



Integrated interim report 6 months 2026



CONFIRMATION OF RESPONSIBLE PERSONS

7th August 2026, Vilnius

Following the Law on Securities of the Republic of Lithuania and Rules on Information Disclosure approved by the Bank of Lithuania, we, Andrius Šemeškevičius, Chief Executive Officer of LITGRID AB, Vytautas Tauras, Chief Financial Officer of LITGRID AB and Asta Vičkačkienė, Head of Accounting Division of LITGRID AB, hereby confirm that, to the best of our knowledge, the attached LITGRID AB unaudited condensed interim financial statements for the six months period ended 30 June 2026 are prepared in accordance with the International Financial Reporting Standards adopted by the European Union, give a true and fair view of the LITGRID AB assets, liabilities, financial position, profit and loss and cash flows

Andrius Šemeškevičius

Chief Executive Officer

(The document is signed by a qualified electronic signature)

Vytautas Tauras

Chief Financial Officer

(The document is signed by a qualified electronic signature)

Asta Vičkačkienė

Head of Accounting Division

(The document is signed by a qualified electronic signature)

Translation note

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

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01

Litgrid – about us



1. About Litgrid

The report has been prepared for the period ending 30th June 2026.

1.1. The issuer and its contact details:

Name	LIGRID AB (further on – Litgrid or the Company)
Legal form	Public limited liability company
Date and place of registration	16th November 2010, the Register of Legal Entities of the Republic of Lithuania
Company code	305689545
LEI code	529900CTIUKTEFNNH157
Registry	State Registry centre
Registered office address	Karlo Gustavo Emilio Manerheimo g. 8, LT-05131, Vilnius
Address for correspondence	Karlo Gustavo Emilio Manerheimo g. 8, LT-05131, Vilnius
Email	info@litgrid.eu
Website	www.litgrid.eu
Telephone	+370 707 02171

Shares of other companies owned by Litgrid:

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

About Baltic RCC

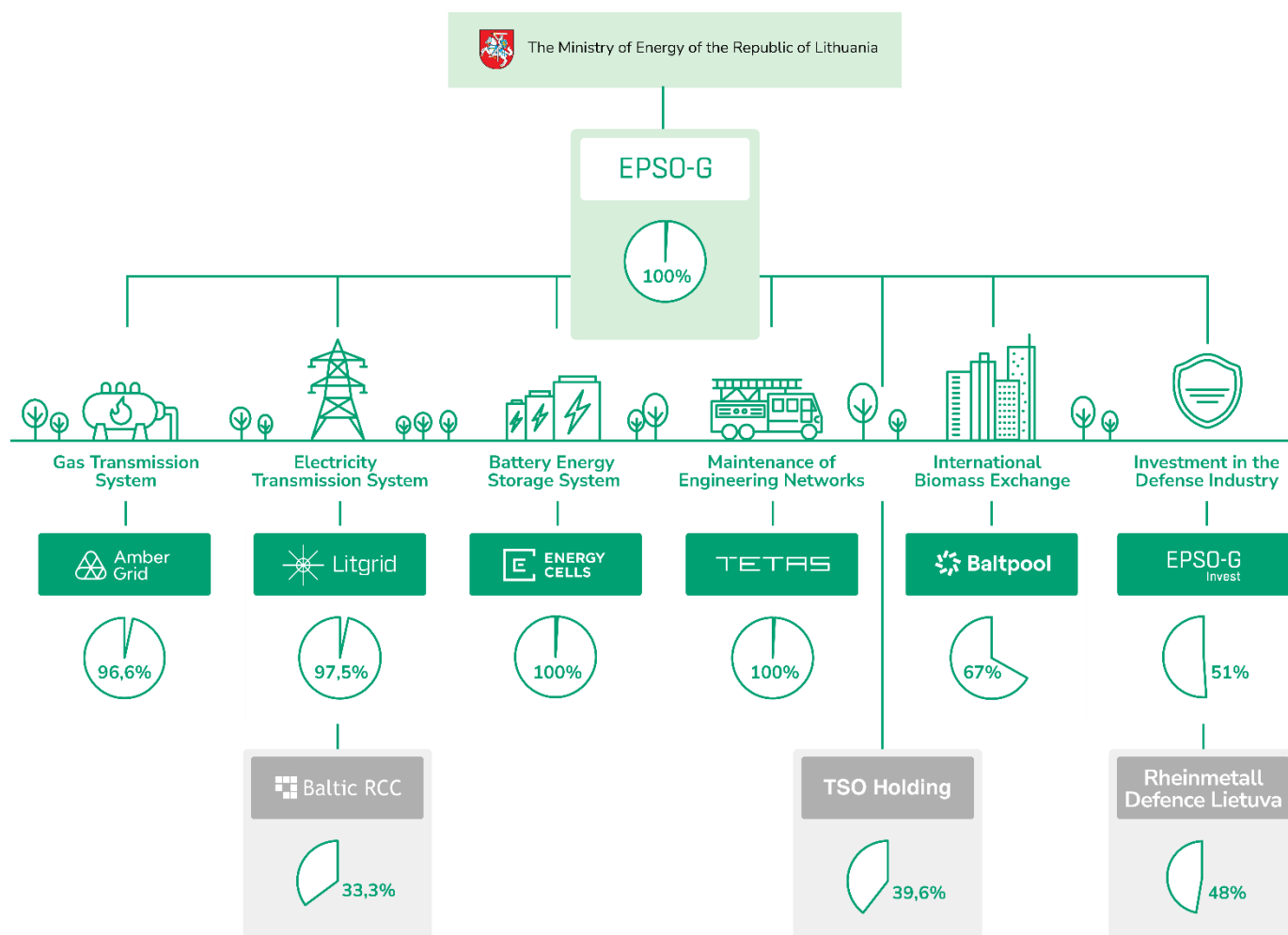
The Baltic Regional Coordination Center (RCC) provides network security services to the electricity transmission system operators of the Baltic countries - Litgrid of Lithuania, Elering of Estonia and AST of Latvia. RCC was established by the operators of the Baltic electricity transmission system of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

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

1.2. Litgrid – a part of EPSO-G

EPSO-G is a 100% state-owned group of energy transmission and exchange companies (hereinafter referred to as the Group). The rights and obligations of a shareholder of the management company EPSO-G (hereinafter referred to as the Company) are implemented by the Ministry of Energy of the Republic of Lithuania. EPSO-G performs the function of management, supervision and control of the Group's companies, implements and ensures the implementation of the directions of activity outlined in the shareholder's expectations letter in the Group, coordinates the application of the Group's corporate governance and adopts general operational policies regulating important areas; implements functional supervision of areas for companies and carries out other management activities.

UAB EPSO-G owns 97.5% of the shares of Litgrid. Below is the chart of companies:



1.3. The activities of the company

1.3.1. Main Services



In our daily operations, we maintain the high-voltage electricity transmission network and ensure the stable operation of Lithuania's power system. We manage electricity flows, facilitate competition in the liberalized electricity market, and are responsible for Lithuania's integration into the European electricity infrastructure and common electricity market.

Electricity transmission is the intermediary link between electricity generation and distribution to consumers. Transmission networks consist of high-voltage networks (110-400 kV). These include transmission lines and substations. Transmission lines are interconnected through substations equipped with high- and low-voltage switchgear and linked by transformers or autotransformers. The voltage is reduced in substation transformers to levels suitable for distribution networks or generation facilities.

Electricity transmission is a licensed activity. Transmission service tariffs are regulated by the National Energy Regulatory Council (NERC), which sets the upper limits for these service prices

1.3.2. Additional services

To maintain reliable system operation, we purchase services from electricity market participants—including frequency restoration reserves, steady-state voltage regulation, black-start capability, generation unit availability, and isolated operation reserves—and provide ancillary services to consumers. Frequency restoration reserves are required when there is a sudden, unplanned drop in electricity generation or a surge in consumption.

1.3.3. Trade of balance and imbalance Services

We ensure the balance between the country's electricity generation and consumption. Imbalance electricity refers to electricity consumed or generated in deviation from established consumption or generation schedules. We organize the trading of imbalance

electricity, buying and selling the volumes required to maintain the balance between national electricity generation and consumption.

Balancing electricity is electricity purchased and/or sold at the instruction of the transmission system operator to perform the function of balancing national electricity consumption and generation. We organize the trading of balancing electricity through an auction involving balancing energy suppliers and transmission system operators from other countries who possess the technical capability to rapidly adjust electricity generation and consumption patterns and who have entered into the relevant agreement with Litgrid.

1.3.4. Issuance and Administration of Guarantees of Origin

By order of the Minister of Energy of the Republic of Lithuania, Litgrid has been designated as the entity responsible for issuing, transferring, cancelling, supervising, and controlling Guarantees of Origin (GoOs) for electricity generated from renewable energy sources (RES). It is also responsible for recognizing Guarantees of Origin issued by other EU Member States and third countries for use within Lithuania. A Guarantee of Origin is an electronic document whose sole purpose is to prove to the final consumer that all or a specified portion of the energy was produced from renewable energy sources.

1.4. Customers of the Transmission System Operator

Our direct customers are users of the electricity transmission network and providers of imbalance and balancing energy.

Transmission Network Users

- Distribution network operators: ESO, Dainavos Elektra UAB, Achema AB, and Akmenės Cementas AB;
- Electricity consumers whose facilities are connected directly to the transmission network and who purchase electricity for their own consumption;
- Electricity producers and energy storage developers connected to the transmission network;
- Imbalance and balancing energy providers, including electricity producers, storage facilities, and suppliers.
-

1.5. Electricity Network Maintenance

In Lithuania, Litgrid employees maintain 7,196.35 km of overhead transmission lines, 354.17 km of high-voltage underground cables, 255 transformer substations and switchyards, and one high-voltage direct current (HVDC) converter station.

Continuous maintenance and repair of transmission network assets directly affect the reliability of the power system and electricity transmission. Planned maintenance work on the transmission network is carried out at intervals established by Lithuanian legislation. The scope and volume of work are carefully assessed based on the actual condition of the equipment, the need to ensure reliable network operation, and the efficient use of financial resources.

In 2026, the Vidgiriai Wind Farm, Mūša Substation, and substations important for railway electrification, namely Tarvainiai Traction Substation and Žeimiai Traction Substation, were successfully connected to the transmission network. We are consistently rebuilding our emergency reserve capacity to increase operational resilience by procuring equipment and materials for emergency reserves and conducting network restoration exercises and training.

1.6. Membership in Organizations

During the first half of 2026, Litgrid actively participated in the activities of various national and international organizations and associations. Participation in Lithuanian and foreign organizations helps strengthen competencies, share best practices, and collaborate with other countries on joint projects that contribute to enhancing Lithuania's energy independence.



www.entsoe.eu



www.aib-net.org



www.plcc.lt



Asociacija „Infobalt“ -
www.infobalt.lt



CIGRE - www.cigre.org



www.nlea.lt



www.ipma.lt

02

Business environment and regulated activities

2. Business environment and regulation

2.1. Operating environment

The volume of electricity transmitted via Lithuania's transmission networks increased during the first half of the year. In January–June 2026, the electricity transmitted to meet domestic demand totalled 4.631 TWh, which is 3.78% more than in the same period of 2025, when 4.459 TWh was transmitted.

Electricity generation in Lithuania continues to rise alongside the growth of renewable energy capacities. In the second quarter of this year, local electricity generation in Lithuania grew by 11%, and 94% of electricity demand was met by local sources. Solar power generation surged by 45%, while wind farms produced 14% more electricity than a year ago. Although the baseline figure from the previous year was low, the expansion of energy storage facilities was also significant: the amount of electricity used to charge them increased nearly sixfold.

During the January–June period, wind farms generated 2.214 TWh of electricity 14% more than a year earlier, when output stood at 1.066 TWh. Solar power generation rose by 45%, from 0.746 TWh to 1.079 TWh. Hydroelectric generation grew by 10%, from 0.072 TWh to 0.079 TWh. In total, renewable energy power plants generated 2.408 TWh of electricity during the quarter, a 25% increase compared to the same period last year, when output was 1.923 TWh. Last quarter, energy storage facilities supplied 0.026 TWh of electricity to distribution and transmission networks nearly six times the amount supplied a year earlier, when the figure stood at 0.004 TWh. In the second quarter of 2026, for the first time since the closure of the Ignalina Nuclear Power Plant, domestically produced electricity met 94 percent of the country's demand; by comparison, this figure was 90 percent a year earlier.

Electricity demand in Lithuania grew by 7%. Total electricity demand in Lithuania—which includes not only final consumption but also the charging of pumped-storage power plants and storage facilities, as well as grid-related technical losses rose by 7.2%, from 3.021 TWh last year to 3.239 TWh in the second quarter of this year. In the second quarter, final electricity consumption in Lithuania reached 2.790 TWh, an increase of 5% compared to the previous year, when the figure stood at 2.650 TWh.

The most significant increases in electricity consumption were recorded in the industrial and service sectors; this can be attributed to economic growth. Given the rapid rise in the number of prosumers in the country, the use of electrical equipment in households and businesses is increasing even more than the available data suggests, as prosumers supply their own energy for part of the day and consume less from the grid.

Compared to the second quarter of 2025, electricity consumption in the industrial sector increased by 8% – from 1.021 to 1.104 TWh. Consumption in the services sector grew by 5% – from 0.818 to 0.856 TWh. Households consumed 3% more electricity, with their consumption rising from 0.742 to 0.762 TWh.

During the second quarter of 2026, 1.214 TWh of electricity was imported into Lithuania—2.5% more than during the same period last year, when imports stood at 1.184 TWh—while 0.980 TWh was exported, or 12% more than the previous year's 0.876 TWh. Imports from Sweden decreased by 47% (from 0.823 to 0.439 TWh), whereas imports from Latvia grew by 218% (from 0.220 to 0.700 TWh). Exports to Sweden accounted for the largest share of electricity exports in the second quarter of this year; this figure increased nearly fourfold year-on-year, rising from 0.128 to 0.481 TWh.

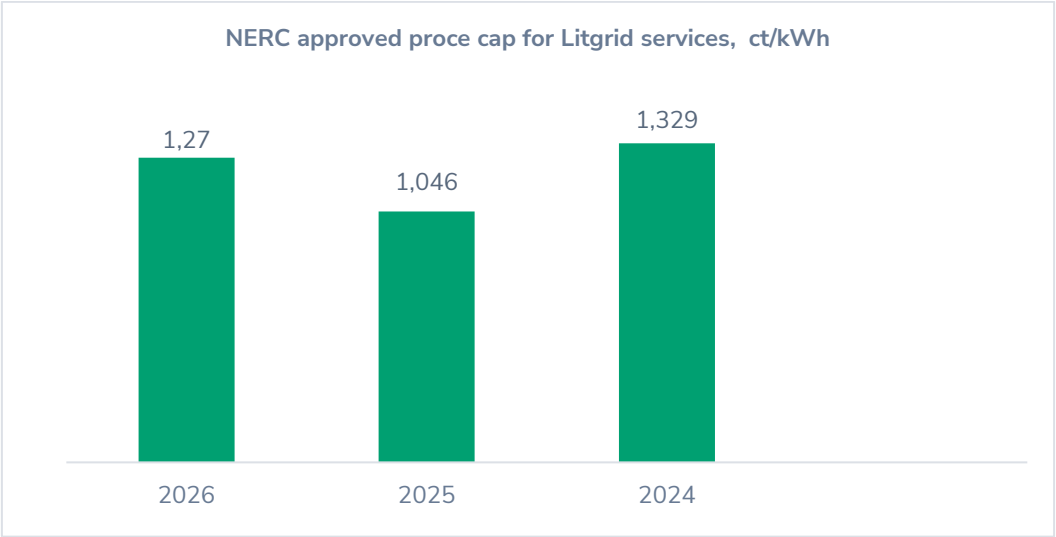
2.2. Regulatory environment

Litgrid's electricity transmission activity is a licensed business. The licence grants exclusive rights to provide electricity transmission services in Lithuania; therefore, the prices of these services are regulated by the state. The regulatory function and oversight of licensed activities are carried out by the National Energy Regulatory Council (NERC).

Litgrid's financial performance is directly influenced by decisions adopted by the regulatory authority. These decisions determine the funding available for essential operating expenses, investments required to ensure the reliability of the electricity transmission system, and the company's ability to finance strategic and other development projects through either equity or borrowed funds.

The price of electricity transmission services is regulated by NERC through the establishment of a transmission tariff cap for a five-year regulatory period, as well as through the annual approval of the ancillary services cost component included in the transmission tariff. Each year, the tariff cap is adjusted to reflect changes in service volumes, inflation, and other objective factors beyond the control of the transmission system operator. The tariff cap may be revised no more than twice per year.

When determining the tariff cap, NERC assesses the justified and necessary costs of the regulated activity and an appropriate return on investment. The allowed return is calculated as the product of the weighted average cost of capital (WACC) and the Regulatory Asset Base (RAB) at the beginning of the year.



2.3. The main activities for the reporting period

01
January

January 12 Litgrid’s Board appointed Andrius Šemeškevičius as the company’s CEO for a new five-year term. The new CEO assumed his duties on 23 February 2026.

January 19 Litgrid signed a contract for the procurement of three controllable shunt reactors for the implementation of new electricity transmission network projects. Until now, only one such device has been operating in Lithuania, providing voltage and reactive power control in the transmission network. The three new controllable shunt reactors will be used for the Harmony Link onshore interconnection with Poland and for three 330 kV electricity transmission lines in Northern Lithuania. Due to long equipment delivery times, the procurement of the shunt reactors is being carried out separately and ahead of the procurement of design and construction works.

January 22 Transmission system operators from Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, and Sweden, united under the Baltic Offshore Grid Initiative (BOGI), completed a study that moved from identifying electricity transmission corridors to assessing potential projects for the period up to 2040. The results indicate that the Baltic Sea region could become a clean energy hub, with the potential to develop approximately 13 GW of new cross-border interconnections and up to 50 GW of additional offshore wind capacity by 2040. These opportunities include direct interconnections between countries as well as strategic offshore hubs, such as the island of Bornholm, which could become hybrid energy hubs in the future. Market simulations show that these interconnected networks would be heavily utilized throughout the year and could significantly reduce system costs, price spikes, and CO₂ emissions.

January 28 The European Commission awarded EUR 113 million in funding under the Connecting Europe Facility (CEF) for critical infrastructure resilience projects supporting synchronisation, implemented by the transmission system operators of Lithuania, Estonia, Latvia, and Poland. The broader programme of projects aimed at ensuring energy security against potential cyber and physical threats was launched on 9 February of the previous year, following the successful synchronisation of the Baltic States’ electricity systems with the Continental European electricity network. The projects received the maximum possible funding intensity of 50% of eligible costs. Funding allocated to projects in Lithuania amounts to EUR 22 million.

January 29 Litgrid participated in the Group’s Partners’ Day, an event dedicated to partners, customers, contractors, and suppliers. The event covered energy transition scenarios, changes in public procurement regulations, sustainability issues in supply chains, as well as procurements related to strategic programmes, updates on the implementation of infrastructure projects, and investment plans for 2026-2028.

January 29 Litgrid completed the Environmental Impact Assessment (EIA) for the onshore section of the nationally significant Harmony Link project. The Environmental Protection Agency concluded that the planned activity complies with the requirements of environmental protection, public health, cultural heritage protection, fire safety, and civil protection legislation. Therefore, further development and detailing of the project solutions may proceed in subsequent planning and implementation stages. The Environmental Impact Assessment was carried out by Ardynas UAB.

02
FEBRUARY

February 12th Lithuania’s electricity transmission system operator Litgrid connected to the grid a wind farm under construction in the Akmenė district with an installed capacity of 105.84 MW and a permitted generation capacity of 100 MW. The Windfarm Akmenė Two wind farm is being developed by the German renewable energy company Aquila Clean Energy EMEA. The wind farm is expected to begin commercial operations during 2026.

February 17 Lithuania's electricity transmission system operator Litgrid completed the Environmental Impact Assessment (EIA) for the onshore section of the nationally significant Harmony Link project. The Environmental Protection Agency concluded that no significant adverse environmental impacts from the planned activity had been identified, allowing the project to proceed to subsequent planning and implementation stages. The Environmental Impact Assessment was carried out by Ardynas UAB. During the assessment, all key environmental components were comprehensively evaluated, including impacts on landscape, biodiversity, land use, public health, and cultural heritage. Five territorial route alternatives and three technological alternatives for the electricity transmission line were also examined, and mitigation measures were identified. The Environmental Impact Assessment confirmed the optimal project concept: a hybrid solution combining overhead transmission line and underground cable technologies. This approach reduces environmental impact while ensuring the efficient integration of the transmission infrastructure into the existing electricity network. The Environmental Protection Agency concluded that, provided the mitigation measures specified in the report are implemented, no significant adverse environmental impacts are expected.

February 18 The energy ministers of Lithuania, Latvia, and Germany signed a declaration of intent in Paris on cooperation in the development of cross-border electricity transmission infrastructure. The parties agreed to assess the feasibility of the Baltic-German PowerLink hybrid interconnection project, which is planned to be implemented jointly by Litgrid and the transmission system operators of Latvia and Germany.

February 20 The General Meeting of Shareholders of Lithuania's electricity transmission system operator Litgrid approved a contract with Kauno Tiltai for the modernization of the 330 kV Aizkrauklė-Panevėžys overhead transmission line, one of the main electricity interconnections between Lithuania and Latvia. The project will increase network reliability, create conditions for expanding electricity transmission capacity between Lithuania and Latvia, and contribute to the development of renewable energy sources (RES).

The General Meeting of Shareholders approved the signing of the reconstruction works contract with AB Kauno Tiltai, the successful bidder in the public procurement procedure. The contract value amounts to EUR 35.29 million, excluding VAT.

February 23 Andrius Šemeškevičius officially assumed the position of Chief Executive Officer of Lithuania's electricity transmission system operator Litgrid. He was appointed by Litgrid's Board for a five-year term following a public selection process. Mr. Šemeškevičius has extensive experience in the technology sector and has previously served as an independent member of Litgrid's Board.

March 3 Lithuania's electricity transmission system operator Litgrid introduced a new digital tool, the Transmission Network Consumption Capacity Map. The map provides information on where and at what capacity electricity consumers could be connected to the transmission network based on previously completed assessments. The map is intended for customers with high electricity demand, including industrial companies, data centre developers, electrolysis projects, and other energy project developers planning investments in Lithuania. The new map displays locations where Litgrid has assessed the possibility of connecting consumption facilities, either in response to customer requests or through its own analyses. Each assessment point indicates the maximum capacity evaluated at a specific location that could be connected to the transmission network.

March 5 Lithuania's electricity transmission system operator Litgrid connected to the grid a solar power plant park developed by Elektrum Lietuva in the Šalčininkai District. The facility has a permitted generation capacity of 50 MW and an installed capacity of 65 MW.

March 10 Lithuania's electricity transmission system operator Litgrid successfully completed the reconstruction of the 110 kV switchyard at the Subačius transformer substation in the Kupiškis District. The upgrade will improve the reliability of electricity supply for residents and businesses in the region while reducing long-term operating costs. As part of the project, the contractor carried out design works and modernised the equipment of the 110 kV switchyard at the 110/10 kV Subačius transformer substation, which had been in operation since 1976. The works were performed by Tetras UAB under a public procurement contract signed in 2023. The project value amounted to approximately EUR 2.3 million excluding VAT.

March 12 Lithuania's electricity transmission system operator Litgrid, together with the energy group EPSO-G, developed and launched a flexibility services calculator for the market. The tool will help market participants assess the potential technical and financial benefits of assets providing flexibility services. The calculator is expected to encourage participation in the balancing market and help increase balancing capacity and competition. The calculator [is available here](#).

March 18 Lithuania's electricity transmission system operator Litgrid signed a contract for the procurement of dynamic line rating technology. The system, which measures and forecasts overhead transmission line parameters, will enable greater electricity transmission capacity using existing lines. This will allow more electricity generated

03 MARCH

from renewable energy sources to be transmitted through the network. The contract for the implementation of the dynamic line rating technology was signed with the consortium that won the international public procurement procedure, consisting of Portugal's GML Transmission Line Solutions S.A. and Spain's Energiot Devices S.L. The contract value amounts to EUR 341 thousand. The contract includes the implementation of the dynamic line rating system, the provision of software licences and physical sensors, as well as system maintenance and support services. The system is expected to become operational at the beginning of 2027.

March 23 Lithuania's electricity transmission system operator Litgrid connected to the grid a battery energy storage park developed by Tausolos saulė in the Telšiai District. The battery system has a permitted generation capacity of 30 MW and an energy storage capacity of 67.7 MWh. The new energy storage facilities will contribute to maintaining the stability and balance of the electricity system as an increasing share of electricity generation comes from renewable energy sources.

March 24 Lithuania's electricity transmission system operator Litgrid signed a contract for the design of a new 110 kV Airport-Kuprioniškės transmission line and the reconstruction of the Dilgynė (Airport) transformer substation. Once implemented, the project will strengthen the reliability of the Vilnius transmission network and create conditions for increasing network capacity, reconstructing existing lines, and connecting new consumers. Under the contract, Connecto Lietuva UAB, the successful bidder in the public procurement procedure, will prepare the design proposals and technical solutions for the transmission line and substation reconstruction, obtain construction permits, prepare the detailed technical design, and supervise the project during construction. The contract value amounts to EUR 836 thousand excluding VAT.

04 APRIL

April 3 The installed capacity of wind and solar power plants connected to Lithuania's electricity transmission and distribution networks reached 6 GW, according to data from Lithuania's electricity transmission system operator Litgrid. Since the beginning of the year, the capacity of renewable energy generation facilities in Lithuania has increased by nearly 0.3 GW, while over the past 12 months it has grown by almost 2 GW.

April 24 Lithuania's electricity transmission system operator Litgrid successfully connected the Tarvainiai traction substation, an important component of railway electrification projects. As part of the project, Litgrid constructed a 110 kV switchyard and a new 0.6 km double-circuit 110 kV overhead transmission line and carried out major refurbishment works on the 110 kV Telšiai-Plungė overhead transmission line. The project contributes to the implementation of the nationally significant Vilnius-Klaipėda railway electrification project being developed by LTG Infra. The 110/27.5 kV Tarvainiai traction substation is the third of six traction substations that will be connected to the transmission network to supply electricity to LTG Infra's railway contact network on the Vilnius-Klaipėda route. The new traction substation was constructed on behalf of LTG Infra, which financed the design and construction works for both the substation and its connection to the transmission network. Ownership of the newly constructed 110 kV switchyard and overhead transmission line will be transferred to Litgrid.

April 29 Lithuania's electricity transmission system operator Litgrid connected a new battery energy storage park developed by the Danish renewable energy company European Energy to the transmission network in Anykščiai. The facility has a power capacity of 25 MW and an energy storage capacity of 65 MWh.

April 29 Lithuania's electricity transmission system operator Litgrid has begun the periodic aerial scanning of the country's entire high-voltage electricity transmission network (110-400 kV). More than 5,000 km of transmission lines will be scanned over the next two months. The initiative enables maintenance activities to be planned before faults occur and supports the continuous modernisation of electricity network maintenance practices. From the beginning of May until the end of June, flights will be conducted across Lithuania using precision LiDAR 3D laser scanning and aerial photography technologies to collect detailed information on the condition of the network and its surrounding environment. This initiative has been carried out for more than six years and contributes to ensuring the reliable, safe, and sustainable operation of the electricity system.

05 MAY

May 26, Litgrid announced a tender for the procurement of three 220 kV controlled shunt reactors for the construction of the Harmony Link interconnection. To date, only one such electrical device operates in Lithuania, serving to manage 330 kV voltage and reactive power within the transmission network. The controlled shunt reactors will be installed at the new Gižai transformer substation, which will serve as the starting point for Harmony Link, the second land-based electricity interconnection with Poland. Due to long equipment lead times, the procurement of the shunt reactors is proceeding without waiting for the completion of the Gižai substation design.

May 27, Litgrid is commencing reconstruction work at the Riešė transformer substation, located in the Maišiagala eldership of the Vilnius District Municipality. The reconstruction is being carried out by AB Kauno Tiltai, the winner of the public procurement tender. The value of the design and construction contract is €4 million (excluding VAT), and the project is being funded by Litgrid. Completion of the Riešė transformer substation reconstruction is scheduled for 2028.

06 JUNE

June 5, Litgrid and Gijos—a company managing the energy ecosystem of Vilnius—signed a memorandum of intent regarding the connection of 32 MW capacity electrical facilities to the electricity transmission grid. The electricity will be required for strategic projects planned by Gijos and to ensure the power supply for the internal needs of existing facilities.

On June 14, the Government designated the project to reinforce the cross-border electricity interconnections between Lithuania and Latvia as a project of state importance. This is a strategic initiative that will help enhance the country's energy security, strengthen the reliability of the electricity system, and create conditions for the further development of renewable energy sources. The project comprises twelve electricity transmission infrastructure projects. Plans include constructing a new transmission line to Latvia (Varduva–Brocēni); completing the interconnection of the northwestern and eastern Lithuanian electricity grids by installing new links (Darbėnai–Varduva–Mūša and Panevėžys–Mūša) and the Varduva transformer substation; and modernizing existing lines (Darbėnai–Grobiņa, Panevėžys–Jonava, Lietuvos Elektrinė–Jonava, Šiauliai–Mūša, Panevėžys–Aizkraukle, Mūša–Viskalė) along with other related infrastructure.

June 18, Litgrid connected a battery park—developed by the Enervia holding in the Panevėžys district—to the electricity transmission grid. The battery system has a permitted generation capacity of 80 MW and a capacity of 186.26 MWh. New energy storage facilities will contribute to ensuring the stability and balance of the electricity system as an increasing amount of electricity is generated from renewable sources.

2.4. Important events after reporting period

07 JULY

On July 1st, Litgrid, together with the French consultancy Artelys SAS, prepared an adequacy assessment of the Lithuanian electricity system for the 2028–2035 period. Its objective is to evaluate system adequacy under various sensitivity scenarios and determine the need for flexible generation. The study results are available on the website:

<https://www.litgrid.eu/index.php/naujienos/naujienos/skelbiame-lietuvos-elektros-energetikos-sistemas-adekvatumo-vertinimo-20282035-m-rezultatus/36596>

On July 1, Litgrid and Amber Grid, the Lithuanian electricity and gas transmission system operators belonging to the EPSO-G group submitted network development plans for 2026–2035 to NERC. These plans outline approximately €4.1 billion in investments in electricity, gas, and hydrogen infrastructure required to ensure the reliability of the energy system, facilitate the expansion of renewable energy, and connect new consumers. For the 2026–2035 period, Litgrid's plan envisages investments of approximately €2.5 billion in the electricity transmission network.

03

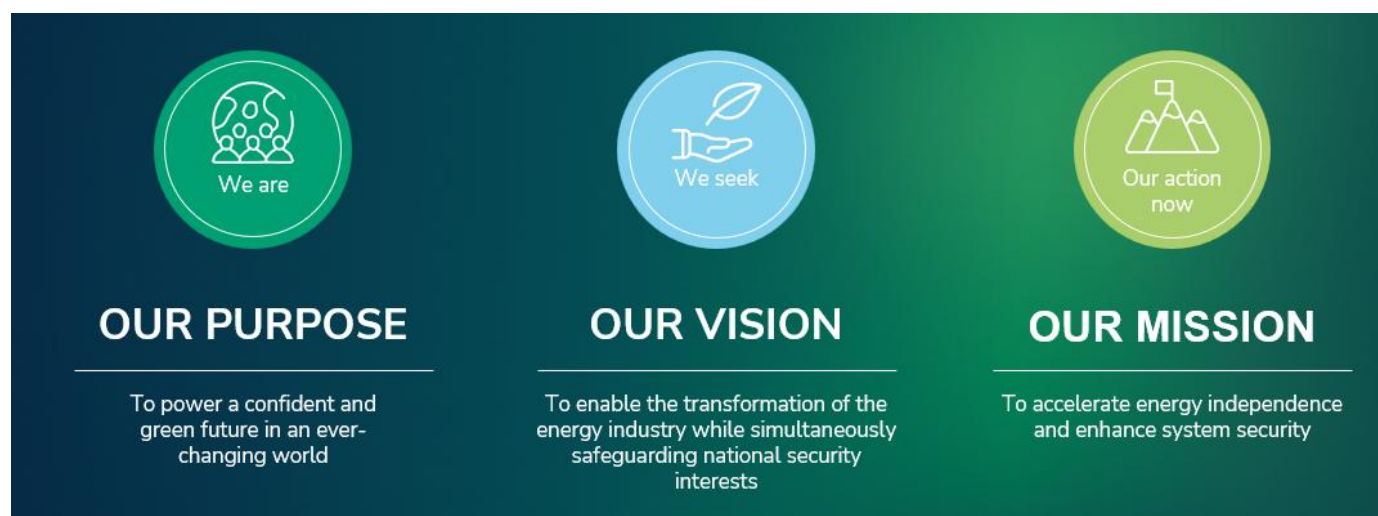
Strategy and investments planned

3. Strategy and planned investments

3.1. Litgrid strategy

In 2026, Litgrid updated its strategy through 2035 to contribute to the development of a reliable and climate-neutral energy system, promote the growth of high-value-added industry, and support the expansion of green energy and related exports.

Detailed information on the strategy is available on Litgrid's [website](#).



3.1.1. Values

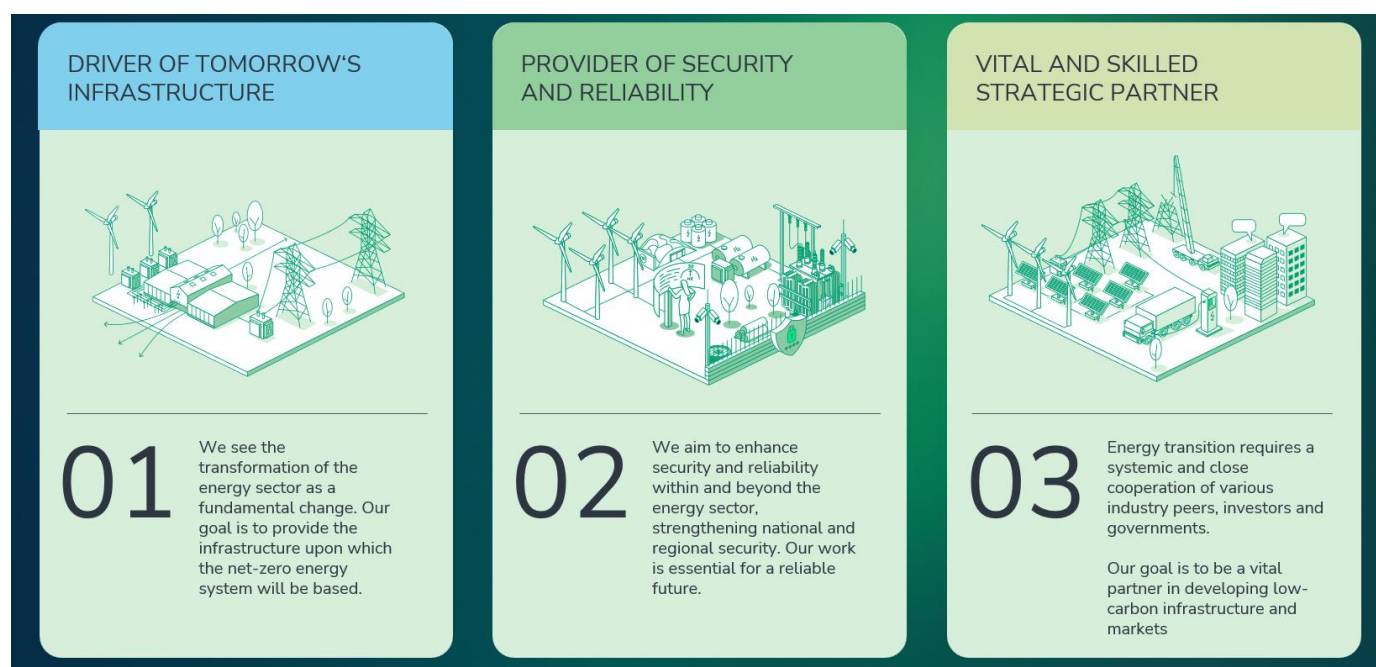
The fulfilment of the mission, the pursuit of the vision, and all of Litgrid's activities are grounded in fundamental human and professional values: openness, responsibility, and reliability. The conduct of the Litgrid team reflects these values.

Team behavior is reflected in our values

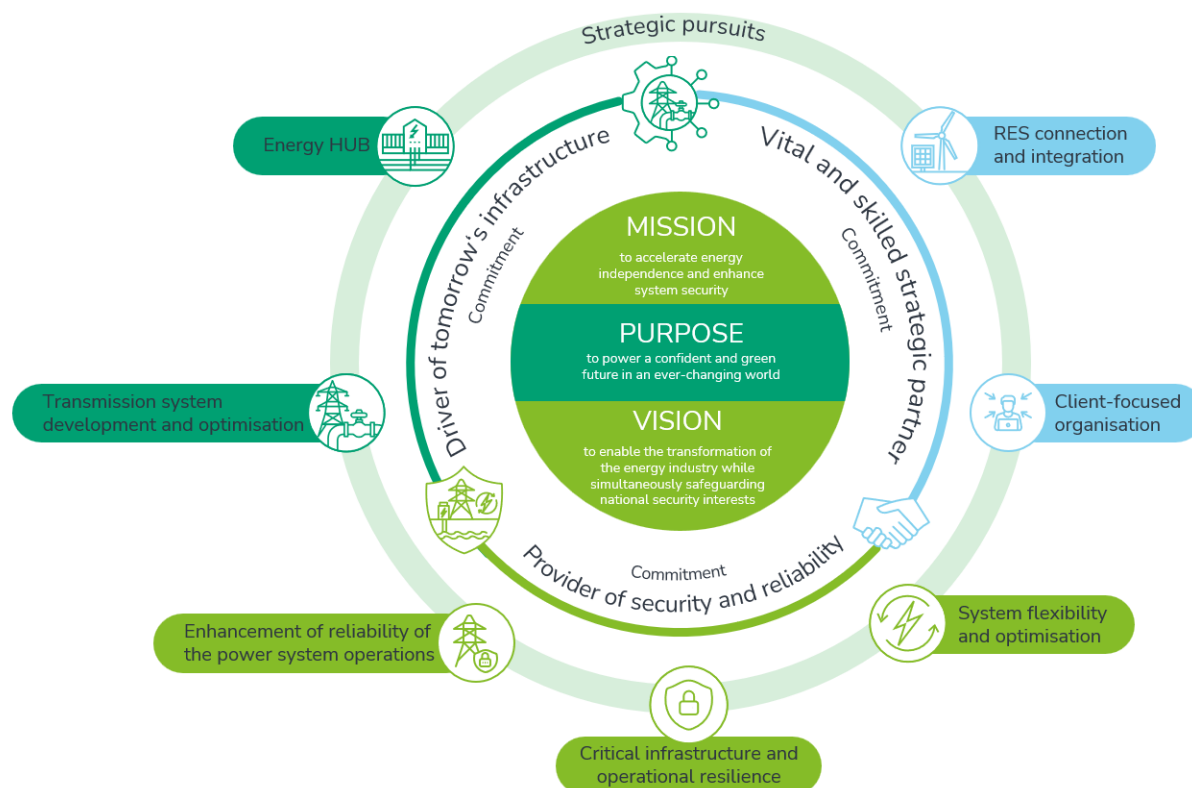


3.1.2. Three main commitments and the structure of the strategy

To support these strategic commitments, Litgrid relies on several key enablers. These include sustainable financing, innovation, digitalisation, effective partnerships, asset management excellence and continuous improvement of procurement and supply chain processes.



The company's strategic commitments comprise the planned expansion of its core ongoing activities and the development of new ones. The interrelationships between them are illustrated by the structure of the strategy.



3.1.3. Value created by the company

Litgrid's strategy is based on the value created for key stakeholders. The company has defined this value by establishing strategic indicators—covering financial, sustainability, and operational aspects—grouped according to the benefits delivered to stakeholders. These represent the key objectives leading up to 2035 against which the strategy's success will be measured:

3.1.4. Litgrid success 2035 m. – value for the stakeholders

Litgrid's strategy is based on the value created for key stakeholders. The company has defined this value by establishing strategic indicators—covering financial, sustainability, and operational aspects—grouped according to the benefits delivered to stakeholders. These represent the key objectives leading up to 2035 against which the strategy's success will be measured:

Strategic projects and value created

As part of the implementation of the Group's new strategy, plans are in place to develop numerous ambitious projects that will enable the achievement of strategic goals.

The key projects to be developed include:



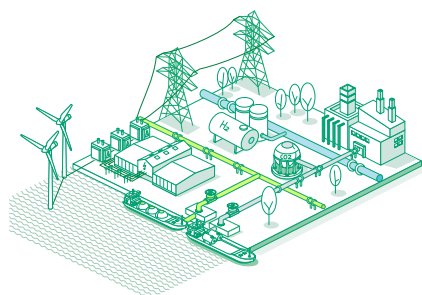
**Synchronisation
projects for
markets'
integrations**

3 units

Synchronous condensers installed

700 MW

Forecasted Harmony Link installed
capacity



Work continues on the "Harmony Link" interconnection project rescheduled in 2024 which will enable increased electricity trade volumes with Western Europe. Design work is scheduled to begin as early as 2025, with the link expected to be developed by 2031. Following the decision by the participating parties to develop the interconnection via an onshore route, opportunities are being explored to complete the project sooner, by 2030.



**Baltic-German
PowerLink)**

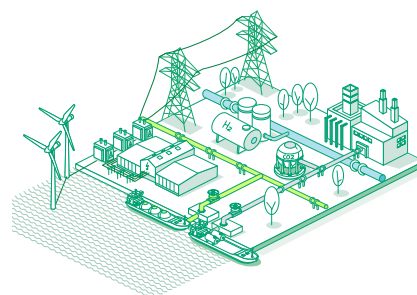
≥4,5 GW

installed windmill capacity in 2050

≥2 GW

New connection planned to
Western Europe

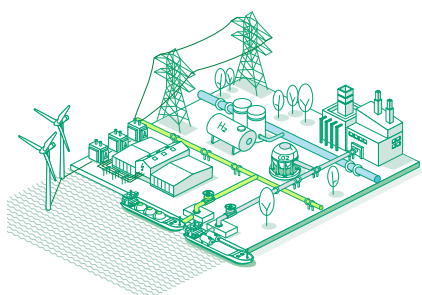
The energy hub (new name: Baltic-German PowerLink) is a long-term project extending beyond 2035, yet initial work on its development is already underway. To unlock the full potential of renewable energy sources and achieve the goals of the energy sector transformation, it is essential to rely on principles of regional cooperation. Coordinated planning and development of energy transmission infrastructure and offshore wind generation enable the optimization of potential solutions and the maximization of socio-economic benefits. Regional cooperation facilitates the development of Baltic Sea offshore wind potential, the expansion of interconnectors, and the integration of the electricity and hydrogen sectors. With the aim of reaching concrete regional agreements, the Group is conducting technical and economic studies and seeking the optimal solution for the regional energy hub.



Resilience programme

Enhanced

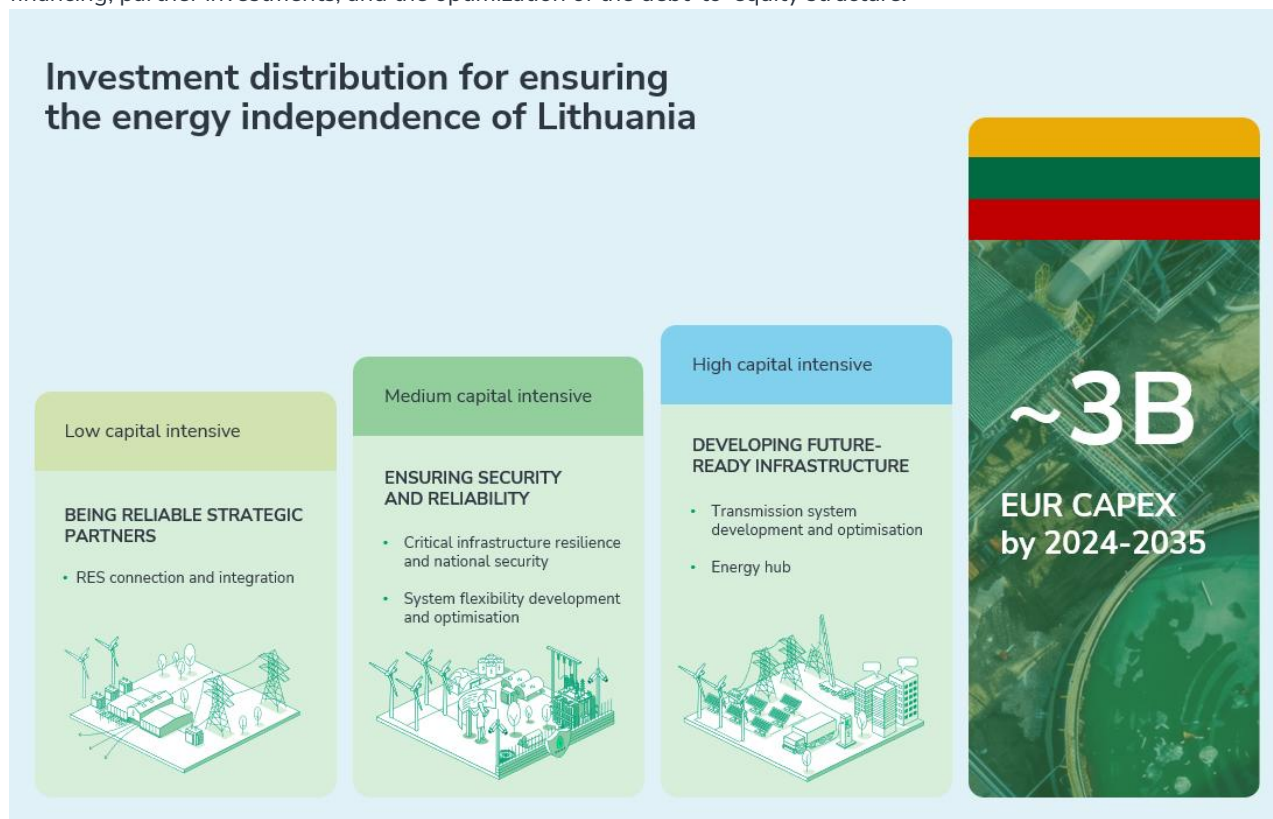
physical and cyber security



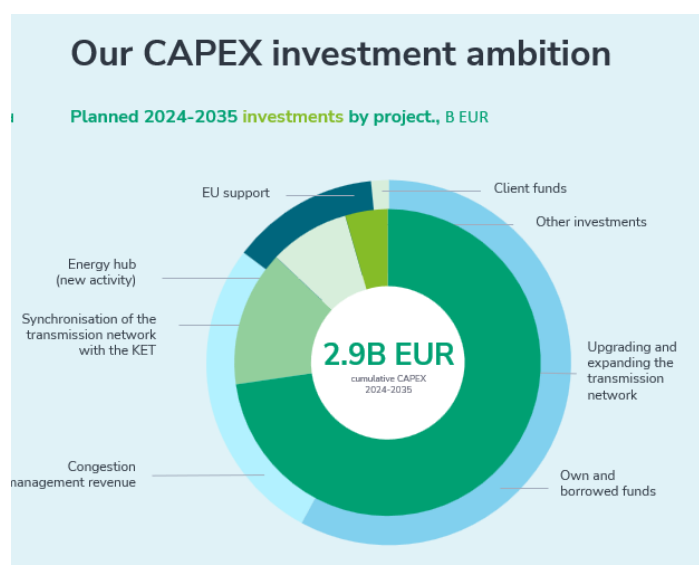
Against the backdrop of the large-scale Russian invasion of Ukraine ongoing since February 2022, and in response to the scale of destruction inflicted on strategic energy infrastructure and the prevailing geopolitical circumstances in the region, a decision was made to strengthen the protection of Lithuania's strategic and critical energy infrastructure assets against hybrid threats. The implementation of the programme aims to safeguard key electricity, gas, and energy storage infrastructure assets managed by the Group's companies against destruction or operational disruption, and to deploy necessary measures to ensure the resilience of energy systems, threat prevention, and preparedness for potential crises.

3.3. Planned investments until 2035

The implementation of key projects and the Group's strategy through 2035 entails significant investment in the development of new infrastructure. The primary sources expected to fund these new investments include EU support and other external financing, partner investments, and the optimization of the debt-to-equity structure.



- Planned investment for the current and foreseen activities until 2035, B EUR



3.4. 2026 Litgrid and CEO goals

Based on the updated strategic directions and planned initiatives, the Board of Litgrid has set targets for the company for 2026. These encompass ongoing projects as well as new, unique initiatives:

Nr.	Annual Goal	Annual Goal Outcomes	Goal Weight (%)
1.	Future infrastructure	Harmony Link j	30
		Expansion and optimization	
		Baltic-German PowerLink development	
		H2 ir CO2 ecosystem	
2.	Flexible and resilient system	Creating an environment for flexibility and adequacy	30
3.	Critical Infrastructure and Operational Resilience	Enhancing the resilience of strategic infrastructure	
4..	Service Expansion and RES Integration	RES integration	15
		Service expansion	
5.	Enabling Sustainable and Efficient Progress	Sustainable finance and sustainable operational development	25
		Efficient organization	
		Advanced business environment	

3.5. Ten-year network development plan

In accordance with the provisions of the Law on Electricity of the Republic of Lithuania, the electricity transmission system operator Litgrid submits a 10-year electricity transmission network development plan to VERT at least every two years—by July 1st of the current year—following consultations with relevant energy sector authorities and other interested parties. This plan presents an assessment of current and projected electricity supply and demand, as well as the conclusions of a probabilistic assessment of the power system's adequacy and outlines effective measures to ensure system capacity adequacy and security of supply.

EU legislation mandates a shift from sectoral planning to integrated energy system planning scenarios to ensure system interoperability, efficient resource utilization, and a coherent response to the challenges of the energy transition.

Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC, mandates that hydrogen transmission network operators cooperate closely with electricity transmission system operators and, where applicable, electricity distribution system operators to coordinate joint infrastructure requirements. The Directive requires operators to cooperate and prepare network development plans based on joint scenarios developed on a cross-sectoral basis.

Although the provisions of the Directive have not yet been transposed into national law, in the first quarter of 2026, Litgrid, together with the natural gas operator Amber Grid, conducted a public consultation on a joint scenario for the first time. The joint scenario (JS) comprises two development scenarios: the National (NacSc) and the Slower Transformation (LTrSc) scenarios. The National development scenario is based on existing state strategic planning documents. The Slower Transformation development scenario is formulated taking into account data from the 2025 market survey, studies conducted or currently underway by the TSOs, and other factors. Based on the agreed and publicly presented joint scenario, Litgrid has prepared an electricity transmission network development plan for 2026–2035. The plan estimates that approximately €2.5 billion (excluding customer projects) may be required for the refurbishment and development of the transmission network over the next 10 years. These indicative investments are intended for the implementation of state projects, the efficient use and systematic renewal of the Company-managed transmission network—while taking into account the needs of generators and consumers—and the assurance of system reliability indicators (END and AIT).

On July 1, 2026, Litgrid submitted the plan, which had been prepared by the Company and approved by its Management Board, to NERC. The plan prepared by the Company is available on the website www.litgrid.eu.

**Planned
investment
2026-2035
2,5 B EUR**

**Largest share goes
for reconstruction of
the transmission grid**

3.6. Strategy and other documents' renewal process

In 2024, Litgrid's strategy for 2035 underwent a comprehensive update. The strategy, action plan, annual targets, and other planning-related documents are reviewed annually in accordance with the timelines established by the Group's Integrated Planning and Monitoring Policy. The updating process is guided by the Letter of Expectations from the Ministry of Energy (acting as the implementer of shareholder rights for EPSO-G)—most recently the letter dated 18 July 2023—as well as the National Energy Independence Strategy (NEIS, updated on 23 June 2025), relevant EU and national legislation, strategic shifts, and changes in the business environment. To ensure the effective implementation of goals across each strategic direction, Litgrid evaluates and monitors the strategy's implementation progress at the end of each quarter.

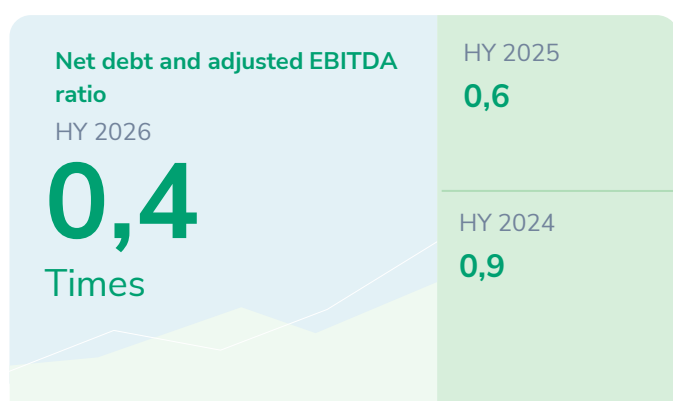
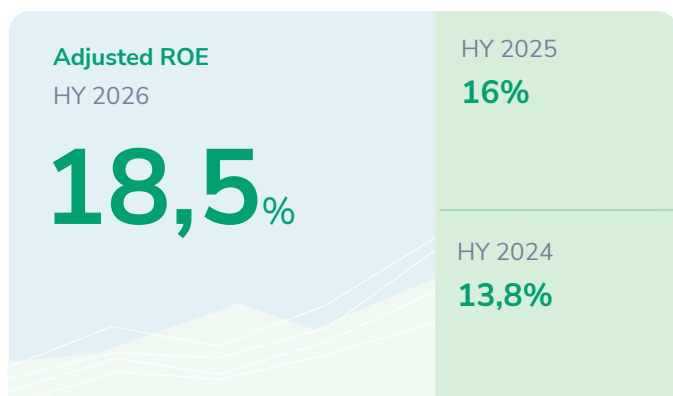
04

Our results



4. Our results

4.1. Main financial indicators

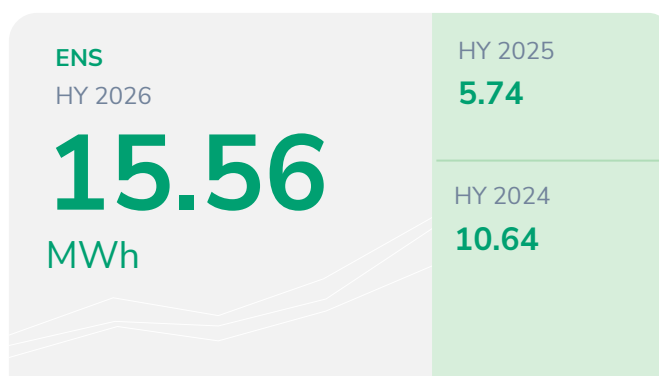
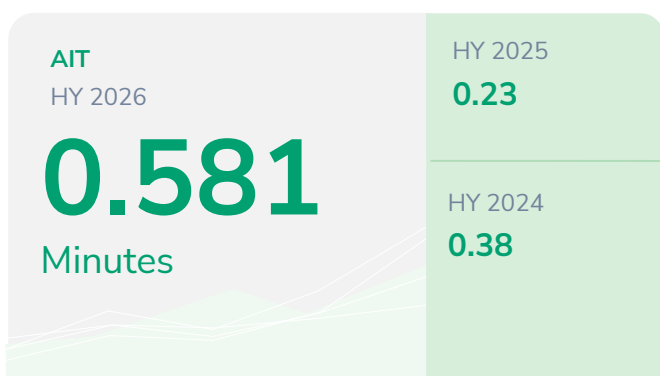


4.2. Electricity transmission performance indicators and network reliability

In accordance with the electricity transmission reliability and service quality requirements approved by VERT, the indicators used to determine the level of electricity transmission reliability are ENS (Energy Not Supplied)—the amount of electricity not transmitted due to interruptions—and AIT (Average Interruption Time)—the average duration of electricity transmission interruptions.

Transmission system operator performance indicators	HY 2026	HY 2025	HY 2024	HY 2023
Volume of electricity transmitted million kWh	4 631	4 459	4 739	4 718
ENS (energy not supplied due to outages), MWh *	15,56	5,735	10,64	2,626
AIT (average interruption time), min. *	0,581	0,225	0,38	0,313

*NERC has established that AIT must not exceed 0.934 min. and ENS must not exceed 27.251 MWh over the course of the year.



4.2. Cross-border electricity interconnectors

The total availability of the NordBalt interconnector with Sweden in the first half of 2026 was 99.6%. Scheduled maintenance (15.25 hours) had the greatest impact on the interconnector's availability.

Regarding the LitPol Link interconnector with Poland which operates in alternating current (AC) mode, with market capacity assessed based on frequency stability principles availability was 87.0% for the Poland–Lithuania direction and 81.6% for the Lithuania–Poland direction. Market capacity for the Lithuania–Latvia cross-system interface (comprising the 330 kV overhead lines Panevėžys–Aizkrauklė, Šiauliai–Viskai, Klaipėda–Grobina, and Utena–Liksna) was ensured for 96.5% of the total time during the first half of 2026.

05

Major projects



5. Major projects

5.1. State projects implemented by Litgrid

The Company initiates and implements state projects that have been assigned to it by decisions of state institutions; these projects hold the status of projects of state importance and Projects of Common Interest (PCI) at the European level, and constitute high-priority, large-scale components of the Company's investment program.

In 2026, Litgrid is implementing two groups of state projects:

- 1. Interconnection of the electricity system with Continental European networks for synchronous operation – implementation of the Harmony Link project.
- 2. Interconnector reinforcement program.

Projects of state importance are included not only in the National 10-Year Network Development Plan but also in the European 10-Year Network Development Plan (TYNDP).

The following Lithuanian projects have been submitted for inclusion in the list of projects for the TYNDP 2026, which is currently under preparation:

- Synchronization of the Baltic states with Continental Europe, Project No. 170. The project encompasses the new Harmony Link Lithuania–Poland interconnector and measures to enhance the resilience of synchronization infrastructure. This project holds PCI status and has been included in the TYNDP project list for several years. It is being implemented jointly with AS Augstsprieguma tīkls (AST), Elering, and Polskie Sieci Elektroenergetyczne S.A. (PSE).
- Latvia–Lithuania cross-border interconnection reinforcement project No. 1209. The project involves the construction of a new 330 kV interconnector line (Brocēni–Varduva), the reconstruction of the existing 330 kV line (Grobiņa–Darbēnai), and the expansion of internal networks in Lithuania and Latvia. The project is being implemented jointly with AST.
- Offshore wind integration – Phase II, project No. 1098. The project assesses the potential expansion of the Darbēnai substation to accommodate the integration of offshore wind projects.
- The Baltic synchronization with Continental Europe project and the projects to reinforce the Latvia–Lithuania interconnection had been granted the status of Projects of Common Interest.

5.2. The status of major strategic projects

5.2.1. Synchronous work with continental European networks

On February 9, 2025, the Baltic electricity transmission systems successfully disconnected from the Russian-controlled BRELL ring system and began operating in a trial synchronous mode with the Continental European electricity transmission system.

That same year, the key projects of the Baltic synchronization program were completed:

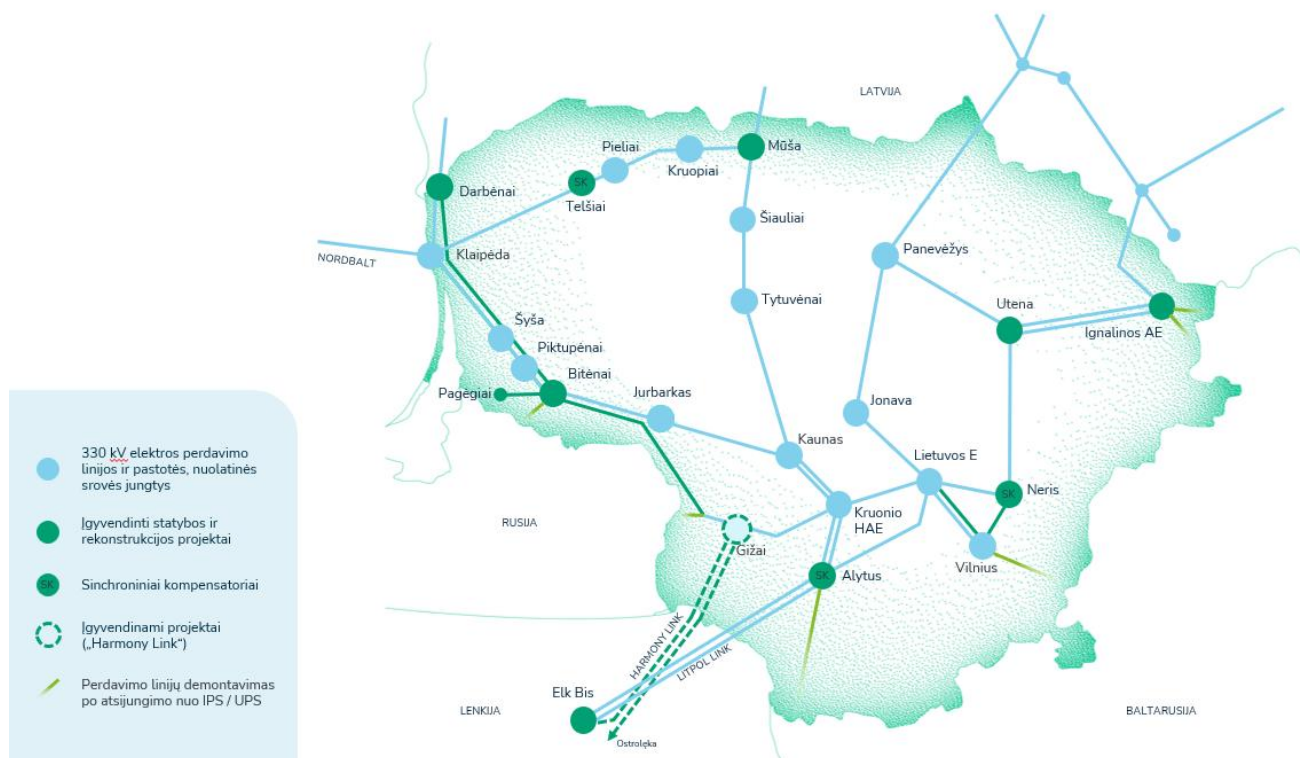
- Construction of the Kruonis PSHP–Bitėnai 330 kV transmission line;
- Construction of the Darbēnai–Bitėnai 330 kV transmission line;
- Construction of the Darbēnai 330 kV substation;
- Construction of the Mūša 330 kV substation;
- Implementation of a frequency stability assessment system;
- Development of a new energy balance and ancillary services management system;
- Installation of synchronous condensers at the Telšiai, Alytus, and Neris transformer substations.

At the end of 2025, ENTSO-E (the European Network of Transmission System Operators) confirmed that the transmission system operators of Lithuania, Latvia, and Estonia fully met the technical synchronization requirements and that the Baltic systems were permanently synchronized with the Continental European grids.

In 2026, the project to upgrade the control system for the NordBalt interconnection was completed.

In the subsequent stage of project implementation, running until 2030, two groups of investments are being carried out:

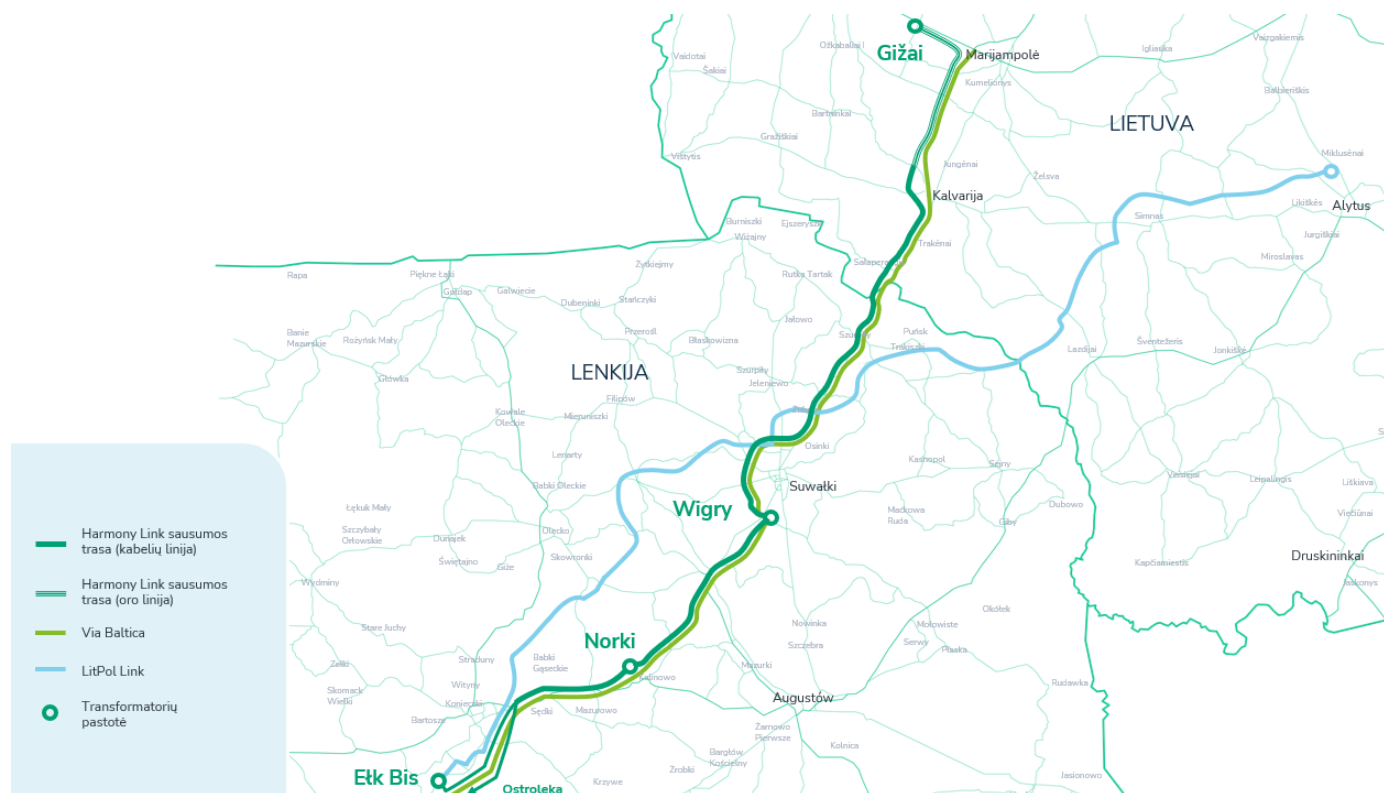
- Construction of the Harmony Link interconnection with Poland;
- Implementation of measures to enhance the resilience of the synchronization infrastructure.



5.2.2. Harmony Link development

This is an intersystem connection between the Lithuanian and Polish electric power systems. Following the 2024 revision of the Harmony Link technical solution—shifting from a subsea direct current (DC) link to an onshore alternating current (AC) link—project implementation is proceeding. Completion of the connection is planned by the end of 2030.

During the first half of 2026, a contract was signed for the procurement of a 330 kV shunt reactor for the future Gižai substation, and an agreement was concluded to acquire the land parcels required for its design and construction; additionally, a tender was launched for the procurement of three 220 kV controllable shunt reactors. However, perhaps the most significant achievement of this stage was the preparation and publication of the project development plan and its subsequent approval by the Government.



5.2.3. Upgrade of the NordBalt HVDC control system to ensure frequency stability

The project aims to upgrade the control systems of existing high-voltage direct current (HVDC) links to ensure frequency stability. Final studies and simulations regarding dynamic response and the reliability of high-priority control command interactions are currently underway; project implementation is scheduled for completion by 2027.

5.2.4. Dismantling of lines with Russia and Belarus

Following synchronization with the Continental European networks, the intersystem lines connecting the network to the IPS/UPS system became redundant and will therefore be dismantled. There are 18 such lines in total: 12 connecting to the republic of Belarus and 6 to the Russian Federation. The total length of the lines to be dismantled exceeds 163 km, and easements will be removed across an area of approximately 900 hectares.

5.2.5. Implementation of resilience measures for the synchronization infrastructure

To ensure the security and resilience of the Baltic synchronization infrastructure, an additional investment request for the Baltic synchronization project—aimed at financing investments in resilience measures—was prepared and approved by regulators in 2025. A grant agreement was agreed upon and signed in the first half of 2026.

5.2.6. Interconnection Reinforcement Programme

To ensure the reliability and stability of the electricity transmission network, an interconnection reinforcement programme is being implemented across western, northern, and eastern Lithuania and Latvia. The programme encompasses a Project of Common Interest (PCI) to reinforce the Lithuania-Latvia interconnection interface, as well as the reconstruction of Lithuania-Latvia interconnections on the Lithuanian side.

The PCI for reinforcing the Lithuania-Latvia interconnection interface includes:

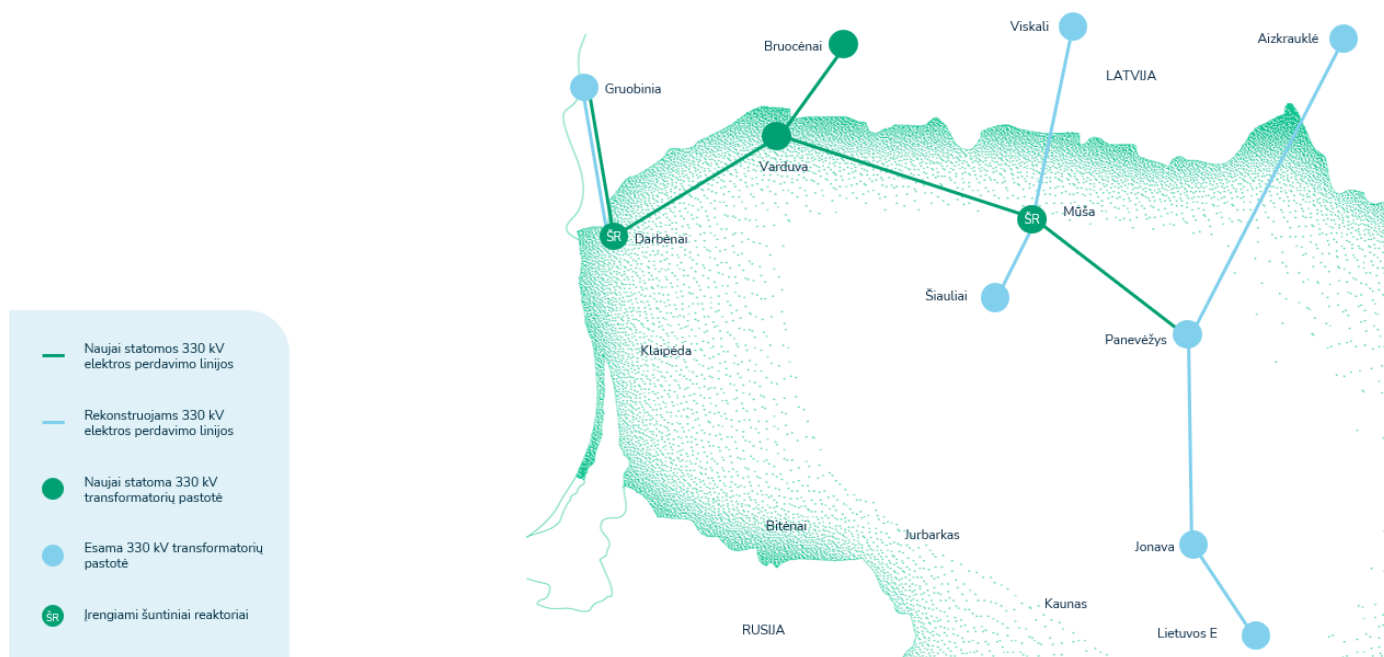
- Construction of a new 330 kV overhead interconnection line (Varduva–Brocēni)
- Reconstruction of the 330 kV overhead line (Darbėnai–Grobiņa) to increase transmission capacity
- Construction of a new 330 kV transformer substation (Varduva)
- Construction of new 330 kV electricity transmission lines (Darbėnai–Varduva–Mūša–Panevėžys)
- Installation of shunt reactors at the Darbėnai and Mūša switchyards

As part of the project, an additional assessment is being conducted regarding the need for critical infrastructure resilience measures to be implemented alongside the construction of new infrastructure and reconstruction works.

Furthermore, the Company's investment plan includes the reconstruction of the following internal lines within the Interconnection Reinforcement Programme:

- 330 kV OHL Jonava–Panevėžys
- 330 kV OHL Mūša–Viskai (Lithuanian section)
- 330 kV OHL Lietuvos E–Jonava
- 330 kV OHL Šiauliai–Mūša
- 330 kV OHL Aizkraukle–Panevėžys (Lithuanian section).

Interconnecting lines enforcement scheme



In the first half of 2026, the program was granted the status of a project of state importance, and we plan to launch the spatial planning phase for the new cross-system 330 kV overhead line between Bruocėnai and Varduva. A contract was concluded this year for the procurement of shunt reactors for the Darbėnai and Mūša substations and for the design services related to the Darbėnai substation's shunt reactor. A detailed cost-benefit analysis of the project is scheduled for 2026, alongside the initiation of an investment application to Lithuanian and Latvian regulators, with the aim of carrying out the cost-sharing process in 2027 and deciding on an application for partial European Union funding.

5.2.7. Infrastructure resilience

In December 2024, the electricity transmission system operators of Lithuania, Latvia, Estonia, and Poland (Litgrid, AST, Elering, and PSE) signed a memorandum committing to joint action to safeguard projects implemented within the scope of the Baltic synchronization with the Continental European Grid (CEG). To this end, the transmission system operators conducted a comprehensive joint security risk analysis of the synchronization infrastructure in late 2024. The assessment findings indicated that:

- primary threats stem from state-sponsored terrorism and political espionage,
- these actors possess both the capability and the intent to destabilize the security of the electricity system,
- likely attack methods include drone incursions, explosives, ramming, improvised explosive devices (IEDs), firearm attacks, and sabotage,
- there is a high probability of hybrid attacks targeting the synchronization infrastructure.

In late 2024, we launched the Litgrid infrastructure resilience program, which includes investments in:

- physical security of facilities,
- protection against unmanned aerial vehicles (UAVs),
- establishment of emergency and crisis reserves,
- preparedness for critical-mode operations.

The first phase focuses primarily on the protection and resilience of interconnectors and the safeguarding of other critical infrastructure assets. Due to the sensitive nature of the information, this category is not broken down by specific projects, nor are the associated investment values detailed; the company is currently assessing the full scope of the resilience program and investment requirements in cooperation with relevant institutions. Given that the program's scope is still being finalized, funding

sources have not yet been determined, and the information is sensitive regarding critical infrastructure resilience, potential investments under the resilience program are not disclosed in the network development plan.

During the first half of 2026, the program entered its active implementation phase, with a contract concluded to finance critical infrastructure resilience projects for Baltic synchronization using funds from the Connecting Europe Facility.

5.2.8. Baltic-German PowerLink Interconnector between the Baltic States and Germany

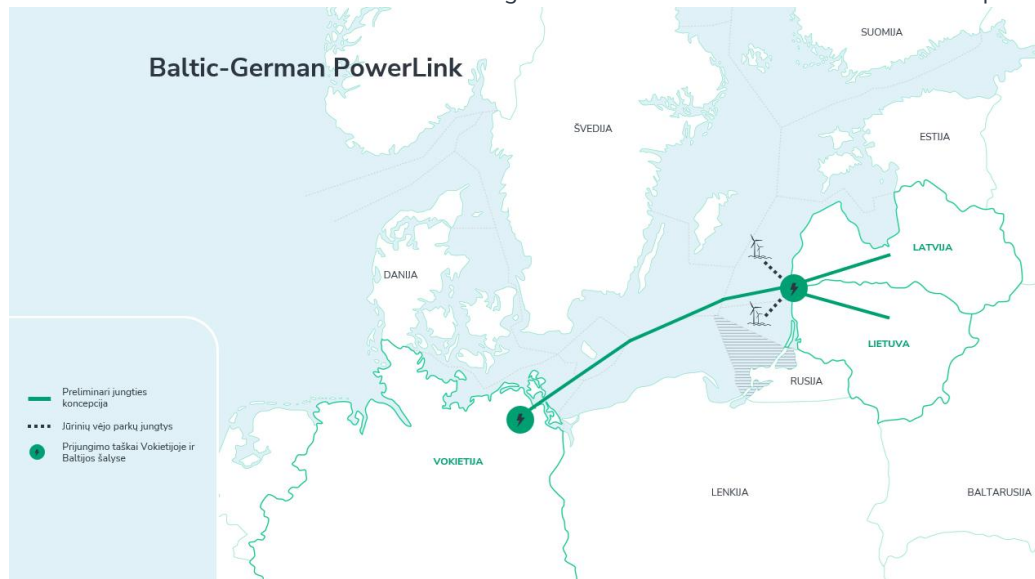
In May 2025, the electricity transmission system operators of Lithuania, Latvia, and Germany submitted a new hybrid interconnector project, "Baltic-German PowerLink" (hereinafter – BGPL), for consideration in the TYNDP 2026 process. This is a 2 GW, 525 kV direct current (DC) connection between the electricity transmission systems of the Baltic states and Germany.

The initial study phase of the project is being implemented in 2026–2027; during this stage, Litgrid, together with AST and 50Hertz, is conducting:

- A study on the financing and organizational implementation model,
- A feasibility study on infrastructure layout and an assessment of the connection point in the Baltic states,
- A preliminary analysis of technical solution alternatives.

A cost-benefit analysis of the project is being conducted in parallel as part of the ENTSO-E TYNDP 2026 preparation process; upon its completion, the project will be submitted for inclusion in the third list of Projects of Common Interest (PCI). This is a crucial step toward securing European Union funding for detailed project studies.

Following the initial assessments, a decision will be made regarding the implementation of the subsequent detailed feasibility study phase. Only after these detailed studies are completed will a technical infrastructure solution be developed, enabling decisions on the final cost-sharing scheme and the further implementation of the project.



5.3. Other projects

In the course of its core operations, Litgrid contributes to the development of green energy in Lithuania and, acting as the electricity transmission system operator, implements projects to connect renewable energy generation and storage facilities to the transmission grid. These projects result in the connection of green electricity producers to the transmission grid, thereby enabling consumers to use clean and sustainable energy. Furthermore, Litgrid carries out projects to connect new customers to the transmission grid and implements reconstruction projects for existing transmission lines in response to customer needs.

In the first half of 2026, two new overhead line reconstruction projects and three relay protection replacement projects at transformer substations were initiated; these will contribute to ensuring the stability and reliability of the transmission grid and provide the necessary capacity to connect renewable energy producers to the grid. During the first half of this year, contracts were signed for some of the largest projects, including the reconstruction of the 330 kV Aizkrauklė–Panevėžys overhead line, the construction of the new 110 kV Griškonyš–Varėna line, the reconstruction of the 110 kV Šiauliai–Rėkyva and Šiauliai–Radviliškis lines, and the reconstruction of the 110 kV Migla–Seda–Telšiai line. The total value of these contracts amounts to €59 million. The implementation of these projects will ensure grid reliability and the expansion of renewable energy sources. In the first half of 2026, one transformer substation reconstruction project was completed, and seven new ones were initiated. Currently, a total of 50 transformer substation reconstruction projects are being implemented.

5.4. RES projects

Between January and June 2026, 336 MW of installed solar capacity, 140 MW of wind capacity, and 276 MW of storage capacity were connected to transmission and distribution networks in Lithuania. By comparison, during the same period in 2025, 512 MW of solar capacity, 103 MW of wind capacity, and 19 MW of storage capacity were connected.

Currently, the installed capacity of solar power plants in Lithuania stands at 3.5 GW, wind power plants at 2.7 GW, and battery energy storage systems at 0.7 GW.

In 2025, 1.7 GW of solar and wind capacity was connected in Lithuania, and plans for 2026 include connecting at least another 1.2 GW; solar and wind power plants currently account for approximately two-thirds of the country's total electricity generation capacity.

The total installed capacity of all renewable energy plants in Lithuania—including hydro, biomass, and others—currently stands at 6.4 GW, representing a 39% (or 1.8 GW) increase compared to a year ago. Based on projects currently under implementation, total renewable energy capacity is expected to reach 7 GW by the end of the year.

As planned, a significant portion of new connections this year consists of storage systems. Nearly 300 MW of battery systems were connected in just six months—an amount equivalent to about one-third of the capacity of the Kruonis Pumped Storage Hydroelectric Plant. The expansion of storage systems increases the supply of balancing services, helps reduce price volatility in the wholesale electricity market, and thereby fosters the further development of solar and wind power plants.

Considering all planned projects, letters of intent have currently been signed for the connection of onshore wind power plants to the transmission grid with a total permitted generation capacity of 3.4 GW. Of this total, 3.2 GW have received permits to develop generation capacity, with technical designs prepared for 0.6 GW.

Regarding the development of solar power plants connecting to the transmission grid, letters of intent have been signed for a total permitted generation capacity of 3.8 GW. Of this, 3.7 GW have received permits to develop generation capacity, with technical designs prepared for 2.4 GW.

Letters of intent have currently been signed for the installation of storage systems with a total capacity of 4.1 GW and 9.6 GWh. Projects of 3.8 GW and 9.1 GWh have received permits to develop generation capacity, with technical designs prepared for systems of 1.2 GW and 2.8 GWh.

5.5. Financing projects

A total of EUR 381.6 million in funding from the Connecting Europe Facility was allocated for the implementation of strategic investment projects; no funds were received during the first half of 2026, while the total amount received since the start of project implementation stands at EUR 165.6 million.

Other investment projects in the first half of 2026 were financed using own funds, funds from network users, and temporarily available congestion management revenues.

5.6. Project portfolio

The operational stability and reliability of the electric power system, as well as its power and energy balances, depend not only on the behaviour of market participants but also on setting appropriate operating parameters for connected power plants, coordinating their operation, and ensuring timely system expansion.

As Lithuania's electricity transmission system operator, Litgrid plans the long-term operation of the electric power system, considering requirements regarding electricity supply, security, reliability, quality, efficiency, consumption, management, and environmental protection. To this end, a ten-year development plan for Lithuania's 400–110 kV electric power system networks is being prepared; one of its objectives is to outline the directions for transmission network expansion and the scope of reconstruction, as well as to estimate the investments required for these activities and formulate a long-term investment plan.

Litgrid also compiles an annual portfolio of investment projects for the upcoming 1–3 years. This portfolio comprises projects necessary to achieve strategic state objectives, ensure transmission network reliability and electricity supply, upgrade or implement information technologies, or projects initiated by transmission network users.



The ten-year development plan for Lithuania's 400–110 kV electricity transmission network sets the long-term direction for grid expansion, while the annually updated 1–3-year investment project portfolio enables the consistent implementation of these strategic goals through specific projects. As of the first half of 2026, the Company's project portfolio comprised 257 projects with a total value of €1,474 million. Of the 34 planned projects covering reconstruction, expansion, IT, and operational resilience, 21 have already been initiated, while 19 projects including customer related ones that have reached completion. A further 39 projects are scheduled for completion by the end of the year. The portfolio metrics reflect steady progress in implementing the investment program and the ability to translate planned investments into tangible results, thereby enhancing the reliability, operational efficiency, and resilience of the electricity transmission network.

5.7. Research and studies

5.7.1. Baltic-German PowerLink financing and governance study

In the first half of 2026, the transmission system operators of Lithuania, Latvia, and Germany signed a contract with the Dutch company Magnus Energy for the preparation of a financing and governance study for the Baltic-German PowerLink interconnector. The aim of the study is to evaluate best practices regarding the financing and governance of similar projects and to propose potential financing and governance alternatives for this project. The study is scheduled for completion by the first quarter of 2027.

5.7.2. Assessment of the Lithuanian electricity system's adequacy and flexibility needs for 2028–2035.

In 2025, we launched an international procurement process for a study assessing the adequacy and flexibility needs of the Lithuanian electricity system for the 2028–2035 period.

The study aims to assess the adequacy of the Lithuanian electricity system based on relevant sensitivity scenarios, conduct a national assessment of system flexibility needs using the resulting data, and propose solutions regarding the required volume and development model for flexible generation capacity.

The study was completed by July 2026. The presentation materials and the full report will be published on the Litgrid website.

5.8. Overview of the Innovation Project Portfolio

Through our innovation activities, we aim to contribute to the effective implementation of Litgrid's strategies and the National Energy Independence Strategy. This is achieved by fostering an effective innovation ecosystem where innovative ideas are initiated, expert time is dedicated to their analysis and testing, and they are subsequently implemented and integrated into daily operations.

During the first half of 2026, the Company's innovation activities were conducted in accordance with the EPSO-G Group R&D&I procedure description, approved on July 3, 2025, by the EPSO-G Group's Head of Innovation.

Key highlights:

- greater focus on initiating significant, value-creating innovation projects and seeking synergies;

- aiming for increased involvement in international projects and securing funding for such projects from the European Union and/or other innovation funds;
- the contribution of innovation to the development of new services and/or products.

The R&D&I guidelines establish common definitions across the Group regarding research and experimental development, innovation, and innovative activities; they outline shared directions and priorities for R&D&I, classification principles, and recommendations for transmission system operators regarding the allocation of funds for R&D&I activities.

In the first half of 2026, two innovation projects were completed, and five new ones were initiated. The innovation portfolio currently consists of 10 projects under implementation.

Dynamic transmission tariff

The dynamic transmission tariff concept aims to shift from a fixed transmission tariff to a more flexible pricing model that sends clearer signals to consumers regarding grid load and encourages shifting consumption to periods that are more favorable for the system. The concept envisages changes to the energy, capacity, and ancillary service components, allowing for differentiated charges based on the actual impact of consumption on the grid, incentivizing flexibility among large consumers, and facilitating the more efficient integration of renewable energy sources. It is expected that such a model will help reduce the need for grid expansion, create more favorable conditions for new consumers, and generate significant socio-economic benefits.

- April 30: Update to the PETA (Transmission Service Pricing Methodology) approved,
- June 15: Update to the VERT (National Energy Regulatory Council) description of the procedure for differentiating prices for electricity transmission, distribution, and public supply services, as well as public electricity prices, approved,
- July 3: Update to the procedure for differentiating prices for services provided by the transmission system operator approved.

The Impact of Electrification of Small and Medium-Sized Gas Consumers on the National Electricity Transmission Grid Load

This project assessed the impact that a shift to electricity by small and medium-sized gas consumers would have on the load of Lithuania's electricity transmission grid and on long-term grid planning. Based on ESO gas consumer data from 2019–2025, three electrification scenarios were developed—ranging from a partial transition by residential consumers and gas-fired boiler houses to the full electrification of residential, boiler house, and industrial processes. The project results made it possible to estimate the potential additional demand for electricity and capacity at the national level and to identify 110 kV substations where rising loads might necessitate grid reinforcement, transformer replacement, or the development of new transformer substations.

Preparatory study for a technical and software solution for the virtualization (centralization) of protection and automation devices

The objective of the study is to evaluate the feasibility of centralizing and virtualizing protection and automation functions within the Lithuanian transmission network, covering technical, IT/OT, cybersecurity, reliability, and organizational aspects. The study aims to analyze potential architectures for virtualized protection and automation devices, their interaction with IEC 61850 standards, process buses, time synchronization, network redundancy, and existing substation systems, as well as to assess the regulatory and operational prerequisites for implementing such solutions. The project has now moved to the implementation phase, with the procurement process for the study having commenced.

LitPol Link Overhead Line DAS TPI Protection Pilot Project

DAS TPI (Distributed Acoustic Sensing – Third Party Intrusion) is a system that utilizes an optical cable as a linear sensor capable of detecting vibrations and identifying—based on their characteristics—potential third-party actions near the infrastructure, such as excavation work, the movement of heavy machinery, or other potentially hazardous activities. Litgrid plans to test this technology on the LitPol Link overhead line to evaluate its suitability for early threat detection, faster incident response, and enhancing the reliability of strategic transmission infrastructure. To this end, a procurement process for the DAS TPI pilot has been initiated; the aim is to select a solution and practically assess the technology's accuracy, false alarm rate, and potential for integration into operational processes.

Studies and Analyses

During the reporting period, two cost-benefit analyses were also conducted to evaluate potential long-term infrastructure development solutions.

The analysis regarding the undergrounding of overhead lines assessed the conditions justifying the replacement of existing overhead lines with underground cables, considering reliability, outage duration, operating costs, and environmental and social aspects.

The analysis of energy islands examined the potential benefits of additional generation units for Lithuania's energy system, including system flexibility and reliability, security of supply, and broader impacts on transmission network development.

Both analyses help substantiate strategic network development decisions and better assess their socio-economic benefits.

06

Finances

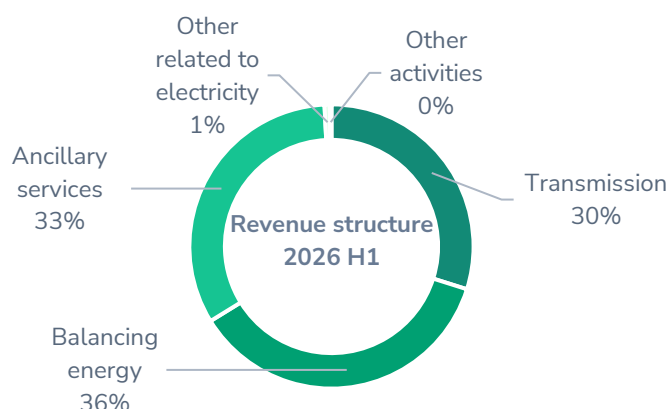


6. Financial information

6.1. Revenue

In the first half of 2026, compared to the same period of 2025, total revenue increased by EUR 58.5 million to EUR 267.5 million. The highest increase of revenue was in balancing energy.

Revenue, EUR million	2026 I H	2025 I H	Change	Change, %
Transmission	79.9	66.2	13.7	21%
Ancillary services	88.3	89.8	-1.5	-2%
Balancing energy	97.2	48.2	49.1	102%
ITC	0.0	0.3	-0.3	-100%
Congestion	0.0	2.5	-2.5	-100%
Reactive energy and administration of guarantees of electricity origin	1.5	1.4	0.1	9%
Other activities	0.6	0.7	-0.1	-17%
Total revenue	267.5	209.0	58.5	28%



Revenue from electricity transmission increased by 21% compared to first half of 2025 to EUR 79.9 million (in the first half of 2026 EUR 15.9 million of congestion management revenues which were used to reduce transmission tariff in 2026 were recorded in the transmission revenue, EUR 1.3 million lower than in the same period last year). The main factors for the increase were a 6.3% higher volume of electricity transmitted and a 23% higher actual price of transmission services.

Revenue from ancillary services decreased by 1.7% to EUR 88.3 million, it was reduced by a 21% decrease in the actual component for the acquisition of ancillary services on top of the price of the transmission service, while increased by a 6.3% increase in the volume of services provided. Moreover, from 2026, revenues from BRP (balance responsible parties), which cover part of the costs of ancillary services, are recorded in the revenues of additional services; in the first half of 2026, they amounted to EUR 13.3 million. According to the regulated pricing of the ancillary services, revenue are meant to offset only costs, including the Company's internal expenses, attributable to this activity according to the rules of the regulation accounting, the difference for the current year is assessed when determining the component for the acquisition of ancillary services for the coming years.

Sales volumes of imbalance and balancing (hereinafter the "balancing") electricity increased by 2.1%, however revenue from balancing electricity increased 102% to EUR 97.2 million due to a 98% higher average selling price. In the first half of 2026, revenue was EUR 10.2 million higher than costs, but of that amount EUR 8 million compensated the loss incurred by this activity in 2024-2025 and EUR 0.6 million compensated this year's administrative costs of this activity. According to regulated imbalance energy pricing, revenue is only meant to offset costs, including administrative expenses attributable to this activity according to the rules of the regulation accounting, the accumulated difference between revenue and costs is assessed when determining the neutrality component of imbalances prices for future periods.

Other income related to the transmission activity include:

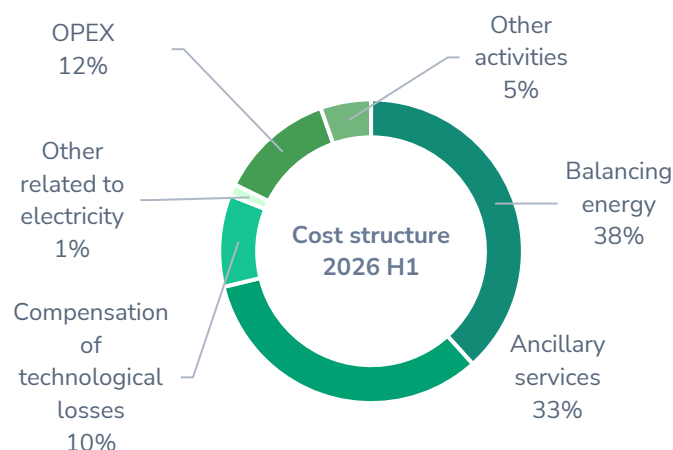
- Reactive energy revenue amounting to EUR 1.1 million, revenue from activated guarantees from producers – EUR 0.2 million, they do not affect the long-term profitability as is assessed when determining the price of the transmission service and calculating the actual return on investments of the transmission service.
- Revenue from administration of guarantees of electricity origin amounting to EUR 0.2 million.

Other income decreased by 17% to EUR 0.6 million.

6.2. Expenses

The Company's operating expenses totalled EUR 227.2 million in first half of 2026, a 13% decrease compared to the same period of 2025.

Expenses, EUR million	2026 H Y	2025 H Y	Change	Change, %
Related to electricity	186.9	224.1	-37.2	-17%
Balancing energy	87.1	48.7	38.4	79%
Ancillary services	74.8	152.1	-77.3	-51%
Compensation of technological losses	22.3	18.6	3.7	20%
ITC	0.3	2.3	-2.0	-89%
Internal congestion management	2.5	-	2.5	n/a
Ensuring the availability of allocated interconnectors capacity	0.0	2.5	-2.5	n/a
OPEX	28.1	25.2	2.9	12%
Wages and salaries	12.6	11.6	1.1	9%
Repair and maintenance	5.5	5.	0.4	9%
Telecommunication and IT systems	2.1	1.6	0.6	35%
Taxes	2.8	2.5	0.3	12%
Other	5.1	4.5	0.6	13%
Depreciation and amortisation	11.9	11.7	0.2	2%
Write-off of property, plant and equipment	0.4	0.1	0.3	0%
Total expenses	227.2	261.0	-33.8	-13%



Expenses of purchase of electricity and related services accounted for a major share of the Company's operating expenses: EUR 186.9 million (82% of the Company's total expenses), a 17% decrease compared to the same period of 2025. Expenses for ancillary services decreased by 51% to EUR 74.8 million, where the main factor was the decreased costs of frequency restoration reserves.

Balancing electricity expenses increased by 79% due to a higher purchase price.

Expenses of electricity purchased for compensating technological losses in the transmission network increased by 20% to EUR 22.3 million due to a 9% higher average electricity purchase price and a 10% higher quantity. ITC costs, i.e. payments to the ITC Fund to compensate for power losses and infrastructure usage of other countries when hosting cross-border power flows to import and export electricity to/from Lithuania, were EUR 0.3 million, internal congestion management expenses – EUR 2.5 million. Operating expenses increased by 12% to EUR 28.1 million compared to the same period of 2025. Increase in remuneration expenses by EUR 1.1 million was affected by a 9% increase in the average number of employees due to the intensive implementation of projects important to the State, the emergence of new functions, and the increase in average wages. Other expenses increased by EUR 1.8 million, with the highest increase recorded in telecommunication and IT systems expenses due to the implementation of new systems, the expansion of existing system functionalities, and increases in market prices as well as in other expenses, primarily driven by higher real estate tax costs.

The Company's depreciation and amortisation expenses in first half of 2026 increased by EUR 0.2 million due to a higher value of non-current assets.

6.3. Return and other financial ratios

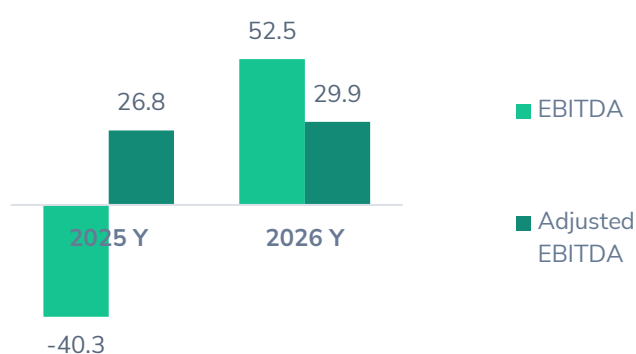
EBITDA = operating profit + depreciation and amortisation + (increase) decrease in assets (excl. inventories) impairment expenses + write-offs (excl. inventories).

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

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

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

EBITDA, adjusted EBITDA
EUR million

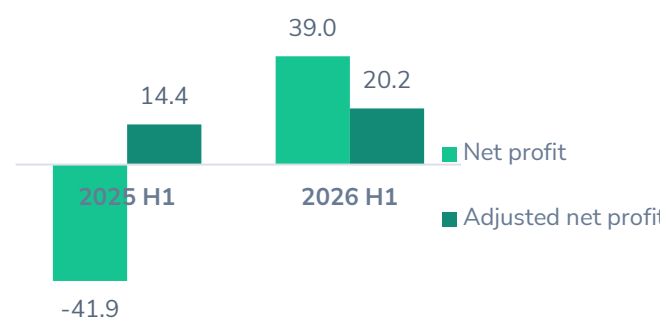


The Company's adjusted EBITDA was increased by
 EUR 1.8 million higher compensable capital costs, mostly due to an increase in the value of regulated assets;
 EUR 1.1 million higher additional tariff component for investment financing;
 EUR 0.4 million lower OPEX of unregulated activities.
 Adjusted EBITDA of the Company was reduced by:
 EUR 0.3 million higher OPEX of regulated activities.

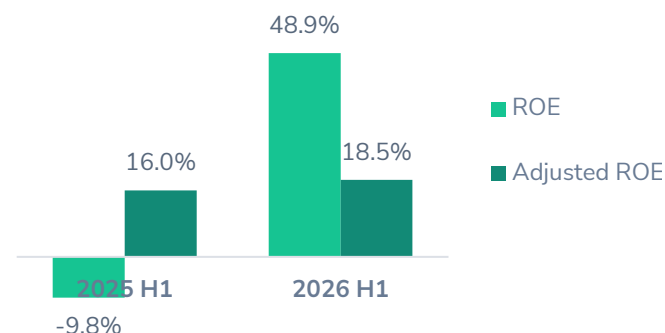
Adjusted EBITDA for the first half of 2026 was calculated by making following adjustments to EBITDA:
 adding EUR 3.2 million, the difference between the actual and allowed return on investment of the transmission service, by which transmission services revenue in the first half of 2026 was reduced;
 adding EUR 8.7 million, the difference between the ancillary service revenue and costs from previous years, which was used to decrease the ancillary service revenue for the first half of 2026;
 deducting EUR 2.8 million, which is the difference between the actual and permitted return on investments of transmission service for the first half of 2026 and not yet confirmed by the auditor and NERC;
 deducting EUR 22.2 million, which is the difference between the revenue and costs of ancillary services for the first half of 2026 and not yet confirmed by the auditor and NERC;
 deducting EUR 9.5 million, which is the difference between the revenue (after deducting administration fee revenue) and costs of balancing service for the first half of 2026 and not yet confirmed by the auditor and NERC.

Net profit, Adjusted net profit

EUR million

**ROE, Adjusted ROE**

%



In the first half of 2026, the Company generated a net profit of EUR 39 million, compared with a net loss of EUR 41.9 million in the same period last year, mainly due to a EUR 75.8 million greater result from ancillary services.

The adjusted net profit for the first half of 2026 was calculated by making the following adjustments:

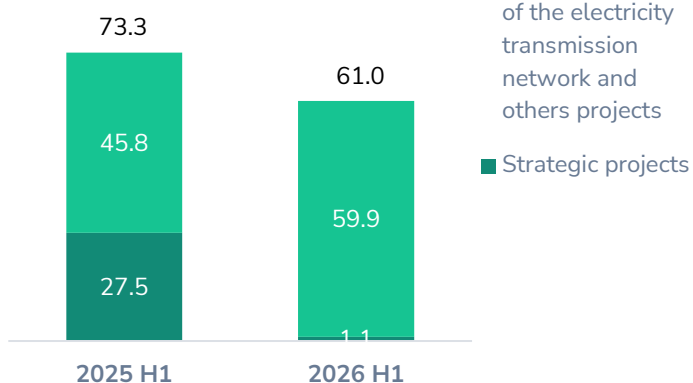
deducting EUR 18.8 million, the difference between adjusted EBITDA and EBITDA after income tax.

The increase in adjusted net profit was mainly driven by EUR 5.2 million of income tax relief due to investments incentive accounted in the first half of 2026 EUR and 3.1 million higher adjusted EBITDA.

The adjusted ROE (last 12 months) increased from 16% to 18.5%, mainly due to increase in adjusted net profit.

Investments

EUR million



Investments (excluding the assets received free of charge from third parties and capitalised wages and salaries) decreased mainly due to the completion of some strategic and state-important electricity investment projects in 2025. The largest investments were made in the following projects:

a EUR 6.5 million in reconstruction of the 330 kV Kruonio HAE switchyard;

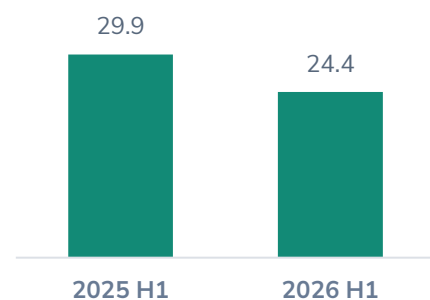
a EUR 4.7 million in connection of the 110-10 kV Kuprioniškės switchyard to the transmission network;

a EUR 4.6 million in installation of OPGW on the 110 kV Kvietiškis-Kapsai-Gižai;

a EUR 3.3 million in reconstruction of the 330 kV Jonavos switchyard;

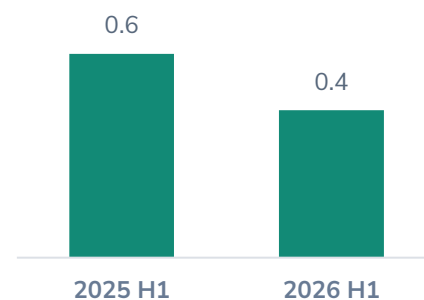
a EUR 3.2 million in reconstruction of the 330 kV ETL Tytuvėnai-Kaunas.

Net financial debt



Net financial debt decreased by EUR 5.5 million, as part of the loan was repaid on schedule.

Net financial debt/Adjusted EBITDA



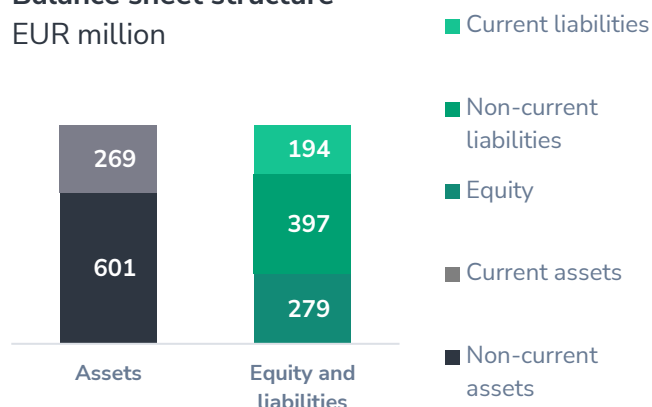
The net financial debt to adjusted EBITDA (last 12 months) ratio decreased from 0.6 to 0.4 due a lower net financial debt and a higher adjusted EBITDA.

Balance and cash flow

Balance sheet, EUR million	2026/06/30	2025/12/31	Change
Non-current assets	601	554	47
Intangible assets	5	4	0
Property, plant and equipment	580	530	49
Deferred tax asset	16	19	-3
Current assets	269	263	6
Receivables and other current assets	103	101	1
Loan granted to EPSO-G related parties	166	156	10
Other financial assets	1	1	0
Cash and cash equivalents	0	4	-4
TOTAL ASSETS	870	816	54
Equity	279	267	12
Issued capital and share premium	155	155	0
Reserves	85	77	8
Retained earnings	40	36	4
Non-current liabilities	397	347	50
Financial debts and lease liabilities	20	22	-2
Congestion management revenue	363	312	51
Other non-current liabilities	13	12	1
Current liabilities	194	202	-8
Current portion of long-term loans and other short-term borrowings	4	4	0
Current portion of congestion management revenue	68	87	-19
Trade payables	88	79	9
Prepayments received and other current assets	33	32	2
Total liabilities	591	549	42
TOTAL EQUITY AND LIABILITIES	870	816	54

Balance sheet structure

EUR million



During the first half of 2026 the Company's assets increased by EUR 53.6 million (+7%) and amounted to EUR 870 million as at 30 June 2026. Non-current assets representing 69% of the Company's total assets increased by EUR 47 million (+9%), the main reason – the capital investments were higher than depreciation costs even after the investments set off against subsidies.

Current assets increased by EUR 6 million (+2.5%), mainly due to the EUR 10 million increase in loans granted (temporarily unused accumulated congestion management revenue connected to the Group account and temporary borrowed to EPSO-G).

Shareholders' equity increased by EUR 12 million (+4.4%), lower than the total revenue earned due to dividends paid to shareholders in 2026 and accounted for 32% of the total assets as at 30 June 2026.

Non-current liabilities increased by EUR 50 million (+14%), mainly due to EUR 51 million increase in congestion management revenue received and accrued in the first half of 2026.

Current liabilities decreased by EUR 8 million mainly due to the following: a reduction in investment-related payables (EUR -3 million), in current-year portion of congestion management revenues (EUR -19 million) and in other current liabilities (EUR -5 million), a increase in electricity-related payables (EUR +16 million) and in advance payments received (EUR +3 million),

Cash flows, EUR million	2026 I H	2025 I H	Change	Change, %
CFO	72.0	-85.1	157.1	n/a
CFI	-46.7	113.2	-159.9	n/a
CFF	-29.6	-28.1	-1.5	n/a
Increase/decrease in cash and cash equivalents	-4.3	0.0	-4.3	n/a

CFO

During the first half of 2026, cash from operating activities (CFO) was positive and totalled EUR 72.0 million. Compared to the same period of 2025, CFO increased by EUR 157.1 million, mainly due to positive change in net profit (EUR +80.9 million) and the increase in change in working capital (EUR +64.4 million).

CFI

During the first half of 2026, cash flows from investing activities (CFI) amounted to EUR -46.7 million. Compared to the same period of 2025, CFI was decreased by EUR 146.7 million mainly due to change in loans granted (repaid) and EUR 13.6 million higher payments for the acquisition of property, plant and equipment and intangible assets.

CFF

During the first half of 2026, cash from financing activities (CFF) amounted to EUR -29.6 million. Compared to the same period of 2026, CFF was reduced by higher dividends than in 2025.

Free cash flows, EUR million	2026 I H	2025 I H	Change	Change, %
CFO	72.0	-85.1	157.1	n/a
CFI	-46.7	113.2	-159.9	n/a
Change in loans granted	9.8	-136.9	146.7	n/a
FCF	35.1	-108.8	143.9	n/a

The Company's net cash flows excluding cash flows from financing activities and from loans granted by the Company and their repayments (free cash flow, FCF) was positive and total EUR 35.1 million during the first half of 2026.

During the first half of 2026, congestion management revenue amounted to EUR 50.8 million. During the period, it was used as follows: to reduce transmission tariff – EUR 15.9 million and to finance investments - EUR 3.4 million. Accumulated congestion management revenue balance amounted to EUR 426.8 million as at 30 June 2026, of which EUR 260.9 million were temporarily used for the financing of the Company's activities and EUR 165.9 million were connected to the EPSO-G Group account.

6.4. Five-year summary

Key financial indicators		2026 I H	2025 I H	2024 I H	2023 I H	2022 I H	Change in 2026-2025	Change, %
Revenue	EUR million	267.5	209.0	197.7	166.9	145.2	58.5	28.0%
EBITDA	EUR million	52.5	-40.3	40.6	35.0	0.1	92.8	n/a
EBITDA margin	%	19.6	-19.3	20.5	20.9	0.1	n/a	n/a
EBIT	EUR million	40.3	-52.0	29.5	24.9	-10.4	92.3	n/a
EBIT margin	%	15.1	-24.9	14.9	14.9	-7.2	n/a	n/a
Net profit	EUR million	39.0	-41.9	28.1	23.0	-9.2	80.9	n/a
Net profit margin	%	14.6	-20.1	14.2	13.8	-6.4	n/a	n/a
ROE	%	48.9	-9.8	25.1	-8.7	-3.1	n/a	n/a
ROA	%	14.2	-2.8	7.7	-3.0	-1.5	n/a	n/a
Shareholders' equity / Assets	%	32.1	25.7	32.5	28.7	42.7	6.4 p.p.	25.0%
Net financial debt	EUR million	24.4	29.9	36.4	43.0	62.0	-5.5	-18.5%
Net financial debt/EBITDA	times	0.2	-1.5	0.4	-26.3	4.3	1.6	n/a
Investments	EUR million	61.0	73.3	90.2	53.8	9.4	-12.3	-16.8%
Basic earnings per share (EPS)	Eur	0.08	-0.08	0.06	0.05	-0.02	0.16	n/a
Total assets	EUR million	870.0	746.2	730.5	661.1	485.4	123.8	16.6%
Equity	EUR million	279.2	191.6	237.6	189.9	207.2	87.7	45.8%
Liquidity ratio	times	1.39	1.30	1.91	1.02	1.40	0.09	7.0%
Assets turnover ratio	times	0.61	0.53	0.58	0.77	0.68	0.1	14.8%
Adjusted indicators								
Adjusted EBITDA	EUR million	29.9	26.8	24.5	20.3	18.6	3.1	11.6%
Adjusted EBITDA margin	%	11.2	12.8	12.4	12.2	12.8	-1.6 p.p.	-12.8%
Adjusted net profit	EUR million	20.2	14.4	14.4	10.4	6.5	5.8	40.1%
Adjusted net profit margin	%	7.6	6.9	7.3	6.2	4.5	0.7 p.p.	9.5%
Adjusted ROE	%	18.5	16.0	13.8	7.5	6.5	2.5 p.p.	15.6%
Net financial debt/adj. EBITDA	times	0.4	0.6	0.9	1.2	1.6	-0.2	-27.6%

07

Governance and decision-making process



7. Governance, decision making process

The Company, together with its parent company EPSO-G and other legal entities directly or indirectly controlled by the parent company, forms a group of companies. EPSO-G holds 97.5% of the Company’s shares, while the remaining 2.5% are held by minority shareholders. The shareholder of EPSO-G is the State of Lithuania, which owns 100% of EPSO-G’s shares; shareholder rights and obligations are exercised by the Ministry of Energy of the Republic of Lithuania.

The Company’s authorized capital amounts to EUR 146,256,100.20. It is divided into 504,331,380 ordinary registered shares with a nominal value of EUR 0.29 each. One ordinary registered share with a value of EUR 0.29 entitles its holder to one vote at the General Meeting of Shareholders.

7.1. Governance structure

The company’s governance structure is defined in its Articles of Association and comprises the General Meeting of Shareholders, a collegial management body (the Management Board), and a single-person management body (the Head of the Company).

The parent company, EPSO-G, has established a Remuneration and Nomination Committee and an Audit Committee; these function as the remuneration and nomination and audit committees for the entire group of companies, performing, among other things, the functions of the company’s own remuneration and nomination and audit committees. Information regarding the Remuneration and Nomination Committee and the Audit Committee is published on the parent company EPSO-G’s website (www.epsog.lt), and details about the committees are also disclosed in the EPSO-G integrated annual report.

Litgrid’s governance structure ensures optimal operational organization, accountability, process efficiency, and responsibility.

7.2. Governing principles

During the reporting period, the corporate governance of the EPSO-G Group was conducted in accordance with the version of the EPSO-G Group corporate governance guidelines approved on 29 December 2022 by the Group’s sole shareholder, the Ministry of Energy of the Republic of Lithuania. These guidelines establish corporate governance principles applicable across all EPSO-G Group companies and regulate the governance organization model, management structure, and the system for management, control, and accountability.

The corporate governance guidelines enshrine seven key corporate governance principles:

- the principle of creating conditions for effective corporate governance, aimed at ensuring that Group management and necessary decisions are executed efficiently;
- the principle of proportionality, aimed at ensuring that the governance methods applied by EPSO-G are proportionate—i.e., that they do not create an unnecessary administrative burden;
- the principle of exercising shareholder rights, aimed at enabling the proper exercise of the rights and legitimate interests of all shareholders;
- the principle of stakeholder engagement, which recognizes the rights and expectations of stakeholders;
- the principle of transparency, aimed at ensuring that Group activities are organized transparently, with appropriate disclosure of material information; • the principle of responsibility and accountability of governing bodies, aimed at ensuring that these bodies perform their functions properly and in a timely manner, actively exercise their rights, and duly fulfil their duties;
- the principle of integrity, aimed at ensuring both vertical and horizontal integrity.

The EPSO-G Group draws upon good governance practices outlined in the recommendations published by the Organisation for Economic Co-operation and Development (OECD) and Nasdaq Vilnius, as well as other internationally recognized standards and good governance guidelines, the primary objective of which is to ensure the transparent and efficient management of state-owned enterprises.

We purposefully strive to earn trust through the strategic projects we implement and place great emphasis on operational transparency and accountability. This is also reflected in external assessments: the EPSO-G Group’s overall governance quality received an A rating in the Governance Coordination Centre’s Good Governance Index for 2024–2025.



EPSO-G group receiving
A rating in the group of
big companies in
governance rating
process.

Litgrid ratings:

- transparency (A+);
- strategic management (A+);
- collegial bodies (A).

7.3. Articles of association

Litgrid's Articles of Association are amended in accordance with the procedure established by the Law on Joint-Stock Companies, whereby the decision to amend the Company's Articles of Association is adopted by the General Meeting of Shareholders by a majority of at least two-thirds of the votes carried by the shares held by the shareholders participating in the meeting. The Articles of Association were not amended in 2025; the version of Litgrid's Articles of Association approved by the decision of the General Meeting of Shareholders on 30 April 2024—and registered in the Register of Legal Entities on 10 May 2024—remained in effect. You are invited to view Litgrid's Articles of Association on the company's website at www.litgrid.eu.

7.4. General meeting of shareholders

The General Meeting of Shareholders is the Company's supreme governing body. The competence of the General Meeting of Shareholders, as well as shareholders' rights and their exercise, are defined in the Law on Joint-Stock Companies; additional competence is established in Article 25 of the Company's Articles of Association.

The additional competence of the General Meeting of Shareholders provided for in the Company's Articles of Association relates to:

- the appointment and removal of Management Board members, the determination of their remuneration, and the conclusion of agreements with Management Board members and the setting of standard terms for such agreements;
- the recusal or non-recusal of Management Board members and decision-making in situations involving a conflict of interest among Management Board members, in cases specified in the Articles of Association;
- approval of Management Board decisions, as provided for in the Company's Articles of Association.

As of 30 June 2026, Litgrid had more than 5,800 individual and corporate shareholders. The parent company, EPSO-G, is the majority shareholder, holding 97.5% of the Company's shares.

Every shareholder entered in the Company's shareholder register by the record date (the fifth business day prior to the General Meeting of Shareholders) has the right to participate in the General Meeting of Shareholders and to exercise their right to participate in decision-making on matters falling within the competence of the General Meeting of Shareholders. Notices regarding the convening of the General Meeting of Shareholders, as well as all relevant information, annexes related to the agenda items, and the resolutions adopted at the General Meeting of Shareholders, are published on the Company's website. Notifications regarding the meetings are also submitted to Nasdaq Vilnius via its announcement dissemination system.

During the reporting period, four General Meetings of Shareholders were convened, at which the following resolutions were adopted:

Data	Main decisions
01-09	UAB KPMG Baltics (legal entity code 111494971) has been selected as the audit firm to audit Litgrid's financial statements and management report for the years 2026–2028, prepared in accordance with International Financial Reporting Standards as adopted by the European Union.
02-20	Approval was given to the Litgrid Management Board's decision to conclude a contract with AB Kauno Tiltai for the "Reconstruction of the 330 kV Aizkrauklė–Panevėžys overhead line, preparation of the detailed design, and construction works and the essential terms of this contract were approved.
03-13	Approval was given for the conclusion of a Litgrid humanitarian aid agreement, and the essential terms of this agreement were approved. Litgrid's financial statements for 2025 were approved.
04-17	Litgrid's profit allocation for 2025 was approved. Litgrid's 2025 remuneration report approved. A new version of the remuneration policy for the Litgrid CEO and Management Board members approved.

7.5. Board of Litgrid

The Board is a collegial management body of the Company. The competence of the Board, as well as the procedures for decision-making and the election and removal of its members, are established by legal acts and the Company's Articles of Association.

Under the current version of the Litgrid Articles of Association, the Board consists of 5 (five) members. Board members are elected for a 4 (four)-year term by the General Meeting of Shareholders, to which the Board is accountable.

A Board member may not serve for more than 2 (two) full consecutive terms and, in any event, may not serve continuously for more than 10 (ten) years. Board members are elected in accordance with the Description of the Selection Procedure for Candidates to the Board of a State-Owned or Municipality-Owned Enterprise and Candidates to a Collegial Supervisory or Management Body Elected by the General Meeting of Shareholders of a State-Owned or Municipality-Owned Company, approved by Resolution No. 631 of the Government of the Republic of Lithuania dated 17 June 2015.

In accordance with the requirements of the Articles of Association, the election process ensures that the Board includes at least 2 (two) independent members, with their independence determined based on the independence criteria set forth in the Law of the Republic of Lithuania on the Management, Use, and Disposal of State and Municipal Assets. When forming the Management Board, it is ensured that at least three (3) members have no employment relationship with the Company; furthermore, wherever possible, the aim is to avoid appointing Company employees to the Board.

The Management Board elects its chairperson from among its members. The Chairperson is elected from among the Board members nominated by the parent company. In its activities, the Management Board is guided by legal acts, the Company's Articles of Association, resolutions of the General Meeting of Shareholders, and the Management Board's Rules of Procedure.

A new Management Board was elected on 30 April 2024, comprising two (2) independent members (Tim Meyerjürgens and Pierre-Henri D'haene), one (1) member delegated by the Ministry of Energy who is a civil servant (Gediminas Karalius), and two (2) members delegated by the parent company EPSO-G (Tomas Varneckas and Mindaugas Keizeris).

The scope of authority of the Company's Management Board is the same as that established for management boards under the Law on Joint-Stock Companies, except for additional functions set forth in Articles 34–41 and 43 of the Company's Articles of Association.

7.5.1. Responsibilities of the Company's Management Board:

- approves the Company's operational strategy (including long-term and short-term financial and non-financial goals and/or performance indicators);
- approves the Company's budget;
- approves the Company's annual operational goals;
- makes decisions regarding significant Company transactions valued at EUR 3 million or more and approves the essential terms of such transactions;
- makes decisions regarding the setting of prices for electricity transmission and other state-regulated services, as well as the procedures for their application;
- makes decisions regarding the Company's 10-year electricity transmission network development plan;
- makes decisions regarding the commencement of new types of activities or the discontinuation of specific ongoing activities;
- makes decisions regarding the exercise of the Company's rights as a shareholder at the general meetings of shareholders of subsidiaries and associated companies;
- performs supervisory functions as provided for in the Law on Companies;
- decides on other matters assigned to the competence of the Management Board under the Company's Articles of Association and the Law on Companies.
- The Company's Management Board also performs supervisory functions:
- approves or rejects the conclusion of transactions with related parties, taking into account the opinion of the Audit Committee; approves the description of the procedure and conditions for the valuation of transactions with related parties concluded under ordinary market conditions in the course of ordinary business activities, as provided for in the Law on Joint-Stock Companies;
- supervises the activities of the Head of the Company and submits comments and proposals regarding the Head's activities to the General Meeting of Shareholders;
- considers the suitability of the Head of the Company for the position if the Company is operating at a loss;
- submits proposals to the Head of the Company to revoke decisions that conflict with laws and other legal acts, the Articles of Association, or decisions of the General Meeting of Shareholders or the Management Board;
- resolves other matters concerning the supervision of the Company and the activities of the Head of the Company that are assigned to the competence of the Management Board by the Articles of Association or by decisions of the General Meeting of Shareholders.

7.6. Litgrid Board members' competence matrix

During the selection of the new-term Litgrid Board, a board competency matrix was approved on December 17, 2023. A summary of the competency matrix, outlining the key areas of board member competencies, is presented below.

Board composition	Competencies of shareholder-nominated board members	Competencies of independent board members	Competence of the board member who is a civil servant
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	Board member 1	Board member 2	Board member 3	Board member 4	Board member 5
Areas of competence	Strategic and financial management	Infrastructure development	Technology / digitalization solutions	Business expansion	Implementation of NENS and oversight of national security interests

7.7. The Board (June 30th, 2026)

The current term of the Board is from 30 April 2024 to 30 April 2028.

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



Tomas Varneckas

Member, the Chairman of the Board since 22nd May 2024.

Experience: T. Varneckas has extensive experience in the implementation of strategically important infrastructure projects, including the European-gauge railway project Rail Baltica, the construction of electricity interconnections, the deactivation and dismantling of Ignalina Nuclear Power Plant facilities, the liquefied natural gas terminal, and other large-scale projects. T. Varneckas has served in the management teams of AB LTG Infra and UAB Sweco Lietuva.

Education: Vilnius Gedimino Technical University, bachelor's degree in environmental engineering; master's degree in engineering IT.

Other positions: Head of Infrastructure and Project Management at EPSO-G Group.



Mindaugas Keizeris

Member of the Board

Experience: M. Keizeris has extensive leadership experience – he spent ten years working within the Lietuvos energija Group (now the Ignitis Group), where he served as a member of the Group's Board and held positions on the boards and supervisory councils of subsidiary companies. Since 2018, he has served as the Chair of the Board and CEO of ESO, AB.

Education: Vilnius University, master's degree of International Business, Baltic Institute of Corporate Governance, Board Member Education

Other positions: CEO of EPSO-G Group.



Gediminas Karalius

Member of the Board

Experience: G. Karalius has accumulated extensive experience in the field of energy security, working with strategic electricity infrastructure projects as well as preparing and implementing strategic documents for Lithuania's energy sector – including the National Energy Independence Strategy (NENS), the National Energy and Climate Action Plan (NEKSVP), and other sectoral programmes.

Education: Mykolas Romeris University, bachelor's degree in law and management; master's degree in EU Law. ISM University of Management and Economics, Master of Business Administration.

Other positions: Senior Adviser at the Energy Security Group, Ministry of Energy of the Republic of Lithuania



Tim Meyerjürgens

Independent Member of the Board

Experience: Tim Meyerjürgens is responsible for the strategic development of TenneT Germany, long term grid planning, political and regulatory affairs, legal affairs, and the Board Office, which oversees executive and governance processes. His career began at Preussen Elektra and E.ON Netz. Since 2010, he has held various senior positions within TenneT's offshore business. In 2019, he became CEO of TenneT Holding B.V. and CEO of several TenneT group companies.

Education: University of Applied Sciences Oldenburg/Ostfriesland/Wilhelmshaven, Diploma in Electrical Engineering.

Other positions: CEO of the German transmission system operator TenneT.



Pierre-Henri D'haene

Independent Member of the Board

Experience: Pierre-Henri D'haene currently serves as the Head of Strategy, Transformation and Sustainability at the Belgian electricity transmission system operator Elia. He has extensive board-level experience, including roles at Litgrid, Watt4Ever, and GUBERNA. He is a member of Belgium's 40 Under 40 programme and lectures as a guest lecturer at Vlerick Business School and the University of Exeter. His previous experience includes senior leadership positions at Capgemini Engineering and EDF Luminus.

Education: Polytechnic School of Louvain, master's degree in mechanical engineering; Cornell SC Johnson College of Business, MBA in corporate and sustainable finance.

Other positions: Head of Strategy, Transformation and Sustainability at Elia Transmission Belgium.

All the CVs of the Board members, CEO and management team are published on www.litgrid.eu

7.8. Activities of the Board

In accordance with the guidelines for the annual performance self-assessment of the Group's collegial bodies approved by the EPSO-G Remuneration and Nomination Committee, the Litgrid Management Board conducted a self-assessment of its performance for 2025 in early 2026.

During the Board's self-assessment session on January 28, 2026, areas for improvement were identified, and actions were agreed upon regarding future strategic needs for 2026 and digitalization, as well as gaining a deeper understanding of Lithuanian energy sector participants; it was also agreed to hold a strategic discussion with the shareholder regarding the appetite for sustainability initiatives and public expectations in this area.

In accordance with the guidelines for the annual performance self-assessment of the Group's collegial bodies, the EPSO-G Remuneration and Nomination Committee consolidates the overall performance assessments of all the Group's collegial bodies and submits the results to the Management Board.

During the reporting period, 10 Management Board meetings took place; decisions were adopted via written vote in 4 of these meetings.

Attendance at 2026 Board meetings and decisions adopted

Nr.	Board member s	Attendance
1.	Tomas Varneckas	10/10
2.	Mindaugas Keizeris	10/10
3.	Gediminas Karalius	10/10

4.	Pierre-Henri D'haene	10/10
5.	Tim Meyerjürgens	10/10

The Management Board plans and conducts its activities in accordance with the annual Management Board activity plan. On 18 December 2025, the Management Board approved the 2026 Management Board activity plan, which was duly implemented by 30 June 2026.

Key issues considered and key decisions adopted by the Litgrid Management Board in 2026:

01

January

A decision was made to remove Rokas Masiulis from the position of Head of Litgrid effective February 23, 2026, with February 22, 2026, being his last day in the role.

A decision was made to elect Andrius Šemeškevičius as the Head of Litgrid for an initial five-year term, running from February 23, 2026, to February 23, 2031.

Litgrid's updated strategy through 2035 was approved.

Litgrid's objectives for 2026 were approved; these are identical to the objectives set for the Head of the company.

Litgrid's 2026 budget was approved.

A decision was made to enter into a contract with AB Kauno Tiltai for the procurement of 330 kV-controlled shunt reactors and to approve the essential terms of this contract.

A decision was made to enter a design (preparation of detailed designs) and construction contract with UAB Žilinskis ir Co for the construction of the Kretinga Traction Transformer Substation and its connection to the transmission grid, and to approve the essential terms of this contract.

A decision was made to enter into a contract with AB Kauno Tiltai for the reconstruction of the 330 kV Aizkrauklė–Panevėžys overhead line, including the preparation of the detailed design and construction works, and to approve the essential terms of this contract. A decision was also made to convene an extraordinary general meeting of shareholders.

A decision was made to supplement the resolution adopted on July 7 regarding the transaction for the "Reconstruction of the 110 kV switchyard at the 110/10 kV Riešė Transformer Substation and a section of the 110 kV overhead line Neris-VE3" with AB Kauno tiltai and the approval of the contract's essential terms; the supplement adds new provisions authorizing the CEO Litgrid to make decisions regarding the amendment of a material contract term—specifically, the contract price.

A decision was adopted to enter into a contract with UAB TETAS for the "Reconstruction of the 110 kV switchyard at the 110/35/10 kV Leipalingis Transformer Substation" and to approve the essential terms of this contract.

A decision was adopted to enter into a settlement agreement, and the essential terms of said agreement were approved.

The report on the implementation of "Litgrid's" 2025 operational goals was approved.

A decision was adopted regarding the performance evaluation and financial incentive for Litgrid CEO Rokas Masiulis for 2025.

A self-assessment session regarding the Board's activities was held, during which an improvement plan for the Board's operations in 2026 was developed.

02

February

A decision was adopted to enter into agreements for the provision of humanitarian aid and to approve the essential terms of these agreements. A decision was also adopted to convene an extraordinary general meeting of shareholders.

A decision was adopted to enter into a contract with Hitachi Energy Estonia AS for the procurement of 110 kV circuit breakers and to approve the essential terms of this contract.

On March 15, the 2023 implementation report for the EPSO-G Group's operational strategy up to 2030 was approved. A plan for improving the Board's operations in 2024 was drawn up. A revised list of priority areas for compliance within EPSO-G was approved.

03

March

A decision was adopted to supplement the Litgrid Board's decision of 18 June 2025 regarding the conclusion of the Reconstruction of the 110 kV overhead line Kuršėnai–Kanteikiai" transaction with UAB Žilinskis ir Co and the approval of the contract's essential terms; the supplement adds new clauses authorizing the Head of Litgrid to make decisions regarding the amendment of a material contract term the contract price.

04

April

The standard essential terms of the design and construction contract, previously approved by the Litgrid Board's decision of 29 April 2025, were amended.

An assessment of the independence of Board members was conducted.

Litgrid's 2025 management report and 2025 remuneration report were approved.

Litgrid's 2025 financial statements and the profit allocation proposal were endorsed, and a decision was made to convene the Ordinary General Meeting of Shareholders.

The report on the implementation of Litgrid's operational strategy up to 2035 for the year 2025 was approved; the 2023 profit allocation proposal was endorsed, and the Ordinary General Meeting of Shareholders was convened. A decision was made to enter into an overdraft agreement and to approve the essential terms of said agreement.

A decision was made to amend the loan agreement dated 18 December 2014 (FI No. 83.748 Serapis No. ...). 2014-0100 (Transferable loan agreement): to sign a tripartite debt transfer agreement between Litgrid, UAB EPSOG, and the European Investment Bank, and to approve the essential terms of this agreement.

A decision was made to enter into a loan agreement with UAB EPSO-G and to approve the essential terms of this agreement.

A decision was made to enter into a contract with UAB Žilinskis ir Co for the design (technical design) and construction of the Griškonys–Varėna 110 kV electricity transmission line, and to approve the essential terms of this agreement.

05

May

A decision was made to enter into a contract with UAB TETAS for the operation of 110–400 kV overhead lines in the Western Region, and to approve the essential terms of this agreement.

A decision was made to enter into a contract with UAB DS1 Service for the operation of 110–400 kV transformer substations in the Southern Region, and to approve the essential terms of this agreement.

A decision was made to enter into a contract with UAB Connecto Lietuva for the operation of 110–400 kV transformer substations in the Northern Region, and to approve the essential terms of this agreement.

The direction of Litgrid's support activities for 2026 was determined.

A decision was made to join the Lithuanian Project Management Association (legal entity code 300035068).

Decisions were adopted regarding voting at the General Meeting of Shareholders of Baltic RCC OÜ, an associate of Litgrid (approval of the audited annual report for 2025 and the profit allocation for 2025).

A decision has been made to conclude a contract for a Counter-UAS system (stationary), and the essential terms of this contract have been approved.

06

June

A decision has been made to conclude a contract for the "Reconstruction of the Kuršėnai–Kanteikiai 110 kV overhead line," and the essential terms of this contract have been approved.

A decision has been made to conclude a contract for the operation of 110–400 kV overhead lines in the Southern Region, and the essential terms of this contract have been approved.

7.8.1. CEO area of responsibility

The Head of the Company is the sole management body of the Company, appointed by the Litgrid Board based on recommendations from the Remuneration and Nomination Committee. The scope of authority of the Head of the Company is consistent with that established in the Law on Joint-Stock Companies, subject to any additional powers specified in the Articles of Association. The Head of the Company:

- Organizes and oversees the Company's day-to-day operations and makes decisions regarding the Company's activities.
- Ensures the implementation of the Company's strategy and the execution of decisions made by the General Meeting of Shareholders and the Board within the Company.
- Enters transactions on behalf of the Company, etc.

The remuneration of the Head of the Company is determined in accordance with the Litgrid Remuneration Policy for the Head of the Company and Board members, as approved by the Litgrid General Meeting of Shareholders.

The remuneration system for the Head of the Company comprises the following components: (i) monthly remuneration; (ii) supplements as established in the Labour Code of the Republic of Lithuania, the Company's internal regulations, and collective agreements; (iii) financial incentives; (iv) one-off bonuses for results of exceptional importance and the implementation of innovations; (v) additional benefits; and (vi) non-financial remuneration.

The basis for determining the monthly remuneration of the Head of the Company is the job level of the position, as approved by the Company's Board. To evaluate and determine the position level of the Company's head, the EPSO-G Group employs a method recognized in international practice and widely applied in the Lithuanian market. The reference point for the Company head's monthly remuneration is established by assessing the general remuneration levels of heads of state-owned enterprises of similar size and/or strategic importance—taking into account independent remuneration survey data and market trends—as well as by considering the Government of the Republic of Lithuania's recommendations regarding the remuneration of executives at state-owned enterprises. The Company head's monthly remuneration is set and adjusted by a decision of the Company's Board, based on the head's experience, competence, and performance results.

The Company's Board, acting in accordance with the remuneration policy for the Head of Litgrid and Board members and the remuneration, performance assessment, and development policy of the EPSO-G group of companies, sets objectives and performance quality criteria for the Head of the Company, evaluates their achievement, and awards financial incentives. The specific amount of the incentive for the Head of the Company is determined by the Board based on the results of the assessment of objective achievement, the assessment of values, and the assessment of performance quality. Remuneration in the form of Company shares is not paid to the Head of the Company.

Upon the termination of the employment contract, the Head of the Company may be paid a severance payment by decision of the Board, except in cases where the dismissal is due to the individual's culpable actions or where the employment contract is terminated at the initiative of the Head of the Company without valid reasons. The amount of the severance payment is specified in the employment contract concluded with the Head of the Company, taking into account the recommendation of the Remuneration Committee, which may be submitted separately or through the approval of a standard employment contract template for the executive. The employment contract of the Head of the Company does not include provisions regarding supplementary pensions or early retirement.

Rokas Masiulis's term of office ended in 2026, and Andrius Šemeškevičius assumed the position.



Andrius Šemeškevičius

CEO since 23rd February 2026

Experience: An experienced executive with more than ten years of leadership experience in large telecommunications, ICT, and retail organisations across the Baltic region. He has held roles as Chief Technology Officer, Board Member, and Head of Transformation, overseeing technology units of up to 1,400 employees and leading major network, IT, and organisational modernisation initiatives. He is recognised for technological leadership, strategic vision, and the ability to deliver complex, high impact programmes in dynamic environments.

He has extensive experience in telecommunications networks (5G, IP, fixed-mobile integration), enterprise IT, BSS transformations, SAP environments, and largescale digitalisation, as well as in driving cultural change, improving operational performance, and fostering sustainable business growth.

Education: Vilnius Gediminas Technical University (VGTU), bachelor's degree in informatics, Engineering Informatics programme; VGTU, master's degree in informatics engineering, Information Technologies programme; The Wharton School, Executive Education, Saïd Business School, University of Oxford, UK, Digital Transformation for Senior Executives.

Mr. Šemeškevičius does not hold any shares of Litgrid.

7.9. Governance and control

The governance of the Company is also subject to the legal acts of the Republic of Lithuania governing state-owned or state-controlled enterprises—to the extent applicable to companies within the EPSO-G group—and to the Governance Code, except where the Company's Articles of Association provide otherwise.

In accordance with the EPSO-G group's integrated planning and monitoring policy—which applies directly to the Company in its entirety—the Company develops a strategy covering a 5–10 year period; this strategic period must align with that of the parent company. Currently, the Company's strategy covers a 10-year period extending to 2035. The implementation of the strategic goals set out in the Company's strategy is ensured through the Company's operational execution, control, and risk management systems. The Company's strategy is approved, and its implementation overseen, by the Management Board. A system for the monthly monitoring of strategy implementation has been established within the Company.

The Company's activities as a transmission system operator are regulated by the national regulatory authority—the National Energy Regulatory Council (hereinafter referred to as the "Council"). Within its remit, the Council performs state regulatory

functions for the electricity sector in the Republic of Lithuania, including the supervision and control of regulated energy activities and the proper exercise of the rights and obligations of electricity sector companies and consumers. The Head of the Company implements the Company's strategy and operational plan and organizes the activities of the Company's administration. The Company's management team consists of the Head of the Company, the Head of the Finance Department, the Head of the System Management Department, the Head of the Transmission Network Department, the Head of the Strategic Infrastructure Department, the Head of the Strategy Department, and the Head of the ITT and Administration Department. The composition of the Company's management is disclosed on the Company's website.

Principles of good governance are implemented within the corporate governance framework. In its operations, the Company adheres to the policies of the EPSO-G group of companies, which are publicly available on the Company's website. The Company's internal control systems are supported by its governance structure, organizational culture, implemented good governance practices, and the ongoing implementation of process management. Notably, oversight is exercised by the EPSO-G Management Board, while the Group's Remuneration and Nomination Committee and the Audit Committee provide recommendations, proposals, and conclusions regarding key issues of the Company's operations. The internal control system is initiated by the Company's Management Board and implemented by the administration, with support from the EPSO-G Audit Committee, external independent auditors, and units supporting core operations. The procedures and policies in place at the Company ensure the reliability of financial accounting and reporting, compliance with legal acts, operational efficiency, and the achievement of operational objectives.

During the reporting period, the corporate governance of the EPSO-G Group was conducted in accordance with the EPSO-G Group Corporate Governance Guidelines, approved on 29 December 2022 by the sole shareholder, the Ministry of Energy of the Republic of Lithuania. These guidelines establish corporate governance principles applicable across all EPSO-G Group companies and regulate the governance organization model, management structure, and the system for management, control, and accountability.

7.9.1. Shareholders

Since December 22, 2010, Litgrid shares have been listed on the NASDAQ OMX Vilnius Secondary List (ISIN code LT0000128415).

During the reporting period, Litgrid did not acquire or dispose of its own shares.

Litgrid's authorized capital amounts to EUR 146,256,100.20, divided into 504,331,380 ordinary registered shares. The nominal value of a single share is EUR 0.29.

97.5% of Litgrid shares are held by UAB EPSO-G (Laisvės Ave. 10, Vilnius; company code 302826889), 100% of whose shares are owned by the Ministry of Energy of the Republic of Lithuania. UAB EPSO-G holds a decisive vote in the decision-making process at the General Meeting of Shareholders.

The Company has not been informed of any agreements between shareholders that might restrict the transfer of securities and/or voting rights. There are no restrictions on voting rights within the Company.

Since September 15, 2020, securities accounting and related services for Litgrid have been provided by AB SEB bankas.

Data on trading in Litgrid securities on regulated markets:

Indicators	2023	2024	2025	2026
Opening price, EUR	0.805	0.702	0.685	0.838
High price, EUR	0.805	0.78	0.8	1.17
Low price, EUR	0.63	0.65	0.5	0.838
Last price, EUR	0.7	0.685	0.7	1.075
Turnover (units)	435 981	386 009	558 821	331 422
Turnover (EUR million)	0.27	0.39	0.48	0.31
Market capitalization (EUR million)	345.47	393.38	422.63	542.16

7.9.2. Dividend policy

On August 18, 2017, the Board of Litgrid decided to apply in full the EPSO-G Group dividend policy, which had been approved by the Board of UAB EPSO-G on July 14, 2017 (and updated on February 7, 2020). The EPSO-G dividend policy governs the procedures for determining, paying, and announcing dividends for all companies within the Group and establishes clear guidelines regarding expected returns on equity and investment for current and potential shareholders; at the same time, it ensures sustainable long-term growth in corporate value and the timely implementation of strategic projects of national importance, while purposefully strengthening confidence in the entire energy transmission and exchange group.

At the Ordinary General Meeting of Shareholders of Litgrid held on April 17, 2026, a decision was made to allocate the Company's 2025 profit and to pay a dividend of EUR 0.0540 per share.

Year	2025	2024	2023	2022	2021
Dividends, EUR for one share	0,0540	0,049	0,058	0	0,01

08

Our employees and
remuneration report

8. Our employees and remuneration report

8.1. Employees

Litgrid aims to build a progressive organizational culture grounded in sustainability principles. Key elements of this culture include caring for employee well-being and professional development; fostering a culture of workplace safety and equal opportunities; building open, trust-based relationships with local communities; and ensuring customer satisfaction with the services provided.

The company aspires to be recognized by most suppliers, producers, consumers, employees, communities, and other stakeholders as an organization that upholds sustainability principles.

Litgrid adheres to the employee remuneration, performance assessment, and development policy in effect across the EPSO-G group of companies, the core principles of which are:

- To create motivating incentives and conditions that encourage employees to achieve better performance results, contribute more actively to the achievement of the Company's and the Group's objectives, and go beyond the formal fulfilment of their duties.
- To encourage employees to develop innovative, non-standard solutions and continuously improve operations.
- To ensure equal pay for work of equal value in terms of responsibilities, competencies and contribution to results.
- To attract and retain qualified employees.
- The principles of the Remuneration Policy are identical for managers and employees.
- The remuneration budget is approved by the companies' Boards. The Remuneration and Nomination Committee monitors the balance between payroll cost control and the incentivisation of employees who perform their duties effectively.
- The remuneration of managers and employees consists of two components: monthly remuneration and financial incentives.
- Monthly remuneration depends on the employee's position level and competencies, while financial incentives depend on the achievement of the relevant Group company's annual objectives and the employee's individual performance evaluation.
- Financial incentives are not paid to an employee if performance results do not meet expectations based on the established evaluation criteria.
- The amount allocated for financial incentives is included in the Company's budget and recognised in its financial results, which are audited and publicly disclosed.
- The financial incentive for the Company's CEO depends on the achievement of the Company's annual objectives, which are linked to the implementation of the Company's strategy and are publicly disclosed on the Company's website.
- Severance payments for managers and employees do not exceed the amounts established by the laws of the Republic of Lithuania.
- A bonus may be granted for results of exceptional importance.
- The relevant Group company's Board must be informed of any planned financial incentives and bonuses at its next meeting.
- No advance agreements on the amount of severance payments are concluded, except in the case of company CEOs whose employment conditions are determined by the Board.
- Severance payments to employees are made in accordance with the Labour Code and the provisions of their employment contracts.

The remuneration policy does not provide for any remuneration granting an executive, a member of a collegial body, or an employee the right to shares, stock options, or remuneration based on share price fluctuations or other financial instruments.

Based on these principles, the Company's remuneration system focuses on a combination of financial and non-financial remuneration elements. The elements of the remuneration package include the fixed component (i.e., monthly salary), financial incentives (remuneration paid at the Company's initiative and discretion, based on the Company's performance results and the employee's performance evaluation), one-off bonuses, additional benefits, and emotional rewards. Emotional rewards constitute the non-financial component of total remuneration, enriching employee well-being and fostering employee effort, engagement in the Company's activities, and loyalty.

Additional benefits are provided to all employees and are outlined in the Litgrid collective agreement and other internal Company documents.

As of June 30, 2026, Litgrid employed 506 people.

Age distribution	Number of employees HY 2026
Younger than 30	55

30–50	339
Older than 50	112
Total	506

The workforce is balanced in terms of age and education, with a natural blend of younger, mid-career, and highly experienced specialists. This composition ensures smooth knowledge transfer, a synergy between innovation and experience, and stable team growth.

Education	Number of employees HY 2026
University	469
College	15
Professional	4
High school	18
Total	506

To promote gender equality, we apply clear criteria for recruitment, remuneration, career advancement, and performance assessment, ensuring equal opportunities for all employees.

Sex	Number of employees HY 2026
Female	151
Male	355
Total	506

Time of employment	Number of employees HY 2026
Up to 5 years	277
5–9 years	110
More than 10 years	119
Total	506

Employee remuneration in 5 years

Average remuneration in hy2021–2026 m., Eur	HY 2026	HY2025	HY 2024	HY 2023	HY 2022
CEO	13 320	14015	13 322	12 557	11 769
Top level management	10 782	10224	9 719	9 783	8 348
Mid level management	6 731	6 585	6 067	6 111	5 051
Experts-specialists	4 350	4 216	3 795	3 775	3 093
Average remuneration	4 809	4 692	4 259	4 265	3 510

8.2. Remuneration of collegial bodies

The procedure for the payment of remuneration to members of the Management Boards of UAB EPSO-G and Litgrid is established by the Description of the Procedure for the Payment of Remuneration to Members of Collegial Bodies of State-Owned and Municipality-Owned Enterprises, approved by Resolution No. 1092 of the Government of the Republic of Lithuania dated 14 October 2015 (with the latest amendments adopted on 3 August 2023), and by the updated Guidelines for Determining Remuneration for Activities in the Bodies of EPSO-G and EPSO-G Group Companies (hereinafter – the Remuneration Guidelines), approved on 26 April 2024 by the Ministry of Energy of the Republic of Lithuania (the sole shareholder of the parent company UAB EPSO-G), which are published on the UAB EPSO-G website at www.epsog.lt. The Company also adheres to the

remuneration policy for the CEO and the Management Board, updated on 30 April 2024 and approved by the General Meeting of Shareholders of Litgrid, which is publicly available on the Company's website. The currently effective version of the Remuneration Guidelines establishes that remuneration for service on the collegial bodies of Group companies may be paid to members who meet at least one of the following conditions, provided that such payment is not prohibited by the legal acts in force in the Republic of Lithuania:

- independent members (with independence determined in accordance with applicable legal acts and internal documents);
- members who are civil servants.

Remuneration for service on the Management Board is not paid to employees of UAB EPSO-G Group companies and/or employees of the shareholders of Group companies.

Position	Monthly remuneration
The Chairman of the Board	1/3 CEO AMR*
The member of the Board	¼ CEO AMR
Member of the board (civil servant)	1/5 CEO AMR**

* CEO AMR – average Litgrid CEO monthly remuneration

** In the event that a board member (civil servant) also serves on the collegial body of another state-owned enterprise/company or municipality-owned enterprise/company, they are paid remuneration amounting to one-eighth (1/8) of the average monthly salary of the Company's head.

The fixed monthly remuneration for board members is calculated based on the average monthly salary accrued and paid to the Company's head during the preceding calendar year (as of the time the remuneration is set) and remains unchanged throughout the board member's term of office, unless the previously established remuneration ceases to comply with requirements set forth in legal acts.

No variable remuneration component is established for board members; thus, the ratio between the variable and fixed components is 100% fixed.

By the decision of the General Meeting of Shareholders of Litgrid held on 30 April 2024, the following fixed monthly remuneration amounts (before taxes) were established for board members, effective from 30 April 2024.

Position	Monthly fixed remuneration EUR
Chairman of the Board (independent)	4 600
Member of the Board (independent)	3 500
Board member (civil servant), if the civil servant does not hold a position or perform duties in the collegial body of another state-owned enterprise (SOE) and/or municipal enterprise (ME)*	2 800
Board member (civil servant), if the civil servant holds a position and carries out activities in the collegial body of another state-owned enterprise (SOE) and/or municipal enterprise (ME).	1 800

* VĮ – state-owned enterprise, VVĮ – state-controlled enterprise, SĮ – municipal enterprise, SVĮ – municipality controlled enterprise
Civil contracts have been concluded with all members of the company's board regarding their activities on the board; these contracts detail the board members' responsibilities, duties, rights, and functions.

Remuneration of Litgrid board members, EUR

	HY 2026	HY 2025	HY 2024	HY 2023	HY 2022
Tomas Varneckas	-	-	-	-	-
Mindaugas Keizeris	-	-	-	-	-
Gediminas Karalius	16 800	16800	14700	11286	607
Tim Meyerjürgens	21 000	21000	21000	-	-
Pierre-Henri D'haene	21 000	21000	21000	-	-

No other bonuses, tantièmes, or payments were made to the members of the Board in 2025.

The monthly remuneration and financial incentive of the Company's CEO are determined by the Board, while remuneration and incentives for senior executives are determined by the CEO in accordance with the Group's Remuneration, Performance Evaluation and Development Policy. Financial incentives for the CEO and management are paid once a year, subject to the Board's approval of the achievement of the Company's objectives.

During the reporting period, the composition of the Board consisted of 100% men. The Company's Board was formed on 30 April 2024, at a time when legislation regarding gender balance on boards was not yet in force.

The Group's Recruitment Policy applies to the selection of the Company's CEO, while the selection of Board members is governed by the Description of the Selection Procedure for Candidates to the Collegial Supervisory or Management Body of a State or Municipal Enterprise, a State- or Municipality-Controlled Company, or Its Subsidiary, approved by Resolution No. 631 of the Government of the Republic of Lithuania dated 15 June 2015, as well as by the Group's Recruitment Policy.

The objective of the Group's Recruitment Policy is to establish common recruitment principles and practices throughout the Group to ensure the transparent selection of the best candidates possessing the required qualifications, skills, experience and values for positions on collegial bodies, management roles at all levels and employee positions, thereby contributing effectively to the achievement of the objectives of individual Group companies and the Group as a whole.

The Group's Equal Opportunities Policy defines the key principles applied across EPSO-G group companies to ensure compliance with equal opportunities and non-discrimination principles in all areas of employment relations.

The Group aims to increase gender diversity at the highest levels of management and has therefore established the following targets: to achieve at least 21% representation of women on boards and in senior management positions (CEO and department heads) by 2027, and at least 30% by 2035. To achieve these objectives, inclusive recruitment principles are applied, unconscious bias is addressed through training and discussions, policies are reviewed, and the composition of the succession pipeline is monitored by gender. In 2025, a recruitment process for the position of CEO was conducted, and the services of an external recruitment agency were procured through a public procurement procedure. The recruitment agency, as well as the selection committee, was informed of the applicable criteria aimed at ensuring the established proportion of the underrepresented gender (a statutory requirement that is recognised and applied as a relevant measure). In the Group-wide procurement currently being planned for recruitment services for members of collegial bodies and senior executive positions, these legal requirements are included in the technical qualification criteria. In pursuit of the strategic objective of improving gender balance within the Group, job titles in vacancy announcements are primarily presented in the feminine form.

Gender balance has not yet been achieved due to structural factors in the energy sector, including a limited pool of female candidates in technical fields and board tenure cycles that restrict the pace of change. The Group consistently strengthens talent development, leadership competencies and an inclusive culture in pursuit of long-term progress.

8.2.1. Remuneration policy

The EPSO-G Group companies implement an employee remuneration, performance assessment, and development policy (hereinafter – the "EPSO-G Remuneration Policy") based on the principles of responsibility, transparency, and accountability. The aim of this policy is to ensure the efficient management of wage costs and to create motivating incentives so that remuneration levels are directly linked to the achievement of goals by both the Group companies and individual employees.

The EPSO-G Remuneration Policy defines executive and employee remuneration as consisting of two main components: monthly remuneration and financial incentives. Monthly remuneration is determined based on the level of responsibility associated with a position, assessed using an internationally recognized methodology. Financial incentives are linked to the results of achieving Group company goals; such incentives may be awarded only when a specific Group company achieves at least 80% of its annual goals. In light of objective and justified circumstances, and after assessing their impact on the company's operations, the company's Board may decide to lower the minimum threshold for goal achievement required for financial incentives. Financial incentives for individual employees depend on individual performance assessment results, which encompass goal achievement, social values, and performance quality criteria. In accordance with international good governance practices, the EPSO-G remuneration policy is approved or amended by the Management Board following recommendations from the Remuneration and Nomination Committee.

Further details regarding the EPSO-G remuneration, performance assessment, and development policy are [available here](#).

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Special obligations



9. Special obligations

Litgrid does not hold special obligations

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Financial report



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INTEREM STATEMENT OF FINANCIAL POSITION

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (All amounts in EUR thousands unless otherwise stated)

	Notes	At 30 June 2026	At 31 December 2025
Assets			
Non-current assets			
Intangible assets	4	4,574	4,204
Property, plant and equipment	5	575,664	525,911
Right-of-use assets	6	4,224	4,485
Investments in a joint venture		52	77
Deferred income tax assets		16,194	18,941
Total non-current assets		600,708	553,618
Current assets			
Inventories		112	66
Trade receivables	7	58,927	61,236
Other financial assets at amortised cost	8	167,488	158,180
Other current non-financial assets	9	42,710	38,915
Cash and cash equivalents	10	55	4,397
Total current assets		269,292	262,794
Total assets		870,000	816,412
Equity and liabilities			
Equity			
Share capital		146,256	146,256
Share premium		8,579	8,579
Revaluation reserve		18,240	18,964
Legal reserve		14,626	14,626
Other reserves		51,818	43,192
Retained earnings		39,724	35,860
Total equity		279,243	267,477
Non-current liabilities			
Loans	13	-	18,000
Financial borrowings from group companies	13	16,000	-
Lease liabilities	14	4,291	4,308
Other non-current financial liabilities at amortised cost	17	184	261
Congestion management funds	18	363,244	312,406
Provisions	19	1,123	1,123
Other non-current non-financial liabilities	20	11,863	10,598
Total non-current liabilities		396,705	346,696
Current liabilities			
Loans	13	-	4,027
Short-term loans to group companies	13	4,016	-
Lease liabilities	14	123	361
Trade payables	16	88,467	78,972
Other current financial liabilities at amortised cost	17	8,901	4,915
Congestion management funds	18	67,959	87,272
Provisions	19	130	169
Other current non-financial liabilities	20	24,456	26,523
Total current liabilities		194,052	202,239
Total liabilities		590,757	548,935
Total equity and liabilities		870,000	816,412

INTEREM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (All amounts in EUR thousands unless otherwise stated)

	Notes	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Revenue	22	266,965	208,362
Other income	23	550	661
		267,515	209,023
Expenses for purchase of electricity and related services	24	(186,892)	(224,140)
Wages and salaries and related expenses		(12,619)	(11,555)
Repair and maintenance services		(5,459)	(5,018)
Other expenses	25	(10,018)	(8,603)
		(214,988)	(249,316)
EBITDA		52,527	(40,293)
Dividend income		-	68
Depreciation and amortisation	4,5,6	(11,865)	(11,656)
Assets write-off expenses (reversal)		(370)	(80)
Operating profit/(loss) (EBIT)		40,292	(51,961)
Financial income		1,589	2,536
Financial costs		(135)	(165)
Financial income (costs) net		1,454	2,371
Profit/(loss) before income tax		41,746	(49,590)
Income tax	21		
Deferred income tax income		(2,746)	7,675
Total income tax		(2,746)	7,675
Profit/(loss) for the period		39,000	(41,915)
Total comprehensive income/(expenses) for the period		39,000	(41,915)
Basic and diluted earnings/(deficit) per share (in EUR)		0.077	(0.083)

All amounts are in EUR thousands unless otherwise stated)	Notes	For the three months period ended at 30 June 2026	For the three months period ended at 30 June 2025
Revenue from electricity transmission and related services		108,530	100,284
Other income		295	14
		108,825	100,298
Expenses for purchase of electricity and related services		(89,523)	(99,791)
Wages and salaries and related expenses		(5,978)	(5,830)
Purchases of repair and maintenance services		(3,299)	(3,083)
Other expenses		(5,270)	(4,093)
		(104,070)	(112,797)
EBITDA		4,755	(12,499)
Dividend income		-	68
Depreciation and amortisation		(5,963)	(5,895)
Assets write-off expenses (reversal)		(343)	(68)
Operating profit/(loss) (EBIT)		(1,551)	(18,394)
Financial income		843	915
Financial costs		(65)	(80)
Financial income (costs) net		778	835
Profit/(loss) before income tax		(773)	(17,559)
Income tax			
Deferred income tax income		2,601	2,688
Total income tax		2,601	2,688
Profit/(loss) for the period		1,828	(14,871)
Other comprehensive income (expenses) that will not be reclassified to profit or loss			
Total comprehensive income/(expenses) for the period		1,828	(14,871)
Basic and diluted earnings/(deficit) per share (in EUR)		0.004	(0.029)

INTEREM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (All amounts in EUR thousands unless otherwise stated)

	Note	Share capital	Share premium	Legal reserve	Revaluation reserve	Other reserves	Retained earnings/(deficit)	Total
Balance at 1 January 2025		146,256	8,579	14,626	20,830	500	67,404	258,195
Comprehensive income/(expenses)		-	-	-	-	-	(41,915)	(41,915)
Depreciation of revaluation reserve and amounts written off		-	-	-	(800)	-	800	-
Transfer to reserves		-	-	-	-	42,692	(42,692)	-
Dividends	11	-	-	-	-	-	(24,712)	(24,712)
Balance at 30 June 2025		146,256	8,579	14,626	20,030	43,192	(41,115)	191,568
Balance at 1 January 2026		146,256	8,579	14,626	18,964	43,192	35,860	267,477
Comprehensive income/(expenses) for the period		-	-	-	-	-	39,000	39,000
Depreciation of revaluation reserve and amounts written off		-	-	-	(724)	-	724	-
Transfer to reserves		-	-	-	-	8,626	(8,626)	-
Dividends	11	-	-	-	-	-	(27,234)	(27,234)
Balance at 30 June 2026		146,256	8,579	14,626	18,240	51,818	39,724	279,243

INTEREM STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (All amounts in EUR thousands unless otherwise stated)

	Notes	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Cash flows from operating activities			
Profit/(loss) for the period		39,000	(41,915)
Adjustments for non-cash items:			
Depreciation and amortisation expenses	4,5,6	11,865	11,656
Loss on write-off of property, plant and equipment		370	80
Impairment/(reversal of impairment) of assets		-	7
(Gain)/loss on disposal/write-off of property, plant and equipment	23	(109)	(21)
Income tax expenses/(income)		2,746	(7,675)
Increase (decrease) in provisions	19	(39)	-
Reversal of other non-monetary expenses (income)		13	38
Elimination of results of financing and investing activities:			
Dividend income		-	(68)
Other finance costs/(income)		(1,454)	(2,371)
Changes in working capital:			
(Increase) decrease in trade receivables and other financial and non-financial assets		5,080	(18,037)
(Increase) decrease in inventories, prepayments and deferred expenses		(3,216)	(1,560)
Increase (decrease) in trade payables, grants and other financial and non-financial liabilities		13,821	(25,854)
Revenue generated from congestion management			
Changes in other financial assets		3,892	616
Net cash inflow/(outflow) from operating activities		71,969	(85,104)
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets		(70,478)	(56,843)
Sold of property, plant and equipment and intangible assets		109	-
Grants received	12	30	17
Congestion management revenue received		31,948	30,079
Loans recovered (granted) to related parties		(9,816)	136,931
Dividends received		-	53
Interest received		1,531	2,960
Net cash inflow/(outflow) from investing activities		(46,676)	113,197
Cash flows from financing activities			
Loans received			
Repayments of borrowings	15	(2,000)	(3,072)
Loans recovered (granted) to related parties			
Settlement of lease liabilities	14.15	(255)	(226)
Interest paid	15	(146)	(170)
Dividends paid		(27,234)	(24,631)
Net cash (outflow) from financing activities		(29,635)	(28,099)
Increase/(decrease) in cash and cash equivalents		(4,342)	(6)
Cash and cash equivalents at the beginning of the period	10	4,397	113
Cash and cash equivalents at the end of the period	10	55	107

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

CONDENSED NOTES TO THE COMPANY'S INTEREM FINANCIAL STATMENTS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

1. General information

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

Litgrid is the electricity transmission system operator in Lithuanian. We maintain high-voltage electricity transmission networks and secure the stable operation of the country's electricity system, manage electricity flows, and create conditions for competition in the free electricity market. We are responsible for the functioning of the Lithuanian electricity system in the European electricity infrastructure and for the single electricity market.

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

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

As at 30 June 2026, the Company's authorised share capital amounted to EUR 146,256,100.20 and it was divided into 504,331,380 ordinary registered shares with the nominal value of EUR 0.29 each. All shares are fully paid.

	At 30 June 2026	At 31 December 2025	At 30 June 2026	At 31 December 2025
	Number of shares held		Number of shares held (%)	
EPSO-G UAB	491,736,153	491,736,153	97.5	97.5
Other shareholders	12,595,227	12,595,227	2.5	2.5
Total	504,331,380	504,331,380	100	100

The ultimate controlling shareholder of EPSO-G UAB (company code 302826889, address: Laisvės pr. 10, Vilnius) is the Ministry of Energy of the Republic of Lithuania.

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

The number of shares (%) held by the Company in the joint venture were as follows:

Company name	Address of the company's registered office	at 30 June 2026	at 31 December 2025	Profile of activities
Baltic RCC OÜ	Kadaka tee 42, EE- 12915 Tallinn Eesti	33.33%	33.33%	Provision of services ensuring safety and reliability of the electricity system and coordination between the transmission network operators of the Baltic region

As at 30 June 2026, the Company had 506 (31 December 2025: 501) employees.

2. Summary of principal accounting policies

2.1. Basis of preparation

These condensed interim Company's financial statements, for the six months period ended 30 June 2026 are prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union and applicable to interim financial statements (IAS 34 „Interim Financial Reporting“).

In order to better understand the data presented in this condensed interim financial statements, this financial statements should be read in conjunction with the audited Company's financial statements for the year 2025.

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

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

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

These financial statements for the six months period ended 30 June 2026 are not audited. Financial statements for the year ended 31 December 2025 are audited by the external auditor UAB „PricewaterhouseCoopers“.

3. Information by segments

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

The Board monitors the key performance indicators:

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

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

All amounts are in EUR thousands unless otherwise stated)	For the six months period	
	ended at 30 June 2026	ended at 30 June 2025
Revenue and other income	267,515	209,023
Expenses for purchase of electricity and related services	(186,892)	(224,140)
Wages and salaries and related expenses	(12,619)	(11,555)
Repair and maintenance services	(5,459)	(5,018)
Other expenses	(10,018)	(8,603)
EBITDA	52,527	(40,293)
Adjusted EBITDA *	29,916	26,811
Temporary regulatory differences for previous periods	11,845	4,222
Temporary regulatory differences for reporting period	(34,456)	62,882
Overall effect of management's adjustments on EBITDA	(22,611)	67,104
Result of lost control in subsidiary and revaluation		
Depreciation and amortisation	(11,865)	(11,656)
Dividend income	-	68
Loss on impairment and write-off of assets	(370)	(80)
Operating profit (EBIT)	40,292	(51,961)
Total finance income (costs), net	1,454	2,371
Income tax	(2,746)	7,675
Share of results of associates	-	-
Net profit (loss)	39,000	(41,915)
Total assets	870,000	746,239
Net financial debt	(24,375)	(29,921)
Acquisitions of non-current assets and change in the advance payment	(94,894)	(76,924)

*Adjusted EBITDA for 2026 has been calculated based on the figures in the unaudited regulated activity report, whereas for 2025 it has been revised based on the figures in the audited regulated activity report.

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

During the six months of 2026, revenue from the Lithuanian clients accounted for 84 % of the Company's total revenue (during the six months of 2025 – 84 %). The Company's revenue from the major clients:

All amounts are in EUR thousands unless otherwise stated)	At the first half of the	
	year 2026	year 2025
Client A	127,869	126,476
Client B	27,702	11,362
Client C	15,269	8,837

4. Intangible assets

All amounts are in EUR thousands unless otherwise stated)	Patents and licences	Computer software	Other intangible assets	Statutory servitudes and protection zones	Total
Net book amount at 31 December 2024	507	1,797	28	1,678	4,010
Acquisitions	57	1	1,298	-	1,356
Reclassification to/from PP&E	9	10	40	-	59
Reclassification off-set of grants against PP&E	-	-	(1,390)	-	(1,390)
Reclassification between categories	-	(1,073)	1,073	-	-
Off-set of grants against intangible assets	-	-	(278)	-	(278)
Amortisation charge	(212)	(137)	(21)	-	(370)
Net book amount at 30 June 2025	361	598	750	1,678	3,387
Acquisition value	1,900	5,703	1,084	4,385	13,072
Accumulated amortisation	(1,539)	(5,105)	(334)	-	(6,978)
Change in value	-	-	-	(2,707)	(2,707)
Net book amount at 30 June 2025	361	598	750	1,678	3,387
Net book amount at 31 December 2025	229	1,394	580	2,001	4,204
Acquisitions	-	3	563	-	566
Reclassification to/from PP&E	-	-	122	-	122
Reclassification between categories	-	8	(8)	-	-
Amortisation charge	(98)	(214)	(6)	-	(318)
Net book amount at 30 June 2026	131	1,191	1,251	2,001	4,574
Acquisition value	1,954	6,071	1,609	4,617	14,251
Accumulated amortisation	(1,823)	(4,880)	(358)	-	(7,061)
Change in value	-	-	-	(2,616)	(2,616)
Net book amount at 30 June 2026	131	1,191	1,251	2,001	4,574

5. Property, plant and equipment

All amounts are in EUR thousands unless otherwise stated)	Land	Buildings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construction work in progress	Total
Net book amount at 31 December 2024	520	24,896	312,570	158	16,099	91,236	445,479
Acquisitions	-	-	2,853	225	11,269	61,435	75,782
Change in prepayments for PP&E	-	-	-	-	-	(214)	(214)
Write-offs	-	-	(348)	-	-	(10)	(358)
Reclassification to inventories	-	-	-	-	(29)	(2)	(31)
Reclassification to intangible assets	-	-	-	-	-	(59)	(59)
Reclassification off-set of grants against intangible assets	-	-	-	-	-	1,390	1,390
Reclassifications between grant categories	-	(5,350)	(84,212)	-	(578)	90,140	-
Reclassification between categories	-	5,820	104,454	-	304	(110,578)	-
Off-set of connection revenue against non-current assets	-	-	(2,660)	-	(38)	(110)	(2,808)
Off-set of grants against non-current assets	-	-	-	-	(1)	(26,398)	(26,399)
Depreciation charge	-	(399)	(9,356)	(32)	(1,263)	-	(11,050)
Net book amount at 30 June 2025	520	24,967	323,301	351	25,763	106,830	481,732
Revaluated acquisition cost	520	26,045	351,437	394	28,979	106,830	514,205
Accumulated depreciation	-	(1,078)	(27,656)	(43)	(3,216)	-	(31,993)
Accumulated impairment	-	-	(480)	-	-	-	(480)
Net book amount at 30 June 2025	520	24,967	323,301	351	25,763	106,830	481,732
Net book amount at 31 December 2025	520	27,114	366,108	311	28,856	103,002	525,911
Acquisitions	-	957	24,533	-	7,504	56,849	89,843
Change in prepayments for PP&E	-	-	-	-	-	4,485	4,485
Write-offs	-	-	(370)	-	-	-	(370)
Reclassification to inventories	-	-	(573)	-	(46)	(6)	(625)
Reclassification to intangible assets	-	-	-	-	-	(122)	(122)
Reclassification off-set of grants against intangible assets	-	-	-	-	-	-	-
Reclassifications between grant categories	-	-	(257)	-	-	257	-
Reclassification between categories	-	385	10,057	-	(2,103)	(8,339)	-
Off-set of connection revenue against non-current assets	-	(957)	(24,434)	-	(1,561)	(229)	(27,181)
Off-set of grants against non-current assets	-	-	-	-	-	(4,991)	(4,991)
Depreciation charge	-	(445)	(9,163)	(39)	(1,639)	-	(11,286)
Net book amount at 30 June 2026	520	27,054	365,901	272	31,011	150,906	575,664
Revaluated acquisition cost	520	28,988	410,778	394	36,699	150,906	628,285
Accumulated depreciation	-	(1,934)	(44,397)	(122)	(5,688)	-	(52,141)
Accumulated impairment	-	-	(480)	-	-	-	(480)
Net book amount at 30 June 2026	520	27,054	365,901	272	31,011	150,906	575,664

As of 30 June 2026, the value of emergency reserve inventories reported within other property, plant and equipment amounted to EUR 16,866 thousand (30 June 2025 – EUR 14,715 thousand).

Prepayments for non-current assets:

All amounts are in EUR thousands unless otherwise stated)	2026	2025
Carrying amount at 1 January	4,457	6,712
Prepayments paid for non-current assets the period	4,770	3,428
Transfer to construction work in progress	(285)	(3,642)
Carrying amount at 30 June 2026	8,942	6,498

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

All amounts are in EUR thousands unless otherwise stated)	Land	Buildings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construction work in progress	Total
At 30 June 2025	520	23,951	300,517	351	25,719	100,333	451,391
At 30 June 2026	520	26,067	344,948	272	30,976	141,964	544,747

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

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

All amounts are in EUR thousands unless otherwise stated)	2026	2025
Carrying amount at 1 January	663,360	598,614
Acquisitions	32,172	27,817
Depreciation charge	(11,543)	(10,619)
Carrying amount at 30 June	683,989	615,812

The company's property, plant and equipment are shown at revalued amounts. The company performed revaluation of its property, plant and equipment at 31 December 2023 (based on the data as at 30 September 2023).

6. Right-of-use assets

All amounts are in EUR thousands unless otherwise stated)	Land	Buildings	Motor vehicles	Total
Net book amount at 31 December 2024	4,195	46	654	4,895
Acquisitions	-	-	93	93
Write-offs	-	-	-	-
Depreciation charge	(23)	(18)	(195)	(236)
Depreciation (write-offs)	-	-	-	-
Net book amount at 30 June 2025	4,172	28	552	4,752
Net book amount at 31 December 2025	4,150	23	312	4,485
Acquisitions	-	-	-	-
Write-offs	-	-	(68)	(68)
Depreciation charge	(23)	(11)	(227)	(261)
Depreciation (write-offs)	-	-	68	68
Net book amount at 30 June 2026	4,127	12	85	4,224

7. Trade receivables

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Trade receivables under contracts with customers		
Amounts receivable for electricity transmission and related services	54,428	58,917
Total trade receivables under contracts with customers:	54,428	58,917
Trade receivables under the other contracts with customers		
Congestion management funds receivable	4,438	2,256
Other trade receivables	61	63
Total trade receivables under the other contracts with customers:	4,499	2,319
Total trade receivables:	58,927	61,236

As at 30 June 2026, trade receivables from contracts with customers were 8 % lower compared to 31 December 2025.

In , the Company did not recognise any expected credit losses related to trade. As at 30 June 2026 and as at 31 December 2025, there were no amounts past due for which an impairment allowance was recognised.

8. Other financial assets at amortised cost

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Loans to Group companies	165,883	156,067
Interest on loans excluded value added tax	263	204
Funds deposited for guarantees and deposits	470	920
Other receivables	872	989
Total other financial current assets at amortised cost:	167,488	158,180

On 1 September 2025, the Company entered into a new open-ended cash-pool agreement with EPSO-G UAB, subject to variable interest rate linked to ESTR (euro short-term rate).

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

9. Other non-financial assets

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Taxes receivable from the State budget, except for income tax	97	72
Prepayments	338	237
Deferred expenses	4,975	4,944
Grants receivable	37,300	33,579
Other amounts receivable	-	83
Total other current non-financial assets:	42,710	38,915

10. Cash and cash equivalents

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Cash at bank	55	4,397
Total cash and cash equivalents:	55	4,397

11. Dividends

On 17 April 2026, the Ordinary General Meeting of Shareholders of LITGRID AB was held, during which the profit (loss) appropriation for 2025 was approved. The allocated amount of dividends to be paid for the year ended 31 December 2025 is equal to EUR 27,234 thousand. Dividends per share amount to EUR 0.054.

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

12. Grants

The grants at the Company are mainly designated for the acquisition of non-current assets. Movements in grants in 2026 for the six months and 2025 for the six months were as follows:

All amounts are in EUR thousands unless otherwise stated)	Note	2026	2025
Carrying amount at 1 January			
Grants receivable	9	33,579	30,287
Grants received in advance (non-current liabilities)	20	-	(3,469)
Grants received in advance (current liabilities)	20	(2,511)	(635)
		31,068	26,183
Recognised grants			
Transfer to property, plant and equipment	5	32,172	29,207
Transfer to intangible assets	4	-	278
Grants used for compensation of expenses		-	17
		32,172	29,502
Grants received			
Grants received in the form of monetary funds (cash flow statement)	SCF*	30	-
Congestion revenue transferred to grants	18	3,407	24,760
Grants received for compensation of expenses	SCF*	-	17
Grants received during the previous years		(12)	-
Grants received in the form of assets	5	27,181	2,808
		30,606	27,585
Carrying amount at 30 June			
Grants receivable	9	37,300	32,204
Grants received in advance (non-current liabilities)	20	-	(3,469)
Grants received in advance (current liabilities)	20	(4,666)	(635)
		32,634	28,100

*SCF Statement of cash flow

13. Borrowings

Borrowings of the Company were as follows:

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Non-current borrowings		
Bank borrowings	-	18,000
Long-term intercompany loans	16,000	-
Current borrowings		
Current portion of non-current bank borrowings	-	4,000
Short-term intercompany loans	4,000	-
Bank borrowings interest	-	27
Intercompany loan interest payable (excluding VAT)	16	-
Total borrowings:	20,016	22,027

Maturity of non-current borrowings:

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
From 1 to 2 years	4,000	4,000
From 2 to 5 years	12,000	12,000
After 5 years	-	2,000
Total:	16,000	18,000

As at 30 June 2026 and 31 December 2025, no assets were pledged as collateral by the Company.

On 4 June 2026, in implementing the objective set by the treasury function of the EPSO-G group requiring to change and centralise the group's financing structure by transferring non-current borrowings of the subsidiaries to EPSO-G, the loan agreement concluded between Litgrid and EIB on 18 December 2014 regarding the financing of the electricity interconnection between Lithuania and Poland was transferred to the balance sheet of EPSO-G, whereas EPSO-G granted the loan to Litgrid with the same interest rate and repayment deadlines as those stipulated in the transferred loan agreement.

As at 30 June 2026, the weighted average interest rate on the Company's borrowings was 0.95 % (31 December 2025: 0.95 %).

14. Lease liabilities

Lease liabilities and their movement were as follows:

All amounts are in EUR thousands unless otherwise stated)	2026	2025
Carrying amount at 1 January	4,669	5,059
Leases	-	93
Expenses of interest charged	33	37
Lease payments (principal)	(255)	(226)
Lease payments (interest)	(33)	(37)
Carrying amount at 30 June	4,414	4,926
Non-current lease liabilities	4,291	4,408
Current lease liabilities	123	518

Maturity of non-current lease liabilities:

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 30 June 2025
Total lease liabilities:	4,414	4,926
Current portion	123	518
Repayment terms of non-current liabilities:		
From 1 to 2 years	23	141
From 2 to 3 years	24	24
From 3 to 5 years	48	23
After 5 years	4,196	4,220

15. Net debt

Reconciliation of net debt balances:

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 30 June 2025
Cash and cash equivalents	55	107
Non-current borrowings	(16,000)	(20,000)
Lease liabilities	(4,291)	(4,408)
Current portion of non-current borrowings	(4,000)	(5,071)
Interest charged on borrowings	(16)	(31)
Current portion of lease liabilities	(123)	(518)
Net debt	(24,375)	(29,921)
Cash and cash equivalents	55	107
Borrowings with a fixed interest rate	(24,430)	(30,028)
Net debt	(24,375)	(29,921)

Cash flows from financing activities for 2026 and 2025:

All amounts are in EUR thousands unless otherwise stated)	Cash	Borrowings	Leases	Total
Net debt at 31 December 2024	113	(28,178)	(5,059)	(33,124)
Acquisition (proceeds from borrowings, new leases)	-	-	(93)	(93)
Increase (decrease) in cash and cash equivalents	(6)	-	-	(6)
Repayment of a borrowing	-	3,072	-	3,072
Lease payments	-	-	226	226
Interest charged	-	(129)	(37)	(166)
Interest paid	-	133	37	170
Net debt at 30 June 2025	107	(25,102)	(4,926)	(29,921)
Net debt at 31 December 2025	4,397	(22,027)	(4,669)	(22,299)
Acquisition (proceeds from borrowings, new leases)	-	-	-	-
Increase (decrease) in cash and cash equivalents	(4,342)	-	-	(4,342)
Repayment of a borrowing	-	2,000	-	2,000
Lease payments	-	-	255	255
Interest charged	-	(102)	(33)	(135)
Interest paid	-	113	33	146
Net debt at 30 June 2026	55	(20,016)	(4,414)	(24,375)

16. Trade payables

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Amounts payable for electricity	46,434	30,927
Payables for other services, valuables	4,311	7,417
Payables for property, plant and equipment and inventory	37,722	40,628
Total trade payables:	88,467	78,972

As at 30 June 2026, trade payables increased by 12 % compared to 31 December 2025, mainly due to higher payments for electricity..

17. Other financial liabilities at amortised cost

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Non-current trade payables	184	261
Total other non-current financial liabilities at amortised cost:	184	261
Deposits received*	8,140	4,249
Dividends payable	757	666
Other advance amounts received	4	-
Total other current financial liabilities at amortised cost:	8,901	4,915

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

18. Congestion management funds

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 30 June 2025
Non-current portion of congestion management funds included in liabilities	363,244	329,535
Current portion of congestion management funds included in liabilities	67,959	64,081
Total congestion management funds:	431,203	393,616

All amounts are in EUR thousands unless otherwise stated)	2026	2025
Carrying amount at 1 January	399,678	390,118
Congestion management revenue recognized during the period	50,825	47,997
Congestion management funds use to finance property, plant and equipment	(3,407)	(24,760)
Congestion management funds recognised as income during the period	13	(2,504)
Congestion management funds for transmission tariff reduction *	(15,906)	(17,235)
Carrying amount at 30 June	431,203	393,616

* Under Resolution No. O3E-1398 of 2 October 2025 adopted by the National Energy Regulatory Council "Regarding the adjustment of the price ceiling of the service of Litgrid AB for 2026 ", EUR 31,812 thousand was allocated for the reduction of the transmission tariff in 2026.

* Under Resolution No. O5E-925 of 27 September 2024 adopted by the National Energy Regulatory Council "Regarding the adjustment of the price ceiling of the service of Litgrid AB for 2025 and establishment of the price for the use of the services of the interconnection lines for 2025", EUR 15,893 thousand was allocated for the reduction of the transmission tariff in 2026.

19. Provisions

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Provisions for pension benefits to employees	891	891
Provisions for servitude liabilities	93	132
Provisions for registration of protection zones	269	269
Carrying amount	1,253	1,292
Non-current provisions	1,123	1,123
Current provisions	130	169

20. Other non-financial liabilities

All amounts are in EUR thousands unless otherwise stated)	At 30 June 2026	At 31 December 2025
Advance amounts received from connection of new consumers	10,656	9,381
Contractual obligations under connection agreements	1,207	1,217
Total other non-current non-financial liabilities:	11,863	10,598
Employment-related liabilities, including accrued financial incentive	3,376	2,696
Accrued expenses relating to vacation reserve	2,528	2,175
Taxes payable to the State budget, except for income tax	1,337	7,856
Fee payable to the regulator	633	556
Grants received in advance	4,666	2,511
Other prepayments received for services provided	1,622	332
Advance amounts received from connection of new consumers	10,258	10,361
Contract liabilities (deferred income)	36	36
Total other current non-financial liabilities:	24,456	26,523
Total other non-financial liabilities:	36,319	37,121

21. Income tax and deferred income tax

The Company's profit (loss) for 2026 is taxed at a rate of 17 % and profit (loss) for 2025 is taxed at a rate of 16 % in accordance with the Law on Corporate Income Tax of the Republic of Lithuania.

All amounts are in EUR thousands unless otherwise stated)	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Income tax expenses of the previous year	-	-
Deferred income tax income/(benefit)	2,746	(7,675)
Income tax expenses/(benefit) of the current year	2,746	(7,675)

All amounts are in EUR thousands unless otherwise stated)	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Profit/(loss) before income tax	41,746	(49,590)
Income tax	7,097	(7,934)
Effect of investment incentive	(5,217)	-
Effect of non-taxable income	(22)	24
Effect of non-allowable deductions	907	235
Income tax expenses/(benefit) for the previous year	(19)	-
Income tax expenses/(benefit) recognised in profit or loss	2,746	(7,675)

22. Revenue from electricity transmission and related services

All amounts are in EUR thousands unless otherwise stated)		
	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Revenue from electricity transmission and related services		
Revenue from contracts with customers		
Electricity transmission services	63,990	48,917
Trade in balancing/imbalance electricity	97,227	48,166
Electricity ancillary services	88,295	89,825
Revenue from other sales of electricity and related services	1,119	1,241
Income from administration of guarantees of origin	170	143
Total revenue from contracts with customers:	250,801	188,292
Revenue not attributable to contracts with customers		
Congestion management revenue	15,893	19,739
ENTSO-e ITC participation revenue	-	281
Revenue from connection of new consumers and producers/relocation of installations	18	17
Other revenue from regulated activities	253	33
Total revenue not attributable to contracts with customers:	16,164	20,070
Total revenue:	266,965	208,362

In the first half of 2026, revenue increased by 28 % compared to the same period of 2025, of which::

- Revenue from electricity transmission services (including congestion management revenue of EUR 15,906 thousand used to reduce the tariff for 2026 (2025: EUR 17,235 thousand)) increased by 21 % mainly due to the increase of 18 % in the price of the transmission service;
- Revenue from ancillary services decreased by 1.7 % as a result of a 21 % decline in the actual ancillary services acquisition component of the transmission service price, while increase in this revenue resulted from a 6,3 % increase in the volume of provided services and the fact that revenue from Balance Responsible Parties (BRP) are reported within revenue from ancillary services with effect from 2026 offsetting a part of ancillary services costs which amounted to EUR 13,3 million in the first half of 2026;
- Revenue from sale of balancing/imbalance energy increased 2 times, mainly due to a higher price.

23. Other income

All amounts are in EUR thousands unless otherwise stated)		
	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Income from lease of assets	315	301
Interest on late payment and default charges	110	41
Gain on disposal of assets	109	21
Other income	16	298
Total other revenue:	550	661

24. Expenses for purchase of electricity and related services

All amounts are in EUR thousands unless otherwise stated)	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Expenses for purchase of imbalance and balancing electricity	87,072	48,714
Expenses for electricity ancillary services	74,755	152,064
Expenses for electricity technological needs	22,289	18,603
ENTSO-e ITC participation expenses	256	2,255
Expenses for electricity and related services	(13)	2,504
Costs of internal congestion management	2,533	-
Total purchase of electricity and related services:	186,892	224,140

Purchases of electricity and related services for a 6-month period of 2026 decreased by 17 % compared to purchases of the same period in 2025 due to:

- Decrease of costs of electricity transmission ancillary services by 51 % to EUR 74,755 thousand, primarily due to a EUR 49,643 thousand decline in balancing capacity costs;;
- Increase of balancing and imbalance electricity costs by 79 % to EUR 87,072 thousand, mainly as a result of a 75 % increase in the purchase price;;
- Increase of electricity costs for the compensation of technological losses in the transmission grid by 20 % to EUR 22,289 thousand due to a 10 % increase in the volume of technological losses and a 9 % increase in the average electricity purchase price.

25. Other expenses

All amounts are in EUR thousands unless otherwise stated)	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2026
Telecommunications and IT system expenses	(2,123)	(1,567)
Tax expenses	(2,329)	(1,701)
Fee payable to the regulator	(1,266)	(1,112)
Business protection expenses	(346)	(403)
Market coupling costs	(564)	(506)
Membership fee	(344)	(304)
Management service cost	(608)	(501)
Business trips	(214)	(157)
Insurance expenses	(296)	(296)
Transport expenses	(222)	(171)
Premise rental expenses	(286)	(152)
Collective agreement benefits	(183)	(232)
Consultation service expenses	(122)	(103)
Other expenses	(1,115)	(1,398)
Total other expenses:	(10,018)	(8,603)

26. Related-party transactions

The Company's related parties in the six months 2026 and in the six months 2025 were as follows:

- EPSO-G UAB Group companies:
 - Amber Grid AB (common shareholders);
 - Tetas UAB (common shareholders);
 - Baltpool UAB (common shareholders);
 - UAB“Energy cells“ (common shareholders).
- Ignitis grupė UAB companies
- Other state-controlled companies:
 - VĮ Ignalinos atominė elektrinė;
 - VĮ Registrų centras;
 - Other state-controlled companies or those under significant influence.
- Baltic RCC OU (jointly controlled entities).
- Management.

EPSO-G (the parent company). 100% of EPSO-G share capital is owned by the Ministry of Energy of the Republic of Lithuania.

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

The Company's transactions with related parties between six months of 2026 and balances arising from these transactions as at 30 June 2026 were as follows:

All amounts are in EUR thousands unless otherwise stated)							
Related parties	Borrowings	Amounts receivable and accrued revenue	Amounts payable and accrued expenses	Loans granted	Purchases	Sales	Other transactions
EPSO-G UAB group companies							
EPSO-G UAB	20,000	264	262	165,883	622	-	1,585
TETAS UAB		704	4,816	-	13,462	-	74
Energy cells UAB		562	1,236	-	4,805	1,503	-
State-owned companies							
Energijos Skirstymo Operatorius AB		17,608	2,775	-	124	128,078	-
Ignitis Gamyba AB		8,662	16,692	-	66,361	8,057	-
Ignitis Grupės Paslaugų Centras UAB		32	-	-	-	160	-
Ignitis UAB		9,191	1,169	-	10,540	15,635	-
Vilniaus Kogeneracinė Jėgainė UAB		13	297	-	593	145	-
Kauno Kogeneracinė Jėgainė UAB		5	-	-	188	70	-
Vėjas LT UAB		-	-	-	-	-	-
Ignitis renewables UAB		1,002	1,017	-	960	6,206	-
Vidaus vandens kelių direkcija AB		-	-	-	-	-	-
Ignalinos atominė elektrinė VĮ		96	-	-	-	574	-
LTG Infra AB		286	12,360	-	-	670	-
Other state-owned enterprises		-	311	-	76	-	-
Jointly controlled entities							
Baltic RCC OU		-	-	-	345	-	-
	20,000	38,425	40,935	165,883	98,076	161,098	1,659

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

All amounts are in EUR thousands unless otherwise stated)							
Related parties	Borrowings	Amounts receivable and accrued revenue	Amounts payable and accrued expenses	Loans granted	Purchases	Sales	Other transactions
EPSO-G UAB group companies							
EPSO-G UAB	-	215	227	128,541	492	-	2,586
TETAS UAB		59	7,212	-	10,979	-	504
Energy cells UAB		320	2,698	-	9,560	(1,022)	-
State-owned companies							
Energijos Skirstymo Operatorius AB		20,443	2,211	-	313	127,600	-
Ignitis Gamyba AB		271	14,852	-	213,795	(5,488)	-
Ignitis Grupės Paslaugų Centras UAB		32	-	-	-	163	-
Ignitis UAB		1	18	-	(2,946)	11,362	-
Vilniaus Kogeneracinė Jėgainė UAB		50	155	-	397	162	-
Kauno Kogeneracinė Jėgainė UAB		-	16	-	154	54	-
Vėjas LT UAB		3	-	-	-	19	-
Ignitis renewables UAB		-	4,422	-	8,837	-	-
Transporto Valdymas UAB		-	-	-	-	-	-
Vidaus vandens kelių direkcija AB		-	-	-	570	-	-
Ignalinos atominė elektrinė VĮ		110	18	-	-	584	-
LTG Infra AB		78	4,891	-	-	403	-
Other state-owned enterprises		-	-	-	9	-	-
Jointly controlled entities							
Baltic RCC OU		-	-	-	315	-	-
		21,582	36,720	128,541	242,475	133,837	3,090

Dividends paid to related parties

All amounts are in EUR thousands unless otherwise stated)		
	2026	2025
EPSO-G UAB	26,554	24,095
Total	26,554	24,095

Payments to key management personnel

Key management personnel consists of the Chief Executive Officer, heads of the departments and members of the collegial management bodies.

All amounts are in EUR thousands unless otherwise stated)		
	For the six months period ended at 30 June 2026	For the six months period ended at 30 June 2025
Employment-related payments*	790	648
Whereof: paid benefits*	58	-
Average number of key management personnel	10	10
Payments to the members of the collegial management bodies	59	59

* - with employer contributions for social security.

During the six months in 2026, and the six months in 2025 the Management of the Company did not receive any loans, guarantees, or any other payments or property transfers were made or accrued.