Litgrid

LITGRID AB

CONDENSED INTERIM FINANCIAL STATEMENTS, PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION (UNAUDITED), FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2025

CONFIRMATION OF RESPONSIBLE PERSONS

8 August, 2025, 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 Financial Officer 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 six months period ended 30 June 2025 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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Litgrid

MANAGEMENT REPORT

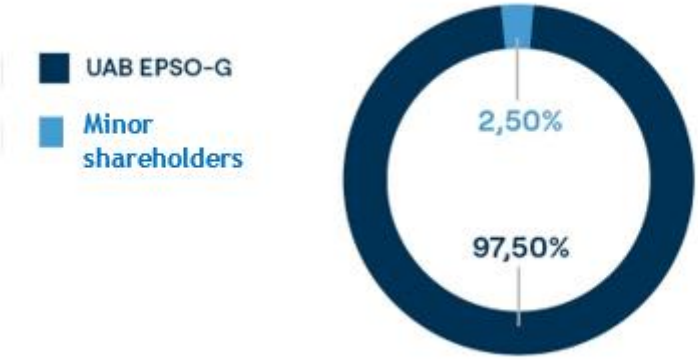
1.BASIC DETAILS

The report has been prepared for the period ending 30st June 2025.

1.1 The issuer and its contact details:

Name	LITGRID AB (Litgrid or the Company)
Legal form	Public limited liability company
Date and place of registration	16 November 2010, the Register of Legal Entities of the Republic of Lithuania
Company code	302564383
Registered office address	Karlo Gustavo Emilio Manerheimo g. 8, LT-05131, Vilnius
LEI code	529900CTIUKTEFNNH157
Registry	State registry centre
Address for correspondence	Karlo Gustavo Emilio Manerheimo g. 8, LT-05131, Vilnius
Telephone	+370 707 02171
Email and website	info@litgrid.eu; www.litgrid.eu

Litgrid is a part of the EPSO-G group of companies:



EPSO-G UAB is a state-owned group of energy transmission and exchange companies. The rights and obligations of the shareholder of holding company EPSO-G UAB are implemented by the Ministry of Energy of the Republic of Lithuania. EPSO-G UAB owns 97.5 % of shares of Litgrid.

Shares of other companies owned by Litgrid:

Title	Baltic RCC OÜ
Country of incorporation	The Republic of Estonia
Registered office address	Harju maakond, Tallinn, Mustamäe linnaosa, Kadaka tee 42, 12915
Litgrid's shares	33,3 of shares and voting rights attached thereto
Major changes	No major changes

Baltic RCC

The Baltic Regional Coordination Center (RCC) provides network security services to the electricity transmission system operators of the Baltic countries - Litgrid of Lithuania, Elering of Estonia and AST of Latvia. RCC was established by the operators of the Baltic electricity transmission system of the three states in accordance with the requirements of the European Union's Clean Energy Package. The Baltic RCC is one of six European regional coordination centers.

The RCC implements five main tasks: calculates the capacity of the power line between countries, assesses the reliability and adequacy of the systems, plans to disconnect the line, and develops a model of the overall network. All this helps to ensure the smooth operation of the countries, which work more and more closely every day operating in the common network of continental Europe.

1.2. Activities of Litgrid

Litgrid is Lithuanian electricity transmission system operator (TSO).

Litgrid's main activities: The company is responsible for maintaining the balance of electricity consumed and produced in the Lithuanian electricity system and reliable transmission of electricity, carries out strategic Lithuanian electricity projects, bases its vision and strategic operational guidelines on the principles established in the National Energy Independence Strategy (hereinafter - NEIS) for long-term purposes.

The most important areas of activity and responsibilities of Litgrid: support of the country's electricity infrastructure and integration with continental and Northern European electricity infrastructure; development of the electricity market and participation in the creation of a common electricity market of the Baltic States and Europe; Integration of the electricity systems of Lithuania and continental Europe for work in synchronous mode. By implementing the program of synchronization with continental European networks, in which the Company is tasked with implementing projects of strategic importance approved by the Government of the Republic of Lithuania.

By systematically performing daily functions, ensuring uninterrupted and smooth operation of the electricity transmission system, implementing projects of national importance, the Company aims to create value for its customers - the Lithuanian society.

Litgrid not only transmits electricity through high-voltage lines, but also takes care of the reliability of the entire transmission network: it is important for us that electricity is always supplied to electricity consumers, and if a fault occurs, it is removed as soon as possible. Reliability of electricity supply is a guarantee of economic growth.

2. BUSINESS ENVIRONMENT

2.1 Business model

Litgrid is a Lithuanian-wide electricity transmission system operator. The Company maintains high-voltage electricity transmission networks and secures the stable operation of the country’s electricity system, manages electricity flows, and creates conditions for competition in the free electricity market, it is responsible for the integration of the Lithuanian electricity system into the European electricity infrastructure and the single electricity market.

Electricity transmission is an intermediate link between electricity generation and distribution to consumers. The voltage of transmission networks is high or very high (110-440 kV). Electricity transmission networks consist of electricity transmission lines with substations. Electricity lines are connected in the electricity substations that contain the switchyards of a higher and lower voltage and the transformers linking them. In the substation transformers voltage is reduced to the voltage of distribution networks.

Electricity transmission is a licensed activity. Prices of the electricity transmission service are regulated by the National Energy Regulatory Council (NERC) that sets the price caps for these services.

2.2 Services provided by electricity transmission system operator Litgrid

Electricity transmission over high voltage (110-400 kV) electrical installations

The electricity transmission service is electricity transmission over high voltage (400, 330, 300 and 110 kV) electrical installations. The transmission system operator transmits electricity from producers to consumers that are connected to the transmission network, and to the operators of the distribution networks.

The main activities of the TSO include the management of the high voltage electricity transmission network and securing reliable, effective, high-quality, transparent and safe transmission of electricity.

Additional services

To maintain reliable system operation, Litgrid purchases frequency restoration reserve, steady-state voltage regulation, system start-up after a total accident, availability of electricity generation facilities and isolated operating reserve services from electricity producers and provides additional services to consumers. Frequency restoration reserve is required when there is a sudden unplanned decrease in electricity production or an increase in its consumption.

Trade in imbalance and balancing electricity

Litgrid ensures the country's electricity production and consumption balance. Imbalance electricity is electricity that is consumed or produced without complying with established electricity consumption or production schedules. Litgrid organizes trade in imbalance electricity, buys and sells imbalance electricity necessary to ensure the country's electricity production and consumption balance.

Balancing electricity - electricity purchased and/or sold at the request of the transmission system operator, required to perform the function of balancing the country's electricity consumption and production. Litgrid organizes trading in balancing electricity at the auction. Balancing energy suppliers and transmission system operators from other countries who have the technical capabilities to promptly change electricity generation and consumption regimes and have concluded a relevant agreement with Litgrid participate in it.

Issuance and administration of guarantees of origin

Under the regulation of the Minister of Energy of the Republic of Lithuania, Litgrid has been appointed as an entity authorized to carry out the supervision and control of the issuance, transfer and cancellation of guarantees of origin of electricity produced from renewable energy sources, as well as the use of guarantees of origin, as well as guarantees of origin issued by other member states and third countries. functions of recognition in the Republic of Lithuania. Guarantee of origin - an electronic document, the sole purpose of which is to prove to the end user that all or a certain part of the energy was produced from renewable energy resources.

2.3 Customers of the transmission system operator

Litgrid's direct customers are electricity transmission grid users and suppliers of disbalance and balancing electricity.

The clients of the transmission network are as follows:

- Distribution network operators ESO, Dainavos Elektra UAB;
- Electricity consumers whose electrical installations are connected to the electricity transmission network and who purchase electricity for use;
- Electricity producers and battery parks connected to the electricity transmission network, battery park developers.

The suppliers of imbalance and balancing electricity include the electricity producers, battery parks and suppliers.

2.4 Operating indicators of electricity transmission and the network's reliability

In accordance with the requirements approved by the NERC for reliability and quality of service of electricity transmission, the following indicators are used to determine the transmission reliability level: ENS (energy not supplied), i.e. the quantity of electricity not transmitted due to interruptions, and AIT (average interruption time), i.e. the average interruption duration in electricity transmission.

TSO's operating indicators	2025 HY	2024 HY	2023 HY
Quantity of electricity transmitted million kWh	4 459	4739	4 718
ENS (Energy Not Supplied due to interruptions), MWh *	5.735	10.64	2.626
AIT (Average Interruption Time), min. *	0.225	0.38	0.313

*NERC has determined that AIT should not exceed 0.934 min and ENS should not exceed 27.251 MWh throughout the year.

2.5 Electricity interconnections

The reliably functioning interconnections are an essential part of the system enabling it to operate together with the energy systems of other Western and Northern European countries and to develop a single European market.

LitPol Link is a double-circuit transmission line from Alytus in Lithuania to Elk in Poland and the Alytus back-to-back converter. The LitPol Link interconnection was available to the market 99.08% of the time throughout period until February 9, 2025. Since February 9, LitPol Link has been operating in alternating current mode, with the market capacity of the connection assessed on the basis of frequency stability in order to ensure the reliability of the operation of the Baltic power systems. From February 9th to June 30, the Poland-Lithuania section dedicated to the market (at least 70 percent of capacity) was ensured 99.3% of the time, and Lithuania-Poland - 100% of the time. During the first half of 2025 scheduled works for the interconnection had a major impact on the unavailability of the LitPol Link interconnection.

The NordBalt electricity interconnection is one of the longest submarine cables in the world, the operation of which significantly increases safety of energy supply to Lithuania and the Baltic States. The NordBalt interconnection was available to the market 97.38 % of the time in the first half of 2025. Scheduled repair works on Swedish side had a major impact on the unavailability of the NordBalt interconnection.

2.6 Maintenance

In Lithuania, Litgrid employees maintain approximately 7011.29 km of overhead lines and 347.79 km of cable high-voltage lines, as well as 247 transformer substations and switchyards, 2 high-voltage direct current converters.

Continuous repair and maintenance work of transmission network objects directly affects the reliability of the operation of the electricity system and the transmission of electricity. Scheduled work in the transmission network is carried out at the periodicity established by the legal acts of the Republic of Lithuania, responsibly assessing the quantities and scope of work, guided by the actual condition of the equipment and the need to ensure reliable operation of the network and the efficient use of financial funds.

Litgrid, when carrying out transmission network reconstructions in cities, is replacing overhead lines with cable lines at the approaches to cities. In the first half of 2025, the cabling of the Šiauliai - Zokniai overhead line was completed, totalling 5.725 km. Such solutions reduce visual pollution, narrow the protection zone of the power transmission line and expand land areas for the development of economic/commercial activities.

Litgrid is successfully restoring the emergency reserve. To increase the resilience of its operations, the Company is purchasing equipment and materials for the emergency reserve.

3.OPERATING AND REGULATORY ENVIRONMENT

The strategic goal of Litgrid is the integration into the European market. The Company's activities are also affected by the development trends of the objectives and targets of the European Union.

3.1 Energy sector environment in the EU

On February 9, 2025, the Baltic countries implemented the synchronization of their electricity networks. This important event had no direct impact on the electricity market (day-ahead) price, as commercial electricity trading with Russia and Belarus has not taken place since 2022 and 2020, respectively. Since the moment of synchronisation, the Baltic countries' electricity transmission operators have been responsible for the safe management of the system, with the new Baltic balancing capacity markets contributing to this. In December 2024, Litgrid joined the European electricity balancing energy platforms MARI, and in March this year, PICASSO. All these changes ensure greater integration into the common European market, increase competition, and focus on balancing, the importance of which has been growing rapidly in recent years due to the expansion of renewable resources.

In the first half of 2025, Lithuania achieved record local electricity production. According to preliminary data, power plants generated as much as 84.5% of the total electricity consumed and 80% of the total electricity demand in Lithuania during the first half of the year. In the last six months, local production in Lithuania exceeded 900 GWh for five out of six months, although in 2024, not a single month reached even 800 GWh. The significant growth in the capacity of solar and wind power plants in recent years has led to Lithuania's decreasing dependence on electricity imports.

The wind power plants generated the largest share of electricity produced in Lithuania in the first six months of the year – about 2.2 TWh, or 41% of total production in Lithuania. Solar power plants generated another 19%, or 1 TWh. This is 73% more than the production of solar power plants in the first half of 2024, when their generation reached 0.6 TWh. The remaining 40% was electricity generated by hydroelectric, thermal, and other power plants.

Electricity consumption in the first half of 2025 reached 6.4 TWh. This is approximately 4% more than in the first half of last year. Although electricity consumption is growing due to electrification in the heating, transport, and industrial sectors, this is partly offset by the rapid increase in the number of prosumers, who generate and consume electricity locally.

Import flows in Lithuania accounted for only 20% in the first half of 2025. The largest import flows reached Lithuania from Sweden via the NordBalt interconnector. By July, imports from Sweden amounted to approximately 2 TWh of electricity, while exports amounted to 0.2 TWh. Import and export volumes with neighbouring Latvia were lower – imports amounted to 0.5 TWh and exports to 0.9 TWh. Imports from Poland amounted to around 0.26 TWh and exports to 0.33 TWh. Trade with Poland decreased significantly after the synchronization on February 9, when the LitPol Link connecting Poland and Lithuania became more restricted for commercial trade. We also restrict the Lithuania-Latvia section, but this has a much less frequent impact on the market. These restrictions help the Baltic countries to operate safely in the European synchronous area.

In most European countries, electricity prices rose slightly compared to 2024, largely due to the increase in natural gas prices in February. However, in Lithuania, the average day-ahead electricity price on the exchange in the first half of 2025 was 85.7 EUR/MWh, or 2% less than last year's average price of 87.3 EUR/MWh. Prices also decreased in other Baltic countrie. In Polish and German trading areas prices were bigger, with average electricity prices in the first half of the year reaching EUR 101/MWh and EUR 91/MWh, respectively.

3.2 Regulatory environment in Lithuania

Electricity transmission activities carried out by Litgrid are licensed activities. The licence grants exclusive rights to provide transmission services in Lithuania, thus the prices of services are regulated by the state. The regulatory function and supervision of the licensed activities in Lithuania are performed by the National Energy Regulatory Council.

The decisions taken by the regulator directly affect Litgrid's financial performance, the funds available for necessary operating costs, investments to ensure the reliability of the electricity transmission system, as well as the ability to finance strategic and other development projects with own or borrowed funds. The price of the electricity transmission service shall be regulated by setting a price cap for the five-year regulatory period and a component for the acquisition of ancillary services on top of the price of the transmission service. The price cap shall be adjusted each year in response to changes in the volume of services, inflation and other objective factors beyond the control of the operator and may be adjusted no more than twice a year.

The price cap shall consider the reasonable indispensable costs of the regulated activity and a reasonable return on investment, calculated as the product of the rate of return on investment (WACC) and the value of the regulated assets (RAB).

4. COMPANY'S STRATEGY AND STRATEGIC PRIORITIES, PLANNING

4.1 Litgrid strategy

In 2025, aiming to contribute to the development of a reliable and climate-neutral energy system, to foster the growth of high value-added industries and to support the development of exports of green energy and its products, Litgrid updated its Strategy 2035. More details on the new Energy Strategy by 2035 of the EPSO-G are available on Company's website.

Vision, mission and purpose

The updated Litgrid's Strategy, together with the companies of the EPSO-G Group, highlights the Group's common mission - to accelerate energy independence and increase system reliability, and its vision - to enable green transformation, while ensuring the interests of energy and national security.

OUR PURPOSE

To power a confident and green future in an ever-changing world

OUR VISION

To enable the transformation of the energy industry while simultaneously safeguarding national security interests

OUR MISSION

To accelerate energy independence and enhance system security

Values

Implementation of the mission, pursuit of the vision and all activities Litgrid are based on the fundamental human and professional values: openness, responsibility and reliability. Litgrid team's behaviour is reflected in values:

Open

1. I accept diversity, listen to other people's and express my own opinion, and treat everyone with respect.
2. I am growing, engaging, learning, and helping others to grow.
3. I share knowledge and expertise, collaborate and endeavour for consensus.

Responsible

1. I respect others' time, effort and work.
2. I take initiative and act after evaluating the impact on people and nature.
3. I do what I commit to and more, and I perform efficiently.

Reliable

1. I act professionally, work safely and follow best practice.
2. I create value for clients, colleagues and partners by offering solutions and acting on them.
3. I care about our customers and partners, our colleagues and society.

Three fundamental commitments and strategy structure

We base Litgrid Strategy 2035 on fundamental commitments to our stakeholders: to build the infrastructure of future, to ensure reliability and security, and to be reliable strategic partner. To deliver on our strategic objectives, we rely on a range of empowerment tools: financing, innovation and digitalisation, partnerships, asset development and management, improving supply chains and procurement.

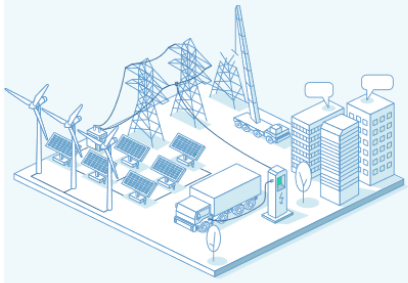
Driver of tomorrow's infrastructure

1 We see the transformation of the energy sector as a **fundamental change**. Our goal is to **provide the infrastructure** upon which the **net-zero energy system** will be based.

Provider of security and reliability

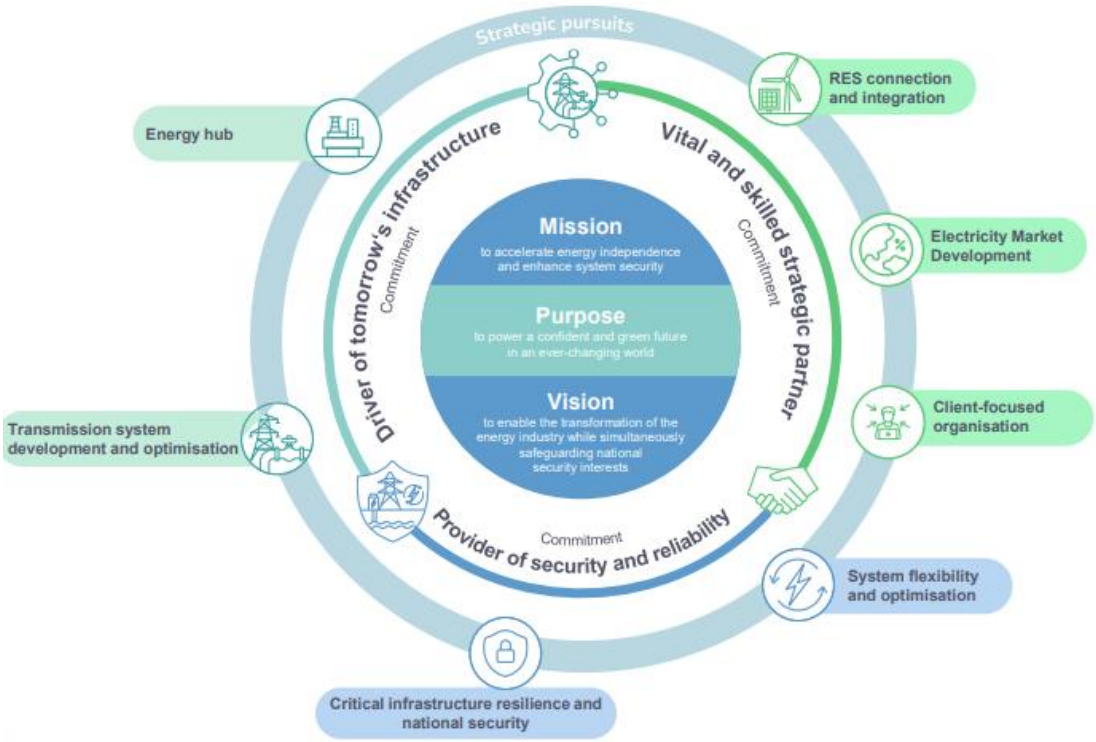
2 We aim to **enhance resilience and reliability** within and beyond the energy sector, strengthening **system flexibility and national security**. Our work is essential for a reliable future.

Reliable and skilled strategic partner



3 Energy **transition** requires a **close** cooperation of various industry peers, investors and governments. Our goal is to be **reliable partners** in developing environmentally friendly infrastructure and markets.

In its strategy, the Company is committed to expanding existing main activities and to build new ones. Their interconnections are reflected in the strategy structure.



4.2 Measures for the implementation of the strategy

Litgrid Strategy is based on the value created for the key stakeholders. The Company has defined the value it creates through strategic indicators (financial, sustainability and performance (operational), which are grouped according to their benefits to stakeholders. They represent Litgrid's main objectives to 2035 that will be used as a benchmark in assessing the Company's Strategy success.

4.3 Major projects of Litgrid to 2035 and the value they create

The implementation of Litgrid's new strategy envisages numerous ambitious projects to deliver strategic objectives. Below are the most important projects to be developed:

While the synchronization with the Continental European networks took place on 9 February 2025, the projects to complete the synchronisation programme are underway. They will strengthen the integration of electricity markets and increase the stability of the electricity system. Plans for 2025 include the connection of a third, the Neris synchronous condenser, completion of the construction of the 330 kV overhead transmission lines Vilnius–Neris and Kruonis PSHP-Bitėnai, and completion of the reconstructions of the 330kV Neris transformer substations and 330 kV Darbėnai and Mūša switchyards.

After project changes in 2024, the construction of Harmony Link interconnector continues, and will increase electricity trade with Western Europe. The design works of the Link are scheduled to be launched already in 2025, and to have it developed in 2031. Following the decision of the participating countries for the onshore construction of the line, the options for early completion of the project by 2030 are being explored.

Strengthening resilience of energy infrastructure

Strengthened
physical and cybersecurity in Litgrid

In the context of Russia's large-scale invasion of Ukraine from February 2022, the scale of the destruction of strategic energy infrastructure and the geopolitical circumstances in the region, called for the decision to strengthen the resilience of energy infrastructure of strategic and major importance to Lithuania against hybrid threats. The programme is designed to ensure the protection of the critical electricity transmission system infrastructure operated by the Company from destruction or disruption, and to put in place the necessary measures to ensure the resilience of the electricity system, to prevent threats and to prepare for potential crises.

4.4 Studies and research

Study on strengthening interconnections

In 2023–2024, a joint study was conducted by Lithuanian and Latvian (AST) operators to analyze the need to strengthen the interconnection capacity between Lithuania and Latvia. The study concluded that power flows between the Lithuanian and Latvian systems will increase significantly by 2040 – the interconnection will be fully utilized for more than 30% of the year, so it is necessary to increase its capacity.

In the first half of 2025 there was an additional made in perspective of 2050 for the Lithuania-Latvia section.

At the end of 2024, more detailed calculations were performed and power flows through the Lithuania-Latvia interconnection were analyzed. It was discovered that the existing 330 kV Darbėnai - Klaipėda line is the most heavily loaded. This situation arises because high-power sources are planned for both the Darbėnai and Klaipėda substations (offshore wind farms in Darbėnai and the NordBalt interconnector in Klaipėda). Meanwhile, the 330 kV Darbėnai - Bitėnai line is three times longer than the Darbėnai - Klaipėda line, so its resistance is significantly higher, which results in a lower power flow through this line.

To manage this situation, it is necessary to install a special device on the Klaipėda - Darbėnai line that can increase the line's resistance and thus reduce the power flow. In order to ensure the possibility of transmitting the planned higher power flows through the Lithuania–Latvia section, it is necessary to plan new 330 kV lines and strengthen the capacity of existing ones in western Lithuania and Latvia.

Of the possible alternatives for strengthening the section analyzed in the study, the following was proposed as the most suitable and beneficial: reconstructing the existing 330 kV overhead line between Darbėnai and Grobinė, converting it into a double-circuit line, as well as constructing a new 330 kV power transmission line between Varduva and Broceni and implementing internal projects in both the Lithuanian and Latvian transmission networks.

Assessment of the adequacy and flexibility needs of the Lithuanian electricity system for 2028–2035

Litgrid has announced an international procurement tender for a study assessing the adequacy and flexibility needs of the Lithuanian electricity system for 2028–2035.

The aim of the study is to assess the adequacy of the Lithuanian electricity system according to current sensitivity scenarios, to perform a national assessment of system flexibility needs based on the results obtained, and to present solutions regarding the scope of flexible generation capacity needs and the development model.

The preliminary results of the study are planned for the first quarter of 2026, with completion scheduled for the second quarter of 2026.

4.5 10-year development plan of the electricity transmission networks

The company, taking into account the strategic objectives and/or progress targets set out in the National Progress Plan and other strategic planning documents, and (or) the National Energy and Climate Action Plan, and taking into account the adequacy of the electricity system, the need to ensure the security and reliability of electricity supply, as well as the quality of electricity supply to consumers, energy efficiency, management and environmental protection requirements, with a view to improving the conditions for the use of the electricity system, it shall plan the long-term development of the electricity system and effective measures to ensure the adequacy of the electricity system's capacity and the security of electricity supply to consumers. In accordance with these requirements, the company prepares a 10-year transmission network development plan and submits it to NERC every two years by 1 July.

Litgrid's approved and valid 10-year electricity transmission network development plan is published on the Company's website: litgrid.eu/uploads/files/dir735/dir36/dir1/19_0.php

5.STRATEGIC PROJECT IMPLEMENTATION

One of the fundamental directions of the implementation of the National Energy Independence Strategy of the Republic of Lithuania adopted by the decision of the Parliament on 21 June 2018 establishes the connection of the electricity system of the Republic of Lithuania to the continental European networks for operation in a synchronised mode (the Synchronisation).

On February 9, 2025, the Synchronization Program implemented by Litgrid since 2019 reached its most important milestone: after conducting an isolated operation test of the Baltic States together with the regional transmission system operators, it was successfully connected to the continental European networks. This step had a dramatic significance not only for the development of the electricity system of Lithuania or the Baltic States, but also for the entire European electricity system, strengthened the energy independence of the Baltic States and accelerated the integration of the electricity systems of these countries into the European electricity market.

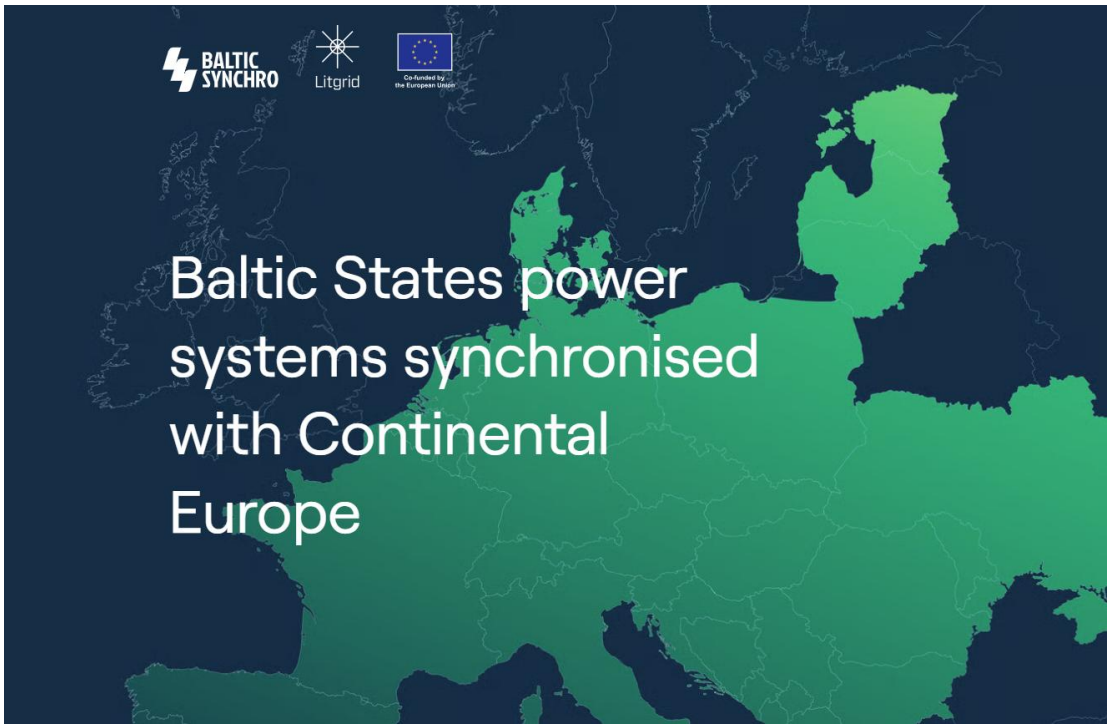
It is expected that by the end of 2025, the Continental Europe Regional Group (CE) of the ENTSO-E System Operations Committee will approve the permanent status of the synchronous connection of the Baltic States to the continental European networks.

Even after the connection of the Lithuanian electricity system to the continental European networks, the Synchronization Program activities will continue to be implemented in accordance with the 2024 The guidelines for the implementation of the updated Electricity System Synchronization Project and the Action and Measures Plan for Strengthening the Security and Reliability of the Electricity System (hereinafter referred to as the “PPP”) approved by the Government of Lithuania in March 2020. Litgrid is responsible for the implementation of 20 out of 22 projects mentioned in the updated version of the plan. As of 30 June 2025, 12 projects have been completed.

According to the requirements of the Republic of Lithuania Law on the Protection of Objects of Importance to Ensuring National Security, before the conclusion of transactions that comply with the requirements of this law, in all cases Litgrid informs the Commission for Coordination of Protection of Objects of Importance to Ensuring National Security about such transactions. Such transactions are concluded only upon the receipt of the commission’s conclusions.

5.1The status of the implementation of the main strategic projects

The stage of completion of the strategic projects under the synchronisation programme reached 90.09 % on 30th June 2025.



5.2 Strategic infrastructure projects

Reconstruction of the 330/110/10 kV Neris transformer substation

The aim of the project is to reconstruct the Neris transformer substation to enable the planned connection of one of three synchronous compensators to the transmission network and the launch of operation of to be constructed 330 kV Vilnius-Neris electricity transmission line. This is one of the most important projects related to the synchronisation with the continental European networks that strengthens the country's network for electricity transmission.

On March 27, 2025, the project was completed with the commissioning of the 330/110/10 kV Neris transformer substation after reconstruction.

Construction of the 330 kV Kruonis PSHP-Bitėnai electricity transmission line

The aim of the project is to strengthen the electricity transmission network in the western part of Lithuania and to ensure its reliable operation by forming a new 330 kV transmission line, which is important for the smooth synchronous operation of the Lithuanian electricity system with the continental European electricity networks.

The project covers the reconstruction of a part of the already existing line Jurbarkas-Bitėnai by replacing a single-circuit line with a double-circuit line.

On 30 May 2025, after the completion of construction work in the project Construction of 330 kV electricity transmission line Kruonis PSHP-Bitėnai, the line was switched on and construction completion certificates were received. By the end of July 2025, it is planned to complete the arrangement of the design documentation and complete the project.

Construction of the 330 kV Darbėnai-Bitėnai electricity transmission line

The aim of the project is to strengthen the electricity transmission network in the western part of Lithuania and to ensure its reliable operation by forming a new 330 kV transmission line, which is important for the smooth synchronous operation of the Lithuanian electricity system with the continental European electricity networks.

With the commissioning of the Klaipėda-Bitėnai line in 2025, the scope of the project has been completed and all guidelines related to this project have been met.

Installation of new synchronous condensers in the Lithuanian electricity system

The aim of the project is to implement the necessary measures for the synchronisation with the continental European networks: installation of three synchronous condensers, thus ensuring the required quantity of inertia and the dynamic stability of the system in the most efficient way.

Already in November 2024, the Telšiai synchronous compensator was taken over for operational operation, and on February 6, 2025, the Alytus synchronous compensator was taken over.

On June 21, 2025, the trial operation of the Neris synchronous compensator was successfully completed, during July it is planned to obtain the necessary permits for the Neris SK to be turned on, and by the end of the third quarter of 2025, the construction completion procedures will be completed.

Construction of the 330 kV Mūša switchyard

The project's aim is to strengthen the electricity transmission network of Western Lithuania and ensure its reliable operation by building a new 330 kV Mūša switchyard and connecting to it three overhead lines to Telšiai, Šiauliai and Viskali.

In the first half of 2025, the installation of essential electrical equipment was completed, on June 25, the work of connecting the switchyard to the Šiauliai-Viskali line began, and the adjustment work continues. The switchyard is expected to be commissioned in October 2025.

Construction of a new 330 kV Vilnius-Neris electricity transmission line

The project's aim is to strengthen the electricity hub in Vilnius by ensuring the reliability of electricity supply after the synchronisation with the continental European networks and meeting an increasing demand for electricity in the capital, by constructing the 330 kV electricity transmission line linking the Vilnius and Neris 330 kV transformer substations. To this purpose, a part of the existing 330 kV overhead line Vilnius-Molodečno will be reconstructed and a section of the new line to the Neris 330 kV substation will be constructed.

Results for the first half of 2025: all physical installation work has been completed, tuning and preparation for commissioning at the end of July are underway.

Construction of the 330 kV Darbėnai switchyard

The project's aim is to enhance the reliability of the transmission network and security of electricity supply during the synchronous operation of the Lithuanian electricity system with the continental European networks by building a new 330 kV Darbėnai switchyard and connecting to it three overhead lines with the voltage of 330 kV to Bitėnai, Klaipėda, Grobinė. The interconnections with the wind power parks will also be designed at the 330 kV switchyard.

On May 6, 2025, after the air lines Klaipėda-Darbėnai-Grobinė and Darbėnai-Bitėnai were turned on, the switchyard was fully operational. It is planned to complete the construction completion procedures by September 2025.

Construction of the Harmony Link interconnection

The aim of the project is to ensure the integration of the electricity market after synchronisation with the continental European networks by building a new connection (Harmony Link) with Poland. Harmony Link will ensure commercial electricity trade after the synchronisation of the Baltic States with the continental European networks.

In implementing the alternative chosen in 2024 to build a land connection, a contract for the design services of the transmission line and substation was signed in April 2025, and in May 2025, the concept of the engineering infrastructure development plan of the project of special national importance and the strategic environmental impact assessment (SEA) report were approved, i.e. the II stage of territorial planning was completed.

5.3 Strategic energy system management projects

Isolated operation tests of the Baltic power systems

On 8 February 2025 at 9:09, after disconnecting all interconnections with the power systems of the Russian Federation and the Republic of Belarus, the isolated operation test of the Baltic power systems was launched, which was successfully completed the next morning, thus providing opportunities for synchronous connection to the continental European networks. This connection was successfully completed on 9 February 2025 at 14:05.

The test report was approved on 25 June 2025 at the meeting of the ENTSO-E Continental Europe Regional Group.

Installation of the Frequency Stability Assessment System (FSAS)

The aim of the project is to install a system to ensure the frequency stability of the Baltic electricity system in the event of an unforeseen disconnection from the continental European grids and in the event of islanding of the Baltic electricity system.

In 2025, after implementing, testing and deploying the developed software, Litgrid approved the system's commissioning, the project guideline was met, and the project was fully completed.

Development of a new energy balance and ancillary services management system

The aim of the project is to update processes and create a system related to balancing and imbalance accounting and balance management, in line with the implementation of European Commission Regulation 2017/2195 of 23 November 2017 laying down guidelines for electricity balancing.

On 4 March 2025, Litgrid joined the European PICASSO and IGCC platforms, which provide the opportunity to participate in energy imbalance netting on a European scale. The system currently provides for successful functioning with aFRR and mFRR balancing mechanisms and work in the Baltic balancing market.

5.4 Other projects

Litgrid's activities contribute to the development of green energy in Lithuania and, in its role as the electricity transmission network operator, Litgrid implements projects for the connection of renewable energy sources to the transmission network. These projects result in the connection of green electricity producers to the transmission network, enabling electricity consumers to use clean and sustainable energy.

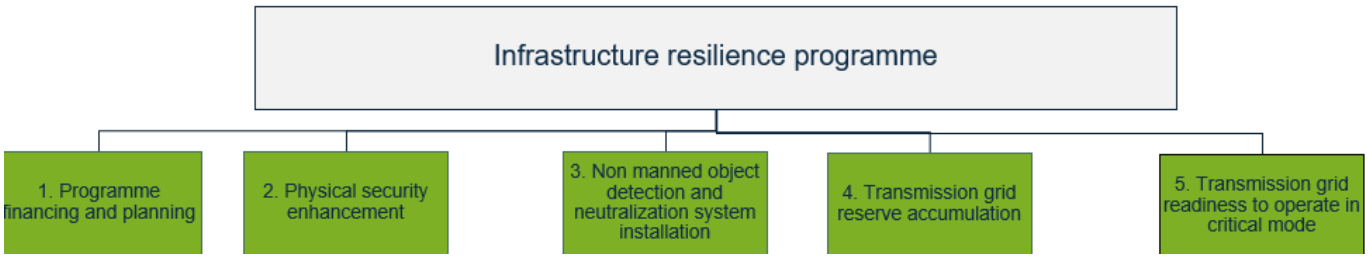
Having assessed the security aspects of the Lithuanian electricity system in emergency synchronous operation with Poland or isolated operation scenarios, especially after desynchronization and disconnection of all lines with Russia and Belarus, the need to connect the eastern and northwestern parts of the Lithuanian electricity system, increasing national energy security, ensuring reliable electricity transmission, supplying consumers of new technologies (for example, the hydrogen industry) and creating better conditions for the development of offshore and onshore wind and solar parks, electricity market integration, maintaining and increasing the throughput level of the interconnection with Latvia, the Northwestern and Eastern Electricity Transmission Networks Interconnection Project has been launched. It consists of the construction of the 330 kV Darbėnai - Varduva -Mūša electricity transmission lines, the 330 kV Panevėžys-Mūša electricity transmission line and the 330 kV Varduva transformer substation. In May 2024, the project was recognized as a project of special national importance.

In the first quarter of 2025, Litgrid, in cooperation with the Latvian TSO Augstsprieguma tīkls, prepared a study on strengthening the Lithuanian-Latvian interconnection and, based on the study's conclusions, Litgrid initiated the Interconnection Strengthening Project. The project consists of the following electricity transmission system infrastructure projects: the aforementioned North-West and East electricity transmission network interconnection project (consisting of the construction of the 330 kV Darbėnai–Varduva–Mūša and 330 kV Panevėžys–Mūša transmission lines and the construction of the 330 kV transformer substation "Varduva"); construction of the 330 kV Varduva-Broceni electricity transmission line; construction of shunt reactors at the 330 kV Darbėnai and Mūša switchyards; reconstruction of the 330 kV Darbėnai-Grobinė overhead line; construction of a power flow limitation device; reconstruction of the 330 kV Panevėžys-Jonava overhead line; Reconstruction of the 330 kV overhead line Jonava-Lietuvos E; Reconstruction of the 330 kV overhead line Šiauliai-Mūša; Reconstruction of the 330 kV overhead line Panevėžys-Aizkrauklė; Reconstruction of the 330 kV overhead line Mūša-Viskali.This project has been submitted to the Government of the Republic of Lithuania for recognition as a project of national importance. Part of the project investments have also been included in the European Union's (ENTSO-E) Ten-Year Network Development Plan 2024 (TYNDP 2024) and proposed for the initial list of the 2nd European Union list of Projects of Common Interest and Projects of Mutual Interest (PCI-PMI).

In May 2025, the electricity system operators of Lithuania, Latvia and North-East Germany – Litgrid, Augstsprieguma tīkls and 50Hertz – submitted a joint application for the inclusion of the Baltic Hub hybrid offshore electricity interconnection project in the ENTSO-E Ten-Year Electricity Development Plan (TYNDP) for 2026. The Baltic Hub project is a planned 2 GW, 600 km long hybrid electricity interconnection that will connect the electricity markets of the Baltic States and Germany and increase the flexibility of all systems. The coordinated development of the internal networks of the Baltic States would ensure that renewable energy sources developed on land and at sea are accessible to both our network users and can offer a stable electricity supply through the planned interconnection. In 2025-2026, the operators will actively implement further studies related to the project in order to fully assess the economic, technical, regulatory and financial issues of a project of such a scale.

In the first half of 2025, Litgrid began implementing a resilience program worth more than EUR 140 million, designed to reduce the vulnerability of critical infrastructure in the event of hybrid attacks. After synchronization with continental Europe, the system's increased autonomy has made it extremely important to ensure the continuity of its operations even in the event of incidents.

One of the most important areas of the program is physical protection, designed to protect critical elements of the electricity grid from intentional or unintentional physical threats. The most important Litgrid facilities - transformer substations and switchyards - will be equipped with various physical protection measures. Advanced electronic systems will also be installed, ensuring operational identification of events and response in various circumstances. Taking into account the growing threats from the air, Litgrid, together with the Public Security Service, the Lithuanian Armed Forces and other Lithuanian energy companies, is installing measures to detect and neutralize unmanned aircraft.



In the first half of 2025, 8 new projects for the reconstruction of overhead lines and 1 for the replacement of relay protection in a transformer substation were initiated, which will contribute to ensuring the stability and reliability of the transmission network and will ensure the necessary bandwidth for connecting electricity producers from RES to the transmission network. In the first half of this year, contracts for one of the largest 330 kV overhead lines Šiauliai - Tytuvėnai and Tytuvėnai - Kaunas were signed. The total length of these reconstructed lines is about 134 km, and the total value of the contracts is over 58 million. Eur. The implementation of these projects will ensure the reliability of the network and the development of RES in central Lithuania.

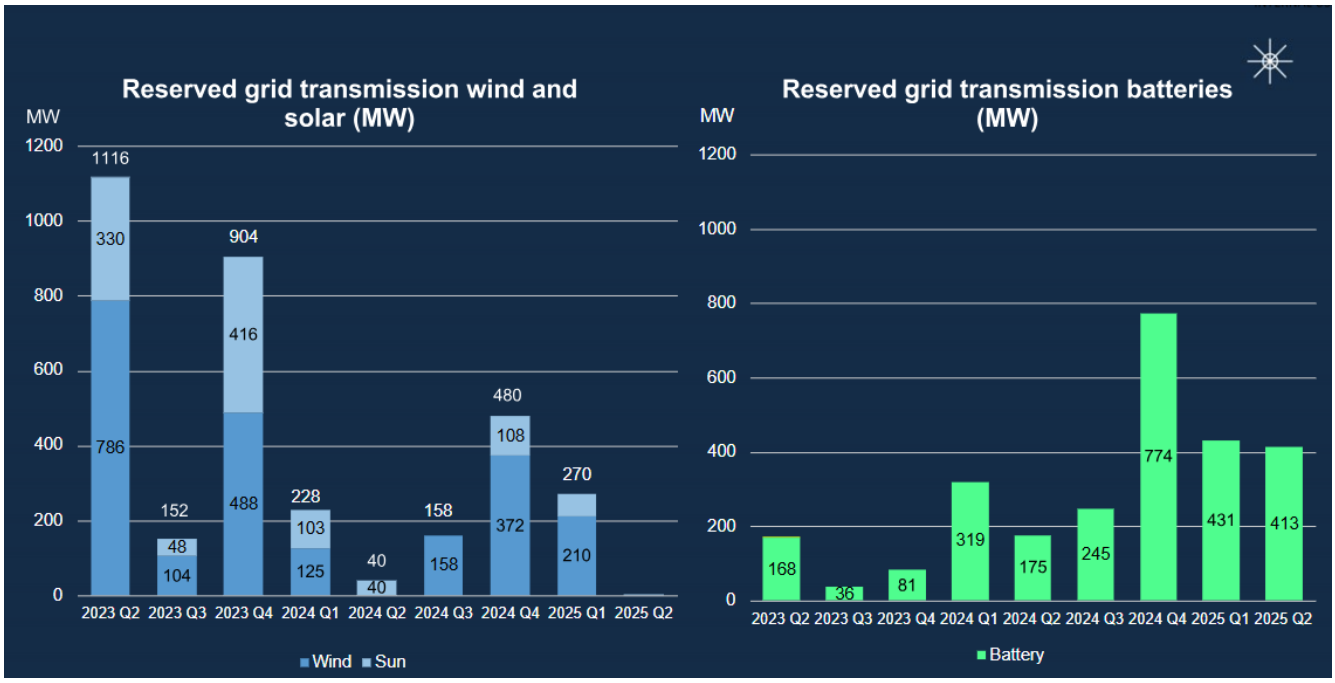
In the first half of 2025, seven transformer substation reconstruction projects were completed, and seven new transformer substation reconstruction projects were initiated. Currently, a total of 55 transformer substation reconstruction projects are being implemented.

5.5 Activities of the Renewable energy resource centre

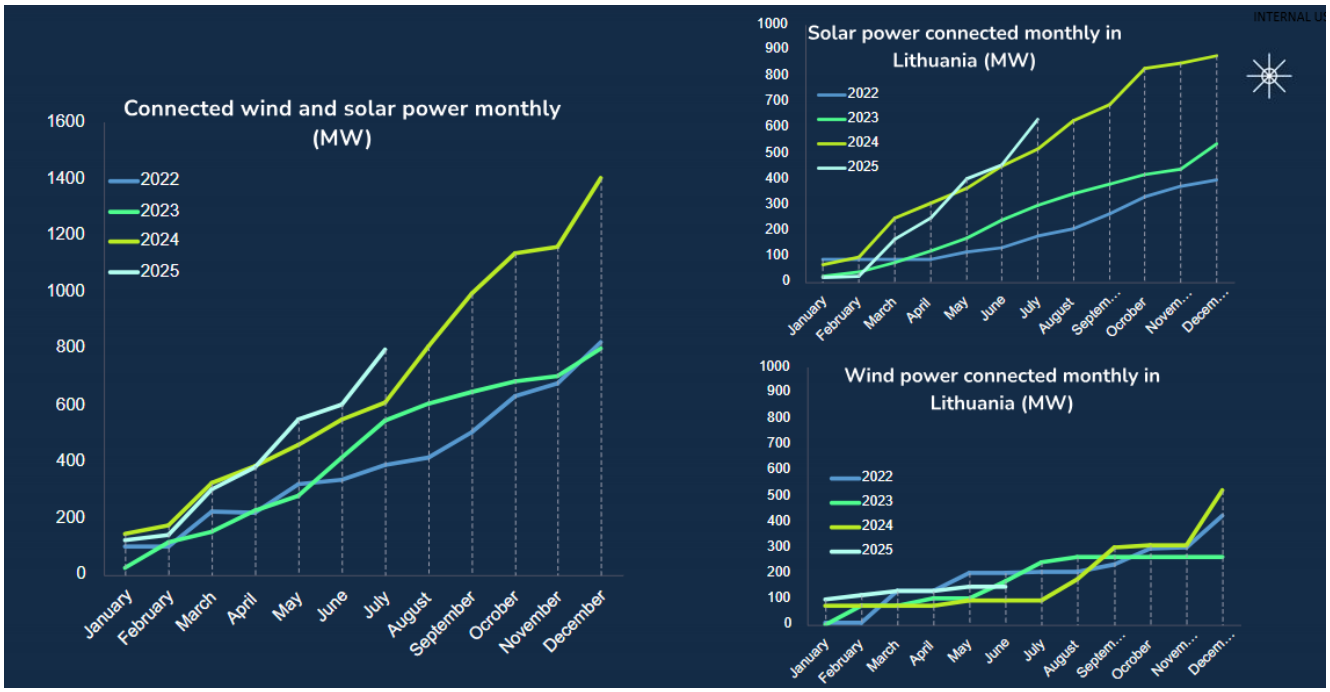
Litgrid pays great attention to the empowerment of renewable energy sources (RES). In 2022, the Renewable Energy Resources (RES) Centre was established and is operating smoothly, which, in order to ensure higher service quality, more effective cooperation and more targeted response to customer expectations, in 2024 paid special attention to improving customer satisfaction.

The RES Centre reviewed and optimized the RES connection processes, identified and constantly monitors process performance indicators (KPIs), which aim to control deadlines, standardize service quality and increase responsibility at all stages of the process. In order to increase the transparency of activities, informativeness and strengthen trust among stakeholders, the center expanded the scope of published data by publishing information on implemented and developing RES projects, reserved bandwidth parameters, and expanding the functionality of the bandwidth map. The efforts made are also reflected in the RES customer satisfaction GCSI index, which in 2024 increased by 34 points (2023 index 44 points, 2024 index 78 points).

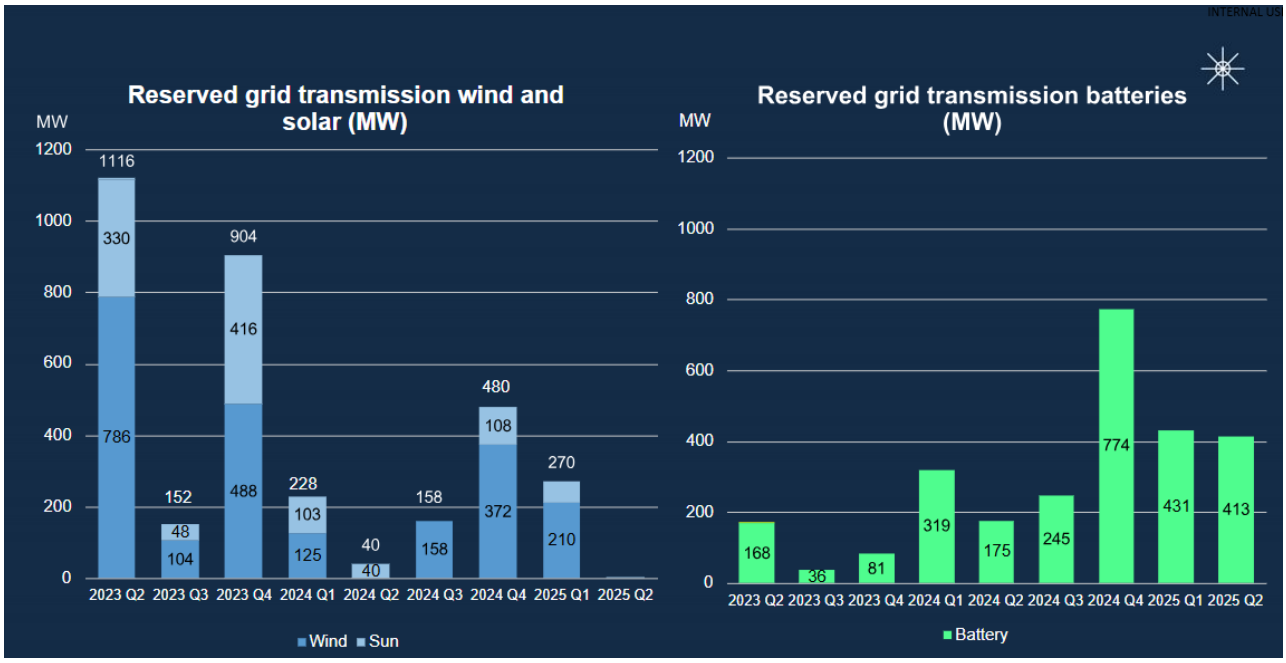
The first half of 2025 repeated the trend of 2024 - the initiation of new wind or solar power projects decreased, but the number of storage facility projects increased significantly.



At the end of 2024, 1990 MW of solar power plants and 1750 MW of wind power plants were connected to the electricity grid. In 2025, the pace of newly connected RES capacities is increasing and is the highest during the entire period of RES development in Lithuania:



A survey of developers predicts further growth in the connection of RES capacity, ensuring that 8.4 GW of RES generation capacity will be connected in Lithuania in 2028:



5.6 Financing of strategic projects

A total of EUR 360 million was allocated from the European Infrastructure Networks Facility for financing the implementation of strategic investment projects, there were no revenues in the first half of 2025, and a total of EUR 163.1 million was received (received) since the start of project implementation.

EUR 24.8 million of congestion management revenues were used to finance strategic projects in the first half of 2025.

Other investment projects in the first half of 2025 were financed by own funds and network users' funds and temporarily free congestion management revenues.

5.7 Project portfolio

In addition to the 10-year network development plan, the Company is forming a portfolio of investment projects for the next 1-3 years. The portfolio consists of projects that are necessary to achieve strategic state goals, ensure the reliability of the transmission network and electricity supply, upgrade or implement information technologies, or projects that are initiated by the electricity transmission network users.

5.8 Innovations

With its actions in the field of innovation, the Company seeks to contribute to the effective implementation of the Litgrid and National Energy Independence Strategies. This is done by creating an effective innovation ecosystem, in which innovative ideas are initiated, experts' time is allocated for their analysis and testing, they are implemented and applied in daily activities.

In the first half of 2025, the Company operated in the field of innovation in accordance with the directions of activity of the Company's innovation function, as well as the goals and indicators set by the Management Committee of the UAB EPSO-G Group of Companies on April 18, 2024.

Main emphases:

- increased attention to initiated significant, value-creating innovation projects and the search for synergy;
- the aim of becoming more involved in international projects and financing of such projects by the European Union and/or other innovation funds;
- the contribution of innovations to the development of new services and (or) products.

The R&D Activity Guidelines establish the concepts of scientific research and experimental development, innovation and innovative activities common to the entire Group, common R&D activity directions and priorities, classification principles and recommendations to transmission system operators regarding the allocation of funds for R&D activities. By the end of 2024, it is planned to review the provisions of the R&D Activity Guidelines in accordance with the updated decisions of the Group Management Committee.

In the first half of 2025, 35 new innovation projects were initiated. and two new measures were initiated. Currently, the Innovation Portfolio consists of 11 ongoing projects. The most important results of RDI activities in the first half of 2025:

Distributed Acoustic Sensing (DAS) system of the Nordbalt connection

Distributed Acoustic Sensing (DAS) technology allows real-time monitoring and continuous recording of the loads acting on the cable. The installed DAS system in the Nordbalt connection reduces the time for searching for a cable fault by up to 70 percent, which can usually last from several days to several months.

It is estimated that during one fault, using the DAS system, an average of about EUR 71 thousand can be saved in cable fault search costs. Having assessed the losses incurred by Litgrid during a single Nordbalt cable fault, which arise from uncollected overload revenues, a more efficient and accurate determination of the cable fault location can help prevent damage amounting to over EUR 1 million.

Renewable Energy Resources (RES) Management System

As the amount of RES in the Lithuanian electricity system increases and the calculation methodology for their connection changes, there is a threat that the elements of the electricity transmission network may overload and excess generation may lead to system imbalance. In order to properly manage resources, tools and processes have been created for the coordination and management of RES work in two stages:

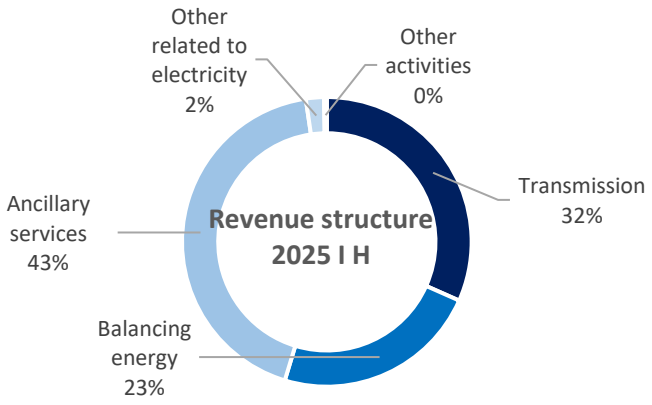
- planning stage - an assessment of the operating mode of the electricity transmission network is performed and safe RES work limits are set, which determine not only a reliable operating mode of the electricity transmission network, but also the sharing of costs related to the limitation of RES production between transmission system operators and network users. The entire process is automated, minimizing the need for human involvement.
- Real-time stage - actual RES management by assessing the actual situation in the electricity transmission network. Solving local (overload) and systemic (excess electricity) problems by promptly and effectively reducing RES generation. A dynamic algorithm has been developed that takes into account changes in the transmission network scheme, the loading of electrical equipment and the system balance. The algorithm automatically calculates the possible safe operating point of RES and human intervention is required only for settings.

6. FINANCIAL INFORMATION

6.1. Revenue

In first half of 2025, compared to the same period of 2024, total revenue increased by EUR 11.3 million to EUR 209 million. The highest increase of revenue was observed in ancillary services, whereas largest decrease was in balancing energy.

Revenue, EUR million	2025 I H	2024 I H	Pokytis	Pokytis, %
Transmission	66.2	65.1	1.1	2%
Ancillary services	89.8	71.7	18.1	25%
Balancing energy	48.2	57.7	-9.5	-17%
ITC	0.3	-0.8	1.1	n/a
Congestion	2.5	2.0	0.5	26%
Reactive energy and administration of guarantees of electricity origin	1.4	1.3	0.1	7%
Other activities	0.7	0.8	-0.1	-17%
Total revenue	**209.0**	**197.7**	**11.3**	**5.7%**



Revenue from electricity transmission increased by 1.7% to EUR 66.2 million compared to first half of 2024 (in the first half of 2025: EUR 17.2 million of congestion management revenues were recorded in the transmission income, which were used to reduce the transmission tariff for 2025).

Revenue from ancillary services increased by 25% to EUR 89.8 million, driven by 28% increase in the component for the acquisition of ancillary services on top of the price of the transmission service, while the volume of services provided decreased by 4.4%. According to the regulated pricing of the ancillary services, revenue must compensate expenses, including the Company's internal expenses, attributable to this activity according to the description of the regulation accounting. Difference between revenue and expenses for the N-year is taken into consideration when approving the acquisition component of ancillary services for the N+2 year.

Sales volumes of imbalance and balancing (hereinafter the "balancing") electricity increased by 36%, however revenue from balancing electricity decreased 16.5% to EUR 48.2 million due to a 39% lower average selling price. Until October 2024, the change in these revenues did not have an impact on the Company's short-term profitability as, under regulated imbalance pricing, revenues were compensating costs, including the Company's internal costs, attributable to these activities in accordance with the Regulatory Accounting Description. Imbalance pricing has changed since October 2024, when the Company connected to a single European platform for the exchange of balancing energy from frequency restoration reserves with manual activation (MARI). The neutrality component, which is added to (deducted from) the balancing energy reference price, before the connection to MARI, was calculated based on the actual balancing trade data for the reporting month, to socialise the expenses and/or income, which Litgrid incurred. After the connection to MARI, the neutrality component is calculated in advance and adjusted for subsequent months using actual data from previous months, which may result in a significant difference between the balancing and imbalance income and expenses during the reporting period. In first half of 2025, revenues were below costs by EUR 0.5 million, but this difference did not affect long-term profitability as it will be considered in future corrections.

Other income related to the transmission activity include:

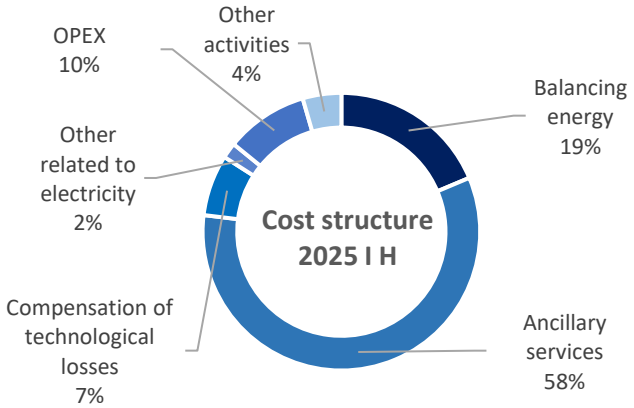
- Income from Inter-Transmission System Operator Compensation (ITC) is income from the compensation paid by the ITC Fund for the costs of hosting European cross-border flows in the Company's transmission networks and using infrastructure. ITC income was EUR 0.3 million. The revenue does not affect the long-term profitability as is assessed when determining the price of the transmission service and calculating the actual return on investments in the transmission service.
- Revenue from congestion management services amounting to EUR 2.5 million. The revenue does not affect the Company's profitability because revenue compensates expenses incurred in ensuring the use of allocated capacity of the interconnections.
- Reactive energy revenue amounting to EUR 1.26 million. The revenue does not affect the long-term profitability as is assessed when determining the price of the transmission service and calculating the actual return on investments in the transmission service.
- Revenue from administration of guarantees of electricity origin amounting to EUR 0.1 million.

Other income decreased by 16.7% to EUR 0.7 million, mostly due to lower penalties for contractors for late works.

6.2 Expenses

The Company's operating expenses totalled EUR 261 million in first half of 2025, a 55.2% increase compared to the same period of 2024.

Expenses, EUR million	2025 I H	2024 I H	Pokytis	Pokytis, %
Related to electricity	**224.1**	**135.7**	**88.4**	**65%**
Balancing energy	48.7	57.8	-9.1	-16%
Ancillary services	152.1	56.9	95.1	167%
Compensation of technological losses	18.6	16.7	1.9	11%
ITC	2.3	2.3	0.0	0%
Ensuring the utilisation of allocated grid capacity	2.5	2.0	0.5	26%
OPEX	**25.2**	**21.4**	**3.7**	**17%**
Wages and salaries	11.6	9.9	1.6	17%
Repair and maintenance	5.0	4.3	0.8	18%
Telecomunication and IT systems	1.6	1.3	0.2	16%
Taxes	2.8	2.5	0.3	12%
Other	4.2	3.4	0.8	23%
Deprecation and amortisation	11.7	11.0	0.7	6%
Impairment of property, plant and equipment and other	0.1	0.1	0.0	0%
Total expenses	**261.0**	**168.2**	**92.9**	**55.2%**



Expenses of purchase of electricity and related services accounted for a major portion of the Company's operating expenses: EUR 224.1 million (85.9% of the Company's total expenses), an 65% increase compared to the same period of 2024. Expenses for ancillary services increased by 2.7 times to EUR 152.1 million, where the main factor was the increased cost of frequency restoration reserves. According to the pricing model for ancillary services, the result of ancillary services in the previous year is used to determine the component for acquiring ancillary services in subsequent years. Therefore, over a multi-year period, the result of this activity is of zero profitability.

Balancing electricity expenses decreased by 15.7% due to a lower purchase price though the volume acquired was higher.

Expenses of compensating for electricity purchase technological losses in the transmission network increased by 11.3% to EUR 18.6 million due to a 26.4% higher average electricity purchase price while the quantity decreased by11.9%. ITC costs, i.e. payments to the ITC Fund to compensate for power losses and infrastructure usage of other countries when hosting cross-border power flows to import and export electricity to/from Lithuania, were EUR 2.3 million, the costs of ensuring the allocated capacity of intersystem connections – EUR 2.5 million.

Operating expenses increased by 17.3% to EUR 25.2 million compared to the same period of 2024. Increase in remuneration expenses by EUR 1.6 million was affected by a 9.2% increase in the average number of employees due to the intensive implementation of projects important to the State, the emergence of new functions, and the increase in average wages. Other expenses increased by EUR 2.1 million, with the highest increase recorded in repair and maintenance expenses of the electricity network due to the cyclical nature of the multi-year work plan and increases in market tariffs.

The Company's depreciation and amortisation expenses in first half of 2025 increased by EUR 0.7 million due to a higher value of non-current assets.

6.3 Return and other financial ratios

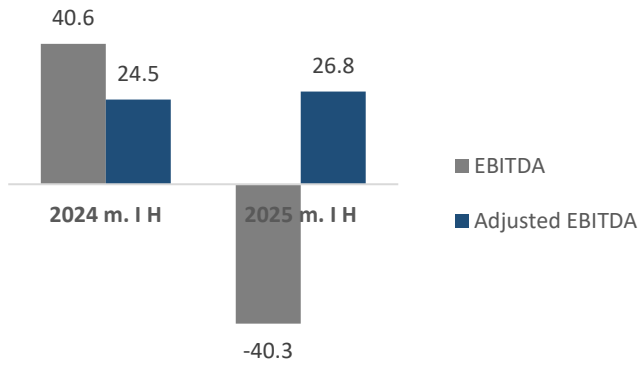
EBITDA = operating profit + depreciation and amortisation + (increase) decrease in assets (excl. inventories) impairment expenses + write-offs (excl. inventories).

Adjusted EBITDA is recalculated after assessing the temporary regulatory differences due to the decisions already adopted and forecast by the NERC and eliminating other non-typical profit or loss. The adjusted EBITDA is calculated:

- by assessing a revenue adjustment for the prior periods, which has already been approved by NERC's decision when establishing regulated prices for the reporting period;
- by assessing deviation of an actual profitability from a reporting period profitability permitted (regulated) by NERC, which will be assessed when establishing regulated prices for the upcoming year by NERC;
- by eliminating the result of balancing activities;
- by eliminating other one-off adjustments.

Adjusted net profit = actual net profit + (adjusted EBITDA - EBITDA) x (1-income tax rate) +/- other one-off adjustments.

EBITDA, adjusted EBITDA
EUR million



The Company's adjusted EBITDA was increased by

- EUR 3.4 million higher capital costs, mostly due to an increase in regulated assets;
- EUR 0.3 million higher additional tariff components for investment financing.

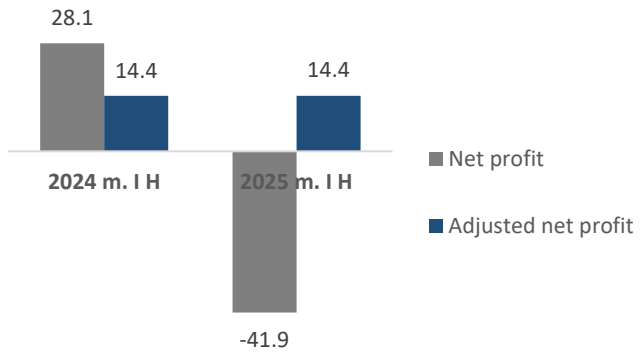
Adjusted EBITDA of the Company was reduced by:

- EUR 0.4 million less income from unregulated activities (damages for contractors)
- EUR 1.2 million higher OPEX of unregulated activities;
- EUR 0.9 million higher OPEX of regulated activities.

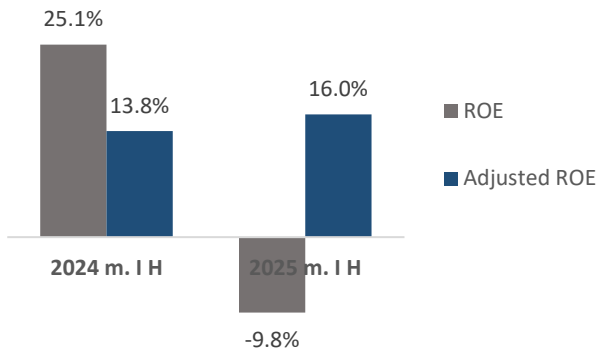
Adjusted EBITDA for the first half of 2025 was calculated by making following adjustments to EBITDA:

- adding EUR 10.9 million, the difference between the actual and allowed return on investment of the transmission service, by which transmission services revenue in the first half of 2025 was reduced;
- deducting EUR 6.7 million, the difference between the ancillary service costs and revenues from previous years, which was used to increase the ancillary service revenue for the first half of 2025;
- adding EUR 4.3 million, which is the difference between the permitted and actual return on investments of transmission service for the first half of 2025 and not yet confirmed by the auditor and NERC;
- adding EUR 68.9 million, which is the difference between the costs and revenue of ancillary services for the first half of 2025 and not yet confirmed by the auditor and NERC;
- adding EUR 0.5 million, which is the difference between the costs and revenue of balancing service for the first half of 2025 and not yet confirmed by the auditor and NERC;
- deducting EUR 10.8 million one-off transmission revenue for 2025, which is intended to compensate for the write-off costs of the LitPol Link converter.

Net profit, Adjusted net profit
EUR million



ROE, Adjusted ROE
%



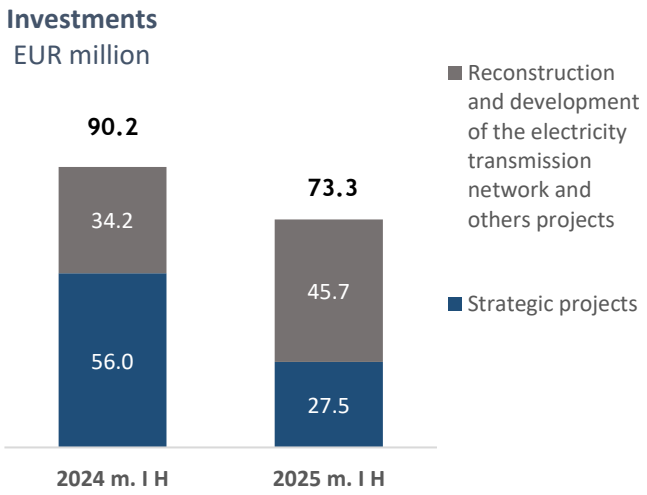
The adjusted net profit for the first half of 2025 was calculated by making the following adjustments:

- Adding EUR 56.4 million, the difference between adjusted EBITDA and EBITDA after income tax.

The adjusted net profit remained unchanged, as the positive change in adjusted EBITDA was offset by higher depreciation

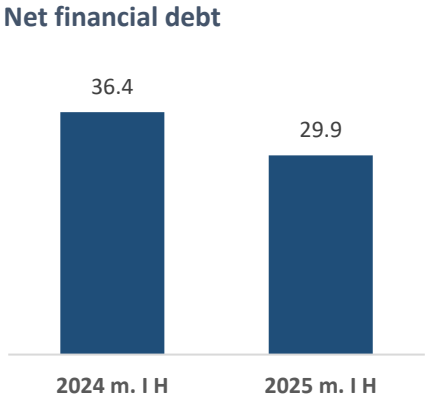
The adjusted ROE increased from 13.8% to 16.0%, mainly due to decrease in equity.

expenses, a lower financial result and income tax calculations.

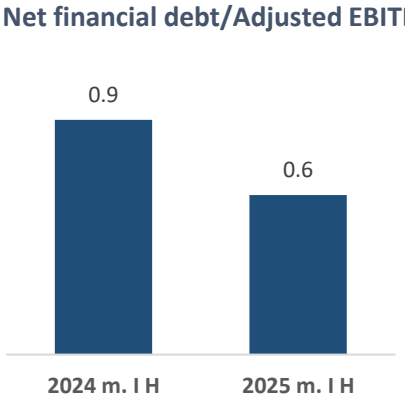


Investments (excluding the assets received free of charge from third parties and capitalised wages and salaries) decreased mainly due to the completion of some strategic and state-important electricity investment projects in 2024. These investments accounted for 38% of total investments made in the first half of 2025. A significant portion of investments was made in the following projects:

- a EUR 16.0 million in installation of new synchronous compensators;
- a EUR 5.8 million in reconstruction of the 330 kV Kruonio HAE switchyard;
- a EUR 3.4 million reconstruction of the 330 kV Jonavos switchyard;
- a EUR 3.1 million in construction of the 330 kV switchyard;
- a EUR 2.9 million in construction of the 330 kV Darbėnai - Bitėnai ETL.



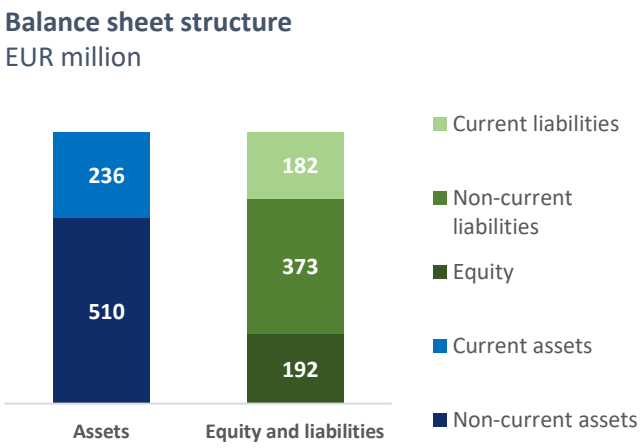
Net financial debt decreased by EUR 6.5 million, as part of the loan was repaid on schedule.



The net financial debt to adjusted EBITDA (last 12 months) ratio decreased from 0.9 to 0.6 due a lower net financial debt and a higher adjusted EBITDA.

6.4 Balance and cash flow

Balance sheet, EUR million	30/06/2025	2024-12-31	Change
Non-current assets	**510**	**467**	43
Intangible assets	3	4	-1
Property, plant and equipment	486	450	36
Deferred tax asset	20	13	8
Current assets	**236**	**353**	-117
Receivables and other current assets	103	83	21
Loan granted to EPSO-G related parties	129	266	-137
Other financial assets	4	4	-1
Cash and cash equivalents	0	0	0
TOTAL ASSETS	**746**	**820**	-74
Equity	**192**	**258**	-67
Issued capital and share premium	155	155	0
Reserves	78	36	42
Retained earnings	(41)	67	-109
Non-current liabilities	**373**	**351**	22
Financial debts and lease liabilities	24	27	-2
Congestion management revenue	330	309	21
Other non-current liabilities	19	15	4
Current liabilities	**182**	**211**	-30
Current portion of long-term loans and other short-term borrowings	6	6	-1
Current portion of congestion management revenue	64	81	-17
Trade payables	102	113	-11
Prepayments received and other current assets	10	11	-1
Total liabilities	**555**	**562**	-7
TOTAL EQUITY AND LIABILITIES	**746**	**820**	-74



During the first half of 2025 the Company's assets decreased by EUR 74 million (-9%) and amounted to EUR 746 million as at 30 June 2025. Non-current assets representing 68% of the Company's total assets increased by EUR 43 million (+9%), the main reason – the capital investments were higher than depreciation costs even after the investments set off against grants.

Current assets decreased by EUR 117 million (-33%), mainly due to the EUR 137 million decline in loans granted (temporarily unused accumulated congestion management revenue connected to the Group account and temporary borrowed to EPSO-G).

Shareholders' equity decreased by EUR 67 million (-26%) during the first half of 2025 due to the financial loses and dividends paid and accounted for 26% of the total assets at 30 June 2025.

Non-current liabilities increased by EUR 22 million (+6%) mainly due to the congestion management revenues earned and accumulated at 30 June 2025 (EUR +21 million). Current liabilities decreased by EUR 30 million mainly due to the following: decreased congestion management funds (EUR -17 million), decreased payments for investments (EUR -3.3 million) and electricity-related debts (EUR -4 million).

Cash flows, EUR million	2025 I H	2024 I H	Change	Change, %
CFO	-85.1	52.9	-138.0	n/a
CFI	113.2	-20.8	134.0	n/a
CFF	-28.1	-32.6	4.5	n/a
Increase/decrease in cash and cash equivalents	0.0	-0.5	0.5	n/a

CFO

During the first half of 2025, cash from operating activities (CFO) was negative and totaled EUR -85.1 million. Compared to the same period of 2024, CFO decreased by EUR 138 million, mainly due to negative change in net financial result (EUR -70 million) and the decrease in change in working capital (EUR -57.4 million).

CFI

During the first half of 2025, cash flows from investing activities (CFI) amounted to EUR 113.2 million. Compared to the same period of 2024, CFI was increased by EUR 174.4 recovered loan, a EUR 4.4 million decrease in payments for the acquisition of property, plant and equipment and intangible assets, CFI was decreased by EUR 24.4 million lower grant inflows and EUR 20.4 million of congestion management funds received and the negative change thereof.

CFF

During the first half of 2025, cash from financing activities (CFF) amounted to EUR -28.1 million. Compared to the same period of 2024, CFF was increased by lower of dividends paid than during the first half of 2024.

Free cash flows, EUR million	2025 I H	2024 I H	Change	Change, %
CFO	-85.1	52.9	-138.0	n/a
CFI	113.2	-20.8	134.0	n/a
Change in loans granted	-136.9	37.5	-174.4	n/a
FCF	-108.8	69.6	-178.4	n/a

The Company's net cash flows excluding cash flows from financing activities and from loans granted by the Company and their repayments (free cash flow, FCF) was negative and totaled EUR -108.8 million during the first half of 2025.

During the first half of 2025, congestion management revenue amounted to EUR 48 million. During this period, it was used as follows: to secure allocated capacity - EUR 2.5 million, to reduce transmission tariff – EUR 17.2 million and to finance investments - EUR 24.8 million Accumulated congestion management revenue balance amounted to EUR 392.3 million as at 30 June 2025, of which EUR 263.6 million were temporarily used for the financing of the Company's activities and EUR 128.6 million were linked to the EPSO-G Group account.

6.5 Five-year summary

Key financial indicators		2025 I H	2024 I H	2023 I H	2022 I H	2021 I H	Change in 2025-2024	Change, %
Revenue	EUR million	209.0	197.7	166.9	145.2	112.4	11.3	5.7%
EBITDA	EUR million	-40.3	40.6	35.0	0.1	31.8	-80.9	n/a
EBITDA margin	%	-19.3	20.5	20.9	0.1	28.3	-39.8 p.p.	n/a
EBIT	EUR million	-52.0	29.5	24.9	-10.4	20.9	-81.6	n/a
EBIT margin	%	-24.9	14.9	14.9	-7.2	18.6	-39.8 p.p.	n/a
Net profit	EUR million	-41.9	28.1	23.0	-9.2	17.4	-70.0	n/a
Net profit margin	%	-20.1	14.2	13.8	-6.4	15.5	-34.3 p.p.	n/a
ROE	%	-9.8	25.1	-8.7	-3.1	14.3	-34.8 p.p.	n/a
ROA	%	-2.8	7.7	-3.0	-1.5	7.6	-10.5 p.p.	n/a
Shareholders' equity / Assets	%	25.7	32.5	28.7	42.7	53.6	-6.8 p.p.	-21.1%
Net financial debt	EUR million	29.9	36.4	43.0	62.0	75.6	-6.5	-17.8%
Net financial debt/EBITDA	times	-1.5	0.4	-26.3	4.3	1.3	-1.9	n/a
Investments	EUR million	73.3	90.2	53.8	9.4	13.9	-16.9	-18.8%
Basic earnings per share (EPS)	Eur	-0.08	0.06	0.05	-0.02	0.03	-0.15	n/a
Total assets	EUR million	746.2	730.5	661.1	485.4	408.0	15.8	2.2%
Equity	EUR million	191.6	237.6	189.9	207.2	218.9	-46.0	-19.4%
Liquidity ratio	times	1.3	1.9	1.0	1.4	0.9	-0.6	-32.1%
Assets turnover ratio	times	0.5	0.6	0.8	0.7	0.5	-0.1	-8.8%
Adjusted indicators								
Adjusted EBITDA	EUR million	26.8	24.5	20.3	18.6	19.9	2.3	9.5%
Adjusted EBITDA margin	%	12.8	12.4	12.2	12.8	17.7	0.4 p.p.	3.6%
Adjusted net profit	EUR million	14.4	14.4	13.8	16.4	13.5	0.0	0.1%
Adjusted net profit margin	%	6.9	7.3	8.3	11.3	12.0	-0.4 p.p.	-5.3%
Adjusted ROE	%	16.0	13.8	7.5	6.5	5.8	2.2 p.p.	15.8%
Net financial debt/adj. EBITDA	times	0.6	0.9	1.2	1.6	2.1	-0.3	-31.9%

7. COMPANY TARGETS AND THEIR IMPLEMENTATION

Implementation of annual goals for 2025

Based on the operational goals stated in the Letter of Expectations of the Ministry of Energy of the Republic of Lithuania and approved in the Strategy, the Litgrid's Board set the following operational goals for the Company for 2025:

No.	Strategic direction	Strategic objective	Annual goal	Results of the annual goal	Target weight (%)
1.	DEVELOPMENT OF THE FUTURE INFRASTRUCTURE	To promote the electrification and optimisation of the energy system	Future infrastructure development	Implementation of synchronisation	40%
				Completion of projects on existing infrastructure development and/ or optimisation	
		To integrate new energy vectors		Development of the energy centre (HUB)	
2.	ENSURING SAFETY AND RELIABILITY	To ensure a flexible and resilient energy system	Providing a flexible and resilient energy system	Creating an environment of flexibility and adequacy	20%
		To strengthen national security	Strengthening physical security	Enhancing the resilience of strategic infrastructure	
3.	BEING RELIABLE STRATEGIC PARTNERS	To promote RES and cross-sectoral integration	Services development and integration of RES	RES development and integration	10%
4.	EMPOWERMENT OF SUSTAINABLE AND EFFECTIVE PROGRESS	To effectively manage finances and resources	Enable sustainable and efficient progress	Efficient organization	10%
				Sustainable finances	20%
		To act sustainably and responsibly		Sustainable business development	
		To create a unified and desirable organization		Creating a unified identity	
				Total:	100%

Litgrid's CEO reports to the Board for the achievement of the set goals. The financial and non-financial goals set for the Company are identical to those of Litgrid's CEO. Each year, the Board carries out the annual goal implementation assessment.

8. INFORMATION ON THE SHARE CAPITAL AND THE SHAREHOLDERS AND THEIR RIGHTS

Since 22nd December 2010, Litgrid's shares are traded on the Secondary List on the NASDAQ OMX Vilnius exchange, ISIN code of securities: LT0000128415.

During the reporting period Litgrid neither acquired nor disposed of its own shares.

The share capital of Litgrid amounts to EUR 146,256,100.2, and it is divided into 504,331,380 ordinary registered shares with the nominal value of EUR 0.29 each.

EPSO-G UAB (Laisvės avenue 10, Vilnius, company code 302826889), a company wholly owned by the Ministry of Energy of the Republic of Lithuania, controls 97.5% of Litgrid 's shares. EPSO-G UAB possesses a decisive vote in making decisions at the general meeting of shareholders.

The Company has not received any information on mutual agreements between the shareholders due to which restrictions on transfer of securities and/or voting rights may be imposed. There are no restrictions regarding voting rights at the Company.

SEB Bankas AB was the provider of accounting and related services for Litgrid 's securities from September 15th 2020.

Data on trading in Litgrid securities on the regulated markets:

INDICATOR	2022 HY	2023 HY	2024 HY	2025 HY
Opening price, EUR	0.805	0.702	0.685	0.78
Highest price, EUR	0.805	0.78	0.8	0.88
Lowest price, EUR	0.63	0.65	0.5	0.73
Closing price, EUR	0.7	0.685	0.78	0.816
Turnover, units	435 981	386 009	558 821	354 567
Turnover, EUR million	0.33	0.27	0.39	0.29
Capitalisation, EUR million	353.03	345.47	393.38	411.53

8.1 Turnover and prices of Litgrid's shares during the reporting period, in EUR:

https://nasdaqbaltic.com/statistics/lt/instrument/LT0000128415/trading

8.2 Benchmark of LGD1L,OMX Baltic Benchmark GI (OMXBBGI) and OMX Vilnius (OMXV)

INDEX | EQUITY	OPENING VALUE	CLOSING VALUE	CHANGE %
OMX_Baltic_Benchmark_GI	1,463.42	1,695.9	+15.89
OMX Vilnius_GI	1,065.48	1,201.12	+12.73
LGD1L - LITGRID	0.78	0.82	+4.87

8.3 Dividend policy

On the 18th August 2017 The Board of Litgrid has adopted a decision to apply the dividend policy of UAB EPSO-G Group, approved by the decision of the Board of Directors of UAB EPSO-G on 14 July 2017 (renewed 7th February 2020), to Litgrid in full. EPSO-G's Dividend Policy regulates the procedure for setting, paying and declaring dividends for all the companies in the group, sets clear guidelines for the expected return on equity and investment for existing and potential shareholders, while ensuring sustainable long-term growth of corporate value, timely implementation of nationally important strategic projects, and purposefully building trust in the entire group of energy transmission and exchange companies

The ordinary general meeting of shareholders of Litgrid on 30 April 2025, decided to distribute the company's profit of 2024 and allocate a dividend of 0.049 euro per share.

Year	2024	2023	2022	2021	2020
Dividends, Eur per share	0.049	0.058	0.00	0.01	0.0328

9. GOVERNANCE

The Company, together with the parent company UAB EPSO-G and other legal entities directly and indirectly controlled by the parent company, form a group of companies. 97.5 percent of the Company's shares are owned by UAB EPSO-G, and the remaining 2.5 percent are held by minority shareholders. The shareholder of UAB EPSO-G is the State of Lithuania, which owns 100 percent of UAB EPSO-G shares, and the rights and obligations of a shareholder are implemented by the Ministry of Energy of the Republic of Lithuania.

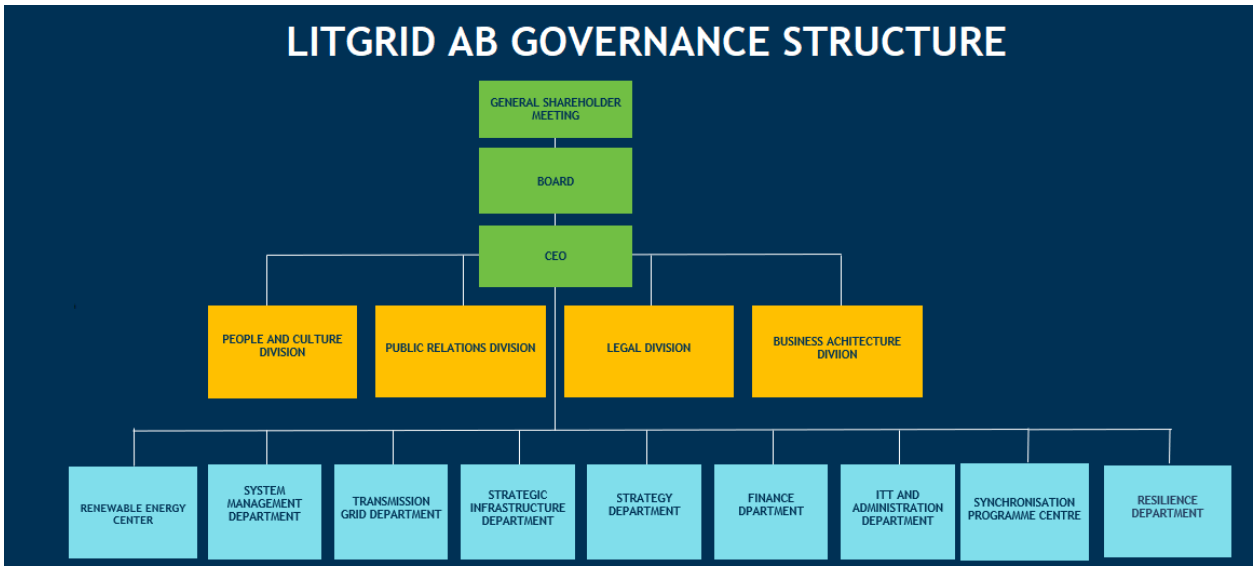
The Company's authorized capital is EUR 146 256100.20. It is divided into 504 331 380 ordinary registered shares with a nominal value of EUR 0.29. One ordinary registered share with a nominal value of EUR 0.29 entitles its owner to one vote at the general meeting of shareholders.

9.1 The Company's management bodies

The Company's management bodies are set out in the Articles of Association and comprise the General Meeting of Shareholders, the Board and the CEO.

EPSO-G UAB (the Company's parent) has the Remuneration and Nomination Committee and the Audit Committee, which act as the Remuneration and Nomination Committee the Audit Committee of the Group as a whole, inter alia, by performing the functions of the Remuneration and Nomination Committee and the Audit Committee of the Company. Information on the Remuneration and Nomination Committee and the Audit Committee is available on website of EPSO-G UAB (the Company's parent) at www.epsog.lt. Information on the committees is also disclosed in the Management reports of EPSO-G UAB.

Litgrid's management and organisational structure ensures optimal organisation, accountability, process efficiency and responsibility.



9.2 Management principles

In the reporting period, the corporate governance of the EPSO-G Group's was carried out in accordance with the new version of the Guidelines on Corporate Governance of EPSO-G Group approved by the Ministry of Energy of the Republic of Lithuania, the sole shareholder of EPSO-G, on 29 December 2022. The Guidelines establish uniform principles of corporate governance to be applied to the entire EPSO-G Group of companies and prescribe the purpose of the group of companies, its operational objectives, corporate governance organisation model, governance structure, as well as the system for accountability, supervision and control of operations.

The updated version of the Guidelines established 7 main principles of the corporate governance:

- The principle of establishing assumptions for effective corporate management, which aims to ensure that the management of the Group and the necessary decisions are made efficiently.
- The principle of proportionality, which aims to ensure that management methods applied by EPSO-G UAB are proportionate, i.e. do not create an unnecessary administrative burden.
- The principle of realization of shareholders' rights, which aims to create conditions for the proper realization of rights and legitimate interests of all shareholders.
- The principle of inclusiveness of all interested parties, which recognizes the rights and expectations of interested parties.

- The principle of transparency, which aims to ensure that the Group's activities are organized transparently, with proper disclosure of essential information.
- The principle of responsibility and accountability of management bodies, which aims to ensure that management bodies perform their functions in a proper and timely manner, actively exercise their rights and properly fulfil their duties.
- The principle of integrity, which aims to ensure both vertical and horizontal integrity.

The EPSO-G Group draws on good governance practices set out in the Good Governance Recommendations published by the Organisation for Economic Co-operation and Development (OECD), the Nasdaq Vilnius Recommendations, and other internationally recognised standards and good governance recommendations, with the overarching aim of ensuring that state-owned companies are governed in a transparent and effective manner.

9.3 Articles of association

The Articles of Association of Litgrid are amended in accordance with the procedure set out in the Law on Companies of the Republic of Lithuania, according to which amendments to the Company's Articles of Association must be approved by a qualified majority vote that must be not less than 2/3 of all the votes carried by the shares held by the shareholders attending the meeting. During the reporting period, the Company's Articles of Association were revised 1 time. On April 30th, 2024, the decision of the general meeting of shareholders approved the new version of the Litgrid statute, which was registered in the Register of Legal Entities on May 10th, 2024. The main changes to the articles of association:

- the competence of the board to decide on the conclusion of peace agreements and/or the refusal of a claim (counterclaim, complaint, statement) regardless of the amount is established. If the value of the claim is equal to or greater than EUR 30 million, the approval of the general meeting of shareholders is required.
- clarifications have been made related to issues of sustainability, and it is stipulated that the board analyses and evaluates the material submitted by the company on strategic issues of development of sustainability (environmental protection, social and human rights and governance), ensures appropriate organizational and technical measures for the company's activities in this area.
- it is stipulated that the board and the general meeting of shareholders decide on the provision of humanitarian aid in accordance with the Law on Development Cooperation and Humanitarian Aid of the Republic of Lithuania.
- made clarifications related to the (non)suspension of board members and decision-making in such cases, i.e. i.e. it is specified that in cases where none of the board members can vote on the relevant issue due to a conflict of interest, the general meeting of shareholders decides on the suspension and on the substance of the issue for which the board was suspended.
- revised amounts of transactions approved by the board and the general meeting of shareholders, i.e. i.e. of the board - equal to or greater than EUR 3 million of the general meeting of shareholders - equal to or greater than EUR 30 million.

The Company's Articles of Association are available on its website at https://www.litgrid.eu

9.4 General Meeting of Shareholders

The General Meeting of Shareholders is the supreme body of the Company. The competence of the General Meeting of Shareholders, the rights of shareholders and their exercise are provided for in the Law on Companies of the Republic of Lithuania, while additional competence is provided for in the Articles of Association.

The additional competence of the General Meeting of Shareholders is the following:

- Appointment and removal of Board members, fixing the remuneration of Board members, conclusion of contracts with Board members and their standard terms and conditions.
- Suspension or non-expulsion of members of the Board and the adoption of a decision in the event of a conflict of interest between members of the Board, in the cases provided for in the Articles of Association;
- Approval of the decisions of the Board, as provided for in the Articles of Association.

On 30th June 2025, there were more than 5 800 natural and legal persons as shareholders of Litgrid. The parent company, UAB EPSO-G is the majority shareholder, owning 97.5 percent. company shares.

Each shareholder entered in the company's shareholders' register before the accounting day (fifth working day before the general meeting of shareholders) has the right to participate in the general meeting of shareholders and exercise his right to participate in decision-making on issues within the competence of the general meeting of shareholders. Notices on the convening of the general meeting of shareholders, as well as all necessary information, appendices to the issues to be resolved at the meeting and decisions of the general meeting of shareholders are published on the company's website. Meetings are also reported to Nasdaq Vilnius by submitting a notice in the notice system.

During the reporting period, 3 General Meetings of Shareholders were convened, and the following decisions were taken:

Date	Key decisions
04-17	⊣ The decision of the Litgrid Board on the conclusion of the Reconstruction of the 330 kV Tytuvėnai - Kaunas overhead line contract with the supplier group AS Connecto Infra and UAB Connecto Lietuva was approved, and the essential terms of this contract were approved.
04-30	⊣ Approval of Litgrid AB financial statements of 2024.
	⊣ Approval of the distribution of Litgrid's profit for 2024.
	⊣ Approval of Litgrid's Remuneration Report for 2024.
	⊣ Approval of Litgrid's humanitarian aid agreement.
06-19	⊣ The decision of the Litgrid Board to conclude a fixed-schedule electricity supply agreement with UAB Ignitis was approved, and the essential terms of this agreement were approved.

9.5 The Board

The Board is a collegial management body of the Company. The competence of the Board, the decision-making procedure and the procedure for election and removal of members shall be established by laws and the Articles of Association.

Under the current version of the Articles of Association, the Board shall consist of 5 (five) members. The members of the Board shall be elected by the Meeting for a term of office of four years and shall be accountable to the Board.

A member of the Board may not serve as a member of the Board for more than two consecutive full Board terms and in any case may not serve as a member of the Board for more than 10 consecutive years. Members of the Board are elected in accordance with the Resolution No 631 of the Government of the Republic of Lithuania of 17 June 2015 on the Approval of the Description of the Procedure for the Selection of Candidates to the Collegial Supervisory Body or Management Body of Municipal Enterprise, State or Municipal Company or Subsidiary.

The Articles of Association require to ensure that the Board is composed of at least 2 (two) independent members, whose independence shall be determined by reference to the independence criteria set out in the Law on the Management, Use and Disposal of State and Municipal Assets of the Republic of Lithuania. When forming the Board, it must be ensured that at least 3 (three) members of the Board have no employment relationship with the Company and, when possible, that employees of the Company are not appointed to the Board.

The Board elects the Chairperson of the Board from among its members. The Chairperson of the Board is elected from among the Board members nominated by the Parent Company. In its activities, the Board follows the laws, the Company's the Articles of Association, the decisions of the General Meeting of Shareholders and the Rules of Procedure of the Board.

The competence of the Board is not different from the competence of the board established in the Law on Companies, except for the additional competence provided for in the Articles of Association.

The Company's Board reserves the competence to:

- approve the Company's business strategy (including long-term and short-term, financial and non-financial targets and/or performance indicators);
- approve the Company's budget;
- approve the Company's annual performance objectives;
- take decisions on the Company's significant transactions in an amount of EUR 3 million (three million euros) or higher, and approves material terms a condition of such transactions;
- take decisions on the prices of electricity transmission and other state-regulated services and the procedure for their application;
- take decisions on the 10 (ten) year plan for the development of the Company's electricity transmission network;
- take decisions on the commencement of a new activity of the Company or on the discontinuation of a specific ongoing activity;
- take decisions relating to the exercise of the Company's rights as a shareholder at General Meetings of subsidiaries and associates;
- perform supervisory functions as provided for in the Law on Companies of the Republic of Lithuania;
- take other decisions within the competence of the Board as provided for in the Articles of Association and the Law on Companies of the Republic of Lithuania.

9.6 The competencies matrix of the Board

When electing the new term of office of the Litgrid Board, the Board's competency matrix was approved on December 17, 2023. An abbreviated competency matrix, revealing the essential areas of competency of the Board members, is provided below:

The Board	**Competencies of Board members' nominated by shareholder**		**Competencies of Independent Board members**		**Competencies of State delegated Board member**
	Board member 1	Board member 2	Board member 3	Board member 4	Board member 5
Competencies	Strategy and finance management	Infrastructure development	Technology / digitalisation	Business development	National energy strategy and national security implementation

9.7 The composition of the Board

During the reporting period, the Board of Litgrid consisted of the following members:

Board member	Position	Term of office	Other positions	Education
Tomas Varneckas	Member, chairman of the board (chairman of the board elected from 2022-12-29 – 2024-04-20 and also 2024-05-22)	From 2022-04-20 to 2024-04-20 and from 2024-04-30	Head of Infrastructure and Project Management at EPSO-G Group	Vilnius Tech, Bachelor in Environmental Engineering, Master in Engineering IT
Mindaugas Keizeris	Member	From 2022-12-22 to 2024-04-20 and from 2024-04-30	CEO of EPSO-G UAB	Vilnius University, Master in International Business; Baltic Institute of Corporate Governance, the Board member education program
Gediminas Karalius	Member	From 2022-04-20 to 2024-04-20 and from2024-04-30 (also, from 2020-04-20 to 2024-04-20)	Senior Advisor of Energy Security Group at the Ministry of Energy of the Republic of Lithuania	Mykolas Romeris University, Bachelor's in law and management, Master in EU Law ISM University of Management and Economics, Master's in business administration
Tim Meyerjürgens	Independent member of the Board	From 2024-04-30	COO of TenneT Holding BV" in Netherlands and Germany	Oldenburg/Ostfriesland/ Wilhelmshaven applied science university
Pierre-Henri D'haene	Independent member of the Board	From 2024-04-30	Director of Transformation, Strategy and Sustainability at Elia Transmission Belgium	Polytechnic School of Louvain, Cornell SC Johnson College of Business Cornell SC Johnson College of Business Corporate Finance Program

None of the Board members holds shares in Litgrid.

The term of office of the current Board is 30/04/2024–30/04/2028.

Board members on the reporting period:

Tomas Varneckas

Chairman of the Board

Head of Infrastructure and Project Management at EPSO-G UAB (company code 302826889, Laisvės avenue 10, 04215 Vilnius).
CEO of UAB EPSO-G Invest (company code 306949519, Laisvės avenue 10, 04215 Vilnius).

Mindaugas Keizeris

Member of the Board

CEO at EPSO-G UAB (company code 302826889, Laisvės avenue. 10, 04215 Vilnius).

Gediminas Karalius

Member of the Board

Senior Advisor of Energy Security Group at the Ministry of Energy of the Republic of Lithuania

Tim Meyerjürgens

Independent Member of the Board

CEO at Tennet Germany.

Pierre-Henri D'haene

Independent Member of the Board

Transformation, Strategy and sustainability director at Elia Transmission Belgium

9.8 Activities of the board

In line with the guidelines for the annual performance assessment of the Group's collegiate bodies approved by EPSO-G's Remuneration and Nomination Committee, Litgrid's Board of Directors completed its performance evaluation for 2024 at the beginning of 2025.

The Board's self-assessment session on 23 January 2025 identified areas for improvement and agreed on improvement actions in 2025 in the areas of the Strategy implementation, security and sustainability.

In accordance with the Guidelines for the annual performance assessment of the Group's collegiate bodies, the overall assessment of the performance of all the Group's collegiate bodies shall be summarised by the Remuneration and Nomination Committee of the EPSO-G and submitted to the Board of Directors together with a report.

During the reporting period, 10 meetings of the Board were held, in 3 meetings decisions were adopted by a written vote.

Attendance at the Board meetings during the firs half of 2025:

Attended

Nr.	Date	Tomas Varneckas	Mindaugas Keizeris	Gediminas Karalius	Tim Meyerjürgens	Pierre-Henri D'haene
1.	01-14	●	●	●	●	●
2.	01-23	●	●	●	●	●
3.	02-21	●	●	●	●	●
4.	03-12	●	●	●	●	●
5.	03-26	●	●	●	●	●
6.	04-08	●	●	●	●	●
7.	04-29	●	●	●	●	●
8.	05-28	●	●	●	●	●
9.	06-09	●	●	●	●	●
10.	06-18	●	●	●	●	●

The Board plans and executes its activities in accordance with the Board's annual activity plan. On 17 December 2024, the Board approved the Board's Action Plan for 2025, which was duly implemented in first half of 2025.

Matters discussed and decisions made by the Litgrid's Board in 2025:

January

- Approval of Litgrid's strategy, action plan for 2035.
- Approval of Litgrid's goals for 2025 identical to those of the manager.
- Approval of Litgrid's budget for 2025.
- A decision was made to conclude an amendment to the purchase and sale agreement for the service of the Isolated Power System Work Reserve dated 30 December 2022 and the updated essential terms of the agreement were approved.
- A decision was made to conclude an agreement "Reconstruction of the 330 kV Šiauliai-Tytuvėnai overhead line" and the essential terms of this agreement were approved.
- A self-assessment session of the Board's activities was held, during which the Board's activities for 2025 were drawn up. improvement plan.

February

- The decision to conclude the contract "110-10 kV Kuprioniškės transformer station connection to the transmission network contract works" was made and the essential terms of the contract were approved.
- The decision to conclude the contract for reinforced concrete masts for overhead power transmission lines was made and the essential terms of the contract were approved.
- The assessment of the independence of the board members was carried out.

March

- Litgrid's 2024 performance goals implementation report was approved.
- Litgrid's 2030 strategy implementation report for 2024 was approved.
- A decision was made to conclude a contract Reconstruction of 110 kV OL Kaunas E - Kaunas and branch Palemonas traction and the main terms of the contract were approved.
- A decision was made to conclude a contract Reconstruction of 330 kV overhead line Tytuvėnai-Kaunas with the supplier group AS Connecto Infra and UAB Connecto Lietuva and the main terms of this contract were approved, as well as a decision was made to convene an extraordinary general meeting of shareholders.
- An assessment of the independence of a board member was performed.

April

- Litgrid's 2024 management report and Litgrid's 2024 remuneration report were approved.
- The 2024 set of financial statements and the profit distribution project of Litgrid were approved, a decision was made to conclude a humanitarian aid agreement, and the essential terms of this agreement were approved, and a decision was made to convene an ordinary general meeting of shareholders of Litgrid.
- A decision was made to review the performance evaluation, financial incentives and remuneration of the Company's CEO.
- A decision was made to conclude a bond transfer loan agreement with UAB EPSO-G and the essential terms of the agreement were approved.
- Decisions were made on voting at the general meeting of shareholders of Litgrid's associated company Baltic RCC OÜ (approval of the 2024 audited annual report, 2024 profit distribution, election of members of the supervisory board).
- Standard substantive terms and conditions of the design and construction contract have been approved.

May

- A decision was made to conclude a contract for the supply of electricity from renewable energy sources with a fixed supply schedule with UAB Ignitis and the essential terms of this contract were approved, as well as a decision to convene an extraordinary general meeting of shareholders.

June

- The decision to conclude the contract for Combat drone system (stationary) was made and the essential terms of this contract were approved.
- The decision to conclude the contract Reconstruction of the 110 kV overhead line Kuršėnai - Kanteikiai was made, and the essential terms of this contract were approved.
- The decision to conclude the contract for the operation of the 110-400 kV overhead lines in the Southern region was made and the essential terms of this contract were approved.

9.9 Areas of CEO activities

The CEO is the sole governing body of the Company. The Company CEO competence does not differ from the competence of the head of the company established by the Law on Companies of the Republic of Lithuania, except for the additional competence provided for in the Articles of Association. The CEO reserves the competence to:

- organise and control day-to-day activities of the Company, take decisions on activities of the Company.
- ensure implementation of the strategy of the Company, implementation of resolutions of the Meeting and the Board in the Company.
- enters into transactions on behalf of the Company in accordance with the procedures established by the Board.

The remuneration of the CEO is determined in accordance with the "Remuneration of the CEO and Board Members" policy. The remuneration system of the Company's CEO is composed of the following components: (i) Monthly remuneration; (ii) Bonuses as provided for in the Labour Code of the Republic of Lithuania, the Company's internal regulations and collective agreements; (iii) Financial incentives; (iv) One-off bonuses for outstanding performance and innovation; (v) Fringe Benefits; (vi) Non-financial remuneration.

The basis for determining the monthly remuneration of the Chief Executive Officer of the Company is the level of the Chief Executive Officer of the Company, as approved by the Board of the Company. To assess and determine the level of the Company's CEO, the EPSO-G Group of companies adopts a method that is recognised in international practice and widely used in Lithuania. The starting point for the monthly remuneration of the Company's CEO is determined by assessing the general level of remuneration of CEOs of similar size and/or strategic importance in state-owned companies, considering the data of an independent salary survey and market trends, and considering the recommendations of the Government of the Republic of Lithuania on remuneration of executives of state-owned companies. The monthly remuneration of the Company's Chief Executive Officer is determined and changed by decision of the Company's Board, considering the experience, competence and performance of the Company's Chief Executive Officer.

The Company's Board, in accordance with the remuneration, performance evaluation and development policy of the employees of the EPSO-G Group of companies, sets objectives and performance criteria for the Company's CEO, evaluates their achievement and grants financial incentives. The specific amount of the incentive for the Company's Chief Executive Officer is determined by the Company's Board, considering the achievement of the Company's targets. No remuneration is payable to the Chief Executive Officer in respect of the grant of shares in the Company.

In the event of termination of employment, the Chief Executive Officer of the Company may, by decision of the Board, be paid a severance payment, except in the case of termination of employment due to the fault of the Chief Executive Officer of the Company, or in the case of termination of employment at the initiative of the Chief Executive Officer of the Company without valid reasons. The amount of the severance payment shall be set out in the employment contract concluded with the Chief Executive Officer of the Company, considering the recommendation of the Remuneration Committee, which may be provided separately or by adopting a standard form of employment contract with the Chief Executive Officer.

The employment contract of the Chief Executive Officer of the Company shall not contain arrangements for supplementary pension or early retirement.

Rokas Masiulis

CEO

Other positions: Independent Board Member at Connect Pay UAB (company code 304696889, Algirdo st. 48, LT-03218 Vilnius).

Education:
Vilnius University Master of Economics;
Vilnius University Bachelor of International Relations;
Baltic Institute of Corporate Governance, Professional Board Member Training Program

Mr. Masiulis does not hold any shares of Litgrid.

9.10 Governance and control

The requirements for the governance of the Company are set forth by the Lithuanian laws on the governance of state-owned or state-controlled companies, insofar as they apply to the EPSO-G Group companies, and the Governance Code, insofar as the Company's Articles of Association do not state otherwise.

In accordance with the Integrated Planning and Monitoring Policy of the EPSO-G Group of Companies, which was approved at the meeting of the Board of the Company No 12 held on 19 May 2017 and which is directly applied at the Company in its entirety, the Company is preparing the strategy of the Company for a period of 5–10 years. The period of the strategy must coincide with the period of the parent company's strategy. The prepared strategy of the Company currently covers the period of 10 years up to 2031. The implementation of the strategic objectives set out in the strategy of the Company is ensured by the Company's

performance, control, and risk management systems. The strategy of the Company is approved, and its implementation is controlled by the Board. A monthly strategy implementation supervision system is introduced at the Company and is linked with the Company's administrative staff remuneration system.

The Company's activities of the transmission system operator are regulated by the national regulatory authority, i.e. the National Energy Regulatory Council (hereinafter the "Council"). Within its competence, the Council performs the functions of the state regulation in the electricity sector in the Republic of Lithuania, by ensuring, inter alia, the supervision of and control over the performance of regulated activities in the energy sector, as well as the proper implementation of the rights and duties of electricity undertakings and consumers.

The strategy and operational plan of the Company are implemented by Company's administrative staff and are organised by the Company's CEO. The Company's administrative management personnel consist of the CEO, the Head of Finance Department, the Head of System Department, the Head of Transmission Network Department, the Head of Strategic Infrastructure Department, the Head of Strategy Department, and the Head of ITT and the Head of Administration Department. The composition of the Company's management is disclosed on the Company's website.

Corporate governance accommodates the principles of good governance practice. In its activities, the Company is guided by the EPSO-G Group's policies which are made available on the Company's website.

The internal control systems of the Company are supported by the organisational structure, management culture and implemented good governance practices, as well as process management which is currently being implemented. It should be noted that the supervisory functions are carried out by the Board of EPSO-G UAB, meanwhile recommendations, proposals and conclusions on matters which are key to the Company's activities are provided by the Group's Remuneration and Nomination Committee and the Audit Committee. The internal control system is initiated by the Company's Board and implemented by the administrative staff, assisted by the Audit Committee of EPSO-G UAB, the external independent audit, and divisions supporting the principal activity. The procedures and policies effective at the Company ensure the reliability of accounting and financial reporting, the compliance of the Company's activities with legal acts, operational efficiency, and achievement of operational objectives.

During the reporting period, the corporate governance of the EPSO-G Group's was carried out in accordance with the new version of the Guidelines on Corporate Governance of EPSO-G Group approved on 29 December 2022 by the Ministry of Energy of the Republic of Lithuania, the sole shareholder of EPSO-G. The Guidelines establish uniform principles of corporate governance to be applied to the entire EPSO-G Group of companies and prescribe the purpose of the group of companies, its operational objectives, corporate governance organisation model, governance structure, as well as the system for accountability, supervision and control of operations.

10. REMUNERATION REPORT

10.1 Employees

Litgrid's goal is to create an advanced organizational culture that adheres to the principles of sustainability. The elements of this culture are inseparable: caring for the well-being of employees, development, fostering a safe work culture, equal opportunities, creating open and mutually trusting relationships with local communities and ensuring customer satisfaction with the services provided.

The company aims to become an organization that the majority of suppliers, producers, consumers, employees, communities and representatives of other interested parties would consider as an organization that adheres to the principles of sustainability.

Litgrid follows the Employee remuneration, performance evaluation and education policy valid in the EPSO-G group of companies, the main principles of which are:

- Create motivating incentives and prerequisites to encourage employees to achieve better performance, to contribute more actively to the achievement of the Company's and Group's goals, and to perform more than the formal performance of duties.
- Encourage employees to create innovative, non-standard solutions and improve operations.
- To ensure equivalent payment for equivalent work in terms of responsibility, competencies and contribution to the result.
- Attract and retain qualified employees.

- The principles of remuneration policy are the same for managers and employees.
- The remuneration fund is approved by the company boards. The Remuneration and Nomination Committee monitors the balance between control of payroll costs and incentives for employees performing their duties appropriately.
- The remuneration of EPSO-G managers and employees consists of two parts - a monthly remuneration and a financial incentive.
- The monthly remuneration depends on the level of the employee's position and competences, the financial promotion depends on the achievement of the annual goals of the relevant Group company and on the individual evaluation of the employee's performance.
- The financial incentive is not paid to the employee in case the performance does not meet the expectations according to the established evaluation criteria.
- The amount of the financial incentive is estimated in the company's budget and accounted for in the financial result, which is audited and published publicly.
- The financial promotion of the company's manager depends on the result of the company's annual goals, which are related to the implementation of the company's strategy and are published publicly on the company's website.
- The severance pay of managers and employees does not exceed the amount determined by the legal acts of the Republic of Lithuania.
- It is envisaged that a bonus may be awarded for results of special importance.
- The relevant board of the group company must be informed about the planned financial incentives and bonuses at its next meeting.
- Prior agreements on the amounts of severance payments, except for company managers, whose working conditions are determined by the board, are not concluded.
- Severance pay is paid to employees in accordance with the procedure established by the Labor Code and employment contracts.
- The remuneration policy does not provide for any remuneration that gives the manager, collegial body member or employee the right to shares, stock options or the right to receive remuneration based on changes in the share price or other financial instruments.

Based on these principles, the company's reward system is focused on a set of financial and non-financial reward elements. The elements of the remuneration package are the fixed part of the remuneration (i.e. monthly salary), financial incentives (remuneration paid at the initiative and discretion of the company, depending on the results achieved by the company and the performance evaluation results of the employee(s), one-time bonuses, fringe benefits and emotional rewards. Emotional reward is a non-financial component of the total reward, which enriches the well-being of employees and encourages employee effort, involvement in the company's activities and loyalty.

Additional benefits provided to employees are provided to everyone, they are described in the Litgrid Collective Agreement and other internal documents of the Company.

On 30th June 2025 there were 476 employees at Litgrid.

Employee remuneration over the last five years:

Average salary of the Company's employees in 2020-2024, EUR					
	2025 HY	**2024 HY**	**2023 HY**	**2022 HY**	**2021 HY**
CEO	14 015	13 322	12 557	11 769	9 387
Top level management	10 224	9 719	9 783	8 348	8 709
Middle level management	6 585	6 067	6 111	5 051	4 701
Experts-specialists	4 126	3 795	3 775	3 093	2 986
Total	**4 606**	**4 259**	**4 265**	**3 510**	**3 336**

11. SPECIAL OBLIGATIONS

There are no special obligations assigned to Litgrid.

12. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

As the Company is executing its duties in accordance with the applicable laws regulating the securities market, it publishes information on significant events and other regulated information on the EU-wide basis. This information is available on the website of the Company (www.litgrid.eu) and on the website of NASDAQ Vilnius stock exchange (*www.nasdaqbaltic.com*).

Summary of Litgrid operations and achievements during first half of 2025

January

On January 13, 2025, Litgrid and the Lithuanian Navy signed a long-term cooperation agreement. Both organisations will cooperate more closely to ensure the security of the NordBalt high-voltage direct current cable to Sweden: the Navy will carry out continuous monitoring and information will be exchanged.

On January 31, 2025, the Baltic operators Augstsprieguma tīkls, Litgrid, and Elering announced the launch plan for the Baltic balancing capacity market and information about the planned quantities of balancing services to be ordered. Balancing capacity demand ordered volumes and prices, as well as reserved capacities are published on the BalticTransparency Platform (BTD).

February

On February 6, 2025, the electricity transmission system operators of the Baltic capacity calculation region (Estonia, Latvia, Poland, Lithuania, Finland, Sweden), in cooperation with the Baltic energy regulatory authorities, developed a methodology for calculating short-term planning (day-ahead and intraday market periods) capacity.

On February 9, 2025, at 2:05 p.m., Estonia, Latvia, and Lithuania successfully synchronized their electricity systems with the synchronous area of continental Europe. This is an important event for the Baltic countries and Europe, strengthening the energy independence and resilience of the entire region.

On February 26, 2024, Litgrid, the Lithuanian electricity transmission system operator, completed two projects under the synchronization program with the continental European networks. These were the implementation of a frequency stability assessment system and the construction of the 330 kV Darbėnai-Bitėnai electricity transmission line.

March

On March 6, 2025, Litgrid, the Lithuanian electricity transmission system operator, successfully joined PICASSO, the European automatic frequency restoration reserve platform. Litgrid became the 13th electricity transmission system operator to join this platform. PICASSO increases economic and technical efficiency by integrating European balancing markets and ensuring the security of electricity systems.

On March 13, 2025, Litgrid, the Lithuanian electricity transmission system operator, prepared a concept for the development plan of the engineering infrastructure of the Harmony Link land connection, a project of national importance for the synchronization of the electricity system, and a strategic environmental impact assessment (SEIA) report. This connection will ensure capacity for commercial trade and strengthen the reliability of the Lithuanian electricity network.

On March 18, 2025, Litgrid completed the construction of one of the most important synchronization projects – the 330 kV electricity transmission line between Kruonis HAE and Bitėnai. The line strengthens the reliability of the western Lithuanian grid and increases the security of electricity supply after synchronisation with the continental European electricity grids.

On March 27, 2025, Litgrid completed the reconstruction of the Neris transformer substation in the Vilnius district. The Neris substation is one of the most important nodes in the electricity transmission network, linked to three projects in the synchronization program with continental Europe.

April

On April 23, 2025, Litgrid, the Lithuanian electricity transmission system operator, signed a contract for the design services of the Harmony Link land-based electricity interconnection with Poland. The design company will have to prepare the main technical solutions and design the most important elements of the interconnection infrastructure on the Lithuanian side – a 220 kV transmission line and the Gižai transformer substation.

May

On May 20, 2025, Litgrid announced a public procurement for the long-term supply of electricity generated by wind farms. The energy produced from renewable sources will compensate for technological losses in the transmission network, thereby reducing greenhouse gas emissions from the company's operations. This is the second purchase of green energy to cover technological losses.

June

On June 9, 2025, Litgrid announced that the concept for the development of the engineering infrastructure for the Harmony Link land connection had been approved. The route for the power line was selected in the territories of Vilkaviškis District, Kalvarija Municipality, and Marijampolė Municipality. This electricity interconnection with Poland will ensure capacity for commercial trade and strengthen the reliability of the Lithuanian electricity network.

On June 16, 2025, Litgrid completed its 12th synchronization project – the 330 kV power transmission line between Kruonis HAE and Bitėnai. This is a particularly important step in strengthening Lithuania's electricity transmission network and ensuring smooth operation after synchronization with continental Europe.

On June 19, 2025, Litgrid signed a long-term green electricity supply contract with Ignitis. The energy produced from renewable sources will compensate for technological losses in the transmission network, thereby reducing greenhouse gas emissions in Litgrid's operations.

13. MATERIAL EVENTS FOR THE REPORTING PERIOD

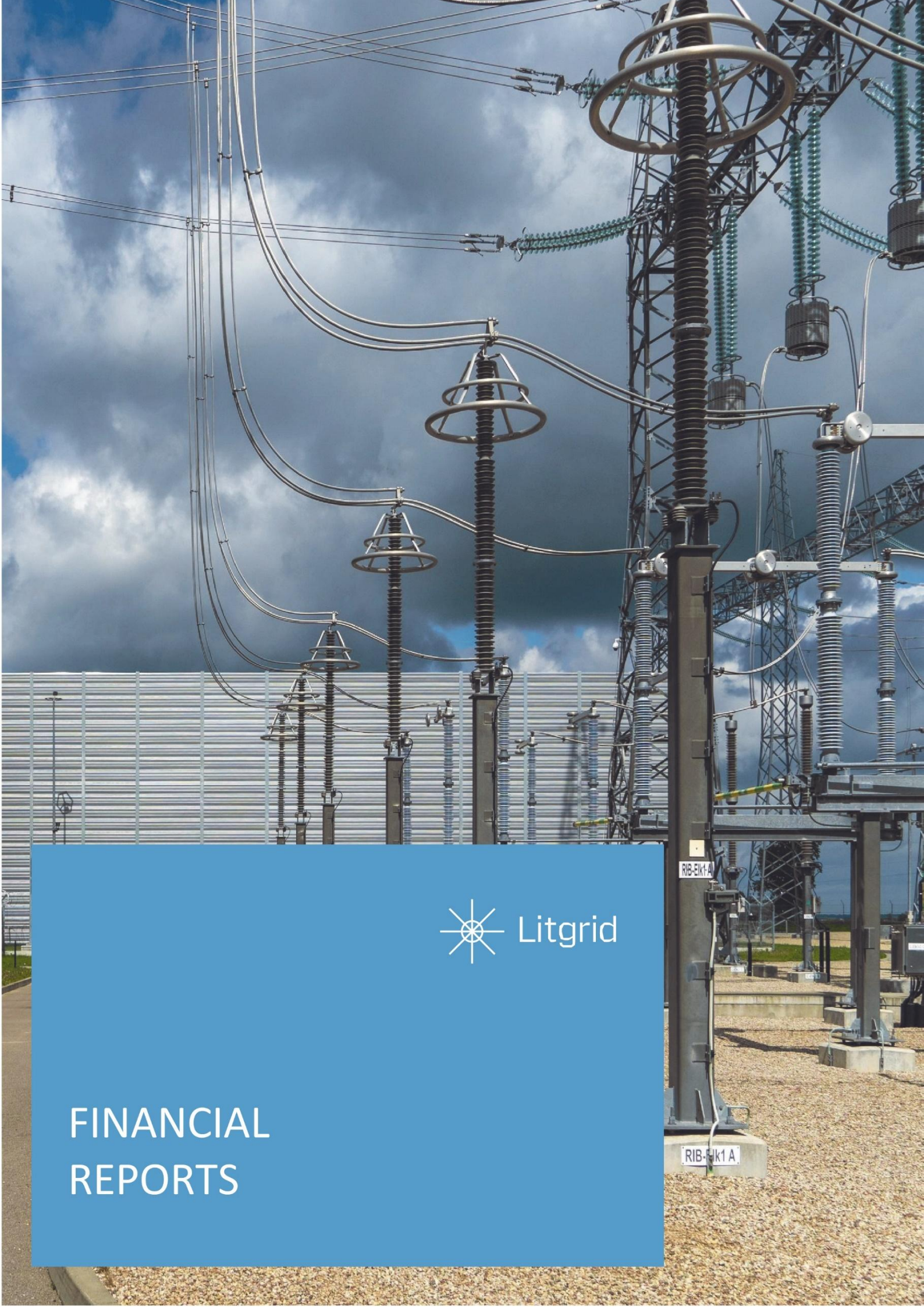
(https://nasdaqbaltic.com/statistics/lt/news?num=100&page=1&issuer=LGD&filter=1)

Date	Event
01.14	Litgrid's strategy until 2035 approved
02.28	LITGRID AB unaudited condensed financial statements for the 12 months of 2024
03.26	Correction: LITGRID AB information on the publication of interim information and the 2025 investor calendar
03.26	Notice of the convening of the extraordinary general meeting of shareholders of LITGRID AB
04.08	LITGRID AB publishes the Company's audited financial statements and management report for 2024
04.08	Notice of the convening of the ordinary general meeting of shareholders of LITGRID AB
04.17	Resolutions adopted at the extraordinary general meeting of shareholders of LITGRID AB
04.30	Resolutions adopted at the ordinary general meeting of shareholders of LITGRID AB
05.06	Ex-dividend date
05.06	The procedure for payment of dividends by LITGRID AB in 2024
05.09	LITGRID AB's operating results for the first three months of 2025
05.28	Notice of the convening of the extraordinary general meeting of shareholders of LITGRID AB
06.09	Decisions adopted at the extraordinary general meeting of shareholders of LITGRID AB

14.SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On February 8th , 2025, the Baltic power systems successfully disconnected from the Russian-controlled IPS/UPS system and was operating independently in an island mode. The Estonian, Latvian and Lithuanian electricity transmission system operators Elering, Augstsprieguma tīkls and Litgrid were conducting an isolated operation test before synchronization with the continental European networks.

On February 9th, 2025 at 14:05, Estonia, Latvia and Lithuania successfully synchronized their power systems with the continental European synchronous area. This is an important event for the Baltic States and Europe, strengthening the energy independence and resilience of the entire region.



Litgrid

FINANCIAL REPORTS

Litgrid

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

	Notes	At 30 June 2025	At 31 December 2024
ASSETS			
Non-current assets			
Intangible assets	4	3,387	4,010
Property, plant and equipment	5	481,732	445,479
Right-of-use assets	6	4,752	4,895
Investments in a joint venture		45	99
Deferred income tax assets		20,453	12,778
Total non-current assets		**510,369**	**467,261**
Current assets			
Inventories		54	61
Prepayments		3,469	1,987
Trade receivables	7	55,102	49,985
Other amounts receivable	8	44,802	30,657
Loans granted	9	128,756	266,060
Other financial assets		3,580	4,196
Cash and cash equivalents	10	107	113
Total current assets		**235,870**	**353,059**
TOTAL ASSETS		**746,239**	**820,320**
EQUITY AND LIABILITIES			
Equity			
Share capital		146,256	146,256
Share premium		8,579	8,579
Revaluation reserve		20,030	20,830
Legal reserve		14,626	14,626
Other reserves		43,192	500
Retained earnings/(deficit)		(41,115)	67,404
Total equity		**191,568**	**258,195**
Liabilities			
Non-current liabilities			
Non-current borrowings	13	20,000	22,000
Lease liabilities	14	4,408	4,605
Congestion management revenue	15	329,535	308,802
Provisions	16	704	704
Other non-current amounts payable and liabilities	19	18,168	14,615
Total non-current liabilities		**372,815**	**350,726**
Current liabilities			
Current portion of non-current borrowings	13	5,071	6,143
Current borrowings	13	31	35
Current portion of lease liabilities	14	518	454
Trade payables	18	101,816	112,918
Current portion of congestion management revenue	15	64,081	81,316
Advance amounts received		842	1,559
Provisions	16	73	83
Other current amounts payable and liabilities	19	9,424	8,891
Total current liabilities		**181,856**	**211,399**
Total liabilities		**554,671**	**562,125**
TOTAL EQUITY AND LIABILITIES		**746,239**	**820,320**

Litgrid

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

	Notes	For the six months period ended at 30 June 2025	For the six months period ended at 30 June 2024
Revenue from electricity transmission and related services	20	208,362	196,938
Other income	21	661	795
Total revenue		**209,023**	**197,733**
Expenses for purchase of electricity and related services	22	(224,140)	(135,694)
Wages and salaries and related expenses		(11,555)	(9,907)
Purchases of repair and maintenance services		(5,018)	(4,254)
Reversal of impairment of inventories and amounts receivable		(7)	-
Other expenses	23	(8,587)	(7,279)
Total expenses		**(249,307)**	**(157,134)**
EBITDA		**(40,284)**	**40,599**
Dividend income		68	-
Depreciation and amortisation	4,5,6	(11,656)	(10,974)
Assets write-off expenses (reversal)		(80)	(82)
Operating profit/(loss) (EBIT)		**(51,952)**	**29,543**
Financial income (costs) net		**2,362**	**2,698**
Profit/(loss) before income tax		**(49,590)**	**32,241**
Income tax	17		
Deferred income tax income/(expenses)		7,675	(4,118)
Total income tax		**7,675**	**(4,118)**
Profit/(loss) for the period		**(41,915)**	**28,123**
Other comprehensive income (expenses) that will not be reclassified to profit or loss			
Total comprehensive income/(expenses) for the period		**(41,915)**	**28,123**
Basic and diluted earnings/(deficit) per share (in EUR)	25	**(0.083)**	**0.056**

Litgrid

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

	Notes	For the three months period ended at 30 June 2025	For the three months period ended at 30 June 2024
Revenue from electricity transmission and related services		100,284	84,511
Other income		14	262
Total revenue		**100,298**	**84,773**
Expenses for purchase of electricity and related services		(99,791)	(62,284)
Wages and salaries and related expenses		(5,830)	(4,878)
Purchases of repair and maintenance services		(3,083)	(2,535)
Other expenses		(4,088)	(3,848)
Total expenses		**(112,792)**	**(73,545)**
EBITDA		**(12,494)**	**11,228**
Dividend income		68	-
Depreciation and amortisation		(5,895)	(5,502)
Assets write-off expenses (reversal)		(68)	(23)
Operating profit/(loss) (EBIT)		**(18,389)**	**5,703**
Financial income (costs) net		**830**	**1,389**
Profit/(loss) before income tax		**(17,559)**	**7,092**
Income tax			
Deferred income tax income/(expenses)		2,688	(479)
Total income tax		**2,688**	**(479)**
Profit/(loss) for the period		**(14,871)**	**6,613**
Basic and diluted earnings/(deficit) per share (in EUR)		**(0.029)**	**0.013**

Litgrid

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
Balance at 1 January 2024		**146,256**	**8,579**	**12,105**	**23,320**	**40**	**48,386**	**238,686**
Comprehensive income/(expenses) for the period		-	-	-	-	-	28,123	**28,123**
Depreciation of revaluation reserve and amounts written off		-	-	-	(1,222)	-	1,222	**-**
Transfer to reserves		-	-	2,521	-	460	(2,981)	**-**
Dividends	11	-	-	-	-	-	(29,252)	**(29,252)**
Balance at 30 June 2024		**146,256**	**8,579**	**14,626**	**22,098**	**500**	**45,498**	**237,557**
Balance at 1 January 2025		**146,256**	**8,579**	**14,626**	**20,830**	**500**	**67,404**	**258,195**
Comprehensive income/(expenses) for the period		-	-	-	-	-	(41,915)	**(41,915)**
Depreciation of revaluation reserve and amounts written off		-	-	-	(800)	-	800	**-**
Transfer to reserves		-	-	-	-	42,692	(42,692)	**-**
Dividends	11	-	-	-	-	-	(24,712)	**(24,712)**
Balance at 30 June 2025		**146,256**	**8,579**	**14,626**	**20,030**	**43,192**	**(41,115)**	**191,568**

Litgrid

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

	Notes	At 30 June 2025	At 30 June 2024
Cash flows from operating activities			
Profit/(loss) for the period		(41,915)	28,123
Adjustments for non-cash items:			
Depreciation and amortisation expenses	4,5,6	11,656	10,974
Impairment/(reversal of impairment) of assets		7	(23)
Bad debts		-	23
Income tax expenses/(income)		(7,675)	4,118
Reversal of other non-monetary expenses (income)		29	
Loss on write-off of property, plant and equipment		80	82
(Gain)/loss on disposal/write-off of property, plant and equipment		(21)	-
Elimination of results of financing and investing activities:			
Interest income		(2,588)	(2,986)
Interest expenses		166	196
Dividend income		(68)	-
Other finance costs/(income)		60	92
Changes in working capital:			
(Increase)/decrease in trade receivables and other amounts receivable		(18,037)	(6,785)
(Increase)/decrease in inventories, prepayments and other current assets		(1,560)	(1,268)
Increase/(decrease) in amounts payable, grants, deferred revenue and advance amounts received		(43,089)	19,273
Revenue generated from congestion management		17,235	-
Changes in other financial assets		616	1,031
Net cash inflow/(outflow) from operating activities		**(85,104)**	**52,850**
Cash flows from investing activities			
(Acquisition) of property, plant and equipment and intangible assets		(56,843)	(61,232)
Grants received		17	24,448
Loans recovered (granted) to related parties	9	136,931	(37,459)
Congestion management revenue received		30,079	50,513
Interest received		2,960	2,966
Dividends received		53	-
Net cash inflow/(outflow) from in investing activities		**113,197**	**(20,764)**
Cash flows from financing activities			
Repayments of borrowings	14	(3,072)	(3,072)
Settlement of lease liabilities	13.14	(226)	(255)
Interest paid	13.14	(170)	(201)
Dividends paid		(24,631)	(29,155)
Other cash flows from financing activities		-	72
Net cash (outflow) from financing activities		**(28,099)**	**(32,611)**
Increase/(decrease) in cash and cash equivalents		**(6)**	**(525)**
Cash and cash equivalents at the beginning of the period	10	113	634
Cash and cash equivalents at the end of the period	10	**107**	**109**

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 30 June 2025, 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 30 June 2025	At 31 December 2024	At 30 June 2025	At 31 December 2024
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
Total	**504,331,380**	**504,331,380**	**100**	**100**

The ultimate controlling shareholder of EPSO-G UAB (company code 302826889, address: Laisvės pr. 10, 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 number of shares (%) held by the Company in the joint venture were as follows:

Company name	Address of the company's registered office	at 30 June 2025	at 31 December 2024	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 30 June 2025, the Company had 476 (31 December 2024: 458) employees.

2. Summary of principal accounting policies

2.1 Basis of preparation

These condensed interim Company's financial statements, for the six months period ended 30 June 2025 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 2024.

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 six months period ended 30 June 2025 are not audited. Financial statements for the year ended 31 December 2024 are audited by the external auditor UAB „PricewaterhouseCoopers".

3. Information by segments

The Company is engaged in the provision of electricity transmission and related services and its business activities are organised as a single segment. The Board is the main decision-making body of the Company.

The Board monitors the key performance indicators:

- profit before interest, taxes, depreciation (amortisation), loss on impairment and write-off of property, plant and equipment (EBITDA);
- profit before interest and taxed (EBIT);
- net profit;
- operating expenses, excluding electricity and related expenses.

The Board also monitors adjusted performance indicator – adjusted EBITDA, which is non-IFRS alternative performance measure. Adjustments include temporary regulatory differences resulting from the Council's decisions already made and predicted and eliminating other non-typical profit or loss. All adjustments may have both positive and negative impact on the reporting period results. In Board's view, adjusted EBITDA more accurately presents results of the operations and enable a better comparison of the results between the periods as they indicate the amount that was actually earned by the Group in the reporting year.

	At the first half of the year 2025	At the first half of the year 2024
Revenue	209,023	197,733
Operating expenses, excluding electricity, gas and related expenses, depreciation and impairment	(25,167)	(21,440)
EBITDA *	**(40,284)**	**40,599**
Adjusted EBITDA	**26,811**	**24,488**
Temporary regulatory differences for previous periods	4,222	6,550
Temporary regulatory differences for reporting period	62,873	(22,661)
Overall effect of management's adjustments on EBITDA	**67,095**	**(16,111)**
Result of lost control in subsidiary and revaluation	**(1,631)**	**(12,476)**
Depreciation and amortisation	(11,656)	(10,974)
Loss on impairment and write-off of assets	(80)	(82)
Dividend income	68	-
Total finance costs, net	2,362	2,698
Income tax	7,675	(4,118)
Net profit (loss)	**(41,915)**	**28,123**
Total assets at the end of period	746,239	730,488
Net financial deb at the end of period	(29,921)	(36,420)
Acquisitions of non-current assets and change in the advance payment during the period as at the end of the period	(76,924)	(92,085)

Adjusted EBITDA is calculated by the Company. Deviations are not approved by NERC.

All non-current assets of the Company are allocated in Lithuania where the Company conducts its business activities., except for an insignificant 1/3 of the NordBalt cable, which is located in the neutral waters of the Baltic Sea.

During the six months of 2025, revenue from the Lithuanian clients accounted for 84 % of the Company's total revenue (during the six months of 2024 – 85 %). The Company's revenue from the major clients:

	At the first half of the year 2025	At the first half of the year 2024
Client A	126,476	124,754
Client B	11,362	19,871
Client C	8,837	12,851

4. Intangible assets

	Patents and licences	Computer software	Other intangible assets	Statutory servitudes and protection zones	Total
Net book amount at 1 January 2024	**877**	**1,910**	**86**	**2,068**	**4,941**
Acquisitions	31	676	-	-	707
Reclassification to/from PP&E	-	(60)	-	-	(60)
Reclassification off-set of grants against PP&E	-	(1,103)	-	-	(1,103)
Reclassification between categories	-	-	-	-	-
Off-set of grants against intangible assets	-	-	-	-	-
Amortisation charge	(207)	(121)	(29)	-	(357)
Net book amount at 30 June 2024	**701**	**1,302**	**57**	**2,068**	**4,128**
At 30 June 2024					
Acquisition value	1,817	6,146	342	4,385	**12,690**
Accumulated amortisation	(1,116)	(4,844)	(285)	-	**(6,245)**
Change in value	-	-	-	(2,317)	**(2,317)**
Net book amount	**701**	**1,302**	**57**	**2,068**	**4,128**
Net book amount at 1 January 2025	**507**	**1,797**	**28**	**1,678**	**4,010**
Acquisitions	57	1	1,298	-	**1,356**
Reclassification to/from PP&E	9	10	40	-	**59**
Reclassification off-set of grants against PP&E	-	-	(1,390)	-	**(1,390)**
Reclassification between categories	-	(1,073)	1,073	-	**-**
Off-set of grants against intangible assets	-	-	(278)	-	**(278)**
Amortisation charge	(212)	(137)	(21)	-	**(370)**
Net book amount at 30 June 2025	**361**	**598**	**750**	**1,678**	**3,387**
At 30 June 2025					
Acquisition value	1,900	5,703	1,084	4,385	**13,072**
Accumulated amortisation	(1,539)	(5,105)	(334)	-	**(6,978)**
Change in value	-	-	-	(2,707)	**(2,707)**
Net book amount	**361**	**598**	**750**	**1,678**	**3,387**

5. Property, plant and equipment

	Land	Buildings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construction work in progress	Total
Net book amount at 1 January 2024	**520**	**19,806**	**283,744**	**-**	**10,269**	**80,818**	**395,157**
Acquisitions	-	295	4,562	-	1,610	88,936	95,403
Change in prepayments for PP&E	-	-	-	-	-	(4,025)	(4,025)
Write-offs	-	-	(89)	-	-	(63)	(152)
Reclassification to inventories	-	-	-	-	42	763	805
Reclassification to intangible assets	-	-	-	-	143	(83)	60
Reclassification off-set of grants against intangible assets	-	-	-	-	-	1,103	1,103
Reclassifications between grant categories	-	-	103	-	-	(103)	-
Reclassification between categories	-	164	2,885	-	(187)	(2,862)	-
Off-set of connection revenue against non-current assets	-	(295)	(4,559)	-	(271)	(84)	(5,209)
Off-set of grants against non-current assets	-	-	-	-	-	(52,791)	(52,791)
Depreciation charge	-	(307)	(9,140)	-	(940)	-	(10,387)
Net book amount at 30 June 2024	**520**	**19,663**	**277,506**	**-**	**10,666**	**111,609**	**419,964**
At 30 June 2024							
Revaluated acquisition cost	520	19,970	286,642	-	11,606	111,609	430,347
Accumulated depreciation	-	(307)	(9,136)	-	(940)	-	(10,383)
Accumulated impairment	-	-	-	-	-	-	-
Net book amount	**520**	**19,663**	**277,506**	**-**	**10,666**	**111,609**	**419,964**
Net book amount at 1 January 2025	**520**	**24,896**	**312,570**	**158**	**16,099**	**91,236**	**445,479**
Acquisitions	-	-	2,853	225	11,269	61,435	75,782
Change in prepayments for PP&E	-	-	-	-	-	(214)	(214)
Write-offs	-	-	(348)	-	-	(10)	(358)
Reclassification to inventories	-	-	-	-	(29)	(2)	(31)
Reclassification to intangible assets	-	-	-	-	-	(59)	(59)
Reclassification off-set of grants against intangible assets	-	-	-	-	-	1,390	1,390
Reclassifications between grant categories	-	(5,350)	(84,212)	-	(578)	90,140	-
Reclassification between categories	-	5,820	104,454	-	304	(110,578)	-
Off-set of connection revenue against non-current assets	-	-	(2,660)	-	(38)	(110)	(2,808)
Off-set of grants against non-current assets	-	-	-	-	(1)	(26,398)	(26,399)
Depreciation charge	-	(399)	(9,356)	(32)	(1,263)	-	(11,050)
Net book amount at 30 June 2025	**520**	**24,967**	**323,301**	**351**	**25,763**	**106,830**	**481,732**
At 30 June 2025							
Revaluated acquisition cost	520	26,045	351,437	394	28,979	106,830	514,205
Accumulated depreciation	-	(1,078)	(27,656)	(43)	(3,216)	-	(31,993)
Accumulated impairment	-	-	(480)	-	-	-	(480)
Net book amount	**520**	**24,967**	**323,301**	**351**	**25,763**	**106,830**	**481,732**

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.

Prepayments for property, plant, equipment:

	2025	2024
Carrying amount at 1 January	**6,712**	**16,181**
Prepayments paid for PPE over the period	3,428	330
Transfer to construction work in progress	(3,642)	(4,355)
Carrying amount at 30 June 2025	**6,498**	**12,156**

The table below presents the net book amounts of the Company's property, plant and equipment, which would have been recognised had the historical cost method been used, excluding prepayments but including grants, and negative revaluations that would represent impairment:

	Land	Buildings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construction work in progress	Total
At 30 June 2024	520	18,617	253,225	-	6,173	99,453	377,988
At 30 June 2025	520	23,951	300,517	351	25,719	100,333	451,391

Had the value of property, plant and equipment not been reduced by the amount of grants, its carrying amount would have been greater in these sums:

	2025	2024
Carrying amount at 1 January	**598,614**	**458,506**
Acquisitions	27,817	56,897
Depreciation charge	(10,619)	(8,888)
Write-offs	-	(9)
Carrying amount at 30 June	**615,812**	**506,506**

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 (based on the data as at 30 September 2023).

6. Right-of-use assets

	Land	Buildings	Motor vehicles	Total
Net book amount at 1 January 2024	**4,240**	**70**	**1,045**	**5,355**
Depreciation charge	(22)	(12)	(196)	**(230)**
Net book amount at 30 June 2024	**4,218**	**58**	**849**	**5,125**
Net book amount at 1 January 2025	**4,195**	**46**	**654**	**4,895**
Acquisitions	-	-	93	**93**
Depreciation charge	(23)	(18)	(195)	**(236)**
Net book amount at 30 June 2025	**4,172**	**28**	**552**	**4,752**

7. Trade receivables

	At 30 June 2025	At 31 December 2024
Trade receivables under contracts with customers		
Amounts receivable for electricity transmission and related services	32,101	39,912
Accumulated amounts receivable for electricity services	21,198	8,878
Trade receivables under contracts with customers carrying amount	**53,299**	**48,790**
Trade receivables under the other contracts with customers		
Amounts receivable for electricity transmission and related services	14	14
Congestion management funds receivable	1,335	1,053
Accumulated amounts receivable for electricity transmission and related services	393	67
Other trade receivables	61	61
Trade receivables under the other contracts with customers carrying amount	**1,803**	**1,195**
Short terms trade receivables total	**55,102**	**49,985**

On 30 June 2025 trade receivables under contracts with customers are 9 % higher than on 31 December 2024. The increase has been mainly affected by higher amounts receivable for imbalance electricity.

8. Other trade amounts receivable

	At 30 June 2025	At 31 December 2024
Non-financial asset		
Grants receivable	32,204	30,287
VAT receiveble from the budget	12,055	317
Total non-financial asset	**44,259**	**30,604**
Financial asset		
Other amounts receivable	543	53
Total financial asset	**543**	**53**
Carrying amount	**44,802**	**30,657**

The fair value of other amounts receivable approximates their carrying amount.

9. Loans granted

	At 30 June 2025	At 31 December 2024
Loan to EPSO-G UAB (under the cashpool agreement)	128,541	265,472
Interest on loans	215	588
Carrying amount	**128,756**	**266,060**

NERC's approval enabled the Company to enter into the cashpool agreement with EPSO-G UAB on 26 February 2021. The agreement establishes the possibility to temporarily use free congestion management revenue for inter-company lending and borrowing purposes. On 25 July 2024, Company signed a new cashpool agreement with EPSO-G UAB. The agreement was valid

until 29 July 2025 and contained two possible extensions of 12 months each, by applying variable interest rate linked to ESTR (euro short-term rate).

Under the group account (cashpool) 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.

10. Cash and cash equivalents

	At 30 June 2025	At 31 December 2024
Cash at bank	107	113
Carrying amount at the end of the period	**107**	**113**

11. Dividends

On 30 April 2025, the Ordinary General Meeting of Shareholders of LITGRID AB approved the distribution of the Company's profit (loss) for 2024. EUR 24 712 thousand was allocated to dividends for the year ended 31 December 2024. Dividends per share amounted to EUR 0.049.

On 30 April 2024, the Ordinary General Meeting of Shareholders of LITGRID AB approved the distribution of the Company's profit (loss) for 2023. EUR 29 252 thousand was allocated to dividends for the year ended 31 December 2023. Dividends per share amounted to EUR 0.058.

12. Grants

The grants at the Company are mainly designated for the acquisition of non-current assets. Movements in grants in 2025 and 2024 were as follows:

	Note	2025	2024
Opening balance at 1 January			
Grants receivable		30,287	34,006
Grants received in advance (non-current liabilities)		(3,469)	-
Grants received in advance (current liabilities)		(635)	(28,563)
		26,183	**5,443**
Recognised grants			
Transfer to property, plant and equipment	5, 6	29,485	58,000
Grants used for compensation of expenses		17	57
		29,502	**58,057**
Grants received			
Grants received in the form of monetary funds (cash flow statement)		17	24,448
Congestion revenue transferred to grants	15	24,760	13,759
Grants received during the previous years		-	101
		24,777	**38,308**
Grants received in the form of assets	6	2,808	5,209
Closing balance at 30 June 2025			
Grants receivable		32,204	40,527
Grants received in advance (non-current liabilities)		(3,469)	-
Grants received in advance (current liabilities)		(635)	(20,544)
		28,100	**19,983**

13. Borrowings

Borrowings of the Company were as follows:

	At 30 June 2025	At 31 December 2024
Non-current borrowings		
Bank borrowings	20,000	22,000
Current borrowings		
Current portion of non-current bank borrowings	5,071	6,143
Bank borrowings interest	31	35
Total borrowings at the end of the period	**25,102**	**28,178**

Maturity of non-current borrowings:

	At 30 June 2025	At 31 December 2024
From 1 to 2 years	4,000	4,000
From 2 to 5 years	12,000	12,000
After 5 years	4,000	6,000
Total	**20,000**	**22,000**

As at 30 June 2025 and 31 December 2024, no assets were pledged as collateral by the Company.

As at 30 June 2025, the weighted average interest rate on the Company's borrowings was 0.94% (31 December 2024: 0.94%).

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

	At 30 June 2025	At 30 June 2024
Cash and cash equivalents	107	109
Non-current borrowings	(20,000)	(25,071)
Lease liabilities	(4,408)	(4,821)
Current portion of non-current borrowings	(5,071)	(6,143)
Interest charged on borrowings	(31)	(38)
Current portion of lease liabilities	(518)	(456)
Net debt	**(29,921)**	**(36,420)**

Cash and cash equivalents	107	109
Borrowings with a fixed interest rate	(30,028)	(36,529)
Net debt	**(29,921)**	**(36,420)**

	Cash	Borrowings	Leases	Total
Net debt at 1 January 2024	**634**	**(34,329)**	**(5,493)**	**(39,188)**
Increase (decrease) in cash and cash equivalents	(525)	-	-	(525)
Lease payments	-	-	216	216
Repayment of a borrowing	-	3,072	-	3,072
Interest charged	-	(157)	(39)	(196)
Interest paid	-	162	39	201
Net debt at 30 June 2024	**109**	**(31,252)**	**(5,277)**	**(36,420)**

Net debt at 1 January 2025	**113**	**(28,178)**	**(5,059)**	**(33,124)**
Increase (decrease) in cash and cash equivalents	(6)	-	-	(6)
New leases	-	-	(93)	(93)
Lease payments	-	-	226	226
Repayment of a borrowing	-	3,072	-	3,072
Interest charged	-	(129)	(37)	(166)
Interest paid	-	133	37	170
Net debt at 30 June 2025	**107**	**(25,102)**	**(4,926)**	**(29,921)**

14. Lease liabilities

Lease liabilities and their movement were as follows:

	2025	2024
Carrying amount at the 1 January	**5,059**	**5,493**
Leases	93	-
Expenses of interest charged	37	39
Lease payments (principal)	(226)	(434)
Lease payments (interest)	(37)	179
Carrying amount at 30 June	**4,926**	**5,277**
Non-current lease liabilities	4,408	4,821
Current lease liabilities	518	456
Carrying amount at 30 June	**4,926**	**5,277**

Maturity of non-current lease liabilities:

	At 30 June 2025	At 30 June 2024
Current portion	518	456
Repayment terms of non-current liabilities:		
From 1 to 2 years	141	425
From 2 to 3 years	24	105
From 3 to 5 years	23	23
After 5 years	4,220	4,268
Total	**4,926**	**5,277**

15. Congestion management revenue

	At 30 June 2025	At 30 June 2024
Non-current portion of congestion management funds included in liabilities	329,535	301,445
Current portion of congestion management funds included in liabilities	64,081	36,901
Total congestion management funds	**393,616**	**338,346**

	2025	2024
Congestion management funds at 1 January	**390,118**	**301,074**
Congestion management funds received during the period	47,997	53,018
Congestion management funds use to finance property, plant and equipment	(24,760)	(13,759)
Congestion management funds recognised as income during the period	(19,739)	(1,987)
Carrying amount at 30 June	**393,616**	**338,346**

16. Provisions

	At 30 June 2025	At 31 December 2024
Provisions for pension benefits to employees	673	673
Provisions for servitude liabilities	35	45
Provisions for registration of protection zones	69	69
Carrying amount	**777**	**787**
Non-current provisions	704	704
Current provisions	73	83
Carrying amount at 30 June	**777**	**787**

17. Income tax and deferred income tax

The Company's profit (loss) for 2025 is taxed at a rate of 16 % and profit (loss) for 2024 is taxed at a rate of 15 % in accordance with the Law on Corporate Income Tax of the Republic of Lithuania.

	At the first half of the year 2025	At the first half of the year 2024
Profit/(loss) before income tax	**(49,590)**	**32,241**
Income tax	(7,934)	4,836
Effect of investment incentive	-	(304)
Income tax expenses/(benefit) for the previous year	-	(133)
Effect of non-allowable deductions and non-taxable income	259	(281)
Income tax expenses/(benefit) recognised in profit or loss	**(7,675)**	**4,118**

18. Trade payables

	At 30 June 2025	At 31 December 2024
Amounts payable for electricity	42,326	46,188
Amounts payable for repair works, services	11,695	14,482
Payables for property, plant and equipment and inventory	47,795	52,248
Carrying amount at the end of the period	**101,816**	**112,918**

Trade payables decreased by 9.8% as at 30 June 2025 compared to 31 December 2024.

19. Other payable amounts and liabilities

	At 30 June 2025	At 31 December 2024
Other non-current amounts payable and liabilities		
Non-financial liabilities		
Advance amounts received from connection of new consumers	13,293	11,005
Non-current trade payables	3,469	3,469
Deferred revenue	154	-
Grants received in advance	1,252	141
Carrying amount at the end of period	**18,168**	**14,615**
Other current amounts payable and liabilities		
Non-financial liabilities		
Employment-related liabilities	2,987	2,235
Accrued expenses relating to vacation reserve	2,247	1,876
Real estate and other taxes payable	1	688
Total non-financial liabilities	**5,235**	**4,799**
Financial liabilities		
Dividends payable	674	592
Deposits received *	2,959	2,959
Fee payable to the regulator	556	540
Other amounts payable and current liabilities	-	1
Total financial liabilities	**4,189**	**4,092**
Total carrying amount of financial and non-financial liabilities	**9,424**	**8,891**
Total amount payable and liabilities	**27,592**	**23,506**

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

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20. Revenue from electricity transmission and related services

	At the first half of the year 2025	At the first half of the year 2024
Revenue from contracts with customers		
Revenue from electricity transmission and related services		
Electricity transmission services	48,917	65,060
Trade in balancing/imbalance electricity	48,166	57,690
Electricity ancillary services	89,825	71,694
Revenue from other sales of electricity and related services	1,241	1,235
Total revenue from electricity transmission and related services	**188,149**	**195,679**
Other income from contracts with customers		
Income from administration of guarantees of origin	143	72
Total other income	**143**	**72**
Total revenue from contracts with customers	**188,292**	**195,751**
Revenue not attributable to contracts with customers		
Electricity transmission services (tariff compensation using congestion management funds)	17,235	-
Electricity transmission services (recognised as income)	2,504	1,988
Other electricity-related services	281	(808)
Revenue from connection of producers and relocation of electrical installations	50	7
Total revenue not attributable to contracts with customers	**20,070**	**1,187**
Total revenue	**208,362**	**196,938**

Revenue from electricity transmission and related services during the period of six months in 2025, compared to the period of six months of 2024, increased by 6 %, where:

- Revenue from ancillary services increased by 25 % due to a higher ancillary services acquisition component in the transmission service price.
- Transmission revenue (including congestion management revenue of EUR 17,235 thousand used the reduction of the tariff for 2025) increased by 2 % due to a higher actual transmission tariff.
- Revenue from sale of balancing/imbalance energy decreased by 17 % due to decrease in the electricity sale price.

Imbalance pricing has changed since October 2024, when Litgrid connected to a single European platform for the exchange of balancing energy from frequency restoration reserves with manual activation (MARI). The neutrality component, which is added to (deducted from) the balancing energy reference price, before the connection to MARI, was calculated based on the actual balancing trade data for the reporting month, to socialise the expenses and/or income, which Litgrid incurred. After the connection to MARI, the neutrality component is calculated in advance and adjusted for subsequent months using actual data from previous months, which may result in a significant difference between the balancing and imbalance income and expenses during the reporting period. The difference between expenses and revenue from balancing and imbalance energy was EUR 548 thousand. Difference between revenue and expenses should not affect long-term profitability as it should be measured by performing the pricing adjustments in future periods.

21. Other income

	At the first half of the year 2025	At the first half of the year 2024
Income from lease of assets	301	281
Interest on late payment and default charges	41	485
Gain on disposal of assets	21	-
Other income	298	29
Total	**661**	**795**

22. Expenses for purchase of electricity and related services

	At the first half of the year 2025	At the first half of the year 2024
Expenses for purchase of imbalance and balancing electricity	48,714	57,797
Expenses for electricity ancillary services	152,064	56,936
Expenses for electricity technological needs	18,603	16,717
Expenses for electricity and related services	4,759	4,244
Carrying amount at the end of period	**224,140**	**135,694**

Purchases of electricity transmission and related services during the period of six months in 2025, compared to the period of six months in 2024 increased by 65 % as:

- Expenses for ancillary services increased 2.7 times to EUR 152,064 thousand. The major impact has resulted from the increase in expenses related the manual frequency restoration reserve.
- Expenses for balancing and imbalance electricity decreased by 16 % due to a lower purchase price.
- Expenses of the purchase of electricity for the compensation of technological losses in the transmission grid increased by 11 % to EUR 18,603 thousand due to a 26 % higher average electricity purchase price, whereas the amount of technological losses was 12 % lower.

23. Other expenses

	At the first half of the year 2025	At the first half of the year 2024
Telecommunications and IT system expenses	(1,567)	(1,347)
Tax expenses	(1,701)	(1,446)
Fee payable to the regulator	(1,112)	(1,080)
Business protection expenses	(403)	(452)
Market coupling costs	(506)	(362)
Membership fee	(304)	(284)
Management service cost	(501)	(443)
Business trips	(157)	(208)
Insurance expenses	(296)	(285)
Transport expenses	(171)	(158)
Premise rental expenses	(152)	(188)
Collective agreement benefits	(232)	(153)
Consultation service expenses	(103)	(148)
Personnel development costs	(96)	(146)
Research and development works	(74)	(117)
Expenses of governing bodies	(65)	(48)
Public relations	(250)	(45)
Other expenses	(897)	(369)
Carrying amount at the end of period	**(8,587)**	**(7,279)**

24. Related-party transactions

The Company's related parties in the six months 2025 and in the six months 2024 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 six months of 2025 and balances arising from these transactions as at 30 June 2025 were as follows:

Related parties	Amounts receivable and accrued revenue	Amounts payable and accrued expenses	Loans granted	Purchases	Sales	Other sales
EPSO-G UAB group companies						
EPSO-G UAB	215	227	128,541	501	0	2,586
TETAS UAB	59	7,212	-	10,979	-	504
Energy cells UAB	320	2,698	-	9,560	(1,022)	-
State-owned companies						
Energijos Skirstymo Operatorius AB	20,443	2,211	-	313	127,600	-
Ignitis Gamyba AB	271	14,852	-	213,795	(5,488)	-
Ignitis Grupės Paslaugų Centras UAB	32	-	-	-	163	-
Ignitis UAB	1	18	-	(2,946)	11,362	-
Vilniaus Kogeneracinė Jėgainė UAB	50	155	-	397	162	-
Kauno Kogeneracinė Jėgainė UAB	-	16	-	154	54	-
Vėjas LT UAB	3	-	-	-	19	-
Vidaus vandens kelių direkcija AB	-	-	-	570	-	-
STATE ENTERPRISE IGNALINA NUCLEAR POWER PLANT	110	18	-	-	584	-
LTG Infra AB	78	4,891	-	-	403	-
State Enterprise Centre of Registers	-	-	-	9	-	-
	21,582	**32,298**	**128,541**	**233,332**	**133,837**	**3,090**

The Company's transactions with related parties between six months of 2024 and balances arising from these transactions as at 30 June 2024 were as follows:

Related parties	Amounts receivable and accrued revenue	Amounts payable and accrued expenses	Loans granted	Purchases	Sales	Other sales
EPSO-G UAB group companies						
EPSO-G UAB	-	169	204,541	442	-	2,986
TETAS UAB	-	3,850	-	12,928	-	311
Energy cells UAB	78	730	-	3,739	245	-
State-owned companies						
Energijos Skirstymo Operatorius AB	21,647	1,146	-	974	124,747	-
Ignitis Gamyba AB	327	9,611	-	67,162	930	-
Ignitis Grupės Paslaugų Centras UAB	31	-	-	-	143	-
Ignitis UAB	2,761	-	-	2,330	12,851	-
Vilniaus Kogeneracinė Jėgainė UAB	18	107	-	1,654	300	-
Kauno Kogeneracinė Jėgainė UAB	2	-	-	140	33	-
Vėjas LT UAB	-	227	-	-	-	-
State Enterprise Ignalina Nuclear Power Plant	116	18	-	2	628	-
LTG Infra AB	71	75	-	-	405	-
VĮ Registrų centras	-	1	-	10	-	-
	25,051	**15,934**	**204,541**	**89,381**	**140,282**	**3,297**

Payments to key management personnel

Key management personnel consists of the Company's heads of administration, heads of the departments and members of the collegial management bodies.

Payments to key management personnel	At the first half of the year 2025	At the first half of the year 2024
Employment-related payments*	648	659
*Whereof: Payed benefits**	-	111
Number of key management personnel (average annual)	10	9
Payments to the members of the collegial management bodies	59	46

* - with employer contributions for social security.

During the six months in 2025, and the six months in 2024 the Management of the Company did not receive any loans, guarantees, or any other payments or property transfers were made or accrued.

25. Basic and diluted earnings per share

	At the first half of the year 2025	At the first half of the year 2024
Profit/(loss) for the period attributable to the Company's shareholders (EUR thousands)	(41,915)	28,123
Weighted average number of shares (units)	504,331,380	504,331,380
Basic and diluted earnings/(deficit) per share (in EUR)	**(0.083)**	**0.056**

26. Events after the reporting period

On 27 June 2025, the National Energy Regulatory Council adopted the decision regarding the reduction of the price cap of the service of the isolated operation of the power system provided by Ignitis Gamyba AB to our Company which will be applicable from 1 August to 31 December 2025. This decision is expected to reduce the Company's expenses for ancillary services by EUR 87 million in the second half of the year 2025.