EPSOG

CONSOLIDATED AND THE COMPANY‘S CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023 (UNAUDITED), PROVIDED TOGETHER WITH CONSOLIDATED INTERIM REPORT

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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The financial statements has been approved on 14 November 2023

Mindaugas Keizeris	Žydrūnas Augutis
Chief Executive Officer	Chief financier

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
FOR NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023
(All amounts are in EUR thousands unless otherwise stated)

	Notes	GROUP		COMPANY	
		At 30 Sept 2023	At 31 Dec 2022	At 30 Sept 2023	At 31 Dec 2022
ASSETS					
Non-current assets					
Intangible assets	5	9 716	8 422	49	57
Property, plant and equipment	6	679 845	655 721	2	3
Right-of-use assets	7	10 418	11 329	165	235
Investments in subsidiaries	8	-	-	324 120	324 120
Investments in associates	8	15 902	13 960	13 830	13 830
Deferred income tax assets	24	12 047	17 037	595	30
Granted non-current loans		-	-	2 700	2 700
Non-current amounts receivable		10	10	-	
Total non-current assets		**727 938**	**706 479**	**331 461**	**340 975**
Current assets					
Inventories	10	9 815	16 211	-	5
Prepayments and contract assets		12 059	9 916	42	40
Trade receivables	11	46 671	86 179	332	197
Other amounts receivable	12	62 052	71 664	49 638	21 059
Prepaid income tax		20 522	28 741	-	-
Other financial assets	13	165 731	54 664	150 000	-
Cash and cash equivalents		14 359	248 096	13 486	244 310
Total Current assets		**331 209**	**515 471**	**213 498**	**265 611**
Assets of the disposal group		**-**	**203 778**	**-**	**-**
TOTAL ASSETS		**1 059 147**	**1 425 728**	**554 959**	**606 586**
EQUITY AND LIABILITIES					
Share capital	14	189 631	189 631	189 631	189 631
Revaluation reserve		259	277	-	-
Legal reserve		14 123	16 621	2 524	2 248
Other reserves		-	41 128	50	50
Retained earnings		65 206	(30 629)	14 541	5 514
Equity attributable to shareholders of the parent company		**269 219**	**217 028**	**206 746**	**197 443**
Non-controlling interest		11 843	10 746	-	-
Total equity		**281 062**	**227 774**	**206 746**	**197 443**
Non-current liabilities					
Non-current borrowings	15	167 883	182 586	74 838	74 805
Lease liabilities	16	8 834	9 640	70	142
Congestion management funds	19	151 446	64 095	-	-
Provisions		2 852	2 956	-	-
Other non-current amounts payable and liabilities		39 471	35 663	-	-
Total non-current liabilities		**370 486**	**294 940**	**74 908**	**74 947**
Current liabilities					
Current portion of non-current borrowings	15	11 792	24 038	-	-
Current borrowings	15	871	1 550	271 478	332 888
Current portion of lease liabilities	16	1 637	1 721	94	94
Trade payables	18	63 648	117 362	770	222
Advance amounts received		52 815	52 359	-	-
Current portion of congestion management funds	19	120 085	287 400	-	-
Provisions		2 854	1 901	-	-
Other current amounts payable and liabilities	20	153 897	214 086	963	992
Total current liabilities		**407 599**	**700 417**	**273 305**	**334 196**
Liabilities of the disposal group		**-**	**202 597**	**-**	
Total liabilities		**778 085**	**1 197 954**	**348 213**	**409 143**
TOTAL EQUITY AND LIABILITIES		**1 059 147**	**1 425 728**	**554 959**	**606 586**

(All amounts are in EUR thousands unless otherwise stated)

	Notes	GROUP			
		For the period of nine months ended 30 Sept 2023	**For the period of nine months ended 30 Sept 2022 (reclassified)**	**For the period of three months ended 30 Sept 2023**	**For the period of three months ended 30 Sept 2022 (reclassified)**
Revenue	3,21	244 908	415 884	97 107	186 392
Other income	21	110 145	1 406	36 873	680
Total revenue, other income		**355 053**	**417 290**	**133 980**	**187 072**
Expenses for purchase of electricity, natural gas and other service	22	(213 760)	(175 357)	(78 578)	(196 029)
Wages and salaries and related expenses		(35 355)	(22 236)	(11 311)	(10 362)
Repair and maintenance expenses		(5 699)	(2 661)	(1 905)	(2 932)
Other expenses	22	(22 089)	(16 305)	(8 257)	(7 781)
Total expenses		**(276 903)**	**(433 663)**	**(100 051)**	**(217 104)**
EBITDA		**78 150**	**(16 373)**	**33 929**	**(30 032)**
Dividend income		-	43	-	-
Result on loss of control and revaluation of associates		8 419	-	-	-
Depreciation and amortisation	5,6,7	(25 486)	(26 246)	(8 384)	(8 690)
Assets write-off expenses		100	(219)	191	(38)
Impairment (reversal of impairment) expenses		(332)	(59)	(309)	(34)
Operating profit (loss) (EBIT)		**60 851**	**(42 854)**	**25 427**	**(38 794)**
Financing activities					
Interest income		4 943	23	2 210	19
Interest expenses		(4 544)	(2 202)	(1 583)	(981)
Total finance costs, net value		**399**	**(2 179)**	**627**	**(962)**
Profit before income tax		**61 250**	**(45 033)**	**26 054**	**(39 756)**
Income tax					
Current year income tax expenses	24	(2 460)	(13 676)	(1 045)	(17 121)
Deferred income tax benefit/(expenses)	24	(4 872)	20 663	(2 554)	(23 345)
Total income tax		**(7 332)**	**6 987**	**(3 599)**	**(6 224)**
Profit (loss) for the period		**53 918**	**(38 046)**	**22 455**	**(33 532)**
Total comprehensive income (cost) for the period		**53 918**	**(38 046)**	**22 455**	**(33 532)**
Profit (loss) for the period is attributable to:					
Shareholders of the parent company		52 256	(37 323)	21 366	(32 836)
Non-controlling interest		1 662	(723)	1 089	(696)
		53 918	**(38 046)**	**22 455**	**(33 532)**
Total comprehensive income (cost) for the period is attributable to:					
Shareholders of the parent company		52 256	(37 323)	21 366	(32 836)
Non-controlling interest		1 662	(723)	1 089	(696)
		53 918	**(38 046)**	**22 455**	**(33 532)**

The accompanying notes are an integral part of the financial statements

(All amounts are in EUR thousands unless otherwise stated)

	Notes	COMPANY For the period of nine months ended 30 Sept 2023	For the period of nine months ended 30 Sept 2022 (reclassified)	For the period of three months ended 30 Sept 2023	For the period of three months ended 30 Sept 2022 (reclassified)
Revenue	21	874	482	392	186
Other income	21	-	-	-	-
Dividend income		13 357	14 479	-	-
Total revenue , other income and dividend		**14 231**	**14 961**	**392**	**186**
Wages and salaries and related expenses		(3 151)	(2 575)	(1 044)	(869)
Other expenses	22	(1 434)	(793)	(797)	(249)
Total expenses		**(4 585)**	**(3 368)**	**(1 841)**	**(1 118)**
EBITDA		**9 646**	**11 593**	**(1 449)**	**(932)**
Depreciation and amortisation		(92)	(88)	(31)	(28)
Operating profit (loss) (EBIT)		**9 554**	**11 505**	**(1 480)**	**(960)**
Financing activities					
Interest income		5 824	152	2 842	81
Interest expenses		(6 691)	(1 077)	(2 838)	(632)
Total finance costs, net value		**(867)**	**(925)**	**4**	**(551)**
Profit before income tax		**8 687**	**10 580**	**(1 476)**	**(1 511)**
Income tax					
Current year income tax expenses		-	-	-	-
Deferred income tax benefit/(expenses)		681	545	69	210
Total income tax		**681**	**545**	**69**	**210**
Profit (loss) for the period		**9 368**	**11 125**	**(1 407)**	**(1 301)**
Total comprehensive income (cost) for the period		**9 368**	**11 125**	**(1 407)**	**(1 301)**
Profit (loss) for the period is attributable to:					
Shareholders of the parent company		9 368	11 125	(1 407)	(1 301)
Non-controlling interest					
		9 368	**11 125**	**(1 407)**	**(1 301)**
Total comprehensive income (cost) for the period is attributable to:					
Shareholders of the parent company		9 368	11 125	(1 407)	(1 301)
Non-controlling interest					
		9 368	**11 125**	**(1 407)**	**(1 301)**

The accompanying notes are an integral part of the financial statements

(All amounts are in EUR thousands unless otherwise stated)

GROUP	Equity attributable to shareholders of the Group							
	Share capital	Revaluation reserve	Legal reserve	Other reserves	Retained earnings	Subtotal	Non-controlling interest	Total
Balance at 1 January 2022	**22 483**	**310**	**16 600**	**59 546**	**160 775**	**259 714**	**11 884**	**271 598**
Comprehensive income								
Profit for the period	-	-	-	-	(37 323)	(37 323)	(723)	(38 046)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(37 323)**	**(37 323)**	**(723)**	**(38 046)**
Depreciation of revaluation	-	(24)	-	-	24	-	-	-
Transfer to / from reserves				(18 682)	18 682			
Dividends					(845)	(845)	(463)	(1 308)
Increase in share capital	167 148	-	-	-	(167 148)	-	-	-
Balance at 30 September 2022	**189 631**	**286**	**16 600**	**40 864**	**(25 835)**	**221 546**	**10 698**	**232 244**
Balance at 1 January 2023	**189 631**	**277**	**16 621**	**41 128**	**(30 629)**	**217 028**	**10 746**	**227 774**
Comprehensive income								
Profit for the period	-	-	-	-	52 256	52 256	1 662	53 918
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**52 256**	**52 256**	**1 662**	**53 918**
Depreciation of revaluation	-	(18)	-	-	18	-	-	-
Transfer to / from reserves			(2 498)	(41 128)	43 626			
Dividends	-	-	-	-	(65)	**(65)**	(565)	**(629)**
Balance at 30 September 2023	**189 631**	**259**	**14 123**	**0**	**65 206**	**269 219**	**11 843**	**281 062**

COMPANY	Share capital	Legal reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2022	**22 483**	**2 248**	**50**	**168 002**	**192 783**
Profit for the period	-			11 125	11 125
Dividends				(845)	(845)
Increase in share capital	167 148			(167 148)	
Balance at 30 September 2022.	**189 631**	**2 248**	**50**	**11 134**	**203 063**
Balance at 1 January 2023	**189 631**	**2 248**	**50**	**5 514**	**197 443**
Profit for the period	-			9 368	9 368
Dividends				(65)	(65)
Transfer to / from reserves		276		(276)	-
Balance at 30 September 2023	**189 631**	**2 524**	**50**	**14 540**	**206 745**

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

(All amounts are in EUR thousands unless otherwise stated)

		GROUP		COMPANY	
		For the period of nine months ended 30 Sept 2023	**For the period of nine months ended 30 Sept 2022**	**For the period of nine months ended 30 Sept 2023**	**For the period of nine months ended 30 Sept 2022**
Cash flows from operating activities					
Profit/(loss) for the period		31 463	(4 514)	10 775	12 426
Adjustments for non-cash items:					
Depreciation and amortisation expenses	4,5,6	17 102	17 556	61	60
Impairment (reversal) of other assets		23	25		
Income tax expenses		3 733	(763)	(613)	(335)
Profit on disposal/write-off of property, plant and equipment		91	181		
Amortization of income Grants		(129)			
Elimination of results of financing and investing activities:					
Result on loss of control and revaluation of associates	9	(8 419)	-	-	-
Interest income		(2 733)	(4)	(2 982)	(71)
Interest expenses		2 961	1 070	3 853	445
Dividend income		-	(43)	(13 357)	(14 479)
Other finance (income)/costs		-	151		
Changes in working capital:					
(Increase)/decrease in trade and other amounts receivables		64 227	58 672	(621)	1 081
Increase)/decrease in inventories, prepayments and other current assets		2 831	(2 549)	14	123
Increase/(decrease) in other amounts payable, advance amounts received, trade payables		(296 867)	(30 334)	350	45
Congestion management funds received	19	35 473	-		
Changes in other financial assets		192 982	9 143		
Income tax (paid)/received		(19)	(9 700)	115	56
Net cash flows from/(used in) operating activities		**44 810**	**811**	**(4 649)**	**(1 925)**
Cash flows from investing activities					
(Acquisition) of property, plant and equipment and intangible assets		(149 916)	(65 820)	(12)	(5)
Disposal of property, plant and equipment and intangible assets		202	109		-
(Acquisition) of current financial assets	13	(150 000)		(150 000)	
Loss of control in subsidaries / acquisition of joint ventures	9	6 500	(45)		-
Grants received		44 095	31 849		
Congestion management funds received	19	-	207 284		
(Loans (granted)/loan repayments received	17			(27 139)	(8 087)
Dividends received		1 406	43	13 357	14 479
Interest received		4 943	23	5 824	152
Net cash flows from/(used in) investing activities		**(242 770)**	**173 443**	**(157 970)**	**6 539**
Cash flows from financing activities					
Proceeds from borrowings			74 794		74 794
Repayments of borrowings		(29 321)	(14 387)	(2 338)	62 953
Lease payments	16	(1 171)	(1 238)	(71)	(66)
Overdraft/current borrowings				(60 822)	
Interest paid		(4 264)	(2 027)	(4 909)	(1 077)
Dividends paid		(645)	(1 300)	(65)	(845)
Repayment of other financial liabilities			(84 276)		(84 128)
Net cash flows from/(used in) financing activities		**(35 401)**	**(28 434)**	**(68 205)**	**51 631**
Cash and cash equivalents increase / decrease in disposal group		**(376)**	**(548)**		
Net increase/(decrease) in cash and cash equivalents		**(233 737)**	**145 272**	**(230 824)**	**56 242**
Cash and cash equivalents at the beginning of the period		248 096	41 284	244 310	36 868
Cash and cash equivalents at the end of the period		**14 359**	**186 556**	**13 486**	**93 113**

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

(All amounts are in EUR thousands unless otherwise stated)

1. General information

EPSO-G UAB (the "Company") is a private limited liability company registered in the Republic of Lithuania. The registered office address is Gedimino pr. 20, LT- 01103, Vilnius, Lithuania. The Company is a profit-seeking limited civil liability entity registered on 25 July 2012 with the Register of Legal Entities, company code 302826889.

EPSO-G is the parent company responsible for the activities of the group companies that include assurance of an uninterrupted, stable transmission of electricity over high voltage networks and transportation of natural gas via high pressure gas pipelines, as well as ensurance of management, maintenance and development of these transmission systems as well as organisation of trade on the natural gas and biofuel exchanges; and installation and management of electricity storage facilities operating as the primary capacity reserve and ensuring reliable, stable and consumer-focused operation of the Lithuanian electricity system.

EPSO-G provides management services to the subsidiaries and the lower-tier subsidiaries. The purpose of the provision of management services is to increase the efficiency of operations of the EPSO-G group companies, optimise the use of resources, and implement uniform standards of operations. These services are provided in accordance with the agreements concluded through a public procurement process.

As at 30 September 2023 and 31 December 2022, the Company's authorised capital consisted of 653 900 000 ordinary registered shares with a nominal value of EUR 0,29 each. All shares, including the newly issued shares, were held by the Company's sole shareholder, the Republic of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania.

As at 30 September 2023 and at 31 December 2022 all Company's shares were fully paid.

The Company's shareholder	At 30 September 2023		At 31 December 2022	
	Share capital (EUR)	%	Share capital (EUR)	%
Republic of Lithuania represented by the Ministry of Energy of the Republic of Lithuania	189,631,000	100	189,631,000	100

As at 30 September 2023, the EPSO-G group had 1,264 employees (31 December 2022: 1,271 employees) and the Company had 66 employee (31 December 2022: 60 employees).

(All amounts are in EUR thousands unless otherwise stated)

The EPSO-G group (the “Group”) consists of the Company, directly and indirectly controlled subsidiaries, associates and joint ventures set out below.

Company name	Registered office address	Ownership interest (%)		Profile of activities
		At 30 Sept 2023	At 31 December 2022	
SUBSIDIARIES				
LITGRID AB	Karlo Gustavo Emilio Manerheimo g. 8, Vilnius, Lithuania	97.5	97.5	Electricity transmission system operator
Amber Grid AB	Laisvės pr. 10, Vilnius, Lithuania	96.6	96.6	Natural gas transmission system operator
BALTPOOL UAB	Žalgirio g. 90, Vilnius, Lithuania	67.0	67.0	Operator of the exchange for trading in energy resources (biomass products), the administrator of PSO funds
TETAS UAB	Senamiesčio g. 102B, Panevėžys, Lithuania	100	100	Transformer substation, distribution station and electricity line design, construction, reconstruction and maintenance services
GET Baltic UAB (controlled through Amber Grid AB)	Geležinio Vilko g. 18A, Vilnius, Lithuania	34.0	96.6	Organisation of trading on the natural gas exchange
Energy Cells, UAB	Ozo g. 12A-1, Vilnius	100	100	Installation and management of electricity storage facilities
ASSOCIATES				
TSO Holding AS	Lilleakerveien 2A, 0283 Oslo, Norway	39.6	39.6	Holding company holding a minority interest in equities of the electricity exchange operator and the market
GET Baltic UAB (controlled through Amber Grid AB)	Geležinio Vilko g. 18A, Vilnius, Lithuania	34.0	96.6	Organisation of trading on the natural gas exchange
JOINT VENTURES				
Baltic RCC OÜ	Kadaka tee 42 12915 Tallinn Estonia	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

Investments in subsidiaries are described in more detail in Note 8.

On 31 May 2023 the Group subsidiary AB “Amber Grid” transferred to strategic partner 66% of shares in GET Baltic, after this transaction the control was losy and investment in GET Baltic is accounted for using equity method. The more detailed information about the lost control and revaluation of remaining portion is provided in Note 9.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the Group's and the Company's condenced interim financial statements for the period of nine months, ended 30 September 2023 are presented below:

2.1 Basis of preparation

These condensed interim Company's and consolidated financial statements, for the period ended 30 September 2023 are prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union and applicable to interim financial statements (IAS 34 „Interim Financial Reporting").

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

In order to better understand the data presented in these condensed interim financial statements, these financial statements should be read in conjunction with the audited Consolidated and Company's financial statements for the year 2022, prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union

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.

These financial statements for the period ended 30 September 2023 are not audited. Financial statements for the year ended 31 December 2022 were audited by the external auditor UAB „PricewaterhouseCoopers".

The financial year of the Company and other Group coincides with the calendar year.

The Group and the Company have been following the same accounting principles as the ones that were followed in the preparation of financial statements for the year 2022, including:

Climate change impact

The Group contributes to the United Nations Sustainable Development Goals (SDGs) by focusing on ensuring access to clean and modern energy, combating climate change, developing modern infrastructure and innovation, safe and decent working conditions, worker well-being and a sustainable supply chain.

The Group has carried out a sustainability materiality analysis in the electricity sector and, based on the results, developed a materiality matrix of sustainability topics, the Group also carries out regular environmental impact assessments and GHG emissions inventories, presented plans for recommended mitigation measures, and calculated the mitigation potential of each measure.

The Group's Electricity Transmission System Operator (TSO) plays a key role in ensuring Lithuania's smooth and reliable transition to an energy system integrating large amounts of renewable energy sources, enabling the decarbonisation of the sector, and facilitating the exchange of climate neutral energy. The TSO has established a Renewable Energy Centre to ensure the smoothest possible development of renewable energy in Lithuania.

The Group's natural gas transmission system operator is consistently implementing its action plan to reduce its negative environmental impact: planning pilot projects, carrying out market analysis and developing investment plans. Actions are focused on preparing for the new EU legal framework for methane emissions.

In the view of the Group's management, the requirements related to climate change do not cast doubt on the natural gas transmission system operator's ability to continue as a going concern, and the estimates and assumptions do not pose a significant risk of material adjustments to the carrying amounts of assets and liabilities, or of impairment of non-current assets and inventories.

There were no new International Financial Reporting Standards, amendments and interpretations effective from 2023 that have a material impact on the financial information of the Company and the Group.

2.2 Principles of consolidation

Subsidiaries are all entities that the Company has a power to exercise control over the entity to which investment is made (i.e., has effective rights that at the current moment grant the right to control relevant activities). The Company controls an entity when it can or has a right to receive variable returns from this relation and it can have impact on these returns due to the power to govern the entity to which the investment is made.

The consolidated financial statements of the Group include EPSO-G and its subsidiaries. The financial statements of the subsidiaries have been prepared for the same reporting periods and using uniform accounting policies as those of the parent company’s financial statements.

Subsidiaries are consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases. All intercompany transactions, balances and unrealised gains or losses on transactions between the Group companies are eliminated.

When the Group's subsidiary AB Amber Grid sold 66% of its shares in UAB GET Baltic to the strategic investor EEX on 31 May 2023, the Group lost control in GET Baltic. Following to IFRS provisions consolidated financial statements includes financial results of GET Baltic until the moment when control was lost. (until the end of May 2023). From this moment GET Baltic is accounted for as an investment in an associate using the equity method. For more detail information see note 9.

The preparation of financial statements according to International Financial Reporting Standards requires management to make estimates and assumptions that affect the accounting policies applied, the reported amounts of assets, liabilities, income and expenses, and the disclosures of contingencies. Future events may occur which may cause the assumptions used in arriving at the estimates to change. The effect of any changes in estimates will be recorded in the financial statements, when determinable.

Preparing these condensed interim financial statements managment used significant estimates and assumptions for accounting policies were the same as used preparing financial statements for the year 2022.

3. Reclassification of comparatives in financial statements

In 2023, the Group and the Company reclassified the grouping of the statement of comprehensive income:

3.1. The Group has provided additional financial ratios of EBITDA and EBIT in the Statement of Comprehensive Income, as the Group believes that these financial ratios provide valuable information to the Group's and the Company's management and stakeholders in making operational decisions. These financial ratios are not a substitute for the obligatory items in the statement of comprehensive income as defined by IFRS, but are presented in addition to the required information. After reclassification of the statement of comprehensive income, only the major expense items are presented, the more detailed classification presented in a separate note to this explanatory note.

3.2. As from 1 March 2022, when to natural gas transmission system users are applied the agent principle in their natural gas balancing activities, balancing revenues are offset against balancing costs. Following the application of the agency principle to the balancing activities of system users, the comparatives in the consolidated statement of comprehensive income shall be presented as the net result of balancing activities.

The following is a reclassification of the comparatives in the consolidated statement of comprehensive income and the Company's statement of comprehensive income as at 30 September 2022 for the reasons set out in paragraphs 3.1 and 3.2.

(All amounts are in EUR thousands unless otherwise stated)

GROUP	**For nine months period ended September 2023**			
	Before reclassification	**Influence of reclassification acc. par. 3.1 .**	**Influence of reclassification acc. par. 3.2**	**After reclassification**
Revenue	443 667		(27 783)	415 884
Other income	940		466	1 406
Dividend income	43	(43)		-
Total Revenue, other income and dividend income:	**444 650**	**(43)**	**(27 317)**	**417 290**
Purchase of electricity, natural gas and other services		(371 386)		(371 386)
Expenses for purchase of balancing and regulating electricity	(126 274)	126 274	-	-
Expenses for electricity system services	(67 214)	67 214	-	-
Expenses for electricity technological needs	(75 392)	75 392	-	-
Expenses for natural gas system balancing service	(43 041)	15 724	27 317	-
Expenses for natural gas technological needs	(9 855)	9 855	-	-
Wages and salaries and related expenses	(32 598)	-	-	(32 598)
Repair and maintenance expenses	(5 593)	-	-	(5 593)
Taxes and compulsory payments	(3 883)	3 883		
Telecommunications and IT maintenance expenses	(3 509)	3 509		-
Transport expenses	(4 474)	4 474		-
Other expenses	(89 146)	65 061		(24 086)
Total:	**(460 979)**	**-**	**27 317**	**(433 663)**
EBITDA				**(16 373)**
Dividend income		43		43
Depreciation and amortisation	(26 246)	-	-	(26 246)
Asset write-off expenses	(219)	-		(219)
Impairment (reversal of impairment) expenses	(59)	-		(59)
Total operating expenses	**(487 503)**			-
Operating profit (loss) (EBIT)	**(42 853)**			**(42 853)**
Interest income	23			23
Interest expenses	(2 203)			(2 203)
Finance costs – net	**(2 180)**			**(2 180)**
Profit (loss) before income tax	**(45 033)**			**(45 033)**
Current year income tax expenses	(13 676)			(13 676)
Deferred income tax benefit/(expenses)	20 663			20 663
Total income tax	**6 987**			**6 987**
Profit (loss) for the period	**(38 046)**			**(38 046)**

(All amounts are in EUR thousands unless otherwise stated)

COMPANY	For nine months period ended September 2023		
	Before reclassification	Influence of reclassification	After reclassification
Revenue	482	-	482
Other income	-	-	-
Dividend income	14 479		14 479
Total Revenue, other income and dividend income:	**14 961**	**-**	**14 961**
Wages and salaries and related expenses	(2 575)	-	(2 575)
Taxes and compulsory payments	(13)	13	-
Telecommunications and IT maintenance expenses	(103)	103	
Transport expenses	(30)	30	-
Other expenses	(647)	(146)	(793)
Depreciation and amortisation	(88)	88	-
Total expenses:	**(3 456)**	**88**	**(3 368)**
EBITDA	**-**	-	**11 593**
Depreciation and amortisation		(88)	(88)
Operating profit	**11 505**	**-**	**-**
EBIT			**11 505**
Financing activities			
Interest income	152		152
Interest expenses	(1 077)		(1 077)
Finance costs – net	**(925)**		**(925)**
Profit (loss) before income tax	**10 580**		**10 580**
Deferred income tax benefit	545		545
Profit (loss) for the period	**11 125**		**11 125**

According to Company management assessment, as Company performs parent company‘s activity, dividend income should be attributed to main activity and included in EBITDA calculation. For Group EBITDA ratio calculation, dividend income are excluded.

4. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group’s chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of directors that makes strategic decisions.

Management assesses the Group’s performance based on three business segments which are consistent with the business directions stipulated in the Group’s strategy:

- The electricity transmission segment comprises the activities conducted by LITGRID AB:
- The natural gas transmission segment comprises the activities conducted by Amber Grid AB;
- The segment of other activities that comprises:
    - activities conducted by energy sources exchange operator Baltpool, UAB;
    - activities conducted by natural gas exchange operator GET Baltic UAB until 31 May 2023;
    - activities conducted by energy facilities construction and contracting company TETAS UAB;
    - activities conducted by parent company EPSO-G UAB,

(All amounts are in EUR thousands unless otherwise stated)

Considering that revenue, profit measure (EBITDA) and total assets after consolidation adjustments of the entities which comprise the segment of other activities do not reach 10% of the specified financial indicators of all segments, all elements are aggregated to a single segment of other activities.

The Group has a single geographical segment – the Republic of Lithuania. The Group's operations in foreign countries is not material for the Group. The chief operating decision-maker monitors the results with reference to the financial reports that have been prepared using the same accounting policies as those used for the preparation of the financial statements, i.e., information on profit or loss, including the reported amounts of income and expenses. The key performance indicators are profit and profit before interest, taxes, depreciation and amortisation (EBITDA), operating expenses, excluding electricity, gas and related expenses, depreciation, write-off and impairment expenses. All indicators are calculated on the basis of data reported in the financial statements.

For the nine months period ended 30 September 2023, revenue from the Lithuanian clients accounted for 87% of the Group's total revenue (for nine months period ended 30 September 2022 - 86%).

The table below contains the Group's information on segments for the nine months period ended 30 September 2023:

	Transmission of electricity	Transmission of natural gas	Other activities	Elimination of intersegment transactions	Total
Revenue and other income	274 946	60 743	30 325	(10 961)	355 053
Operating expenses, excluding electricity, gas and related expenses, depreciation, write-off and impairment expenses	(28 849)	(20 646)	(34 057)	12 299	(71 253)
EBITDA	**62 176**	**18 042**	**9 235**	**(11 303)**	**78 150**
Total adjustments to profit (loss) for the period	**(18 854)**	**(2 214)**	**(1 962)**	**(1 202)**	**(24 232)**
Depreciation and amortisation	(14 842)	(9 383)	(1 261)	-	(25 486)
Assets write-offs, impairment	33	11	(276)	-	(232)
Interest income	3 334	11	6 275	(4 677)	4 943
Interest expenses	(277)	(1 303)	(7 641)	4 677	(4 544)
Result of lost control in subsidiary and revaluation	-	9 079	-	(660)	8 419
Income tax	(7 102)	(1 171)	941	-	(7 332)
Dividend income	-	542	-	(542)	-
Profit (loss) for the period	**43 322**	**15 828**	**19 970**	**(25 202)**	**53 918**
Total assets	659 119	333 653	714 048	(647 673)	1 059 147
Net debt	(43 007)	(94 458)	(210 755)	321 562	(26 658)
Additions in Property, plant and equipment and Intangible assets	(85 865)	(25 664)	(36 333)	(2 054)	(149 916)

In other activity's segment EPSO-G EBITDA ratio includes dividend income, as mentioned in note 3. Accordingly dividend income are not reflected as EBITDA value adjustments, reconciling to Profit (loss) for the period.

(All amounts are in EUR thousands unless otherwise stated)

The table below contains the Group's information on segments for nine months period ended 30 September 2022:

	Transmission of electricity	Transmission of natural gas	Other activities	Elimination of intersegment transactions	Total
Revenue and other income	288 322	65 317	71 008	(7 357)	417 290
Operating expenses, excluding electricity, gas and related expenses, depreciation, write-off and impairment expenses	(25 794)	(17 879)	(74 913)	7 918	(110 668)
EBITDA	**(34 889)**	**21 860**	**(3 906)**	**564**	**(16 371)**
Total adjustments to profit (loss) for the period	**(8 585)**	**(10 923)**	**(1 566)**	**(598)**	**(21 674)**
Depreciation and amortisation	(15 505)	(9 544)	(1 197)	-	(26 246)
Assets write-offs, impairment	(161))	(104)	(12)	-	(277)
Interest income	-	10	159	(151)	18
Interest expenses	(610)	(385)	(1 354)	151	(2 198)
Income tax	7 648	(1 498)	838	-	6 987
Dividend income	43	598	-	(598)	43
Profit (loss) for the period	**(43 474)**	**10 937**	**(5 472)**	**(34)**	**(38 046)**
Total assets	618 866	342 007	721 697	(492 507)	1 190 063
Net debt	1 570	(109 435)	(121 313)	176 788	(52 390)
Additions in Property, plant and equipment and Intangible assets	(43 854)	(10 042)	(11 502)	(422)	(65 820)

5. Intangible assets

Group	**Goodwill**	**Patents and licences**	**Computer software**	**Other intangible assets**	**Statutory servitudes and protection zones***	**Total**
Net book amount at 1 January 2022	**61**	**120**	**4 425**	**483**	**4 665**	**9 754**
Additions	-	86	1 130	78	-	1 294
Write-offs	-	-	-	-	-	-
Reclassification with PP&E	-	-	33	-	-	33
Amortisation charge	-	(53)	(1 685)	(139)	-	(1 877)
Reclassification to disposal group's assets		(39)	(321)	(154)		(514)
Net book amount at 30 Sept 2022	**61**	**114**	**3 582**	**268**	**4 665**	**8 690**
Net book amount at 1 January 2023	**61**	**322**	**4 745**	**313**	**2 981**	**8 422**
Additions	-	7	2 446	120	-	2 573
Write-offs	-	-	-	-	-	-
Reclassification between categories	-	755	(694)	-	-	61
Off-set of grants against non-current assets			(170)			(170)
Amortisation charge	-	(239)	(815)	(116)	-	(1 170)
Net book amount at 30 Sept 2023	**61**	**845**	**5 512**	**317**	**2 981**	**9 716**

Intangible assets is accounted at cost, less accumulated depreciation and estimated impairment loss, if any.

At the nine months of 2023 year, there was no change in assumptions affecting the size of the provision identified for registration of statutory servitudes and protection zones, so the value of the provision was not adjusted.
The Company's intangible assets amounted to EUR 49 thousand as at 30 September 2023 (at 31 December 2022: EUR 57 thousand).

(All amounts are in EUR thousands unless otherwise stated)

6. Property, plant and equipment

Group	Land	Buildings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construction work in progress	Total
Net book amount at 1 January 2022	**682**	**26 079**	**520 816**	**1 049**	**14 217**	**40 260**	**603 103**
Additions	-	-	28 239	112	741	50 784	79 876
Prepayments for PP&E	-	-	-	-	9 237	(1 084)	8 153
Disposals	-	-	-	-	(6)	-	(6)
Write-offs	-	-	(236)	-	(9)	-	(245)
Reclassification to / from inventories	-	-	(48)	-	(27)	-	(75)
Reclassification (from intangible assets)	-	-	-	-	-	(33)	(33)
Put into operation (from construction work in progress)	-	287	10 450	-	507	(11 244)	-
Off-set of grants against non-current assets			(400)			(30 903)	(31 303)
Depreciation charge	-	(724)	(19 453)	(253)	(2 716)	-	(23 146)
Net book amount at 30 Sept 2022	**682**	**25 642**	**539 368**	**908**	**21 944**	**47 780**	**636 324**
Net book amount at 1 January 2023	**682**	**26 060**	**536 683**	**1 472**	**13 328**	**77 496**	**655 721**
Additions	-	281	8 423	40	3 036	125 736	137 516
Prepayments for PP&E	-	-	-	-	(4 243)	(384)	(4 627)
Disposals	-	-	(110)	(43)	(15)	-	(168)
Write-offs	-	(1)	90	-	(11)	-	78
Reclassification to/from inventories	-	-	(47)	-	(180)	-	(227)
Reclassification (from intangible assets)	-	-	-	-	-	(61)	(61)
Put into operation (from construction work in progress)	-	567	27 056	-	1 138	(28 761)	-
Reclassification of grants between groups of PPE	-	-	(9 576)	-	-	9 576	-
Off-set of grants against non-current assets	-	(281)	(8 297)	-	(661)	(76 309)	(85 548)
Depreciation charge	-	(706)	(19 128)	(297)	(2 708)	-	(22 839)
Net book amount at 30 Sept 2023.	**682**	**25 920**	**535 094**	**1 172**	**9 684**	**107 293**	**679 845**

PPE is accounted at revalued amount of assets, less accumulated depreciation and estimated impairment loss, if any. The carrying amount of PPE is reduced by grants received for acquisition of those assets from government and EU structural, funds for the connection of new customers/generators to the electricity transmission network, public service obligations (PSO) funds and congestion managment funds. There have been no changes in the regulatory environment in the 2023 year that would affect the long-term material asset value.
The Company‘s PPE amounted to Eur 2 thousand at 30 September 2023 and to 3 thousand at 31 December 2022).

7. Right-of-use-assets

Group	Land	Buildings	Vehicles	Total
Net book amount at 1 January 2022	**5 894**	**2 747**	**2 486**	**11 127**
Additions	-	217	1 931	2 148
Indexation	-	2	-	2
Write-offs		(10)	(27)	(37)
Depreciation charge	(46)	(440)	(739)	(1 225)
Reclassification to disposal group's assets		(88)	(4)	(92)
Net book amount at 30 Sept 2022	**5 848**	**2 428**	**3 647**	**11 923**

(All amounts are in EUR thousands unless otherwise stated)

Net book amount at 31 December 2022	**5 833**	**2 427**	**3 069**	**11 329**
Additions	-	140	180	320
Indexation		45	135	180
Write-offs		(19)	(2)	(21)
Depreciation charge	(46)	(477)	(867)	(1 390)
Net book value at 30 Sept 2023	**5 787**	**2 116**	**2 515**	**10 418**

Company

	Buildings	Vehicles	Total
Net book amount at 1 January 2022	**197**	**16**	**213**
Additions	-	107	107
Depreciation charge	(53)	(16)	(69)
Net book amount at 30 Sept 2022	**144**	**107**	**251**
Net book amount 31 December 2022	**135**	**100**	**235**
Depreciation charge	(50)	(20)	(70)
Net book value at 30 Sept 2023	**85**	**80**	**165**

As at 30 September 2023 and 31 December 2022 the additions were due conclusion of new contracts for the lease of office premises and motor vehicles, also due indexation for office premises, as the average consumer price index was higher than indicated in the lease contracts.

8. Investments in subsidiaries and associates

As at 30 September 2023 and at 31 December 2022 the Company had a shareholding in the following Group companies:

Group companies	Acquisition cost	Impairment	Carrying amount	Ownership interest (%)
		As at 30 September 2023		
		Subsidiaries		
LITGRID AB	217 215	26 090	191 125	97,5
AB „Amber Grid“	126 529	-	126 529	96,6
UAB „Baltpool“	388	-	388	67
UAB „TETAS“	7 150	3 447	3 703	100
Energy cells, UAB	2 375	-	2 375	100
Total:	**353 657**	**29 537**	**324 120**	
		Associates		
TSO Holding AS	**13 830**	**-**	**13 830**	39,6

Group companies	Acquisition cost	Impairment	Carrying amount	Ownership interest (%)
		As at 31 December 2022		
		Subsidiaries		
LITGRID AB	217 215	26 090	191 125	97,5
AB „Amber Grid“	126 529	-	126 529	96,6
UAB „Baltpool“	388	-	388	67
UAB „TETAS“	7 150	3 447	3 703	100
Energy cells, UAB	2 375	-	2 375	100
Total:	**353 657**	**29 537**	**324 120**	
		Associates		
TSO Holding AS	**13 830**	**-**	**13 830**	39,6

(All amounts are in EUR thousands unless otherwise stated)

Group's investments in associates, joint venture in consolidated financial statements comprised:

Group companies	Nature of investment	Ownership interest (%)	Value as at 31 December 2022	Value* adjustment	Value as at 30 Sept 2023
„TSO Holding“ AS	Associated	39,6	13 915	(1406)	12 509
UAB „GET Baltic“	Associated	34	-	3 348	3 348
Baltic RCC OU	Joint venture	33,3	45	-	45
Total:			**13 960**	**1 942**	**15 902**

*In June 2023 the Group received dividends from TSO Holding AS amounted to EUR 1,406 thousand. Applying equity method for accounting by amount of received dividends investment value was reduced until EUR 12,509 thousand.

9. Loss of control of a subsidiary

Following the commencement of active sales of 66% of the shares of the indirectly controlled (through AB Amber Grid) subsidiary GET Baltic, the assets and liabilities of the subsidiary were reclassified to assets and liabilities of the disposal group as of 30 September 2022, as all the criteria for recognition as a disposal group were met. Following the approval by the shareholders of GET Baltic of the sale of its shares, the sale of GET Baltic's 66 % stake was completed on 31 May 2023.

The Group lost control of GET Baltic following the completion of the share sale transaction on 31 May 2023. The loss of control is linked to existing rights to direct significant activities and make key management decisions. The remaining portion of the investment in GET Baltic (34% of the shares) after the loss of control is recognised as an investment in an associate, which is accounted for using the equity method and measured at fair value at the time of loss of control. The fair value of the remaining shareholding in GET Baltic has been calculated using the share price of the sale transaction, as the strategic partner EEX has a commitment to purchase the remaining shareholding in GET Baltic over a two-year period, on similar terms and conditions, upon fulfilment of the obligations set out in the share purchase and sale contract.

In the consolidated income statement is provided the combined result of disposed control and revaluated remaining part of investment: EUR 5,777 thousand gain from disposed control and EUR 2,862 thousand gain from revaluation, in total EUR 8,419 thousand gain. The indicated result is calculated by reference to the net asset value of the disposal group of EUR 1,429 thousand at the time of disposal on 31 May 2023.

Effect of loss of control on cash flow statement items:

	For nine months period ended 30 September 2023
Gain on disposal of control, cash	6 500
Revaluation of the remaining part (34%) of the investment	3 348
Fair value of the loss of control transaction	9 848
Net assets of subsidiary	(1 429)
Gain on loss of control and revaluation of associates	**8 419**

Main categories of assets and liabilities over which the control was lost:

	31 May 2023d.
Non-current assets	**498**
Intangible assets	409
Tangible assets	3
The right-of-use assets	82
Non-current financial assets	4
Current assets	**41 791**
Prepayments	20
Trade and other receivable	7274
Other financial assets	33 304
Cash and cash equivalents	1 193
Total assets:	**42 289**
Non-current liabilities	**48**
A right-of-use asset and corresponding liability	48

(All amounts are in EUR thousands unless otherwise stated)

Short-term liabilities	**40 812**
Right-of-use asset and corresponding liability	34
Trade payables, advance amounts and other payables and current liabilities	40 602
Income tax payable	59
Payroll related liabilities	117
Total liabilities of the disposal group:	**40 860**
Net assets:	**1 429**

Information on the cash flow generated by the subsidiary is provided below:

	For nine months period ended 30 September 2023	For nine months period ended 30 September 2022
Net cash flows from operating activities	494	427
Cash flows from investing activities	437	(59)
Cash flows from financing activities	(555)	(708)
Net increase in cash generated by the subsidiary	**376**	**(340)**

10. Inventories

	Group	
	As at 30 September 2023	As at 31 December 2022
Raw materials, spare parts, other consumables, and assets held for sale	6 715	4 771
Natural gas	4 120	12 250
Less: write-down allowance	(1 020)	(810)
Carrying amount	**9 815**	**16 211**

Changes in the value of natural gas inventories as at 30 September 2023 comparing with value as at 31 December 2022 mostly influenced the falling natural gas prices.

11. Trade receivables

Trade receivables comprised:

	Group		Company	
I. Trade receivables under contracts with customers	At 30 Sept 2023	At 31 December 2022	At 30 Sept 2023	At 31 December 2022
I.1. Non-current trade receivables	*10*	*10*	-	-
Less: expected credit losses of non-current amounts receivable	-	-		
Net book value of non-current receivables	**10**	**10**	**-**	**-**
I.2. Current trade receivables				
Amounts receivable for electricity transmission and related services	17 965	61 080	-	-
Amounts receivable for transmission and transit of natural gas	7 411	18 284	-	-
Amounts receivable for contractual works and other services	5 028	4 420	332	197
Less: expected credit losses of trade receivables	(33)	(17)	-	-
Net book amount of trade receivables under contracts with customers	**30 371**	**83 767**	**332**	**197**
II. Trade receivables under other contracts:	**-**	**-**	**-**	**-**
Accrued amounts receivables for the services related to electricity transmission	13 726	1 477		
Other trade receivables	350	1 763	-	-
Congestion management revenue receivable	2 224	286		
Net book amount of trade receivables under other contracts:	**16 300**	**2 412**	**-**	**-**
Total current trade receivables:	**46 671**	**86 179**	**332**	**197**

(All amounts are in EUR thousands unless otherwise stated)

As at September 30, 2023, the amounts receivable for electricity transmission and related services are 70,6% lower than those of December 31, 2022. The main reason for the decrease is the lower revenues from buyers in September 2023 compared to December 2022, with the revenue reductions for electricity transmission service EUR 2,220 thousand, balancing/disbalance energy sales – EUR 14,439 thousand, and additional services – EUR 20,048 thousand.

As at 30 September 2023, the amounts receivable for natural gas transmission and related services are lower than those as at 31 December 2022 due to decreased revenue after the end of heating season. period.

12. Other amounts receivable

	Group		Company	
	At 30 September 2023	At 31 December 2022	At 30 September 2023	At 31 December 2022.
Administered PSO funds receivable	28 518	28 307	-	-
Administered LNG terminal funds receivable	8 619	7 802	-	-
VAT receivable from the state budget	1 919	2 061	-	-
Grants receivable	19 251	32 726		-
Loans to subsidiaries	-	-	48 130	20 991
Other amounts receivable	3 768	791	1 508	68
Less: expected credit losses of other receivables	(23)	(23)		-
Carrying amount	**62 052**	**71 664**	**49 638**	**21 059**

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

A major part of the Group's other amounts receivable and past due amounts receivable consisted of PSO and LNG terminal funds receivable. The Group is not exposed to credit risk in collecting PSO and LNG terminal funds as its acts as an administering entity, therefore expected credit losses are not formed for these past due amounts.

The item of grants receivable includes grants receivable from the EU structural funds for the projects being implemented by the Group. The essential amounts of receivable grants as at 30 September 2023 concluded: receivable support of EUR 2,006 thousand under the Recovery and Resilience Facility (RRF) for the installation of electricity storage facilities, EUR 8,007 thousand for the implementation of the projects on the development of the natural gas transmission network.

13. Other financial assets

	Group	
	As at 30 September 2023	As at 31 December 2022
Administered PSO funds	-	33 000
Funds deposited for guarantees and deposits	4 333	7 758
Funds of the exchange participants	11 398	13 906
Term deposits and short-term investments	150 000	-
Carrying amount	**165 731**	**54 664**

The Company in July – September months period of 2023 concluded term deposit agreement with OP Corporate Bank plc Lietuvos filialas in amount of 150 000 000 Eur with maturity up to 90 days. Short term investments were made with the aim of optimizing return on excess cash balances, taking into account projected need for cash and liquidity forecasts.

Funds of the exchange participants consist of their cash deposits and prepayments (alternative – provision of bank guarantees) ensuring the possibility to participate in the trading on the exchange. Due to the possibility of short-term disposal of these funds and their use only for settlements for products purchased on the exchange, they are not included in cash and cash equivalents.

(All amounts are in EUR thousands unless otherwise stated)

14. Share capital

As at 30 September 2023 and at 31 December 2022 the share capital of the Company amounted to EUR 189 631 000 Eur and was divided into 653 900 000 ordinary registered shares with the nominal value of EUR 0.29 each.

All the shares as at 30 September 2023 and at 31 December 2022 were fully paid.

15. Borrowings

The Group's and the Company's borrowings comprise as follows:

	Group		Company	
	At 30 September 2023	**At 31 December 2022**	**At 30 September 2023**	**At 31 December 2022**
Non-current borrowings				
Bonds issued	74 838	74 805	74 838	74 805
Bank borrowings	93 045	107 781	-	-
Current borrowings				
Current portion of non-current borrowings	11 792	24 038	-	-
Accrued interest	871	1 550	737	1 326
Current borrowing from the Group companies			270 741	331 562
Total borrowings	**180 546**	**208 174**	**346 316**	**407 693**

Non-current borrowings by maturity:

	Group		Company	
	At 30 September 2023	**At 31 December 2022**	**At 30 September 2023**	**At 31 December 2022**
Between 1 and 2 years	11 792	12 251		-
Between 2 and 5 years	104 857	107 272	74 838	74 805
Over 5 years	51 234	63 063		-
Total	**167 883**	**182 586**	**74 838**	**74 805**

On 1 June 2022, the Company issued EUR 75 million sustainability-related bonds with a five year term to maturity. The bonds will bear interest at 3.117% per annum. As at 30 September 2023, the net cash proceeds from the bonds amounted to EUR 74,838 thousand or 99.8% of the nominal value of the bond issue. During the nine months period ended 30 September 2023, the interest expense on the bonds issued amounted to EUR 1,749 thousand and the accrued amount of coupon payable amounted to EUR 737 thousand as at 30 September 2023.

To balance the liquid funds, Group companies under the cash pool agreements had borrowed from EPSO-G Eur 48,130 thousand as at 30 September 2023.

Borrowings received by the Company from the subsidiaries under the cash pool agreements amounted to EUR 270 741 thousand as at 30 September 2023.

16. Lease liabilities

The Group's and the Company's lease liabilities and their movements:

	Group		Company	
	At 30 Sept 2023	At 31 Dec 2022	At 30 Sept 2022	At 31 Dec 2022
Carrying amount at the beginning of the period	**11 361**	**10 423**	**236**	**219**
Concluded lease contracts	481	2 666	-	108
Terminated lease contracts	(2)	(28)	-	
Interest charged	110	130	1	1
Lease payments (principal and interest)	(1 479)	(1 744)	(73)	(92)
Reclassification to disposal group	-	(86)		
Carrying amount at the end of the period	**10 471**	**11 361**	**164**	**236**
Non-current lease liabilities	8 834	9 640	70	142
Current lease payments	1 637	1 721	94	94

(All amounts are in EUR thousands unless otherwise stated)

Future lease payments under non-cancellable lease contracts are as follows:

	Group		Company	
	At 30 Sept 2023	At 31 Dec 2022	At 30 Sept 2022	At 31 Dec 2022
Total lease liabilities:	**10 471**	**11 361**	**164**	**236**
Current portion	1 637	1 721	94	94
Repayment terms of non-current liabilities:	**8 834**	**9 640**	**70**	**142**
Between 1 and 2 years	1 241	1 302	44	95
Between 2 and 3 years	857	899	26	27
Between 3 and 5 years	908	952	-	20
Over 5 year	5 828	6 487	-	-

The Group’s interest calculated on lease liabilities and included in finance costs amounted to EUR 110 thousand during nine months period ended at 30 September 2023.

17.Net Debt

Reconciliation of net debt balances and cash flows from financing activities as at 30 September 2023 and 2022:

Group	Cash	Borrowings	Other non-current financial liabilities	Lease liabilities	Total
Net debt as at 1 January 2022	**41 284**	**(167 402)**	**(84 226)**	**(10 423)**	**(220 767)**
Proceeds from borrowings and new leases				(2 152)	(2 152)
Increase/(decrease) in cash and cash equivalents	145 820				145 820
Bonds issued		(74 794)			(74 794)
Repayment of borrowings		14 387			14 387
Settlement of other non-current financial liabilities			84 128		84 128
Lease payments				1 238	1 238
Reclassification to disposal group	(548)			92	(456)
Other changes					
Interest charged (included in expenses and capitalised)		(1 867)	(50)	(61)	(1 978)
Interest payments		2 027	148	9	2 184
Net debt as at 30 September 2022	**186 556**	**(227 649)**	**-**	**(11 297)**	**(52 390)**

	Cash	Borrowings	Term deposits and short term investments	Lease liabilities	Total
Net debt as at 31 December 2022	**248 096**	**(208 174)**	**-**	**(11 361)**	**28 561**
New Leases				(481)	(481)
Increase/(decrease) in cash and cash equivalents	(233 361)				(233 361)
Increase/(decrease) in term deposits and short term investments			150 000		150 000
Repayment of borrowings / terminated contracts		29 321		2	29 323
Lease payments				1 369	1 369
Transfer to disposal group	(376)				(376)
Other changes					
Interest charged (included in expenses and capitalised)		(5 957)		(110)	(6 067)
Interest payments		4 264		110	4 374
Net debt as at 30 September 2023	**14 359**	**(180 546)**	**150 000**	**(10 471)**	**(26 658)**

(All amounts are in EUR thousands unless otherwise stated)

Company	**Cash**	**Borrowings**	**Other non-current financial liabilities**	**Lease liabilities**	**Total**
Net debt as at 1 January 2022	**36 868**	**(94 652)**	**(84 226)**	**(219)**	**(142 229)**
(Decrease) in cash and cash equivalents	56 245	-		-	56 245
Bonds issued	-	(74 794)		-	(74 794)
Proceeds from borrowings		(62 953)		(107)	(63 060)
Lease payments	-			66	66
Settlement of other non-current financial liabilities			84 128		84 128
Other changes					
Interest charged (included in expenses and capitalised)		(1 283)	(50)	1	(1 332)
Interest payments		1 077	148	-	1 225
Net debt as at 30 September 2022	**99 113**	**(232 605)**	**-**	**(260)**	**(139 752)**

	Cash	**Borrowings**	**Term deposits and short term investments**	**Lease liabilities**	**Total**
Net debt as at 31 December 2022	**244 310**	**(407 693)**	**-**	**(236)**	**(163 619)**
(Decrease) in cash and cash equivalents	(230 824)				(230 824)
Increase/(decrease) in term deposits and short term investments			150 000		150 000
Lease payments				72	72
Change in Group cash pool account		60 822			60 822
Repayment of borrowings		2 338			2 338
Other changes					
Interest charged (included in expenses and capitalised)		(6 691)			(6 691)
Interest payments		4 908		-	4 908
Net debt as at 30 September 2023	**13 486**	**(346 316)**	**150 000**	**(164)**	**(182 994)**

18. Trade payables

	Group		**Company**	
	At 30 September 2023	At 31 December 2022	At 30 September 2023	At 31 December 2022
Amounts payable for electricity	29 939	53 737	-	-
Amounts payable for natural gas	513	2 600	-	-
Amounts payable in performing natural gas balancing	1 230	5 622	-	-
Amounts payable for property, plant and equipment	20 913	44 917	-	-
Amounts payable for contractual works, services	10 395	10 476	-	-
Other trade payables	658	10	770	222
Carrying amount	**63 648**	**117 362**	**770**	**222**

The fair value of trade payables approximates their carrying amounts. As at 30 September 2023 the debt for electricity decreased by 1,79 times due to the decrease in electricity prices. Amounts payable for property, plant and equipment decreased due to covered payables to vendors for installation works of electricity storage facilities.

As at 30 September 2023 Company’s debt increased due to payable interest to Group companies under Group intra cash pool contracts.

(All amounts are in EUR thousands unless otherwise stated)

19. Congestion management funds liabilities

	Group	
	2023	2022
Opening balance of congestion management funds liabilities at 1 January	**351 495**	**109 087**
Congestion management funds received during the period*	77 106	212 454
Used to finance property, plant and equipment	(47 342)	(13 106)
Congestion management revenue recognized as income during the period	(109 882)	(1 861)
Closing balance of congestion management funds liabilities at 30 September	**271 377**	**306 574**
Non-current liability portion of congestion management funds	151 292	285 754
Current liability portion of congestion management funds	120 085	20 820

*As congestion management revenue in 2023 year are used to compensate the tariff of electricity (recognised as revenue), in cash flow statement for nine months period of 2023 year are reflected as cash flows from operating activity. In 2022 year congestion management funds were used only to finance property plant and equipment acquisitions, so in cash flow statement for nine months period of 2022 year are reflected as cash flow from investment activity.

20. Other current amounts payable and liabilities

	Group	
	As at 30 September 2023	As at 31 December 2022
Administered PSO funds payable	91 992	159 310
Administered LNG terminal funds payable	8 784	7 635
Accrued administered LNG terminal funds	60	328
Accrued administered Emergency intervention funds	12 088	-
Employment-related liabilities	6 032	4 661
Accrued expenses relating to vacation reserve	4 018	3 676
VAT payable	318	5 291
Real estate tax payable	-	1 288
Dividends payable	562	580
Accrued liabilities for non-current assets (CBCA contribution)*	27 450	27 450
Accrued expenses	1 099	2 137
Other amounts payable and current liabilities	1 494	1 730
Total carrying amount	**153 897**	**214 086**

*Other amounts payable thousand include the commitment to pay CBCA contribution in amount of EUR 27 450 thousand. The CBCA contribution will be paid to the Polish transmission gas system operator upon completion of the pipeline construction works on the territory of Poland, after recording and auditing the value of the construction works.

(All amounts are in EUR thousands unless otherwise stated)

21.Revenue

The Group's revenue included as follows:

	Group	
	As at 30 September 2023	As at 30 Sept 2022 (reclassified)
The Group's revenue from contracts with customers		
Revenue from electricity transmission and related services		
Electricity transmission services	45 728	53 850
Trade in balancing/imbalance electricity	78 843	126 506
Electricity additional services	19 889	77 117
Revenue from other sales of electricity and related services	4 381	1 524
Total revenue from electricity transmission and related services	***148 841***	***258 997***
Revenue from natural gas transmission and related services		
Natural gas transmission services	49 628	44 678
Revenue from balancing services in the transmission system	10 635	20 103
Revenue from connection of new customers	25	25
Total revenue from natural gas transmission and related services	***60 288***	***64 806***
Other revenue from contracts with customers		
Revenue from construction, repair and technical maintenance services	17 694	61 611
Revenue from trading on the gas exchange and related services	833	908
Revenue from the biofuel exchange, thermal energy auctions, PSO funds administration and other income	1 386	944
Total other revenue	***19 913***	***63 463***
The Group's total revenue from contracts with customers	***229 042***	***387 266***
The Group's revenue not attributable to contracts with customers		
PSO services*	-	26 151
Congestion revenue	3 156	1 861
Other services related to electricity	12 700	550
Revenue from connection of producers and relocation of electrical installations	10	56
Total revenue not attributable to contracts with customers:	***15 866***	***28 618***
Total revenue	***244 908***	***415 884***

* As from 1 March 2022, when to natural gas transmission system users are applied the agent principle in their natural gas balancing activities, balancing revenues are offset against balancing costs, as indicated in the note 3. Revenue for nine months period of 2022 year were reclassified due applied agent principle for balancing services in the gas transmission system .

Revenue from electricity transmission and related services decreased by 42.7% in the first nine months of 2023 compared to the first nine months of 2022.
The electricity transmission services revenues decreased by 15.1% due to decreased in the electricity transmission services volume by 10.7% and due to decreased in the transmitted electricity price by 4.9%.
The revenue from imbalance and balancing energy decreased by 37.6% due to decreased in the electricity transmission services price by 57.9% although the transmitted electricity volume increased by 49%.
Revenue from electricity ancillary services decreased 74.2%. The main reason for the decrease by 55.9% is a lower component of the acquisition of additional services to the price of the transmission service.

The Company's revenue from contracts with customers comprised revenue from the provision of management services and it amounted to EUR 874 thousand in nine months period ended 30 September 2023 (30 September 2022 -EUR 482 thousand).

(All amounts are in EUR thousands unless otherwise stated)

The Group's other income comprised as follows:

	Group	
	As at 30 September 2023	As at 30 September 2022
Congestion management revenue used for reducing electricity transmission tariff	106 725	108
Income from lease of assets	623	575
Penalties and default charges	2 313	257
Other income	484	466
Total other income	**110 145**	***1 406***

22.Expenses

Group‘s electricity, natural gas and other services purchase expenses comprised as follows:

	Group	
	As at 30 September 2023	*As at 30 September 2022 (reclassified)*
Expenses of electricity and related services		
Expenses for purchase of imbalance and balancing electricity	(78 975)	(152 350)
Expenses for electricity ancillary (system) services	(72 080)	(67 214)
Expenses for electricity technological needs	(28 265)	(75 392)
Expenses for electricity and related services	(4 273)	(2 461)
Total expenses of electricity and related services	***(183 593)***	**(297 417)**
Expenses of natural gas and related servises:		
Natural gas system balancing products expenses	(16 331)	(15 723)
Natural gas technological needs expenses	(5 726)	(9 855)
Total expenses of natural gas and related services	***(22 057)***	***(25 578)***
Expenses for subcontracting services and raw materials acquisitions	***(8 110)***	***(48 391)***
Total electricity, natural gas and other services expenses	**(213 760)**	**(371 386)**
Other expenses		
Taxes and compulsory payments	(7 140)	(5 749)
Telecommunications and IT maintenance expenses	(4 002)	(3 509)
Transport expenses	(2 366)	(4 474)
Rental expenses	(1 150)	(1 008)
Business protection expenses	(1 065)	(938)
Insurance expenses	(964)	(748)
Business trip expenses	(741)	(993)
Other expenses	(4 661)	(6 667)
Total other expenses	***(22 089)***	***(24 086)***

*As from 1 March 2022, when natural gas transmission system users are applied the agent principle in their natural gas balancing activities, balancing expenses are offset against balancing revenue, as indicated in the note 3.

23.Dividends

On 13 April 2023, the Ordinary General Shareholders Meeting of UAB EPSO-G, when approving the distribution of profit for 2022, resolved to pay a dividend of EUR 65.39 thousand, i.e. EUR 0.0001 per share.
On 27 April 2022, the Ordinary General Shareholders Meeting of UAB EPSO-G, when approving the distribution of profit for 2021, resolved to pay a dividend of EUR 845.04 thousand, i.e. EUR 0.0109 per share.

24.Income tax

Profit (loss) for the nine months period ended 30 September 2023 and 2022 is subject to corporate income tax at a rate of 15 per cent in accordance with the tax legislation of the Republic of Lithuania. As at 30 September 2023

Group’s deferred income tax assets decreased by EUR 4.9 billion due reducement of current year income tax by tax loses of previous periods.

25.Related – party transactions

As at 30 September 2023 and 31 December 2022, the Group’s and the Company’s ultimate controlling party was the Republic of Lithuania represented by the Ministry of Energy of the Republic of Lithuania. Disclosures comprise transactions and balances on transactions with the shareholder, the subsidiaries (in the Company’s transactions), all state-controlled or significantly influenced companies (the list of such companies is published at https://vkc.sipa.lt/apie-imones/vvi-sarasas and transactions are disclosed only when the amount of transactions exceeds EUR 100 thousand during a calendar year) and the management and their family members.
Transactions with related parties are carried out in line with the tariffs approved under relevant legal acts or in accordance with the requirements of the Law on Public Procurement.

(All amounts are in EUR thousands unless otherwise stated)

The Group's related party transactions and balances for the nine month period ended 30 September 2023 were as follows

Related party	Purchases of services	Purchases of gas in exchange, PSO funds, LNG funds *	Sales of services	Sales of gas one exchange, LNG terminal funds and PSO funds*	Amounts payable for services	Accounts payable for gas, PSO funds, LNG fund*	Amounts receivable for services	Amounts receivable for gas, LNG terminal funds and PSO funds
Ignitis group companies:								
AB „Ignitis grupė“	-	-	-	-	-	-	-	-
AB Energijos skirstymo operatorius	1 788	72 124	78 612	30	1 287	9 502	11 690	12
UAB Ignitis	11 332	5 743	24 280	1 491	1 146	4 809	2 396	523
AB Ignitis gamyba	99 052	16	6 336	1 587	15 024	-	1 478	640
UAB Ignitis grupės paslaugų centras	3	-	214	-	-	-	29	-
UAB Vilniaus kogeneracinė jėgainė	466	-	58	-	192	-	26	-
UAB Kauno kogeneracinė jėgainė	182	-	70	-	17	-	2	-
UAB Transporto valdymas	345	-	-	-	49	-	-	-
Other state-owned companies::								
VĮ Ignalinos atominė elektrinė	-	284	402	-	-	36	51	-
AB Klaipėdos nafta	-	-	-	-	-	3975	-	-
AB „LTG Infra“	-	-	275	-	76	12	26	-
Other state-owned companies	506	-	597	-	709	-	26	-
Total	**113 674**	**78 167**	**110 844**	**3 108**	**18 500**	**18 334**	**15 724**	**1 175**

* Gas purchases and gas sales in exchange, Group purchases and sales of PSO funds and LNG funds are not included in the Group’s Statement of profit and loss, as the Group acts as intermediary, collecting and allocating mentioned funds.

(All amounts are in EUR thousands unless otherwise stated)

The Group's related party transactions and balances for the nine months period ended 30 September 2022 were as follows:

Susijusios šalys-	Purchases of services	Purchases of gas in exchange, PSO funds, LNG funds*	Sales of services	Sales of gas in exchange, PSO funds, LNG funds*	Amounts payable for services	Accounts payable for gas, PSO funds, LNG fund*	Amounts receivable for services	Receivables for gas, PSO funds, LNG funds	Finance costs
Ignitis group companies:									
AB „Ignitis grupė“	-	-	-	-	-	-	-	-	67
AB Energijos skirstymo operatorius	5 429	(5 115)	133 839	10 564	1 788	1 696	29 865	927	-
UAB Ignitis	45 835	14 445	74 170	4 695	6 786	3 480	12 279	398	-
AB Ignitis gamyba	125 813	(55 590)	44 298	5 302	31 439	-	3 908	10 849	-
UAB Ignitis grupės paslaugų centras	66	-	321	-	-	-	34	-	-
UAB Vilniaus kogeneracinė jėgainė	416	-	91	2	276	-	17	-	-
UAB Kauno kogeneracinė jėgainė	608	-	168	1	118	-	1	-	-
UAB Transporto valdymas	560	-	-	-	67	-	-	-	-
Other state-owned companies:									
AB Lietuvos geležinkeliai									
VĮ Ignalinos atominė elektrinė	-	-	766	98	-	-	166	-	-
AB Klaipėdos nafta	-	10 768	-	-	-	4 021	-	-	-
VĮ Geoterma	-	-	-	-	-	-	45	65	-
AB „LTG Infra“	-	-	413	37	15	-	88	-	-
State Border Guard Service under the Ministry of the Interior	-	-	743	-	-	-	174	-	-
Other state-owned companies	870	-	51 592	-	457	-	5 847	-	-
Total	**179 597**	**(35 492)**	**306 401**	**20 699**	**40 946**	**9 197**	**52 424**	**12 239**	**67**

* Gas purchases and gas sales in exchange, Group purchases and sales of PSO funds and LNG funds are not included in the Group’s Statement of profit and loss, as the Group acts as intermediary, collecting and allocating mentioned funds.

(All amounts are in EUR thousands unless otherwise stated)

The Company's transactions conducted with the related parties during the nine months period of 2023 and balances arising on these transactions as at 30 September 2023 were as follows:

Related party	Accounts payable and accrued costs	Accounts receivable and accrued income	Sales	Loans granted	Income from financial activities	Costs of financial activities
AB „Ignitis grupė“	-	-	-	-	-	-
State controlled companies						
UAB „Transporto valdymas“	-	-	-	-	-	-
Litgrid AB	512	149	315	(195 513)	-	3 330
AB Amber Grid	-	190	205	23 785	12 068	-
UAB Tetas		238	114	8 158	369	-
UAB Baltpool	207	19	70	(75 229)	305	1 522
UAB GET Baltic	-	3	18	-	-	-
Energy cells, UAB	-	106	90	16 187	547	-
Total:	***719***	***705***	***812***	***(222 612)***	***13 289***	***4 852***

The Company's transactions conducted with the related parties during the nine months period of 2022 and balances arising on these transactions as at 30 September 2022 were as follows:

Related party	Accounts payable and accrued costs	Accounts receivable and accrued income	Sales	Purchses	Loans granted	Income from financial activities	Costs of financial activities
AB „Ignitis grupė	-	-	-	-	-	-	67
State controlled companies							
UAB „Transporto valdymas“	2	-	-	25	-	-	-
Group companies	-	-	-	-	-	-	-
Litgrid AB	-	49	165	-	(58 321)	4 917	-
AB Amber Grid	-	30	81	-	10 523	9 601	-
UAB Tetas	-	59	78	-	8 659	84	-
UAB Baltpool	-	8	54	-	(99 097)	-	-
UAB GET Baltic	-	2	16	-	-	-	-
State Border Guard Service under the Ministry of the Interior	-	174	743	-	-	-	-
Energy cells, UAB	-	26	88	-	-	27	-
Total:	**2**	**348**	**1 225**	**25**	**(138 236)**	**14 629**	**67**

Payments to key management personnel	Group		Company	
	As at 30 Sept 2023	**As at 30 Sept 2022**	**As at 30 Sept 2023**	**As at 30 Sept 2022**
Payments to key management personnel	2 824	2 342	668	513
Employment-related payments	32	78	-	69
Whereof: termination benefits	32	32	7	6

During the nine months of 2023 and 2022, there were no loans, guarantees, other disbursements or accruals or transfers of assets to the management of the Group and the Company.

Management is defined as the heads of administration and departmental directors. During the nine months period of 2023, the benefits paid to members of the collegiate management bodies amounted to EUR 409 thousand (EUR 274 thousand for the nine months of 2022).

ENDED 30 SEPTEMBER 2023 (EUR thousand, unless otherwise specified)

CONSOLIDATED INTERIM REPORT OF EPSO-G AND THE GROUP COMPANIES

The consolidated interim report of the holding company EPSO-G and the Group companies was prepared for the nine-month period ended on 30 September 2023

General information about the EPSO-G Group

Company name	EPSO-G UAB
Legal form	Private limited company
Date and place of incorporation	25 July 2012, the Register of Legal Entities of the Republic of Lithuania
Company code	302826889
Address	Gedimino pr. 20, LT-01103 Vilnius
Telephone	+370 685 84866
Email	info@epsog.lt
Website	www.epsog.lt
Authorised share capital	EUR 189,631,000
Sole shareholder	The Republic of Lithuania, the property and non-property rights of which are implemented by the Ministry of Energy of the Republic of Lithuania

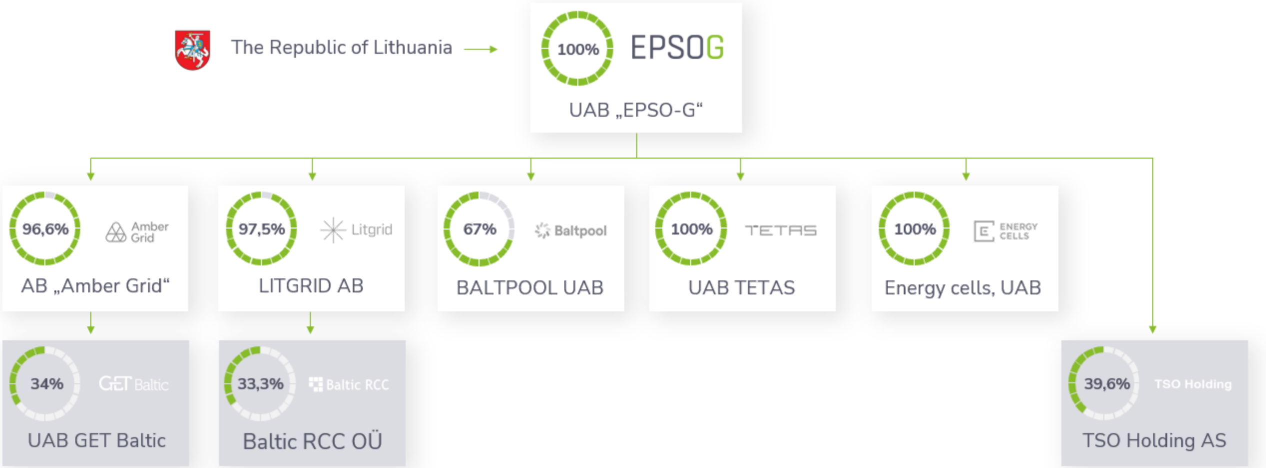
EPSO-G is a 100 % state-owned Group of energy transmission and exchange companies. The rights and obligations of EPSO-G holding shareholder are implemented by the Ministry of Energy of the Republic of Lithuania.

The core business of the EPSO-G Group is to ensure the uninterrupted, stable transmission of electricity via high-voltage networks and natural gas via high-pressure pipelines, and the efficient management, maintenance, contracting and development of these transmission systems. The Group's companies operate and develop trading platforms for biofuels, natural gas and timber to ensure transparent competition in the energy and timber markets. It also carries out electricity contracting projects and provides infrastructure operation services to low-, medium- and high-voltage grid operators.

All the companies belonging to the EPSO-G Group are responsible for effective and timely implementation of the projects of energy transmission and exchange infrastructure development set out in the letter of expectations of the shareholder and which are important for the state by contributing to the implementation of the goals set in the National Energy Strategy thus creating a sustainable long-term value for the shareholder – the State of Lithuania, people and the economy of the country.

As at 30 September 2023, the EPSO-G Group (the “Group”) consisted of the holding company EPSO-G UAB (“EPSO-G” or the “Company”), five directly controlled companies of the Group: (LITGRID AB (“Litgrid”), Amber Grid AB (“Amber Grid”), BALTPOOL UAB (“Baltpool”), TETAS UAB (“Tetas”), Energy Cells UAB (“Energy Cells”). EPSO-G and Group companies also have shares in UAB GET Baltic, Baltic RCC OÜ and TSO Holding AS.

Group structure



ENDED 30 SEPTEMBER 2023 (EUR thousand, unless otherwise specified)

LITGRID AB	Amber Grid AB	BALTPOOL UAB	TETAS UAB	Energy cells UAB
Public limited company	Public limited company	Private limited company	Private limited company	Private limited company
16 November 2010, the Register of Legal Entities of the Republic of Lithuania	11 June 2013, the Register of Legal Entities of the Republic of Lithuania	10 December 2009, the Register of Legal Entities of the Republic of Lithuania	8 December 2005, the Register of Legal Entities of the Republic of Lithuania	26 January 2021, the Register of Legal Entities of the Republic of Lithuania
302564383	303090867	302464881	300513148	305689545
Karlo Gustavo Emilio Manerheimo g. 8, LT-05131 Vilnius	Laisvės pr. 10, LT-04215 Vilnius	Žalgirio g. 90-100, LT-09303, Vilnius	Senamiesčio g. 102B, LT-35116, Panevėžys	Ozo g. 12A-1, 08200 Vilnius
+370 707 02171	+370 5 236 0855	+370 5 239 3157	+370 640 38334	+370 659 00748
info@litgrid.eu	info@ambergrid.lt	info@baltpool.eu	info@tetas.lt	info@energy-cells.eu
www.litgrid.eu	www.ambergrid.lt	www.baltpool.eu	www.tetas.lt	www.energy-cells.eu
Electricity Transmission System Operator	Natural Gas Transmission System Operator	Operator of the Energy Exchange, Administrator of the Timber Exchange, Manager of the accounting unit system for renewable fuels, Administrator of the PSO funds and the Emergency response funds	Design, construction, operation and repair company for energy facilities	Provision of an electricity reserve service to the transmission system operator required for the isolated operation of the electricity system
97.5%	96.6%	67.0%	100.0%	100.0%

Significant events of the reporting period

January

2 January. Ministry of Energy announces the selection of EPSO-G's Board members for the new term of office.

2 January. EPSO-G opens the selection process for the Board of Tetas.

5 January. The updated version of EPSO-G's Articles of Association is registered in the Register of Legal Entities. The new version of the Articles of Association provides for clarification of how EPSO-G carries out its patronage functions, revision of competences of EPSO-G's General Meeting of Shareholders, the Board and the CEO, clarification of the provisions relating to the formation of EPSO-G management committees, clarification of the provisions concerning the composition of the Board and the organisation of its activities, the possibility for the EPSO-G's Board to set up a Group Management Committee.

13 January. An incident in Pasvalys district damaged Amber Grid's main gas pipeline and ignited the gas it contained. The incident did not cause any injuries and was localised the same day. The gas supply was provided by a parallel gas pipeline. Following the rehabilitation of the damaged pipeline, the gas supply was restored on 16 January.

16 January. Darius Kašauskas takes up the post of the Head of Finance and Operational Planning at EPSO-G.

February

3 February. Initial testing of the energy storage system of Energy Cells was completed.

3 February. Litgrid has published an update of its strategy until 2030.

9 February. EPSO-G's sustainability-related bond issue at the Nasdaq Baltic Market Awards 2023 was recognised as a key event in the Baltic capital market.

9 February. Litgrid has provided support to Ukraine with EUR 3.6 million worth of transmission grid equipment.

20 February. Paulius Butkus started its office as Head of Development and Innovation at EPSO-G.

24 February. EPSO-G has opened the selection process for the members of the Board of Litgrid and Amber Grid.

March

16 March. Amber Grid's subsidiary, the regional gas exchange GET Baltic, has chosen the European Energy Exchange as its strategic partner. The European Energy Exchange public tender offered 66%. The acquisition value of the GET Baltic shares is EUR 6.5 million. The transaction will be finalised in May-June following the signing of the necessary contracts and other formal closing steps.

13 March. EPSO-G has published a vacancy for a member of the Board of the Innovation and Business Development Competence Area of the subsidiary Energy cells, nominated by the parent company.

24 March. The Ministry of Energy of the Republic of Lithuania has appointed the new EPSO-G Board, which will consist of three independent members Robertas Vyšniauskas, Asta Sungailienė and Liudas Liutkevičius, and the Ministry of Energy's delegates Dainius Bražiūnas and Tomas Daukantas.

30 March. Darius Kašauskas, Head of Finance and Operational Planning at EPSO-G Group, has been elected Chair of the Board of Tetas. The Board, which began its four-year term in March, also includes an independent board member, Tomas Astrauskas, and two board members delegated by EPSO-G, the sole shareholder of Tetas, Elida Drapienė and Ieva Kuodė. The selection of the fifth member of the Tetas Board was completed in April.

31 March. Viktoras Baltuškonis, a member delegated by EPSO-G, left the Board of Baltpool. He resigned from the Board of Baltpool before the end of his term of office, following the end of his employment with EPSO-G.

April

5 April Vytautas Lisauskas was appointed as an independent member of the Board of Tetas, thus finalising the five-member Board of Tetas.

7 April Robertas Vyšniauskas, an independent member of the EPSO-G Board, is elected the Chair of the Board. The new five-member EPSO-G Board, which will serve for four years, was formed at the end of March. R. Vyšniauskas also served on the company's Board in the previous term of office, and has been its Chair since February 2022.

7 April. The Remuneration and Nomination Committee was formed at the Board meeting and Board members Asta Sungailiene and Tomas Daukantas were elected as its members. The selection of an independent committee member has also been announced.

On 11 April, Amber Grid's General Meeting of Shareholders approved the signing of agreements with GET Baltic's strategic partner and the sale of 66% of the shares to the winner of the public tender - European Energy Exchange. The transaction with the European Energy Exchange will be finalised in May-June following the signing of the necessary contracts and other formal closing steps.

11 April Paulius Butkus, Head of Development and Innovation at EPSO-G, has been confirmed as a member of the Board for the Innovation and Green Transformation Competency Area of Amber Grid, nominated by the parent company.

14 April Amber Grid has launched an international tender for a feasibility study on the hydrogen corridor.

21 April. The Ministry of Energy of the Republic of Lithuania has appointed Dainius Bražiūnas, a member of the Board, as a member of EPSO-G's Audit Committee.

22 April Litgrid has successfully completed the isolated operation test - Lithuania's electricity system is ready to operate independently.
24 April Simona Grinevičienė took up her new position as Head of Organisation Development and Culture at EPSO-G.

24 April Litgrid and PSE will re-launch the Harmony Link procurement.

May

On 2 May,the Republic of Lithuania's national biofuel sustainability scheme RED BP was launched, ensuring that biomass fuels meet sustainability and greenhouse gas emission reduction criteria, the development and implementation of which was entrusted to Baltpool.

3 May. Moody's Investors Service, the rating agency, confirmed EPSO-G's Baa1 credit rating with a stable outlook following a periodic review.

5 May. Approved amendments to the Synchronisation Law obliged the storage system operator Energy Cells to allow Litgrid, the Lithuanian electricity transmission system operator, to use a part of the 200 MW capacity of the energy storage system, free of charge, to reduce the cost of technological losses and for other functions necessary to ensure the security and reliability of the country's electricity system.

9 May. Ernesta Dapkienė took up her post as Head of Communication at EPSO-G.

12 May. EPSO-G is planning to move to the Business Garden Vilnius office complex in autumn. EPSO-G has signed a five-year lease agreement with Vastint Lithuania, which won the tender.

16 May. The sole shareholder of EPSO-G has appointed Paulius Butkus, Head of Group Development and Innovation, as a member of the Board of Energy cells.

16 May. Amber Grid and the European Energy Exchange AG (EEX) have officially signed an agreement under which EEX will acquire a 66% stake in regional gas exchange GET Baltic. The gas exchange, which operates in the three Baltic countries and Finland, will thus become part of the EEX Group. The remaining 34% will be held by Amber Grid, which will continue to be involved in the further development of the gas business in the dynamic Baltic Sea region.

18 May. Litgrid has launched 88 km of 330 kV electricity transmission lines in Western Lithuania. During the reconstruction, the single-circuit Grobinė (Latvia)-Klaipėda and Jurbarkas-Bitėnai overhead lines became double-circuit lines, thus increasing the power capacity and strengthening the reliability of the network. Construction projects for electricity transmission lines in western Lithuania are being carried out in preparation for synchronisation with continental European grids.

19 May. The Cabinet of Ministers of the Republic of Latvia adds Baltpool Energy Exchange to the list of exchanges where sustainable biofuels purchased are deemed to meet the sustainability and GHG reduction requirements of Latvian national regulation.

26 May. Energy cells launches a public procurement procedure for the purchase of consultancy services for the transfer of the storage system. The winning consultants will have until the end of the year to prepare a plan for the transfer of the accumulator system.

31 May. Litgrid is building a new transformer substation in Klaipėda district, opening new opportunities for business development and strengthening the electricity transmission network in the region. The first to connect to the transmission grid through this substation will be the VMG Technics R&D Park, an industrial and innovation park project being developed by VMG Technics, a VMG group company.

31 May. Amber Grid's transaction with the European Energy Exchange for the sale and purchase of a 66% stake in GET Baltic was legally completed. The value of the transaction is EUR 6.5 million.

June

2 June. As part of its internal investigation and assessment of available information, Amber Grid contacted

the Prosecutor's Office regarding a part of the GIPL pipeline connection fittings.

12 June. Litgrid's Extraordinary General Meeting of Shareholders has appointed Andrius Šemeškevičius as a new independent member of the Board. A. Šemeškevičius is Chief Technology Officer of Telia Lietuva.

14 June. Litgrid starts the construction of a 330 kV substation in Darbėnai, Kretinga district. The switchyard, which is considered to be the future energy hub of western Lithuania, will increase Lithuania's energy security and commercial trade opportunities, and will contribute significantly to the growth of renewable electricity generation.

20 June. Litgrid buys physical smart sensors from Heimdall Power AS of Norway. This innovation will be used to monitor the condition of overhead wires and the parameters that determine their capacity.

21 June. The Government of the Republic of Lithuania adopts a Resolution on the amendment to the Rules for the procurement of energy or fuels required for the production of electricity and heat by enterprises operating in the energy sector, which provides for the possibility for market participants to purchase biofuel produced outside the territory of the Republic of Lithuania, if the place of delivery is outside the territory of the Republic of Lithuania, and for the introduction of differentiation of the purchased fuel in the event of additional fuel-using installations (Vilnius CHP plant).

23 June. Litgrid has successfully completed another phase of its preparations for synchronisation with the continental European networks. The operator has completed its seventh project after conducting and reporting on Lithuania's first-ever isolated operation test.

27 June. Litgrid is planning to install noise attenuation barriers to reduce the noise from the autotransformers operating at the Alytus transformer substation. This is the second phase of the ongoing project "Installation of noise attenuation measures at the Alytus 330-400 kV power unit". The first sound attenuation measures at the LitPol Link converter station were installed in 2021, in accordance with an agreement with the Alytus District Municipality and residents.

29 June. The Board of EPSO-G has approved the new composition of the company's Remuneration and Nomination Committee. Asta Sungailienė, an independent member of EPSO-G's Board, becomes the Chair of the committee. EPSO-G's Remuneration and Nomination Committee is made up of 3 members. Sungailiene will be joined on the Committee by independent member Ramūnas Bagdonas, Head of Human Resources at the telecommunications company Telia Lietuva, and Tomas Daukantas, Head of the Ministry of Energy's Legal and Personnel Group.

July

As of 1 July, following amendments to the Law on Alternative Fuels and the Description of the procedure for the administration of the renewable fuel accounting unit system, electricity is also eligible for the allocation of renewable fuel accounting units, which are needed by fuel suppliers to meet the objectives set out in the law.

3 July. Litgrid has completed one of the most important projects of the year in Southern Lithuania - the 61 km long 330 kV electricity transmission line from Elektrėnai to Alytus has been reconstructed. The upgraded line will bring reliability, stability and security to the electricity system, and is important for synchronisation with the continental European grid.

August

As of 1 August, special land use conditions will apply to areas within the location classes of trunk gas pipelines.

2 August. Lithuanian, Latvian and Estonian electricity transmission system operators Litgrid, AST and Elering signed an agreement on a new synchronisation date. Under the agreement, disconnection from the Russian-controlled system and connection to the continental European grid will take place in February 2025. The agreement also foresees that the Baltic countries will jointly refuse to extend the BRELL contract with Russian and Belarusian operators in summer 2024, six months before synchronisation.

4 August. Amber Grid and Litgrid have launched an international public procurement to ensure the protection of strategically important energy assets from unmanned aerial vehicles. Energy companies are planning to purchase drone detection and neutralisation systems.

30 August. Litgrid starts construction of the 330 kV Mūša switchyard, which is important for synchronisation.

September

5 September. Litgrid's important package arrived in Ukraine: a powerful autotransformer will provide electricity to hundreds of thousands of people.

12 September. Litgrid together with *Ignitis gamyba* has successfully tested one of the most important projects for synchronisation with the continental European grids - the Automatic Generation Control System (AGC).

18 September. Lithuania's first green gas appeared in the gas transmission network. The newly opened *Tube green* biomethane plant in Pasvalys district has started supplying biomethane to Amber Grid's transmission network. Around 100,000 megawatt hours (MWh) of biomethane is expected to be injected into the transmission system from this plant each year. This will account for up to 1% of Lithuania's total gas demand.

19 September. Litgrid completed the reconstruction of the 330 kV power transmission line Jurbarkas-Bitėnai, which is important for synchronisation. The reconstruction increased the electrical capacity and strengthened the reliability of the network by replacing a single-circuit line with a double-circuit line.

23 September. The NordBalt electricity link with Sweden was successfully switched on after repair.

Significant events after the end of the financial period

October

10 October. Amber Grid launches hydrogen transport activities: to become the Lithuanian hydrogen grid operator.

18 October. *Energy cells* energy storage system went live: it provides isolated operation reserve service at full capacity of 200 MW.

20 October. Litgrid has implemented the Automatic Generation Management System software. This is one of the most important projects in preparation for synchronisation with continental European networks.

25 October. The word and figurative trademarks of the energy transmission and exchange group EPSO-G are registered in the Trademark Register of the Republic of Lithuania.

(EUR thousand, unless otherwise specified)

Performance indicators

In the first three quarters of 2023, the volume of electricity transmitted via high voltage transmission networks to households and businesses during the period was 6.8 terawatt hours (TWh), which was 10,7% less compared to the same period last year.

In the first 9 months of this year, the electricity transmission operator has improved its network reliability performance. The average interruption time (AIT) was 0.648 minutes (January-September 2022: 1.264 minutes) and the energy not supplied (ENS) indicator was 17.569 MWh (January-September 2022: 38.487 MWh). The NERC has set the AIT for the whole year at 0.934 minutes and the ENS at 27.251 MWh.

In 2023, overall nine-month availability of the interconnections with Sweden and Poland, NordBalt and LitPol Link, was 92.3% and 98.3%, respectively. The most significant impact on NordBalt's unavailability was a fault repair in September.

Key performance indicators of the EPSO-G Group:

	2023 January-September	2022 January-September	Change		2021 January-September
			+/-	%	
Electricity					
Volume of electricity transmitted, GWh	6,789	7,603	814	-10.7	7,959
ENS (electricity not transmitted), MWh *	6.74	10.62			2.82
AIT (average interruption time), min. **	0.25	0.35			0.10
ENS (electricity not transmitted), MWh **	17.57	38.49			13.74
AIT (average interruption time), min. **	0.65	1.26			0.48
NordBalt availability, %***	92.3	100			96.4
LitPol Link availability, %***	98.3	97.8			84.9
Natural gas					
Volume of natural gas transported to the domestic exit point, GWh	9,325	11,933	2,608	-21.9	18,532
Volume of natural gas transported to the adjacent transmission systems, GWh****	35,023	35,042	-19	-0.05	19,851
Number of unplanned gas transmission outages due to operator's responsibility	0	0	0	0	0
Total duration of unplanned gas transmission interruptions due to the operator's responsibility, hours and minutes	0	0	0	0	0
Biofuels					
Traded volume of biofuel on energy exchange, GWh	5.00	4.89	0,11	2.2	3.77

(EUR thousand, unless otherwise specified)

Biofuels sold on the Energy Exchange to foreign markets, GWh****	1.34	0.23	1.11	480.8	0.06

*Only for reasons attributable to the operator's responsibility.

** For all reasons (including *force majeure* and external influences).

*** Overall availability of LPL/NB interconnection – availability of interconnection at both sides, Lithuania and the other country.

**** Transmission systems in Latvia, Poland and the Kaliningrad Region of the Russian Federation.

Gas consumption in Lithuania fell by 22% in 9 months. Between January and the end of September, the country consumed 9.3 TWh of gas, which is 22% less than at the same time last year, when gas demand was 12 TWh. Domestic gas consumption has been declining due to the warm weather last winter, high gas prices in the first months of the year, and the resulting significant drop in gas use for fertiliser production and urban heating.

In nine months of this year, 28.8 terawatt-hours (TWh) of gas were delivered to Lithuania, excluding transit to Kaliningrad. This is almost the same as last year at the same time, when 29.6 TWh of gas was transported to Lithuania. 16.6 TWh of gas was transported via pipeline to Latvia for storage in the Inčukalnis underground storage facility and for the needs of the Baltic States and Finland. This is a 26% increase compared to the same period in 2022.

In nine month, the Klaipėda LNG terminal, the main source of gas supply to Lithuania and the Baltic States, supplied 87% (25 TWh) of the total gas transported into the system. Flows from Latvia accounted for 4% (1 TWh), with the addition of 10% (2.8 TWh) from Poland. The GIPL pipeline connecting Lithuania and Poland transported 2.6 TWh of gas to Europe and 2.8 TWh to Lithuania in January-September 2023.

In the first three quarters of 2023, district heating companies, Lithuanian independent heat producers and industrial companies purchased 5 TWh of biofuel on the Baltpool Energy Exchange. This is a 2% increase compared to the same period in 2022, when 4.89 TWh of biofuels were purchased. The first quarter ended with a decline, the second quarter almost doubled and the third quarter saw a slight downward trend compared to the previous year. The exchange had 5.2 thousand transactions with a value of EUR 130 million. More than 3.6 GWh of heat sales and purchases were transacted in the company's heat auction data management system, while just over 7,8 thousand transactions were transacted in the electronic timber sales system for 3.3 million Ktm. The Wood Index is at its lowest value since May 2021, but the trend is significantly different when comparing specific ranges. The prices of raw timber (logs) were around 25% higher at that time, while fine wood (paper pulp, tare wood) is now 80% more expensive than it was then. Firewood prices remain at historically high levels, even if we exclude the years since the start of the war in Ukraine.

Consolidated financial indicators

Financial indicators, EUR thousand	2023 January-September	2022 January-September	Change +/-	Change %	2021 January-September
Revenue	355,053	417,290	-62,237	-14.9	228,306
Operating expenses [9]	302,621	460,187	-157,566	-34.2	192,449
EBITDA[1]	78,150	-16,373	94,523	n/a	62,131
Adjusted EBITDA [2]	46,639	48,918	-2,279	-4.7	-
Net profit	53,918	-38,046	91,964	n/a	32,910
Adjusted net profit [2]	17,940	17,775	165	0.9	-
Funds from operations (FFO) [3]	78,810	-28,077	106,887	n/a	50,178
Investments [4]	140,089	81,170	58,919	72.6	65,029
Financial ratios					
EBITDA margin[5]	22.0	-3.9			27.2%
ROE (last 12 months), %	19.3	-12.7%			17.5%
ROE adjusted (last 12 months), %	8.5	9.9			-
Balance sheet financial indicators, EUR thousand	**As at 30 September 2023**	**As at 31 December 2022**			**As at 31 December 2021**
Assets	1,059,147	1,425,728	-366,581	-25.7	962,606
Non-current assets	727,938	706,479	21,459	3.0	651,787
Current assets	331,209	515,471	-184,262	-35.7	310,819
Equity	281,062	227,774	53,288	23.4	271,598
Liabilities	778,085	1,197,954	-419,869	-35.0%	691,008
Net debt[6]	26,658	-28,561	55,219	n/a	220,767
Financial ratios					
Assets turnover ratio[7]	47.2%	45.2%			36.8%
Net debt-to-equity ratio	9.5%	-12.5%			81.2%
FFO-to-net debt ratio [10]	3.0	-			0.3
Net debt-to-EBITDA ratio [11]	0.3	-			2.7
Equity-to-assets ratio	26.5%	16.0%			28.2%
Total liquidity ratio[8]	0.81	0.74			0.70

1) EBITDA = profit (loss) before tax + finance costs – finance income + depreciation and amortization charges + impairment charges (including a negative revaluation of non-current tangible assets) + asset write-offs - impact of atypical activities

2) Regulated revenue, expenses and profitability indicators are recalculated due to temporary regulatory deviations from the regulated profitability indicator approved by the NERC.

3) Funds from operations (FFO) = EBITDA + interest received – interest paid – profit tax paid

4) Investments = additions in PP&E + additions in non-current intangible assets, before consideration of offsets with grants received/receivable intended for acquisition of the related assets.

5) EBITDA margin = EBITDA/Revenue

6) Net debt = non-current borrowings + current borrowings + lease liabilities + liability to Ignitis UAB for the acquisition of shares of Litgrid AB – short-term investments – term deposits – cash and cash equivalents

7) Asset turnover = Income (last 12 months)/Assets

8) Total liquidity ratio = Current assets/Current liabilities

9) Depreciation of assets is included in operating expenses

10) FFO-to-net debt ratio = FFO (last 12 months)/net debt

11) Net debt-to-EBITDA ratio = Net debt/EBITDA (last 12 months)

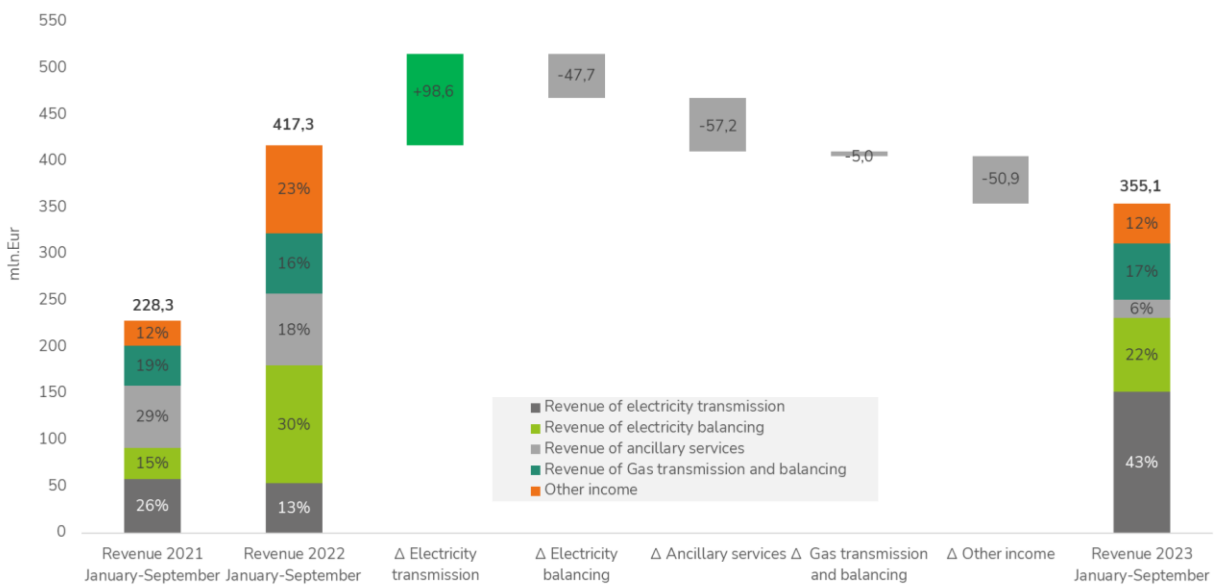
Revenue

In three quarters of 2023, the consolidated revenues of the EPSO-G Group decreased from EUR 417,3 million to EUR 355.1 million, a decrease of 14.9%, or EUR 62.2 million, compared to the same period last year.

During the reporting period, EPSO-G's revenues from electricity transmission and related services decreased by 4.6%, from EUR 288.3 million to EUR 274.9 million. This accounted for 77% of EPSO-G's total revenue. Revenue from electricity transmission increased 2.8-fold, to EUR 152.5 million. This is due to the 2023 transmission price approved by NERC, which was more than 5 times higher than in 2022 due to the projected electricity price and technology costs. Nevertheless, the transmission tariff for consumers decreased by 4.3%, as EUR 106.7 million of congestion management revenues was used to reduce the tariff in the period of nine months. Revenue from ancillary services fell by 74%, to EUR 19.9 million. The main reason for the decrease is the 59% reduction in the price of ancillary services set by NERC. Imbalance and balancing electricity revenues decreased by 37.6%, to EUR 79.0 million. However, the system balancing service provided by Litgrid is always zero-marginal, i.e. an increase or decrease in revenue is irrelevant to the result, as it only covers the actual costs incurred.

In the first three quarters of 2023, the EPSO-G Group generated revenues of EUR 60.3 million from natural gas transportation and related services. This accounted for 17% of the total consolidated revenues of the EPSO-G Group. Revenue from natural gas transmission for the reporting period increased by 11.1%, or EUR 5.0 million, compared to the same period in 2022, and accounted for EUR 49.6 million. Of this, EUR 21.3 million was generated from gas transmission to adjacent gas systems. Revenue from balancing products fell almost 1.9-fold, to EUR 10.6 million, due to the decrease in gas prices and the application of the agent principle for the accounting of system users' balancing activities as of 1 March 2022 (net result in the financial statements, balancing revenues are offset against costs).

The other group's revenue decreased by 68.7%, or EUR 43.7 million, and accounted for EUR 19.9 million. This was mainly due to the Physical Barrier project implemented in 2022.

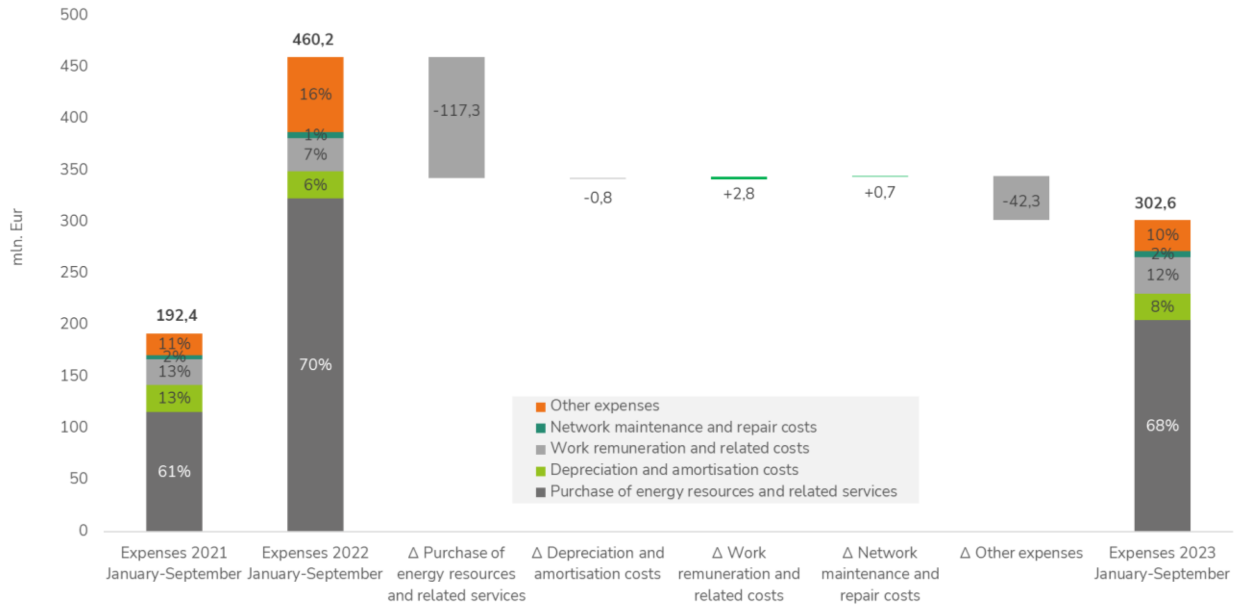


Operating expenses

The Group's operating costs for nine months of 2023 amounted to EUR 302.6 million. Compared to the same period in 2022, costs were EUR 157.6 million, or 34.2%, lower due to the Physical Barrier project, which was implemented last year and increased operating costs.

The largest part of the operating costs was the purchase of energy resources and related services - EUR 205.7 million (electricity and related services EUR 183.6 million, natural gas purchase costs EUR 22.1 million), or 67.9% of total costs.

Work remuneration and related costs amounted to EUR 35.4 million, depreciation and amortisation costs amounted to EUR 25.5 million, contractual and subcontracting works and materials - EUR 8.1 million, network maintenance and repair costs - EUR 5.7 million, telecommunications and ITT costs - EUR 4.0 million, the remaining costs - EUR 18.2 million.



Results of operations

The Group's operating profit before tax, interest, depreciation and amortisation (EBITDA) in the three quarters of 2023 amounted to EUR 78.2 million, compared to EUR -16.4 million in the corresponding period last year. The EBITDA margin was 22.0% (-3.9% in the same period in 2022).

Compared to the first three quarters of last year, electricity transmission EBITDA increased by EUR 97.1 million, to EUR 62.2 million, accounting for 79% of EPSO-G Group's EBITDA. This is due to the lower technology costs incurred than those identified by the NERC and included in the tariff. EBITDA from natural gas transmission services decreased by EUR 3.8 million, to EUR 16.2 million, and amounted to 21% of the Group's EBITDA, mainly due to lower transit and balancing revenues.

In the first nine months of 2023, the consolidated net profit of EPSO-G amounted to EUR 53.9 million. In 2022, net loss in amount of EUR 38.0 million was incurred.

Adjusted results of operations

Regulated revenue, expenses and profitability indicators are recalculated due to temporary regulatory deviations from the regulated revenue level and profitability indicator approved by the NERC. Calculation of adjusted indicators involves estimation of adjustment for previous period revenue, which has already been approved by the decision of the NERC when determining regulated transmission prices for the reporting period, and estimation of deviation of the actual profitability from the regulated profitability approved by the NERC, which will be considered when determining the transmission prices by the NERC for future period.

- Adjusted EBITDA - EUR 46.6 million for January-September 2023 (EUR 48.9 million in January-September 2022).
- Adjusted net profit - EUR 17.9 million for January-September 2023 (EUR 17.8 million in January-September 2022).
- Adjusted average return on equity (ROE) for the last twelve months - 8.5% (9.9% in 2022).

Adjusted EBITDA, EUR million		January-September 2023	January-September 2022
	Group's EBITDA	**78.2**	**-16.4**
Amber Grid	Refunding of ROI deviation in relation to previous periods	8.2	12.8
	Payment to Poland for GIPL was included in 2022 revenue	-10.3	-6.2
	Current year difference between actual revenue and revenue set by the NERC	-0.8	-6.7
	Current year actual balancing result	5.7	-4.4
	Current year difference between actual technological losses and those set in the pricing	-1.9	8.5
	Other adjustments for difference between current year actual rates and those set in the pricing	0.3	-0.2
Litgrid	Refunding of ROI deviation from transmission activities in relation to previous periods	-3.1	11.5
	Current year difference between actual technological losses and those set in the pricing	-77.8	55.9
	Other ROI deviations from transmission activities	-4.2	3.8
	Refunding of ROI deviations from additional services in relation to previous periods	20.3	3.3
	Current year difference in regulatory rate of return from additional services	32.1	-12.8
	Group's adjusted EBITDA	**46.6**	**48.9**

Adjusted net profit (loss), EUR million		January-September 2023	January-September 2022
	Group's net profit/(loss)	**53.9**	**-38.0**
Amber Grid	EBITDA adjustment	1.1	3.7
	Current year difference between regulatory and financial depreciation of PP&E	-0.1	0.4
	Current year difference between actual taxes and those set in the pricing	-9.3	-0.6
Litgrid	EBITDA adjustment	-32.6	61.6
	Current year difference between actual taxes and those set in the pricing	4.9	-9.2
	Group's adjusted net profit/(loss)	**17.9**	**17.8**

Statement of financial position

As of 30 September 2023, the Group's assets amounted to EUR 1,059.1 million. The decrease of 25.7% compared to year-end 2022 is mainly due to a decrease in funds deposited by natural gas exchange participants for guarantees and deposits and the deconsolidation of these assets following the completion of the sale of the controlling stake in the natural gas exchange Get Baltic in the second quarter of this year.

The Group's non-current assets amounted to EUR 727.9 million and accounted for 68.7% of the Group's total assets. Compared to year-end 2022, the increase is 3.0%.

Shareholders' equity increased by 23.4%, to EUR 281.1 million, compared to year-end 2022, which was due to profit earnings, and the Group's share of equity in relation to the Group's assets at the end of September 2023 was 26.5%.

At the end of September 2023, the Group's net financial liabilities to creditors, including lease liabilities, amounted to EUR 191.0 million. As a result of Litgrid's cumulative congestion revenue, cash and cash equivalents and term deposits and short-term investments at the end of the period amounted to EUR 164.3 million. This resulted in a net financial debt of EUR 26.7 million. The EPSO-G Group's net debt (including lease liabilities) to equity ratio was 9.5%, due to the accumulation of temporarily available surplus funds.

Investments

In three quarters of 2023, the EPSO-G Group's investments amounted to EUR 140.1 million, an increase of EUR 59.9 million, compared to the same period in 2022. Excluding assets received from third parties, EPSO-G Group's investments amounted to EUR 128.7 million, an increase of EUR 47.9 million, compared to the same period in 2022.

Litgrid's investments amounted to EUR 104.6 million (63% of which was spent on strategic and nationally important electricity projects, 37% on transmission network reconstruction and development and operational support), excluding assets received from third parties investments amounted to EUR 93,2 million.

Amber Grid's investments in the reconstruction and modernisation of the main network amounted to EUR 27.8 million (of which EUR 9.2 million for the reconstruction of individual sections of the Vilnius-Kaunas main gas pipeline, EUR 2.8 million for the replacement of overground passes with the underground passes and deepening of not deepened sections of main gas pipeline (MD A2 stage II), EUR 6.5 million for the reconstruction of Grigiškės, Kėdainiai, Vievis, Telšiai, Šiauliai DSSs, EUR 3.1 million for the replacement of closures and connection to Scada kt)

Energy Cells investments in the system of energy storage facilities amounted to EUR 5.4 million in three quarters.

Employees and remuneration

The EPSO-G group had 1,264 employees as of 30 September 2023 (1,368 on 30 September 2022):

- EPSO-G – 66 (83),
- Amber Grid – 348 (327),
- Litgrid – 415 (380),
- Tetas – 387 (515).
- Baltpool – 18 (18),
- Energy Cells – 30 (37),

Remuneration information for nine months of 2023

Average monthly pay by category of employees	Group		Company	
	Number of employees (end of period)	Average monthly salary	Number of employees (end of period)	Average monthly salary
Chief Executive Officer	6	11,558	1	14,235
Senior management	26	8,875	6	9,457
Middle-level management	146	5,784	17	7,598
Specialists	791	3,380	41	4,241
Workers	295	1,871	-	-
Total	1,264	3,426	66	5,792
Wage Guarantee Fund, EUR thousand		38,923		3,292

Shareholders

The Republic of Lithuania is the sole shareholder of EPSO-G (100% of the shares). The property and nonproperty rights of the shareholder, in accordance with Clause 2.3 of the Resolution No 826 On the Establishment of a Private Limited Liability Company and Investment of State-Owned Capital of the Government of the Republic of Lithuania of 4 July 2012, are implemented by the Ministry of Energy of the Republic of Lithuania represented by the Minister of Energy of the Republic of Lithuania.

There have been no changes in EPSO-G's shareholder structure in the first nine months of 2023.

As of 30 September 2023, the share capital of EPSO-G amounted to EUR 189,631,000.

Shareholder of the company	Number of shares	Nominal value per share, EUR	Share capital, EUR	Shareholding
The Republic of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania	653,900,000	**EUR 0.29**	189,631,000	100%

EPSO-G shares are not subject to any restrictions on the transfer of securities other than those provided for by law. No convertible securities have been issued by EPSO-G or Group companies. EPSO-G has not acquired any of its shares. EPSO-G did not acquire or dispose of any of its shares during the reporting period. The Company's subsidiaries have also not acquired shares in the Company. The shareholder of

EPSO-G does not have any special rights of control other than those provided for by the legislation of the Republic of Lithuania.

Shares of EPSO-G's subsidiaries Litgrid and Amber Grid are traded on Nasdaq Vilnius stock exchange.

Company	ISIN code	Securities	Trading list	Securities manager
LITGRID AB	LT0000128415	LGD1L	BALTIC SECONDARY LIST	SEB bankas AB
Amber Grid, AB	LT0000128696	AMG1L	BALTIC SECONDARY LIST	SEB bankas AB

In early June 2022, sustainability-related bonds issued by EPSO-G have been listed on Nasdaq's Baltic Debt Securities List.

The securities of other companies owned by EPSO-G are not traded on the stock exchange.

ARTICLES OF ASSOCIATION

During the reporting period, the Articles of Association of EPSO-G were revised 1 time.

On 29 December 2022, a new version of the Articles of Association of EPSO-G was approved by a decision of the sole shareholder and registered in the Register of Legal Entities on 5 January 2023. The following substantive changes were made to the new version of the Articles of Association:

- clarification of how EPSO-G carries out its patronage functions,
- revision of competences of the General Meeting of Shareholders, the Board and the CEO of EPSO-G,
- clarification of the provisions relating to the formation of EPSO-G management committees,
- clarification of the provisions concerning the composition of the Board and the organisation of its activities,
- the possibility for the Board of EPSO-G to set up a Group Management Committee.

The existing corporate management model ensures the efficiency of the organizational and management structure of EPSO-G Group and compliance with the highest governance standards.

The Articles of Association of EPSO-G are available at the website: www.epsog.lt in the menu item Corporate Governance.