The image features a composite background. On the left, there is a photograph of an industrial facility with large white cylindrical tanks and green-painted structural elements. On the right, there is a close-up of a white, diamond-shaped mesh pattern. The Grigeo logo is positioned in the upper right corner of the image.

Grigeo

Grigeo AB

**CONSOLIDATED INTERIM REPORT AND CONSOLIDATED AND
SEPARATE FINANCIAL STATEMENTS FOR THE 12 MONTHS
PERIOD ENDED 31 DECEMBER 2021 (UNAUDITED)**

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.

TABLE OF CONTENTS

CONFIRMATION OF RESPONSIBLE PERSONS	3
MANAGEMENT REPORT	4
A. Executive summary for 12 months of 2021	4
B. Main data about the issuer	5
C. Audit information	5
D. Contracts with intermediaries of public trading in securities and credit institutions.....	5
E. Group companies and their contact details	6
F. Nature of core activities of the group companies	6
G. Data about trade in the issuer's securities in regulated markets	6
I. Employees	8
J. Information on the management and supervisory bodies of the issuer	8
K. Information about compliance with governance code	9
L. Related party transactions	10
INTERIM FINANCIAL STATEMENTS	11
Statements of financial position	11
Statements of comprehensive income	13
Statements of changes in equity.....	14
Statements of cash flows	15
NOTES TO FINANCIAL STATEMENTS	16
1. Basis of preparation	16
2. Property, plant and equipment.....	17
3. Right-of-use assets	19
4. Investment property	21
5. Intangible assets	22
6. Investments in subsidiaries.....	24
7. Amounts receivable	24
8. Cash and cash equivalents.....	24
9. Inventories	24
10. Share capital and legal reserve	25
11. Non-current and current borrowings	25
12. Trade and other payables	25
13. Segment information.....	25
14. Other income	27
15. Other gains/(losses) – net.....	27
16. Basic and diluted earnings per share	28
17. Court and arbitration proceedings	28
18. Events after the end of the reporting period	28

CONFIRMATION OF RESPONSIBLE PERSONS

In accordance with the Law on Securities of the Republic of Lithuania, and the Rules on the Disclosure of Information by the Bank of Lithuania, we, president Gintautas Pangonis and finance director Martynas Nenėnas hereby confirm that, to the best of our knowledge, unaudited interim consolidated financial statements of Grigeo AB for the twelve months period ended 31 December 2021, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of assets, liabilities, financial position, profit or loss and cash flows of Grigeo AB and the Group, and also that the unaudited interim consolidated report shows fair business environment as well as description of the company's performance.

President of Grigeo AB

Gintautas Pangonis

Finance director of Grigeo AB

Martynas Nenėnas

MANAGEMENT REPORT

A. Executive summary for 12 months of 2021

Over 12 months of 2021, compared to the respective period of previous year:

- The Group's revenue increased by EUR 33.6 million (25.9%), the Company's – increased by EUR 3.9 million (6.1%).
- The Group's EBITDA lower by EUR 2.5 million (9.6%), the Company's – lower by EUR 8.8 million (59.8%).
- The Group's EBT lower by EUR 1.3 million (8.6%), the Company's – lower by EUR 7.0 million (71.0%).

Indicator, EUR million	Group			Company		
	2021	2020	Change	2021	2020	Change
Revenue	163.2	129.6	25.9%	67.6	63.7	6.1%
EBITDA	23.7	26.2	-9.6%	5.9	14.8	-59.8%
Profit before tax (EBT)	13.6	14.9	-8.6%	2.9	9.9	-71.0%

More details on reasons of these changes are presented below in a table and comments by business segments.

The management of the Group believes that in the existing circumstances they are taking all necessary measures to ensure sustainability of the Group's business. Although the continuing impact of the unstable business environment is currently hard to assess, the management believes that it will have no significant negative impact on the Group's results.

The Group's revenue, gross profit, and gross margin over 12 months of respective years*:

Indicator, EUR million	Tissue paper and paper products		Wood fibre boards		Raw materials for corrugated cardboard and related products		Unallocated		TOTAL	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue	60.7	58.9	20.7	17.3	78.7	51.2	3.1	2.2	163.2	129.6
Gross profit	9.6	17.6	4.5	3.6	19.1	12.1	0.3	0.2	33.6	33.5
Gross margin of the segment	15.9%	29.9%	21.7%	20.6%	24.3%	23.6%	9.5%	10.5%	20.6%	25.8%

*The data is presented after eliminating the impact of transactions between the segments.

Tissue paper products market. Over 12 months of 2021 the revenue from tissue paper segment reached EUR 60.7 million and, when compared to respective period of previous year, increased by 3.0%. The gross profit of the segment amounted to EUR 9.6 million – 45.3% lower if compared to respective period of previous year. Respectively, the gross margin of the segment decreased from 29.9% to 15.9%. The reasons of the decrease are significant increases in the prices of energy and raw materials.

Wood products market. Over 12 months of 2021 the revenues of the segment reached EUR 20.7 million – 20.1% more, when compared to respective period of previous year. Gross profit of the segment reached EUR 4.5 million and was 26.7% higher when compared to respective period of previous year. The gross margin has increased from 20.6% to 21.7%. The main reason of the increase in the margin was increase in market price of fibre boards.

Raw materials for corrugated cardboard and related products market. The revenues of this segment reached EUR 78.7 million over 12 months of 2021 and were higher by 53.8% when compared to respective period of previous year due to increased sales volumes. The gross profit of the segment reached EUR 19.1 million and was higher by 58.5%. Respectively, the gross margin of the segment increased from 23.6% to 24.3%. The main reason driving the segment growth is an increased demand in raw cardboard and corrugated cardboard packaging market.

The Group's and Company's liquidity, capital structure and market value indicators:

Indicator	Group			Company		
	12 months 2021	12 months 2020	12 months 2019	12 months 2021	12 months 2020	12 months 2019
Revenue, EUR million	163.2	129.6	140.0	67.6	63.7	65.2
Net profit, EUR million	12.4	13.3	13.6	3.2	9.0	17.2
EBITDA, EUR million	23.7	26.2	28.6	5.9	14.8	11.6
EBIT, EUR million	13.9	15.1	17.2	3.0	10.0	10.3
Profitability ratios						
Gross margin	20.6%	25.8%	23.7%	13.4%	27.2%	20.1%
EBITDA profitability	14.5%	20.2%	20.4%	8.8%	23.2%	17.8%
EBIT profitability	8.5%	11.7%	12.3%	4.4%	15.7%	15.8%
Net margin	7.5%	10.3%	9.7%	4.8%	14.1%	26.4%
ROE profitability	13.3%	16.0%	18.8%	5.5%	15.9%	37.8%
ROA profitability	9.6%	11.1%	11.7%	4.2%	12.0%	24.3%
ROCE profitability	13.8%	15.8%	19.9%	5.0%	15.6%	17.7%
Liquidity ratios						
Current ratio	1.51	1.56	1.13	1.01	1.63	1.08
Quick ratio	1.07	1.23	0.80	0.72	1.33	0.76
Capital structure ratios						
Debt to equity ratio	0.41	0.38	0.52	0.33	0.28	0.37
Debt to total assets ratio	0.29	0.27	0.34	0.25	0.22	0.27
Market value ratios						
P/E	9.92	6.57	7.03	37.83	9.73	5.53
Earnings per share*, EUR	0.093	0.101	0.103	0.024	0.068	0.131

*Ratios are adjusted for year 2020 and 2019 following the Company's authorised share capital increase on 19 May 2021 out of the Company's retained earnings (Note 16).

B. Main data about the issuer

Company	Data
Company name	Grigeo AB
Code	110012450
Authorised share capital (Note 10)	EUR 38,106,000
LEI	529900YXT3CDTZGS0R43
Address	Vilniaus str. 10, Grigiškės, Vilnius City Municipality, Lithuania
Telephone	+370 5 243 5801
Fax	+370 5 243 5802
E-mail	info@grigeo.lt
Website	https://www.grigeo.lt/en
Legal form	Public limited liability company
Date of registration	23 May 1991
Manager of the register	State enterprise Centre of Registers

C. Audit information

The interim consolidated information of the Company covering 12 months of 2021 is not audited or checked-up by auditors.

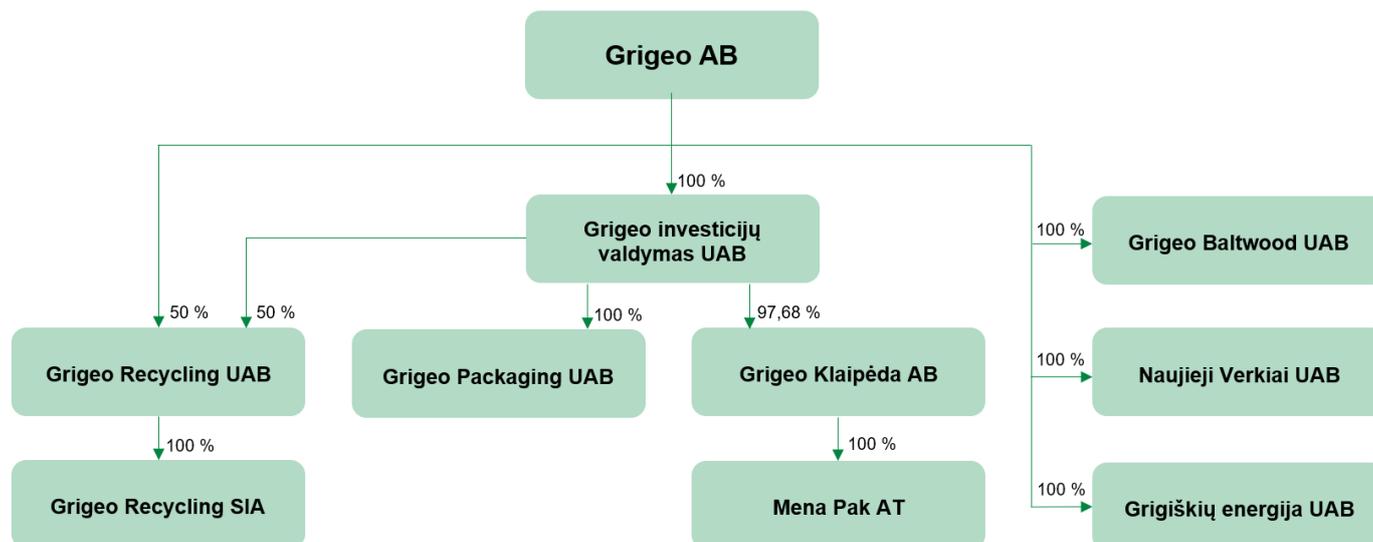
D. Contracts with intermediaries of public trading in securities and credit institutions

The Company has signed a contract with Šiaulių Bankas AB (telephone No 1813 (+370 37 301337 for calls from abroad), kc@sb.lt) on payment of dividends to the shareholders for the previous financial year.

The Company has signed a contract with Orion Securities UAB FMĮ (A. Tumėno str. 4, Vilnius, telephone No (8~5) 231 3833, info@orion.lt) on the handling of securities issued by the Company and on Market Making.

E. Group companies and their contact details

On 31 December 2021, the group comprised the Company (Grigeo AB) and nine subsidiaries as specified below.



The contact details of the Company and subsidiaries did not change from those stated in [2020 annual report](#).

F. Nature of core activities of the group companies

The main business activity of Grigeo AB is the production of tissue paper.

Grigeo Klaipėda AB manufactures the raw material for the production of corrugated cardboard – testliner (smooth layer cardboard) and fluting (paper for corrugation) as well as paper honeycomb used in the furniture industry.

Grigeo Packaging UAB manufactures corrugated cardboard and corrugated cardboard products.

Grigeo Baltwood UAB manufactures uncoloured hardboard and painted hardboard panels.

Grigeo Recycling UAB collects secondary raw materials and prepares them for recycling.

Grigeo Recycling SIA collects secondary raw materials and prepares them for recycling.

Mena Pak AT (in Ukrainian – акціонерне товариство „МЕНА ПАК“) manufactures corrugated cardboard and corrugated cardboard products.

Grigeo Investicijų Valdymas UAB is engaged in investment activities and management of companies.

Naujieji Verkiai UAB is engaged in construction and development of real estate; the company was dormant during the reporting period.

The activities of Grigiškių Energija UAB are related to heat production and sale; the company was dormant during reporting period.

G. Data about trade in the issuer's securities in regulated markets

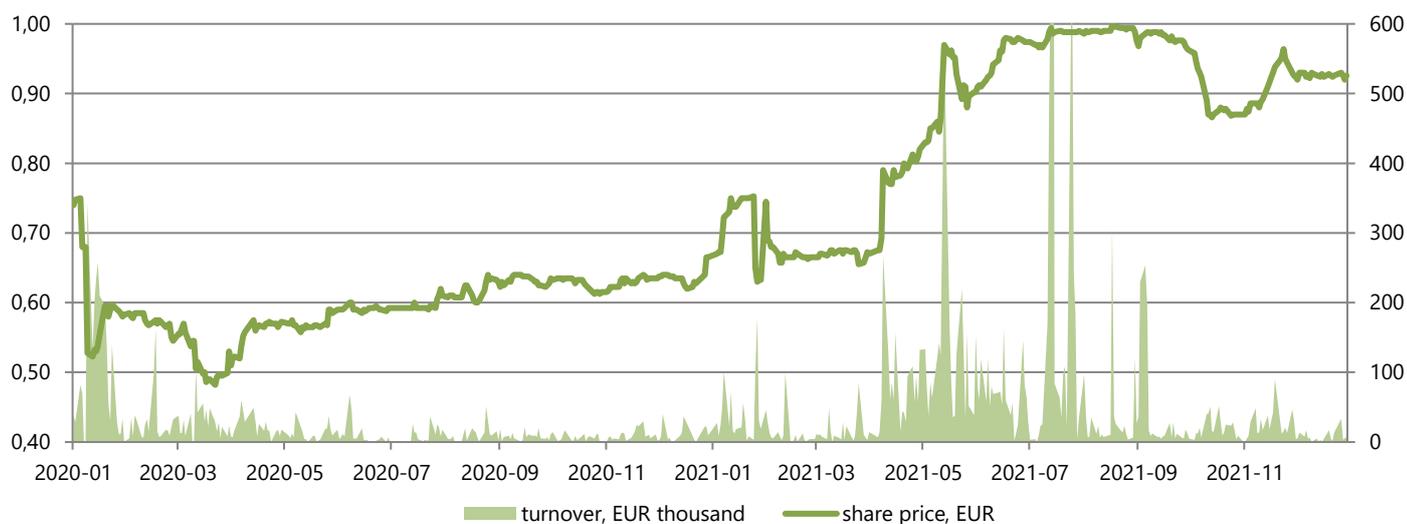
The ordinary registered shares of Grigeo AB are listed on the Official Baltic List of Nasdaq Vilnius Stock Exchange (trading code of shares is GRG1L).

The main characteristics of the Company's shares:

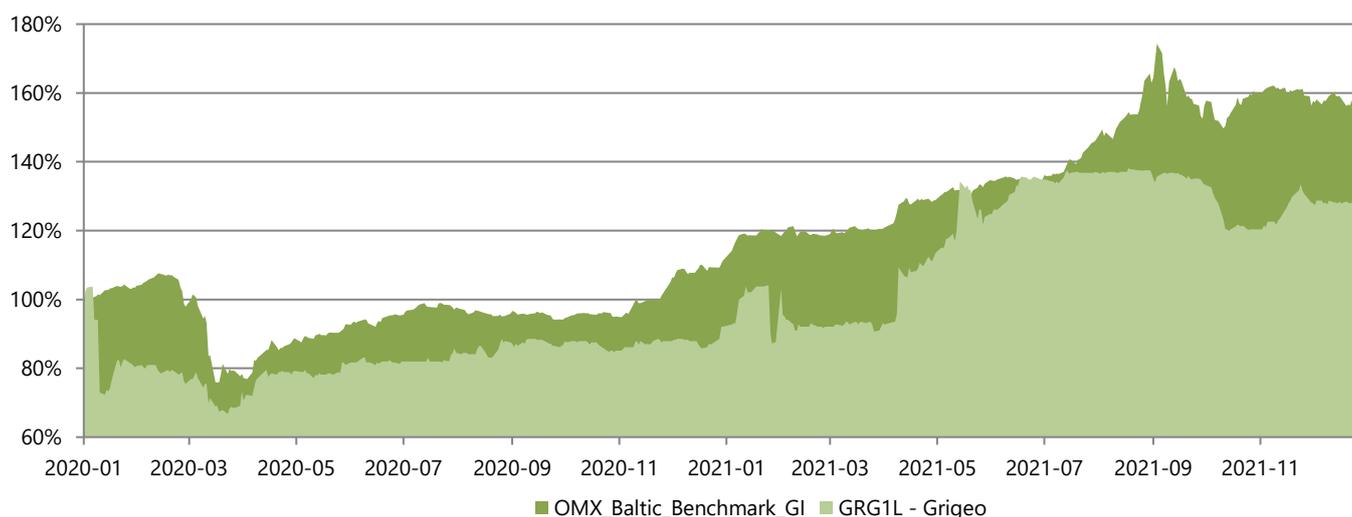
Date	Type of shares	VP ISIN code	Number of shares, units	Par value, EUR	Total par value, EUR
Until 18/05/2021	Ordinary registered shares	LT0000102030	65,700,000	0.29	19,053,000
From 19/05/2021	Ordinary registered shares	LT0000102030	131,400,000	0.29	38,106,000

Based on the decision of the Annual General Meeting of Shareholders that was held on 30 April 2021, the Company's authorised share capital was increased on 19 May 2021 out of the Company's retained earnings from EUR 19,053 thousand to EUR 38,106 thousand by issuing 65,700,000 ordinary registered shares with a nominal value of EUR 0.29.

Price and turnover of shares 01/01/2020 – 31/12/2021:



Share price benchmarked against the Baltic market index 01/01/2020 – 31/12/2021:



H. Shareholders

Shareholders owning more than 5% of the authorised capital of the Issuer on the 31 of December 2021 and/or the 31 of December 2020.

Shareholder's name (company's name, type, headquarters address, corporate ID number)	31 December 2021			31 December 2020		
	Number of ordinary registered shares owned by the shareholder	Interest in the authorised capital, %	Votes granted by shares held by the right of ownership, %	Number of ordinary registered shares owned by the shareholder	Interest in the authorised capital, %	Votes granted by shares held by the right of ownership, %
Ginvildos investicija UAB* Turniškių str. 10a-2, Vilnius, 125436533	60,809,151	46.28	46.28	28,582,407	43.50	43.50
Irena Ona Mišeikienė	17,168,342	13.07	13.07	8,584,171	13.07	13.07

*Gintautas Pangonis owns 100% of the shares of Ginvildos investicija UAB.

I. Employees

Over the year 2021 there were no significant changes in the number of employees. Natural staff turnover rates prevailed in Group companies for the reported period.

Number of employees in the Group and in the Company.

	Group		Company	
	2021.12.31	2020.12.31	2021.12.31	2020.12.31
Number of employees	833	859	266	288

The average salary in the Company and in the Group increased for all categories of employees as compared to the year 2020. The growth of the average salary was mostly driven by the consistent salary increase policy and recruitment of workers with higher competences.

Average salary in the Group and in the Company*, in euros.

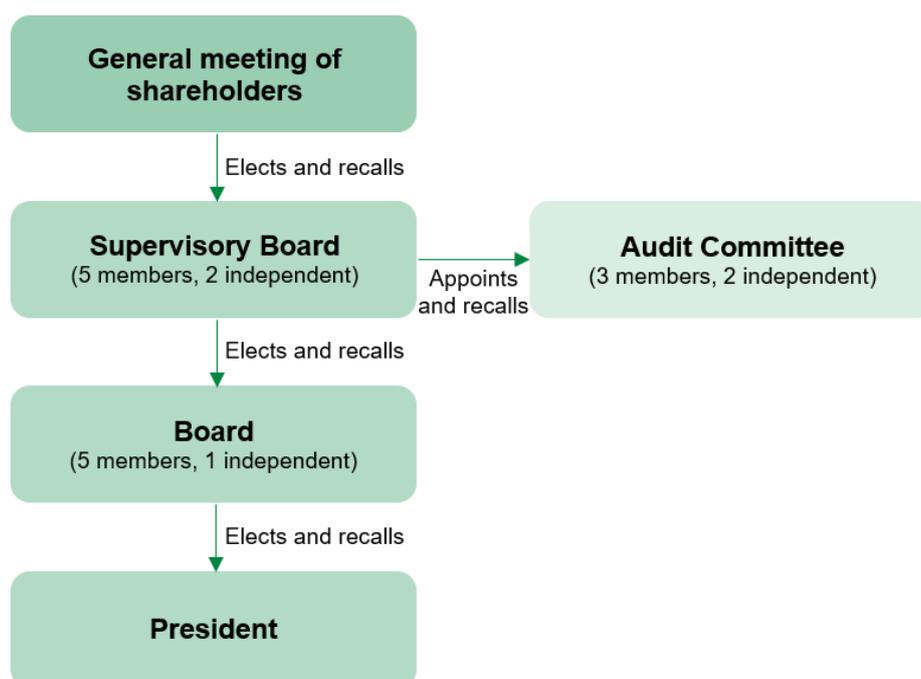
Employees	Group		Company	
	2021	2020	2021	2020
Workpeople	1,822	1,675	1,890	1,798
Specialists	2,139	1,988	2,218	2,061
Managers**	4,559	4,365	5,583	5,097
Total	2,214	2,036	2,393	2,229

* - information on the average salary does not include Mena Pak AT data in order to show the precise group average salaries unaffected by fluctuations of Ukrainian Hryvnia currency.

**The increase in average salary of managers is primarily related with payments of variable pay to board members instead of share of profits (tantième) that were paid in 2020.

J. Information on the management and supervisory bodies of the issuer

According to the Company's Articles of Association, the Company's bodies are the General Meeting of Shareholders, the collegial supervisory body is the Supervisory Board, the collegial management body is the Board, and the Company's Manager is the President. The Audit Committee is formed, which is the advisory body to the Company's Supervisory Board.



Members of the supervisory council, audit committee, the board, the head of the Company, their education and share of capital and voting rights.

Name, surname	Position	Education	Tenure	Capital share and votes, %
Supervisory Board				
Norimantas Stankevičius	Chairman	Vilnius University, Physicist	Since 26 April 2019 until the General Shareholders' Meeting, to be held in 2023	4.42
Vilius Oškeliūnas	Independent Member	Vilnius University, BA and MA in Economics		-
Romualdas Degutis	Member	Kaunas University of Technology, Telecommunications Engineer		0.03
Normantas Paliokas	Member	Vilnius Gediminas Technical University, Architect		-
Daiva Duksienė	Independent Member	Vilnius University, Economist		-
Audit Committee				
Daiva Duksienė	Chairwoman (independent member)	Vilnius University, Economist	Since 26 April 2019 until the General Shareholders' Meeting, to be held in 2023	-
Norimantas Stankevičius	Member	Vilnius University, Physicist		4.42
Vilius Oškeliūnas	Independent Member	Vilnius University, BA and MA in Economics		-
Board				
Gintautas Pangonis	Chairman	Kaunas University of Technology, Telecommunications Engineer	Since 26 April 2019 until the General Shareholders' Meeting, to be held in 2023	Indirectly 46.28*
Algimantas Variakojis	Independent Member (since 13/07/2020)	Vilnius University, Economist		0.16**
Vigmantas Kažukauskas	Member	Kaunas University of Technology, Telecommunications Engineer		0.88
Saulius Martinkevičius	Member	Vilnius University, BA in Economics and Business IT Systems, MA in Business Administration and Management		0.17
Tomas Jozonis	Member	ISM University of Management and Economics, BA in Management and Business Administration; Vilnius University, MA in Business		-
Manager of the Company				
Gintautas Pangonis	President	Kaunas University of Technology, Telecommunications Engineer	-	Indirectly 46.28*

*Ginvildos investicija UAB holds 46.28% of the Company's shares. 100% of shares of Ginvildos investicija UAB are held by Gintautas Pangonis.

**Board member holds 0.13% directly and 0.03% through 100% owned company Alro kapitalas UAB.

K. Information about compliance with governance code

Grigeo AB follows a Corporate Governance Code for the Companies Listed on Nasdaq Vilnius. Information presented in the [Annual Report of 2020](#) has not undergone any changes.

L. Related party transactions

All transactions with related parties were carried out at market prices in course of ordinary economic activities.

Grigeo Klaipėda AB – subsidiary of Grigeo AB.

Grigeo Baltwood UAB – subsidiary of Grigeo AB.

Mena Pak AT – subsidiary of Grigeo AB.

Grigeo investicijų valdymas UAB – subsidiary of Grigeo AB.

Ginvildos investicija UAB – major shareholders of Grigeo AB.

Statybų namai UAB, Elnorma UAB – companies related to the members of Supervisory Council.

Grigeo Packaging UAB – subsidiary of Grigeo AB.

Naujieji Verkiiai UAB – subsidiary of the group not subject to consolidation.

Grigeo Recycling UAB – subsidiary of Grigeo AB.

Grigeo Recycling SIA – subsidiary of Grigeo AB.

Grigiškių energija UAB – subsidiary of the group not subject to consolidation.

Company's transactions with related parties over the 12 months of 2021 presented in the table below. Balances of amounts receivable/payable in relation thereto on the 31 December 2021.

Group	Sales of goods and services	Purchases of goods and services	Amounts receivable*	Amounts payable
Companies having significant influence	-	14	-	2
Other related companies	2	-	-	-
TOTAL	2	14	-	2

Company's transactions with related parties over the 12 months of 2021 presented in the table below. Balances of amounts receivable/payable in relation thereto on the 31 December 2021.

Company	Sales of goods and services	Purchases of goods and services	Amounts receivable*	Amounts payable
Companies having significant influence	-	10	-	2
Subsidiaries	6,094	7,654	1,294	601
Other related companies	-	-	-	-
TOTAL	6,094	7,664	1,294	603

*Receivables include prepayments for goods and services.

INTERIM FINANCIAL STATEMENTS

Statements of financial position

	Notes	Group		Company	
		2021.12.31	2020.12.31	2021.12.31	2020.12.31
ASSETS					
Non-current assets					
Property, plant and equipment	2	71,564	70,629	29,020	28,613
Right-of-use assets	3	3,969	4,129	1,534	1,833
Intangible assets	5	3,513	3,624	374	430
Investment property	4	4,417	1,979	4,417	1,979
Investments in subsidiaries	6	-	-	23,051	23,051
Other amounts receivable	7	3	3	-	-
Deferred income tax assets		-	-	123	-
Total non-current assets		83,466	80,364	58,519	55,906
Current assets					
Inventories	9	14,428	9,133	4,796	3,996
Trade and other amounts receivable	7	22,340	15,127	10,515	7,367
Prepaid income tax		128	-	159	-
Other current assets		320	282	127	166
Cash and cash equivalents	8	12,443	18,275	818	10,453
Total current assets		49,659	42,817	16,415	21,982
TOTAL ASSETS		133,125	123,181	74,934	77,888

(Cont'd on the next page)

Statements of financial position (continued)

	Notes	Group		Company	
		2021.12.31	2020.12.31	2021.12.31	2020.12.31
EQUITY AND LIABILITIES					
Equity					
Share capital	10	38,106	19,053	38,106	19,053
Share premium		1,119	1,119	1,119	1,119
Legal reserve	10	1,905	1,905	1,905	1,905
Hedging reserve		-	11	-	(4)
Foreign currency translation reserve		(2,161)	(2,407)	-	-
Retained earnings		54,607	69,278	15,259	38,980
Equity attributable to shareholders of the Company		93,576	88,959	56,389	61,053
Non-controlling interest		713	596	-	-
Total equity		94,289	89,555	56,389	61,053
Liabilities					
Non-current liabilities					
Borrowings	11	864	1,226	175	556
Lease liabilities		3,177	3,287	1,259	1,554
Grants		939	1,147	811	970
Deferred income tax liability		579	77	-	187
Long-term employee benefits		173	191	71	86
Other amounts payable		282	282	-	-
Total non-current liabilities		6,014	6,210	2,316	3,353
Current liabilities					
Borrowings	11	2,094	6,404	1,380	2,281
Lease liabilities		360	387	320	310
Income tax payable		-	572	-	352
Trade and other amounts payable	12	30,368	20,048	14,529	10,535
Fair value of financial instruments		-	5	-	4
Total current liabilities		32,822	27,416	16,229	13,482
Total liabilities		38,836	33,626	18,545	16,835
TOTAL EQUITY AND LIABILITIES		133,125	123,181	74,934	77,888

Statements of comprehensive income

	Notes	Group		Company	
		12 months 2021	12 months 2020	12 months 2021	12 months 2020
Revenue	13	163,215	129,602	67,591	63,735
Cost of sales		(129,657)	(96,133)	(58,532)	(46,424)
Gross profit		33,558	33,469	9,059	17,311
Selling and distribution expenses		(12,179)	(11,706)	(4,995)	(5,158)
Administrative expenses		(8,134)	(7,828)	(3,076)	(2,985)
Other income	14	423	373	1,937	312
Other gains/(losses) – net	15	193	828	36	537
Operating profit		13,861	15,136	2,961	10,017
Finance income		34	111	4	6
Finance costs		(260)	(332)	(93)	(129)
Finance income/(costs) – net		(226)	(221)	(89)	(123)
Profit before income tax		13,635	14,915	2,872	9,894
Income tax		(1,250)	(1,646)	344	(916)
PROFIT FOR THE PERIOD		12,385	13,269	3,216	8,978
Profit for the period is attributable to:					
Shareholders of the Company		12,266	13,292	3,216	8,978
Non-controlling interest		119	(23)	-	-
Other comprehensive income/(expenses)					
Items that will not be reclassified subsequently to profit or loss		-	-	-	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		246	(612)	-	-
Cash flow hedges – effective portion of changes in fair value		(11)	28	4	8
Total items that may be reclassified subsequently to profit or loss		235	(584)	4	8
Other comprehensive income/(expenses) for the period		235	(584)	4	8
Total comprehensive income for the period		12,620	12,685	3,220	8,986
Total comprehensive income for the period is attributable to:					
Shareholders of the Company		12,501	12,708	3,220	8,986
Non-controlling interest		119	(23)	-	-
Basic and diluted earnings per share (in EUR)	16	0.093	0.101	0.024	0.068

Statements of changes in equity

Group	Equity attributable to owners of the Company							Non-controlling interest	Total equity
	Share capital	Share premium	Legal reserve	Hedging reserve	Foreign currency translation reserve	Retained earnings	Total		
At 1 January 2020	19,053	1,119	1,905	(17)	(1,795)	55,986	76,251	619	76,870
Profit for the year	-	-	-	-	-	13,292	13,292	(23)	13,269
Other comprehensive income	-	-	-	28	(612)	-	(584)	-	(584)
Total comprehensive income for the period	-	-	-	28	(612)	13,292	12,708	(23)	12,685
At 31 December 2020	19,053	1,119	1,905	11	(2,407)	69,278	88,959	596	89,555
Profit for the year	-	-	-	-	-	12,266	12,266	119	12,385
Other comprehensive income/(expenses)	-	-	-	(11)	246	-	235	-	235
Total comprehensive income/(expenses)	-	-	-	(11)	246	12,266	12,501	119	12,620
Approved dividends	-	-	-	-	-	(7,884)	(7,884)	-	(7,884)
Share capital increase	19,053	-	-	-	-	(19,053)	-	-	-
Transactions with the Company's owners	19,053					(26,937)	(7,884)	-	(7,884)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	(2)	(2)
Transactions with the non-controlling group	-	-	-	-	-	-	-	(2)	(2)
At 31 December 2021	38,106	1,119	1,905	-	(2,161)	54,607	93,576	713	94,289

Company	Share capital	Share premium	Legal reserve	Hedging reserve	Retained earnings	Total equity
At 1 January 2020	19,053	1,119	1,905	(12)	30,002	52,067
Profit for the year	-	-	-	-	8,978	8,978
Other comprehensive income	-	-	-	8	-	8
Total comprehensive income	-	-	-	8	8,978	8,986
Approved dividends	-	-	-	-	-	-
Transactions with the Company's owners	-	-	-	-	-	-
At 31 December 2020	19,053	1,119	1,905	(4)	38,980	61,053
Profit for the year	-	-	-	-	3,216	3,216
Other comprehensive income	-	-	-	4	-	4
Total comprehensive income	-	-	-	4	3,216	3,220
Approved dividends	-	-	-	-	(7,884)	(7,884)
Share capital increase	19,053	-	-	-	(19,053)	-
Transactions with the Company's owners	19,053	-	-	-	(26,937)	(7,884)
At 31 December 2021	38,106	1,119	1,905	-	15,259	56,389

Statements of cash flows

	Notes	Group		Company	
		12 months 2021	12 months 2020	12 months 2021	12 months 2020
Cash flows from operating activities					
Profit before income tax		13,635	14,915	2,872	9,894
Adjustments for non-cash items					
Depreciation and amortisation		9,865	11,107	4,480	4,770
Dividends received		-	-	(1,500)	-
Interest expenses from borrowings and lease		194	317	91	123
(Income)/expenses from other financial activities – net		31	(96)	(2)	-
Gain on disposal of property, plant and equipment		(112)	(81)	(29)	(36)
		23,613	26,162	5,912	14,751
Changes in working capital					
Decrease/(increase) in trade and other amounts receivable		(7,213)	282	(3,149)	1,111
(Increase)/decrease in inventories		(5,280)	991	(785)	342
(Increase)/decrease in other assets		(38)	(46)	39	(11)
Increase/(decrease) in trade and other amounts payable		11,340	(90)	4,276	(296)
		(1,191)	1,137	381	1,146
Interest paid		(202)	(317)	(93)	(111)
Income tax paid		(835)	(435)	(334)	-
Net cash inflow from operating activities		21,385	26,547	5,866	15,786
Cash flows from investing activities					
Acquisition of property, plant and equipment and intangible assets	2 / 5	(12,438)	(7,868)	(5,566)	(4,222)
Acquisition of investment property	4	(2,122)	(257)	(2,122)	(257)
Disposal of property, plant and equipment	2	189	147	28	88
Reduction of the share capital of the subsidiary		-	-	-	1,062
Dividends received		-	-	1,500	-
Acquisition of non-controlling interest		(2)	-	-	-
Net cash inflow/(outflow) from investing activities		(14,373)	(7,978)	(6,160)	(3,329)
Cash flows from financing activities					
Dividends paid		(7,726)	(10)	(7,723)	(9)
Repayment of borrowings		(6,404)	(8,576)	(2,281)	(3,271)
Proceeds from borrowings		1,731	-	1,000	-
Lease payments		(445)	(357)	(337)	(305)
Net cash (outflow) from financing activities		(12,844)	(8,943)	(9,341)	(3,585)
Net increase/(decrease) in cash flows		(5,832)	9,626	(9,635)	8,872
Cash and cash equivalents at the beginning of the period		18,275	8,649	10,453	1,581
Cash and cash equivalents at the end of the period		12,443	18,275	818	10,453

NOTES TO FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements of the Group and the Company for the twelve months ended 31 December 2021 are prepared in accordance with IAS 34 Interim Financial Reporting

These financial statements do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and should be read in conjunction with the Group's and Company's interim financial statements for the period ended 31 December 2020 as well as last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted in the preparation of these interim financial statements are consistent with those described in the audited annual financial statements of the Group and Company for the financial year ended 31 December 2020.

These financial statements of the Group and the Company for the 12-month period ended 31 December 2021 have been prepared under the assumption that the Group and the Company will continue as a going concern.

All amounts in these financial statements of the Group and the Company are presented in the euros. Amounts are rounded to the nearest thousand (EUR thousands), unless otherwise stated.

Accounting estimates and assessments

The preparation of the Group's and Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and judgements are based on the management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant judgements made by management in applying the Group's and Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual audited financial statements for the year ended 31 December 2020.

Useful lives of property, plant and equipment

The estimation of the useful lives of items of property, plant and equipment is a matter of judgment based on the experience with similar assets. The management assesses the remaining useful lives in accordance with the current technical conditions of the assets and estimated period during which the assets are expected to earn benefits for the Group. In assessing the remaining useful life of property, plant and equipment, the management considers conclusions presented by the employees responsible for technical maintenance of assets.

Impairment of goodwill

Goodwill is tested for impairment annually by calculating the recoverable value. The recoverable value of goodwill is calculated by discounting future cash flows to their present value. The management tested goodwill of EUR 3,001 thousand, which was recognised upon the acquisition of subsidiary Grigeo Klaipėda AB, for impairment and did not establish any indications of impairment.

Legal processes

Subsidiary Grigeo Klaipėda AB has received a claim in relation to indemnification for damage to the environment. Based on the management's estimate, the outcome of the claim involves a high degree of uncertainty. More information is presented in [Note 29 of year 2020 financial statements](#).

2. Property, plant and equipment

Group	Buildings and structures	Machinery and equipment	Motor vehicles	Other assets	Construction in progress and prepayments	Total
At 1 January 2020						
Cost	47,326	112,333	2,337	2,535	2,344	166,875
Accumulated depreciation	(17,716)	(73,304)	(1,466)	(1,402)	-	(93,888)
Net book amount	29,610	39,029	871	1,133	2,344	72,987
Opening net book amount at 1 January 2020						
Additions	21	278	259	282	7,889	8,729
Disposals and write-offs	(1)	(23)	(39)	(3)	-	(66)
Transfer from inventory	-	18	-	-	-	18
Transfer from construction in progress to property, plant and equipment	472	1,930	13	181	(2,596)	-
Reclassification to investment property	(61)	-	-	-	(2)	(63)
Reclassification between categories	-	249	85	(334)	-	-
Foreign exchange effect	(42)	(155)	(2)	(1)	(22)	(222)
Depreciation charge	(2,444)	(7,707)	(288)	(315)	-	(10,754)
Closing net book amount at 31 December 2020	27,555	33,619	899	943	7,613	70,629
At 31 December 2020						
Cost	46,988	112,980	2,378	2,454	7,613	172,413
Accumulated depreciation	(19,433)	(79,361)	(1,479)	(1,511)	-	(101,784)
Net book amount	27,555	33,619	899	943	7,613	70,629
Opening net book amount at 1 January 2021						
Additions	51	490	171	181	9,956	10,849
Disposals and write-offs	-	(70)	(5)	(1)	-	(76)
Transfer from inventory (to inventory)	-	(15)	-	-	-	(15)
Transfer from construction in progress to property, plant and equipment	328	7,154	35	49	(7,566)	-
Reclassification to investment property	(618)	(9)	-	3	-	(624)
Reclassification between categories	-	15	-	(15)	-	-
Foreign exchange effect	17	55	-	-	15	87
Depreciation charge	(2,241)	(6,419)	(272)	(354)	-	(9,286)
Closing net book amount at 31 December 2021	25,092	34,820	828	806	10,018	71,564
At 31 December 2021						
Cost	46,700	119,730	2,468	2,514	10,018	181,430
Accumulated depreciation	(21,608)	(84,910)	(1,640)	(1,708)	-	(109,866)
Net book amount	25,092	34,820	828	806	10,018	71,564

All of the Group's property, plant and equipment are held for its own use. On the 31 December 2021, the part of the Group's property, plant and equipment with a carrying value of EUR 18,249 thousand (31 December 2020 – EUR 50,139 thousand) is pledged as a security for repayment of the loans granted by banks.

2. Property, plant and equipment (continued)

Company	Buildings and structures	Machinery and equipment	Motor vehicles	Other assets	Construction in progress and prepayments	Total
At 1 January 2020						
Cost	17,475	55,162	587	1,042	532	74,799
Accumulated depreciation	(5,947)	(39,674)	(321)	(714)	-	(46,656)
Net book amount	11,528	15,488	266	328	532	28,143
Opening net book amount at 1 January 2020						
Additions	-	49	187	98	4,613	4,947
Disposals and write-offs	-	(18)	(30)	(3)	-	(51)
Transfer from/(to inventories)	-	18	-	-	-	18
Transfer from construction in progress to property, plant and equipment	142	71	13	118	(344)	-
Reclassification to investment property	(61)	-	-	-	(2)	(63)
Depreciation charge	(910)	(3,240)	(82)	(148)	-	(4,380)
Closing net book amount at 31 December 2020	10,699	12,368	354	393	4,799	28,613
At 31 December 2020						
Cost	16,964	54,035	708	1,086	4,799	77,592
Accumulated depreciation	(6,265)	(41,667)	(354)	(693)	-	(48,979)
Net book amount	10,699	12,368	354	393	4,799	28,613
Opening net book amount at 1 January 2021						
Additions	17	27	-	65	4,963	5,072
Transfer from inventory (to inventory)	-	(15)	-	-	-	(15)
Reclassification between categories	-	15	-	(15)	-	-
Transfer from construction in progress to property, plant and equipment	125	4,422	-	9	(4,556)	-
Reclassification to investment property	(618)	(9)	-	3	-	(624)
Depreciation charge	(864)	(2,923)	(85)	(154)	-	(4,026)
Closing net book amount at 31 December 2021	9,359	13,885	269	301	5,206	29,020
At 31 December 2021						
Cost	16,364	57,714	654	1,028	5,206	80,966
Accumulated depreciation	(7,005)	(43,829)	(385)	(727)	-	(51,946)
Net book amount	9,359	13,885	269	301	5,206	29,020

All of the Company's property, plant and equipment are held for its own use.

On the 31 December 2021, the part of the Company's property, plant and equipment with a carrying value of EUR 12,152 thousand (31 December 2020 – EUR 16,927 thousand) is pledged as a security for repayment of the loans granted by banks.

3. Right-of-use assets

Group	Land	Buildings and structures	Machinery and equipment	Total
At 1 January 2020				
Cost	3,695	-	-	3,695
Accumulated depreciation	(408)	-	-	(408)
Net book amount	3,287	-	-	3,287
Opening net book amount at 1 January 2020				
Change in value-in-use	260	242	765	1,267
Foreign exchange effect	(6)	-	-	(6)
Amortisation charge	(65)	(110)	(244)	(419)
Closing net book amount at 31 December 2020	3,476	132	521	4,129
At 31 December 2020				
Cost	3,945	242	765	4,952
Accumulated depreciation	(469)	(110)	(244)	(823)
Net book amount	3,476	132	521	4,129
Opening net book amount at 1 January 2021				
Change in value-in-use	-	175	156	331
Foreign exchange effect	2	-	-	2
Disposals and write-offs	-	-	(58)	(58)
Amortisation charge	(63)	(113)	(259)	(435)
Closing net book amount at 31 December 2021	3,415	194	360	3,969
At 31 December 2021				
Cost	3,948	416	823	5,187
Accumulated depreciation	(533)	(222)	(463)	(1,218)
Net book amount	3,415	194	360	3,969

As at 31 December 2021, the part of the Group's land lease rights with the carrying amount of EUR 477 thousand (31 December 2020: EUR 2,022 thousand) were pledged to the banks as security for borrowings.

3. Right-of-use assets (continued)

Company	Land lease rights	Buildings and structures	Machinery and equipment	Total
At 1 January 2020				
Cost	821	461	-	1,282
Accumulated depreciation	(13)	(231)	-	(244)
Net book amount	808	230	-	1,038
Opening net book amount at 1 January 2020				
Change in value-in-use	195	693	241	1,129
Disposals, write-offs	(1)	-	-	(1)
Amortisation charge	(15)	(237)	(81)	(333)
Closing net book amount at 31 December 2020	987	686	160	1,833
At 31 December 2020				
Cost	1,013	1,154	241	2,408
Accumulated depreciation	(26)	(468)	(81)	(575)
Net book amount	987	686	160	1,833
Opening net book amount at 1 January 2021				
Change in value-in-use	-	-	57	57
Disposals, write-offs	-	-	(29)	(29)
Amortisation charge	(13)	(229)	(85)	(327)
Closing net book amount at 31 December 2021	974	457	103	1,534
At 31 December 2021				
Cost	1,014	1,154	243	2,411
Accumulated depreciation	(40)	(697)	(140)	(877)
Net book amount	974	457	103	1,534

As at 31 December 2021, the part of the Company's land lease rights with the carrying amount of EUR 358 thousand (31 December 2020: EUR 364 thousand) were pledged to the banks as security for borrowings.

4. Investment property

Group and Company	Buildings	Construction in progress and prepayments	Total
At 1 January 2020			
Cost	1,775	40	1,815
Accumulated depreciation	(294)	-	(294)
Net book amount	1,481	40	1,521
Opening net book amount at 1 January 2020			
Additions	-	484	484
Reclassification from property, plant and equipment	61	(8)	53
Depreciation charge	(79)	-	(79)
Closing net book amount at 31 December 2020	1,463	516	1,979
At 31 December 2020			
Cost	2,266	516	2,782
Accumulated depreciation	(803)	-	(803)
Net book amount	1,463	516	1,979
Opening net book amount at 1 January 2021			
Additions	-	1,983	1,983
Transfer from construction	2,171	(2,171)	-
Reclassification from property, plant and equipment	623	-	623
Depreciation charge	(168)	-	(168)
Closing net book amount at 31 December 2021	4,089	328	4,417
At 31 December 2021			
Cost	5,203	328	5,531
Accumulated depreciation	(1,114)	-	(1,114)
Net book amount	4,089	328	4,417

5. Intangible assets

Group	Goodwill	Licences, patents	Software	Other assets, prepayments	Total
At 1 January 2020					
Cost	3,001	150	2,192	531	5,874
Accumulated amortisation	-	(52)	(1,495)	(529)	(2,076)
Net book amount	3,001	98	697	2	3,798
Opening net book amount at 1 January 2020	3,001	98	697	2	3,798
Additions	-	8	11	-	19
Reclassification from property, plant and equipment	-	-	10	-	10
Foreign exchange effect	-	-	(1)	-	(1)
Amortisation charge	-	(34)	(167)	(1)	(202)
Closing net book amount at 31 December 2020	3,001	72	550	1	3,624
At 31 December 2020					
Cost	3,001	158	2,207	531	5,897
Accumulated amortisation	-	(86)	(1,657)	(530)	(2,273)
Net book amount	3,001	72	550	1	3,624
Opening net book amount at 1 January 2021	3,001	72	550	1	3,624
Additions	-	11	38	23	72
Foreign exchange effect	-	1	-	-	1
Amortisation charge	-	(38)	(145)	(1)	(184)
Closing net book amount at 31 December 2021	3,001	46	443	23	3,513
At 31 December 2021					
Cost	3,001	169	2,243	553	5,966
Accumulated amortisation	-	(123)	(1,800)	(530)	(2,453)
Net book amount	3,001	46	443	23	3,513

5. Intangible assets (continued)

Company	Licences, patents	Software	Other assets, prepayments	Total
At 1 January 2020				
Cost	150	994	10	1,154
Accumulated amortisation	(52)	(573)	(8)	(633)
Net book amount	98	421	2	521
Opening net book amount at 1 January 2020	98	421	2	521
Additions	8	-	-	8
Reclassification from property, plant and equipment	-	10	-	10
Amortisation charge	(34)	(74)	(1)	(109)
Closing net book amount at 31 December 2020	72	357	1	430
At 31 December 2020				
Cost	158	998	10	1,166
Accumulated amortisation	(86)	(641)	(9)	(736)
Net book amount	72	357	1	430
Opening net book amount at 1 January 2021	72	357	1	430
Additions	11	27	23	61
Amortisation charge	(37)	(79)	(1)	(117)
Closing net book amount at 31 December 2021	46	305	23	374
At 31 December 2021				
Cost	169	1,025	33	1,227
Accumulated amortisation	(124)	(720)	(9)	(853)
Net book amount	46	305	23	374

6. Investments in subsidiaries

	Company	
	2021.12.31	2020.12.31
Grigeo Baltwood UAB	2,555	2,555
Grigeo investicijų valdymas UAB	19,427	19,427
Grigeo Packaging UAB	-	-
Grigeo Recycling UAB	1,066	1,066
Grigiškių energija UAB	3	3
Total investments in subsidiaries	23,051	23,051

7. Amounts receivable

	Group		Company	
	2021.12.31	2020.12.31	2021.12.31	2020.12.31
Trade receivables – gross	19,217	13,573	8,184	6,533
Loss allowance	(146)	(153)	(72)	(72)
Trade receivables – net	19,071	13,420	8,112	6,461
Amounts receivable from related parties	-	-	1 294	425
Amount receivable of the recovery of a part of the PSO* service fee	900	758	314	273
VAT receivable	2,040	744	551	87
Other amounts receivable – gross	332	208	244	121
Total trade and other amounts receivable – net	22,343	15,130	10,515	7,367
Of which:				
Non-current amounts receivable	3	3	-	-
Current amounts receivable	22,340	15,127	10,515	7,367

*PSO – services under public service obligation scheme.

As at 31 December 2021 and 31 December 2020, the Company and subsidiary Grigeo Packaging UAB had pledged current accounts and future inflows to secure the repayment of bank borrowings.

8. Cash and cash equivalents

	Group		Company	
	2021.12.31	2020.12.31	2021.12.31	2020.12.31
Cash at bank	12,443	18,275	818	10,453
Cash on hand	-	-	-	-
TOTAL	12,443	18,275	818	10,453

9. Inventories

	Group		Company	
	2021.12.31	2020.12.31	2021.12.31	2020.12.31
Materials	6,593	4,507	1,690	1,153
Work in progress	1,838	1,392	1,169	1,010
Finished products	5,600	3,035	1,880	1,779
Inventories in transit	289	164	38	36
Prepayments	108	35	19	18
Total	14,428	9,133	4,796	3,996

As at 31 December 2021, the acquisition value (cost) of the Group's and the Company's inventories was decreased by respectively EUR 776 thousand and EUR 298 thousand (31 December 2020: EUR 398 thousand and EUR 167 thousand respectively) to net realisable value. The net realisable value adjustment was accounted for under cost of sales.

9. Inventories (continued)

As at 31 December 2021, the Group and the Company had pledged inventories with a carrying amount of respectively EUR 1,158 thousand and EUR 1,158 thousand (31 December 2020: EUR 1,158 thousand and EUR 1,158 thousand respectively) as security for bank borrowings.

10. Share capital and legal reserve

Based on the decision of the Annual General Meeting of Shareholders that was held on 30 April 2021, the Company's authorised share capital was increased on 19 May 2021 out of the Company's retained earnings from EUR 19,053 thousand to EUR 38,106 thousand by issuing 65,700,000 ordinary registered shares with a nominal value of EUR 0.29.

After the share capital increase, the Company's share capital consisted of 131,400,000 ordinary shares on 31 of December 2021 (31 of December 2020 - 65,700,000) at a par value of EUR 0.29 each. All shares were fully paid.

The Company has one class of ordinary shares which carry no right to fixed income.

The legal reserve is a compulsory reserve under Lithuanian legislation. Annual contributions of 5% of the net profit are required until the mandatory reserve reaches 10% of the statutory capital.

Following the share capital increase, the Company's legal reserve amounts 5% of the statutory capital on 31 of December 2021 (31 December 2020 - 10%).

11. Non-current and current borrowings

	Group		Company	
	2021.12.31	2020.12.31	2021.12.31	2020.12.31
Non-current borrowings:				
Bank borrowings	864	1,226	175	556
	864	1,226	175	556
Current borrowings:				
Bank borrowings	2,094	6,404	1,380	2,281
	2,094	6,404	1,380	2,281
TOTAL	2,958	7,630	1,555	2,837

12. Trade and other payables

	Group		Company	
	2021.12.31	2020.12.31	2021.12.31	2020.12.31
Trade payables	25,270	15,768	12,614	8,571
Wages and salaries and social security contributions	3,224	2,209	1,236	1,147
Advance amounts received	187	247	29	105
Accrued expenses	332	353	47	274
Other amounts payable	1,355	1,471	603	437
TOTAL	30,368	20,048	14,529	10,535
Of which:				
Attributable to financial liabilities	26,957	17,592	13,264	9,282
Not attributable to financial liabilities	3,411	2,456	1,265	1,253

13. Segment information

For decision making purposes, the Group is organised into three operating business units based on its products produced and has three reportable segments: paper and paper products, wood fibre boards and wood products, raw materials for corrugated cardboard and related products. The Group analyses segment information only up to gross profit, as other operating income and finance income and expenses are not attributed to any segment. Assets and liabilities of the Group are not divided into segments for decision-making purposes. However, information about property, plant and equipment and intangible assets, investment property and right-of-use assets is disclosed according to the segments.

13. Segment information (continued)

Segment information about these three business segments is presented below:

Group 12 months 2021	Paper and paper products	Wood fibre boards	Raw materials for corrugated cardboard and related products	Total reportable segments	Unallocated	Elimination	TOTAL
Sales	60,662	20,728	78,727	160,117	3,098	-	163,215
Inter-segment sales	(5,471)	(836)	(26,884)	(33,191)	(6,064)	39,255	-
Unconsolidated segment sales	66,133	21,564	105,610	193,307	9,162	(39,255)	163,215
Cost of sales	(51,041)	(16,224)	(59,588)	(126,853)	(2,804)	-	(129,657)
Gross profit	9,621	4,504	19,139	33,264	294	-	33,558
Depreciation and amortisation	3,817	742	4,713	9,272	801	-	10,073
Property, plant and equipment of the segment	26,189	4,929	36,965	68,083	3,481	-	71,564
Intangible assets of the segment	276	1	136	413	99	-	512
Investment property of the segment	-	-	-	-	4,417	-	4,417
Right-of-use assets of the segment	169	888	1,888	2,945	1,024	-	3,969
Goodwill	-	-	3,001	3,001	-	-	3,001
Investments of the segment	5,060	2,493	3,011	10,564	2,340	-	12,904

Group 12 months 2020	Paper and paper products	Wood fibre boards	Raw materials for corrugated cardboard and related products	Total reportable segments	Unallocated	Elimination	TOTAL
Sales	58,909	17,260	51,185	127,354	2,248	-	129,602
Inter-segment sales	(5,310)	(657)	(12,305)	(18,272)	(3,927)	22,198	-
Unconsolidated segment sales	64,220	17,916	63,489	145,625	6,175	(22,198)	129,602
Cost of sales	(41,308)	(13,705)	(39,108)	(94,121)	(2,012)	-	(96,133)
Gross profit	17,601	3,555	12,077	33,233	236	-	33,469
Depreciation and amortisation	4,573	706	5,774	11,053	401	-	11,454
Property, plant and equipment of the segment	25,365	3,154	37,980	66,499	4,130	-	70,629
Intangible assets of the segment	322	2	190	514	109	-	623
Investment property of the segment	-	-	-	-	1,979	-	1,979
Right-of-use assets of the segment	290	904	1,901	3,095	1,034	-	4,129
Goodwill	-	-	3,001	3,001	-	-	3,001
Investments of the segment	4,711	635	3,059	8,405	827	-	9,232

13. Segment information (continued)

	Group		Company	
	12 months 2021	12 months 2020	12 months 2021	12 months 2020
Domestic market (Lithuania)	55,283	38,189	22,294	19,388
Foreign market				
Poland	28,723	22,161	11,526	9,554
Latvia	14,423	11,820	8,514	7,582
Estonia	13,348	8,222	3,773	4,390
Ukraine	11,869	8,019	2,081	1,924
Finland	8,288	8,006	3,592	3,528
Denmark	7,671	7,879	6,119	6,658
Sweden	7,011	6,545	3,901	4,169
Belarus	3,648	3,881	992	863
The Netherlands	3,173	2,747	1,782	2,105
Russia	1,833	1,350	572	577
Germany	1,794	2,768	724	1,791
Norway	1,452	873	1,240	806
Great Britain	1,105	943	14	-
Austria	1,054	664	64	53
Belgium	936	599	181	165
Czech Republic	384	272	9	-
France	302	246	-	-
Hungary	232	143	21	18
China	-	1,551	-	-
Saudi Arabia	-	1,513	-	-
Other markets	686	1,211	192	164
Foreign market total	107,932	91,413	45,297	44,347
TOTAL	163,215	129,602	67,591	63,735

14. Other income

	Group		Company	
	12 months 2021	12 months 2020	12 months 2021	12 months 2020
Rental income	423	373	437	312
Dividend income	-	-	1,500	-
TOTAL	423	373	1,937	312

15. Other gains/(losses) – net

	Group		Company	
	12 months 2021	12 months 2020	12 months 2021	12 months 2020
Net gain from turnover of emission allowances	110	645	(52)	459
Result of disposal of assets	89	98	28	36
Other gains/(losses)	(6)	85	60	42
TOTAL	193	828	36	537

16. Basic and diluted earnings per share

The Company has no instruments that could affect the number of shares, therefore the basic and diluted earnings per share are equal. The calculation of the basic and diluted earnings per share is presented below:

	Group		
	12 months 2021	12 months 2020 (adjusted)*	12 months 2020
Net profit for the period attributable to the Company's shareholders	12,266	13,292	13,292
Weighted average number of ordinary shares	131,400,000	131,400,000	65,700,000
Earnings per share (in EUR)	0.093	0.101	0.202

	Company		
	12 months 2021	12 months 2020 (adjusted)*	12 months 2020
Net profit for the period attributable to the Company's shareholders	3,216	8,978	8,978
Weighted average number of ordinary shares	131,400,000	131,400,000	65,700,000
Earnings per share (in EUR)	0.024	0.068	0.137

*On 19 May 2021 the Company's authorised share capital was increased out of the Company's retained earnings from EUR 19,053 thousand (65,700,000 ordinary registered shares with a nominal value of EUR 0.29) to EUR 38,106 thousand (131,400,000 ordinary registered shares with a nominal value of EUR 0.29). The Group's and Company's earnings per share ratios for previous periods were adjusted using the new number of shares.

17. Court and arbitration proceedings

In 2021 the pre-trial investigation regarding the wastewater management of Grigeo Klaipėda AB, a subsidiary company of Grigeo AB (hereinafter - the Subsidiary), was completed by the Klaipėda District Prosecutor's Office of Klaipėda County Prosecutor's Office and the criminal case was referred to court. The date of court hearing is not yet appointed.

The Subsidiary is charged in criminal case under Articles 270(2), 228(2) and 300(3) of the Criminal Code of the Republic of Lithuania. The Subsidiary received a Civil Claim of the Environmental Protection Department in criminal case regarding compensation of damage caused to the environment in the amount of EUR 48,257,676.57 from the Klaipėda District Prosecutor's Office of Klaipėda County Prosecutor's Office on 26 January 2021. There were no other material events related to this trial over 2021 and until the date of signing these interim financial statements.

More information is presented in [Note 29 of year 2020 financial statements](#).

Over 2021 the Group and the Company were not involved in other court or arbitration proceedings which would have a material impact on the financial position of Grigeo AB.

18. Events after the end of the reporting period

There were no material or otherwise significant events after the end of the reporting period.