860
Profit / loss from operating activities	5,316	457	5,773
Net financing income (costs)	(149)	(2)	(151)
Profit / loss before tax	5,167	455	5,622
Income tax	1,788	(20)	1,768
Net earnings (loss)	6,955	435	7,390
Depreciation / amortisation costs	(5,429)	(95)	(5,524)
Write-offs of non-current tangible assets	-	-	-

The Group's information on segments for the six months period ended on 30 June 2019 is disclosed below:

	Transfer activity	Activities of the gas exchange	Total
Revenues	25,633	356	25,989
Income having eliminated the income of Group entities	25,629	336	25,965
Profit / loss from operating activities	6,227	83	6,310
Net financing income (costs)	(191)	(1)	(192)
Profit / loss before tax	6,036	82	6,118
Income tax	(1,075)	-	(1,075)
Net earnings (loss)	4,961	82	5,043
Depreciation / amortisation costs	(4,961)	(60)	(5,021)
Write-offs of non-current tangible assets	41	-	41

4 Non-current tangible and intangible assets

Non-current intangible assets	Group	Company
Residual value as of 31 December 2018	2,699	2,259
Additions	710	706
Amortisation	(402)	(349)
Netting of grants with the non-current assets	-	-
Residual value as of 30 June 2019	3,007	2,616
Residual value as of 31 December 2019	2,910	2,262
Additions	124	74
Amortisation	(475)	(393)
Netting of grants with the non-current assets	-	-
Residual value as of 30 June 2020	2,559	1,943

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AS OF 30 JUNE 2020
(all amounts are in euro thousand unless stated otherwise)

Non-current tangible assets	Group	Company
Residual value as of 31 December 2018	200,031	200,028
Additions	8,105	8,104
Depreciation	(4,536)	(4,535)
Write-offs	(201)	(201)
Netting of grants with the non-current assets	(3,617)	(3,617)
Revaluation loss of fixed assets	-	-
Residual value as of 30 June 2019	199,782	199,779
Residual value as of 31 December 2019	201,362	201,359
Additions	48,865	48,864
Depreciation	(4,835)	(4,834)
Sales	-	-
Write-offs	(7)	(7)
Netting of grants with the non-current assets	(21,873)	(21,873)
Residual value as of 30 June 2020	223,512	223,509

In the Group and the Company, non-current assets are accounted at revalued amount of assets, reducing the grants received for that asset.

In 2020 year construction of the gas pipeline connection between Poland and Lithuania has been started. During 2020 year the value of procurement of construction works, materials, etc. services for the implementation of the project was amounted to EUR 42,640 thousand. EUR, recognized amount of the grants receivables - EUR 19,092 thousand.

The amount of the depreciation of the grants in the income statement is reflected by deducting the depreciation costs of the related assets with the grant income, as of 30 June 2020, it stood at EUR 1,322 thousand (as of 30 June 2019 - EUR 1,192 thousand).

5 Construction in progress

The largest objects of construction in progress of the Group and Company as of 30 June 2020 and 31 December 2019 were as follows:

Object	Group	
	30 June 2020	31 December 2019
Implementation of the gas interconnection Poland-Lithuania in the territory of Lithuania	27,852	4,304
Installation of control device releasing and receiving chambers	2,480	391
Implementation of operative technological control of gas transmission system	1,818	1,012
Construction of the gas transmission pipeline Vilnius-Kaunas and the connection Kaunas-Šakiai	551	551
Other	862	1,482
¹⁾ Less: impairment of construction in progress	(580)	(580)
	32,983	7,160

¹⁾ Impairment for the Project "Construction of interconnection between the gas transmission pipelines Vilnius-Kaunas and Kaunas-Šakiai (spatial planning and design services)" was made for the amount of EUR 551 thousand because the construction of the pipeline was postponed for later periods and there arose certain uncertainties regarding the resolution of its funding issues and its further development, 29 thousand EUR impairment was performed for reconstruction of dispatch building.

6 The right-of-use assets and lease liabilities

As stated below, the Group and the Company leases office space, vehicles, and land. Lease terms for premises - 8-9 years, vehicles - 4 years, land - 99 years. The Group and the Company, in recognizing its right-of-use assets and lease liabilities by determining the lease terms assessed the likelihood of contract extension.

	Group			
	Buildings	Land	Motor vehicles	Total
Initial value of recognised assets at 1 January 2019*	749	1,278	-	2,027
Acquisitions	151	-	17	168
Write-offs	(30)	-	-	(30)
Amortisation	(72)	(6)	(1)	(79)
Residual value at 30 June 2019	798	1,272	16	2,086
Residual value of recognised assets at 31 December 2019	723	1,265	13	2,001
Acquisitions	4	0	1,108	1,112
Write-offs	0	0	0	0
Amortisation	(77)	(6)	(129)	(212)
Residual value at 30 June 2020	650	1,259	992	2,901
Initial value	874	1,278	1,125	3,277
Accumulated depreciation	(224)	(19)	(133)	(376)
Residual value at 30 June 2020	650	1,259	992	2,901

* The Company and its subsidiary as at 1 January 2019 and in prior periods did not have non-current assets held on a finance lease basis

	Company			
	Buildings	Land	Motor vehicles	Total
Initial value of recognised assets at 1 January 2019*	749	1,278	-	2,027
Acquisitions	-	-	-	-
Write-offs	(30)	-	-	(29)
Amortisation	(68)	(6)	-	(74)
Residual value at 30 June 2019	651	1,272	-	1,923
Residual value of recognised assets at 31 December 2019	585	1,265	-	1,850
Acquisitions	-	-	1,108	1,108
Write-offs	-	-	-	-
Amortisation	(66)	(7)	(127)	(200)
Residual value at 30 June 2020	519	1,258	981	2,758
Initial value	719	1,278	1,108	3,105
Accumulated depreciation	(201)	(19)	(127)	(347)
Residual value at 30 June 2020	518	1,259	981	2,758

* The Company as at 1 January 2019 and in prior periods did not have non-current assets held on a finance lease basis.

As the useful life of the right-of-use assets is longer than the lease term, depreciation is calculated from the commencement date of the lease to the end of the lease term.

	Group	Company
	At 30 June 2020	At 30 June 2020
Carrying amount at the beginning of the period	2,009	1,857
Recognition of lease liabilities under IFRS 16	4	
Concluded lease contracts	1,108	1,108
Termination of leases (write-offs of debts and accrued interest)	-	-
Interest expenses	13	12
Lease payments (Principal and Interest)	(205)	(192)
Carrying amount at 30 June	2,929	2,785
Non-current lease liabilities	2,492	2,371
Current lease liabilities	437	414

	Group	
	At 30 June 2020	At 31 December 2019
Lease liabilities		
Current year	437	160
Repayment terms of non-current liabilities:	2,492	1,849
Between 1 and 2 years	438	161
From 2 to 3 years	440	162
From 3 to 5 years	345	248
After 5 years	1,269	1,278
	Company	
Lease liabilities	At 30 June 2020	At 31 December 2019
Current year	414	138
Repayment terms of non-current liabilities:	2,371	1,719
Between 1 and 2 years	415	138
From 2 to 3 years	417	139
From 3 to 5 years	306	209
After 5 years	1,233	1,233

Interest calculated on lease liabilities reflected in Group's financial operating expenses on 30 June 2020 is EUR 13 thousand.

The Group and the Company had no leases with variable payments not included in the value of lease obligations. In 2020, the Group made lease payments worth EUR 192 thousand.

7 Trade receivables

	Group		Company	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Non-current trade receivables				
Other trade receivables	-	-	-	-
Current trade receivables				
Gas transmission services receivables	4,660	5,524	4,674	5,524
Other trade receivables	1,140	406	285	411
Less: allowance for the decrease in value of trade receivables	(70)	(70)	(70)	(70)
	5,730	5,860	4,889	5,865

Short-term trade receivables were interest-free; their payment period ranged from 9 to 30 calendar days. In 2020 impairment of EUR 41 thousand was established in respect of "Geoterma" UAB, a producer of thermal energy, whereas "Geros dujos" UAB formed impairment of EUR 29 thousand.

8 Other receivables

	Group		Company	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
LNG terminal funds receivable (administered by the Company)	11,170	16,020	11,170	16,020
Grants receivable	11,087	2,754	11,087	2,754
Receivables accrued for natural gas transportation	493	541	493	541
Other receivables	157	76	79	73
	22,907	19,391	22,829	19,388

The LNG terminal funds receivable as at 30 June 2020 include the overdue amount of EUR 4,968 thousand (as at 31 December 2019 - EUR 4,701) of which total the overdue amount of AB "Achema's" was EUR 4,881 thousand, the overdue amount of UAB "Geros dujos" was EUR 19 thousand, the overdue amount of UAB "Geoterma" was EUR 65 thousand, other - EUR 3 thousand. For more information about AB "Achema" see note 18 Commitments and Contingencies.

For the Company's Other Receivables, no impairment loss was formed.

9 Other financial assets

As of 30 June 2020, the Group other financial assets consisted of cash collected from the additional natural gas supply security component to be included in the natural gas transmission price, referred to as the LNG terminal funds. These funds are received from the system users, kept in line with the requirements of legal acts in a separate bank account for the LNG terminal funds and designated for the payment to the recipients of the LNG terminal funds – i.e. the LNG terminal operator (Klaipėdos Nafta AB), the designated supplier (UAB "Ignitis" former UAB „Lietuvos energijos tiekimas“), and Group – to cover the administration expenses of the LNG terminal funds. Based on the Resolution No. O3E-766 of 25 November 2019 (amendment Resolution No. O3E-924 of 31 December 2019) the new natural gas supply security component has been effect from 1 January 2020.

The advance payment funds received by gas exchange members as at 30 June 2020 are accounted for EUR 5,004 thousand (as at 31 December 2019 – EUR 18,644).

	Group	
	30 June 2020	31 December 2019
Funds of the LNG terminal	2	4
Funds transferred by the gas exchange members	5,002	18,644
	5,004	18,648

The Group and the Company keeps its cash in the accounts of those banks, which meet reliability requirements.

10 Loans

	Group		Company	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Long-term loans				
Loans from credit institutions of Lithuania	26,000	30,000	26,000	30,000
Loans from international financial institutions	20,652	21,739	20,652	21,739
Short-term loans				
Loans from credit institutions of Lithuania	-	-	-	-
Short-term loan (EPSO-G UAB)	34,181	6,452	34,181	6,272
Current portion of long-term loans	6,174	13,618	6,174	13,618
	87,007	71,809	87,007	71,629

For the balancing of working capital on 27 February 2019 the Company and EPSO-G UAB entered into lending and borrowing via cash pool agreement. The agreement sets a maximum borrowing limit of EUR 15,000 thousand from EPSO-G UAB. On 31 March 2020 an additional agreement was signed, which increased the maximum borrowing limit to 35,000 thousand euros. On 29 June 2020 another supplementary agreement was signed, which increased the maximum borrowing limit to 40,000 thousand euros.

On 30 June 2020 AB Amber Grid signed up to 65 million euros long-term financing agreement with the European Investment Bank (EIB) for the construction of a gas pipeline connection between Poland and Lithuania in the territory of the Republic of Lithuania.

The weighted average of the interest of the Group and Company loans as of 30 June was at 0,57 per cent 2020 (31 December 2019 was at 0,49 per cent).

11 Income tax

In 2020, the standard corporate income tax rate applicable to the companies of the Republic of Lithuania was 15 per cent (in 2019: 15 per cent). The income tax expenses for the period comprise the current income tax and the deferred income tax.

In accordance with amendments to the Law on Corporate Income Tax, which provide for a possibility of taking advantage of the corporate income tax relief on investments in new technologies, as at 30 June 2020, the Company had calculated a corporate income tax relief amounting to EUR 2,594 thousand (as at 31 December 2019: EUR 218 thousand).

12 Trade payables

	Group		Company	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Payables to suppliers under investment programme (reconstruction and modernisation)	12,219	1,440	12,219	1,440
Payables to suppliers of goods and providers of services	739	1,280	722	1,195
Payables to providers of repairs services under non-current assets repairs programme	47	396	47	396
Payables to suppliers of natural gas	3,722	3,851	213	1,160
	16,727	6,967	13,201	4,191

Ensuring the implementation of the strategic project, construction works of the gas pipeline connection between Poland and Lithuania (see Note 4), obligations to suppliers (contractors) regarding the implementation of the project on 30 June 2020 were amounted to EUR 10,523 thousand.

As at 30 June 2020, the trade payables were interest-free and the payment terms of the largest share of them ranged from 30 to 60 days.

13 Received advanced payments

Prepayments received by the Group on 30 June 2020 was in amount of EUR 2,660 thousand (as of 31 December 2019 EUR -17,103 thousand). Advance payments received by the Company are the payments received from the EU for investment projects, advance payments for the provision of transmission services and gas exchange members.

GET Baltic advance payments paid by the participants of Exchange are accounted for as prepayments received from the exchange participants and are used on the settlement date, unless a request is made from the participants not to use the advance paid for reduction of the amount due for gas and exchange services. An unused advance or part thereof remains with the other participant's settlements. If the participant does not use the advance for more than 1 year, it is returned back to him.

14 Other payables and current liabilities

	Group		Company	
	30 June 2019	31 December 2019	30 June 2020	31 December 2019
Payable LNG terminal funds administrated by the Company	10,284	13,562	10,284	13,562
Accrued LNG terminal funds subject to administration by the Company*	888	2,461	888	2,461
Real Estate Tax payable	-	432	-	432
Value Added Tax (VAT) payable	604	501	604	222
Other payables	432	480	383	469
	12,208	17,436	12,159	17,146

*Accrued LNG terminal funds subject to administration by the Company are accounted when natural gas transmission system users are issued VAT invoices, Accrued funds subject to administration by the Company are included into the account of LNG terminal funds payable when AB "Klaipėdos Nafta" and UAB "Ignitis" former UAB „Lietuvos energijos tiekimas“ issue a VAT invoice to the Company in respect of the security-of-supply-related extra tariff component added to the regular natural gas tariff.

15 Earnings per share

Basic earnings per share reflect the Group net profit divided by the weighted average number of shares. There are no diluting instruments, therefore basic and diluted earnings per share are equal. Calculations of the basic earnings per share are presented below:

	Group	
	30 June 2020	30 June 2019
Net profit (loss) attributable to the shareholders (EUR thousand)	7,390	5,043
Weighted average number of shares (thousand)	178,383	178,383
Earnings per share (EUR)	0,04	0,03

16 Dividends

The annual meeting of shareholders of the Company of 23 April 2019 approved the dividends for the year ended 31 December 2018; the dividends accounted for EUR 5,227 thousand or EUR 0,0293 per share. In view of the decision of the market regulator in 2019 to set a significantly lower allowable income level for the company for 2020 year due to exceeding the return on investment in previous years and at the same time increasing the need for investments in the construction of the GIPL gas pipeline with Poland, the shareholders' meeting on 20 April

2020 approved the proposal of the Board of Amber Grid to keep the earned profit in the company. During 2020 year dividends approved by shareholders in previous periods were paid.

17 Adjustments to comparative information

The impact of changes in deposit accounting policy

In the consolidated financial statements for the period ended 30 June 2019 funds transferred by the gas exchange members are presented in Cash and cash equivalents item. In Group and Company's accounting policy there are provided to present similar types of funds from exchange members as financial asset item. Following the change in accounting policy in 2019, the comparative data in financial statements were restated for the period ended 30 June 2019 by reclassifying the mentioned funds from the item of Cash and cash equivalents item to the item of Other financial assets. The Group believes that the amendment will more accurately and transparently reflect the balance sheet structure of the Group's companies. The impact of the adjustment on the Group's financial performance is set out below:

CONSOLIDATED STATEMENT OF CASH FLOWS In euro thousand	Group 30 June 2019 (before adjustment)	Impact of adjustments	Group 30 June 2019 (after adjustment)
Decrease (increase) in other financial assets	47	8,504	8,551
Net increase (decrease) in cash and cash equivalents	(8,466)	(8,504)	38
Cash and cash equivalents at the beginning of the period	10,616	(10,574)	42
Cash and cash equivalents at the end of the period	2,150	(2,070)	80

The impact of the application of IFRS 16 to land lease

In 2019 Group applied the provisions of IFRS 16 to land lease, the impact of the application of the standard on comparative Group's financial results in the income statement for three months period ended on 30 June 2019 are presented below:

COSOLIDATED INCOME STATEMENT In euro thousand	Group for the three months period ended on 30 June 2019 (before adjustment)	Impact of adjustments	Group for the three months period ended on 30 June 2019 (after adjustment)
Depreciation and amortization	(2,574)	(3)	(2,577)
Taxes other than income tax	(459)	2	(457)
OPERATION PROFIT (LOSS)	491	(1)	490
FINANCIAL ACTIVITY	(81)	(4)	(85)
Income	5	-	5
Expense	(86)	(4)	(90)
PROFIT BEFORE INCOME TAX	410	(5)	405
NET PROFIT (LOSS)	341	(5)	336

The impact on the Company's comparable results coincides with the impact on the Group's results.

The impact of the application of the standard on comparative Group's financial results in the income statement for six months period ended on 30 June 2019 are presented below:

COSOLIDATED INCOME STATEMENT In euro thousand	Group for the six months period ended on 30 June 2019 (before adjustment)	Impact of adjustments	Group for the six months period ended on 30 June 2019 (after adjustment)
Depreciation and amortization	(5,015)	(6)	(5,021)
Taxes other than income tax	(912)	6	(906)
OPERATION PROFIT (LOSS)	6,310	-	6,310
FINANCIAL ACTIVITY	(183)	(9)	(192)
Income	8	-	8
Expense	(191)	(9)	(200)
PROFIT BEFORE INCOME TAX	6,127	(9)	6,118
NET PROFIT (LOSS)	5,052	(9)	5,043

The impact on the Company's comparable results coincides with the impact on the Group's results.

18 Commitments and contingencies

Litigations

Currently, the Company has initiated two civil cases on the adjudication of the additional component, regarding the security of natural gas supply, to the natural gas transmission price (hereinafter - LNG terminal funds) from Achema AB. The Company acts solely as a LNG terminal funds administrator and transfers LNG terminal funds to its recipients only after collecting them from buyers, so there is no credit risk arising from the disputed amounts.

In addition, the courts are considering a case regarding the legality of the decisions of the Company's Procurement Commission in the procurement of the GIPL project (procurement No. 381642). On 21 May 2020, the Lithuanian Court of Appeal issued a ruling by which the decision of the Vilnius Regional Court of 29 February 2020 was left unchanged (the purchase results remained unchanged). Currently, the plaintiff in the case has filed a cassation appeal, which is accepted and will be considered in the Supreme Court of Lithuania.

18 Related party transactions

As at 30 June 2020 and 31 December 2019, the parent company was EPSO-G UAB. The parent country of the latter company was the Republic of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania. For the purposes of related-party disclosures, the Republic of Lithuania does not include central or local authorities. Disclosures include transactions and balances with EPSO-G Group companies, subsidiaries, all state-controlled companies or those under significant influence (transactions with such entities are disclosed separately only if the amount of transactions exceeds EUR 100,000 in a calendar year) and management, and close family members. A list of publicly-controlled entities or those under significant influence that are subject to disclosure is provided here: <https://vkc.sipa.lt/apie-imonas/vvi-sarasas/>.

The Company's/Group's related parties as at 30 June 2020 and 31 December 2019 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:
 - Litgrid AB (common shareholders);
 - Tetas UAB (common shareholders);
 - Baltpool UAB (common shareholders).
 - The subsidiary of the Company GET Baltic UAB;

- Ignitis grupė UAB companies:
 - Energijos skirstymo operatorius AB;
 - Ignitis UAB;
 - Ignitis gamyba AB;
 - Energetikos paslaugų ir rangos organizacija UAB
- Other state-controlled companies:
 - Klaipėdos nafta AB;
 - State Enterprise Ignalina Nuclear Power Plant;
 - State Enterprise Geoterma
 - Other state-controlled companies or those under significant influence.
- Management.

The tables below show the Group's and the Company's receivables and payables from related parties as at 30 June 2020 and 31 December 2019. Transactions with related parties are disclosed for the three-month period ended 31 December 2020 and 30 June 2019:

	Group					
	Acquisitions	Sales	Accounts receivable	Loans granted	Accounts payable	Costs of financial operations
UAB „EPSO - G“	65	-	-	34,181	17	27
UAB „TETAS“	1	-	-	-	-	-
AB „Ignitis gamyba“	11,623 ²⁾	9,016 ²⁾	2,145 ²⁾	-	188	-
AB „Energijos skirstymo operatorius“	100	237	47	-	13	-
UAB „Ignitis“	31,076 ²⁾	17,583 ²⁾	3039 ²⁾	-	4324 ²⁾	-
UAB „Transporto valdymas“	157	-	-	-	43	-
AB „Klaipėdos nafta“	19,268 ²⁾	1	-	-	7049 ²⁾	-
VĮ Ignalinos atominė	-	80 ²⁾	19 ²⁾	-	-	-
VĮ „Geoterma“	-	-	110	-	-	-
Other state-owned companies	37	-	-	-	15	-
	62,327	26,917	5,360	34,181	11,649	27

	Group					
	Acquisitions	Sales	Accounts receivable	Loans granted	Accounts payable	Costs of financial operations
UAB „EPSO - G“	29	-	-	6,452	21	3
UAB „TETAS“	1	-	-	-	1	-
AB „Ignitis gamyba“	5	10,885 ²⁾	2,037 ²⁾	-	225	-
AB „Energijos skirstymo operatorius“	97	512	84	-	2	-
UAB „Ignitis“	33,125 ²⁾	20,467 ²⁾	4,190 ²⁾	-	6,248 ²⁾	-
AB „Klaipėdos nafta“	28,702 ²⁾	58	-	-	10,156 ²⁾	-
VĮ Ignalinos atominė	-	118	29 ²⁾	-	-	-
VĮ „Geoterma“	-	-	110	-	-	-
Other state-owned companies	77	-	-	-	8	-
	62,036	32,040	6,450	6,452	16,661	3

	Company					Costs of financial operations
	Acquisitions	Sales	Accounts receivable	Loans granted	Accounts payable	
UAB GET Baltic	2,489 ¹⁾	41 ¹⁾	14 ¹⁾		138 ¹⁾	-
UAB „EPSO - G“	39	-	-	34,181	17	26
UAB „TETAS“	1	-	-	-		-
AB „Ignitis gamyba“	2	9,016 ²⁾	2,145 ²⁾	-		-
AB „Energijos skirstymo operatorius“	100	236	47	-	13	-
UAB „Ignitis“	14,868 ²⁾	13,903 ²⁾	3,038 ²⁾	-	3,331 ²⁾	-
UAB „Transporto valdymas“	154	-	-	-	42	-
AB „Klaipėdos nafta“	19,268 ²⁾	-	-	-	7,049 ²⁾	-
VĮ Ignalinos atominė	-	80 ²⁾	19 ²⁾	-		-
VĮ „Geoterma“	-	-	110	-		-
Other state-owned companies	37	-	-	-	15	-
	36,958	23,276	5,373	34,181	10,605	26

	Company					Costs of financial operations
	Acquisitions	Sales	Accounts receivable	Loans granted	Accounts payable	
UAB GET Baltic	3,876 ¹⁾	54 ¹⁾	16 ¹⁾	-	354 ¹⁾	-
UAB „EPSO - G“	29	-	-	6,272	21	3
UAB „TETAS“	1	-	-	-	1	-
AB „Ignitis gamyba“	5	9,969 ²⁾	2,037 ²⁾	-	-	-
AB „Energijos skirstymo operatorius“	97	512	84	-	2	-
UAB „Ignitis“	13,440 ²⁾	20,242 ²⁾	4,190 ²⁾	-	4,184 ²⁾	-
AB „Klaipėdos nafta“	28,702 ²⁾	57 ²⁾	-	-	10,156 ²⁾	-
VĮ Ignalinos atominė	-	118	29 ²⁾	-	-	-
VĮ „Geoterma“	-	-	110 ²⁾	-	-	-
Other state-owned companies	77	-	-	-	7	-
	46,227	30,952	6,466	6,272	14,725	3

1) The Company is a participant of the Natural Gas Exchange operated by Get Baltic UAB and has a participation agreement, The agreement is on standard terms and the under the same terms and conditions as with the other participants, The amount represents the purchases and sales made through this Exchange.

2) LNG terminal funds included.

There have been none guaranties received to the revenue obtained and payable by the related parties. On 30 June 2020 the Company and Group did not form and accounted the depreciation of value to the revenue received from the related parties.

Benefits to the Management

	Group		Company	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Earnings-related benefits	279	366	246	339
Benefits for Board Members	19	10	19	10
	298	376	265	349

The management of the Group and the Company includes the CEO and the Directors of Technical, Legal and Administrative, Commercial and Finance. No loans, guarantees or assets have been granted to the management of the Group and the Company.

20 Assessment of the impact of COVID-19 on demand and results, significant increase in credit risk, expected credit losses

Preparing the interim condensed financial statements for the period ended on 30 June 2020, the estimates and assumptions of the Company's management regarding the impact of COVID-19 have not changed compared to the estimates presented in the financial statements of the previous periods.

The Company's management, assessing the possible impact of the main COVID-19 factors on the Company's strategic objectives, cash flows, financial results, did not identify any threats to the Company's business continuity.

Due to the spread threat of the new coronavirus (COVID-19), business continuity and preventive measures have been reviewed and implemented by the Group and the Company: responsible personnel for monitoring the situation and providing information to the Company's management has been appointed; units and personnel performing critical functions and administering the key systems have been identified; additional organizational measures at system control centers are being applied; technical and replacement measures in case of the virus spread have been planned. The company is constantly reviews the emergency management plan, prepares for additional continuity of critical activities.

No significant adverse effects due to COVID-19 have been identified during the monitoring of the Company's key customers. Gas transportation volumes in the first half of 2020 year, compared to 2019 year, increased, therefore, the decrease in revenue due to the impact of COVID-19 is not identified. According to the Company, other reasons (fluctuations in air temperatures, natural gas prices in the market) have a more significant impact on the demand and volume of outsourced services than the restrictions caused by quarantine.

The Company does not forecast liquidity or credit risk issues. The main Company's clients are large companies, which are often also regulated and / or listed as risk-free. Due to the specifics of the Company's trade receivables, expected credit losses are assessed individually, taking into account the probability (risk) of non fulfillment of customer's obligation. The Company assessed the current and expected future economic condition of its main customers and did not identify any significant differences, at the time of reporting, settlements took place as usual. Expected credit losses should remain at a similar level as in 2019 year. The Company plans regularly update its credit risk assessments on economic environment changes and takes measures to strengthen payment control.

Considering that the negative impact of COVID-19 on the results of the activity and cash flows has not been identified, the Company's management believes that there are no indications of impairment of non-current assets. Even if financial results or cash flows would be deteriorated in the short term, due to the regulatory mechanism it would not have a negative impact on cash flows and impairment of fixed assets in the long run.

Short-term borrowing is guaranteed to the extent of EPSO-G UAB. The Company has a sufficient short-term borrowing limit (overdraft) ensuring current solvency.

The negative impact of COVID-19 on the financial results, cash flows and financial condition is not forecasting, as a result of which no negative impact on the performance of covenants provided in agreements with banks is not expected. Cooperation with commercial and institutional banks takes place without changeovers.

Implementation of the strategic project of the Company - the gas pipeline connection project between Poland and Lithuania (GIPL) has been performed faster than planned during the first half of 2020 year. Implemented 30 percent of the entire GIPL project (more detailed information is provided in the interim report of AB Amber Grid for the first half of 2020).

Due to COVID-19, the Company till 30 June 2020 incurred costs in amount of EUR 68 thousand, i.e. EUR 33 thousand for additional wages and salaries and contributions to social security fund for temporarily isolated employees, EUR 31 thousand the purchase of safety equipment, the disinfection of premises and other operational needs, EUR 4 thousand for the cancellation of business trips during the quarantine period.

21 Subsequent events

There were no subsequent events that could materially affect the Company's financial statements prior to the date of approval of the financial statements.