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LITGRID AB

COMPANY'S CONDENSED INTERIM FINANCIAL STATEMENTS, PREPARED
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS AS
ADOPTED BY THE EUROPEAN UNION (UNAUDITED), FOR THE NINE-MONTHS
PERIOD ENDED 30 SEPTEMBER 2020

CONFIRMATION OF RESPONSIBLE PERSONS

November 4, 2020 Vilnius

Following the Law on Securities of the Republic of Lithuania and Rules on Information Disclosure approved by the Bank of Lithuania, we, Vidmantas Grušas, acting Chief Executive Officer of LITGRID AB, Vytautas Tauras, Director of Finance Department of LITGRID AB and Jurgita Kerpė, 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 nine months period ended 30 September 2020 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 cash flows.

Vidmantas Grušas
acting Chief Executive Officer

Vytautas Tauras
Director of Finance Department

Jurgita Kerpė
Head of Accounting Division

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The condensed interim financial statements were signed on 4 November 2020.

Vidmantas Grušas
acting Chief Executive Officer

Vytautas Tauras
Director of Finance Department

Jurgita Kerpė
Head of Accounting Division



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

	Notes	30-09-2020	31-12-2019
ASSETS			
Non-current assets			
Intangible assets	4	4,379	4,857
Property, plant and equipment	5	333,924	322,579
Right-of-use assets	6	4,835	5,004
Deferred income tax assets		12,064	8,255
Loans granted	7	-	1,000
Financial assets at fair value through other comprehensive income	8	1,089	1,984
Long-term share of unused funds balance of congestion management revenue	13	27,618	8,185
Total non-current assets		383,909	351,864
Current assets			
Inventories		36	36
Prepayments		603	527
Trade receivables	9	20,254	16,764
Other amounts receivable		69	111
Loans granted	7	2,203	1,203
Short-term share of unused funds balance of congestion management revenue	13	4,463	4,463
Other financial assets	10	1,519	2,371
Cash and cash equivalents		90	30
Total current assets		29,237	25,505
TOTAL ASSETS		413,146	377,369
EQUITY AND LIABILITIES			
Equity			
Authorised share capital		146,256	146,256
Share premium		8,579	8,579
Reserve for changes in fair value of financial assets		-	52
Legal reserve		14,626	14,626
Other reserves		23,144	23,099
Retained earnings (deficit)		18,499	4,130
Total equity		211,104	196,742
Liabilities			
Non-current liabilities			
Non-current borrowings	11	71,690	79,903
Lease liabilities	12	4,622	4,771
Congestion management revenue	13	58,292	34,672
Other non-current amounts payable and liabilities		6,310	6,310
Total non-current liabilities		140,914	125,656
Current liabilities			
Current portion of non-current borrowings	11	14,225	14,225
Current portion of lease liabilities	12	269	270
Trade payables		28,778	25,596
Share of congestion management revenue of the current year	13	4,463	4,463
Advance amounts received		2,287	2,338
Income tax liability		4,113	426
Other current amounts payable and liabilities		6,993	7,653
Total current liabilities		61,128	54,971
Total liabilities		202,042	180,627
TOTAL EQUITY AND LIABILITIES		413,146	377,369

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



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

	Notes	30-09-2020	30-09-2019 (restated)
Revenue			
Revenue from electricity transmission and related services	15	148,381	135,773
Other income		697	452
Total revenue	14	149,078	136,225
Expenses			
Expenses of electricity transmission and related services		(93,284)	(101,536)
Depreciation and amortisation	4,5,6	(14,989)	(15,325)
Wages and salaries and related expenses		(8,148)	(7,021)
Repair and maintenance expenses		(6,449)	(6,120)
Telecommunications and IT maintenance expenses		(1,194)	(1,176)
Property, plant and equipment write-off expenses		(358)	(121)
Impairment of property, plant and equipment		(233)	-
Impairment of inventories and accounts receivables		78	592
Impairment of investments		(765)	-
Other expenses		(3,518)	(4,240)
Total expenses		(128,860)	(134,947)
Operating profit (loss)		20,218	1,278
Financing activities			
Finance income		947	213
Disposal of the associate	10	831	-
Finance costs		(738)	(820)
Total finance costs		1,040	(607)
Profit (loss) before income tax		21,258	671
Income tax			
Current year income tax expenses		(6,559)	(2,965)
Deferred income tax income (expenses)		3,800	2,906
Total income tax		(2,759)	(59)
Net profit (loss)		18,499	612
Other comprehensive income (expenses) that will not be reclassified to profit or loss			
Change in fair value of financial assets		(61)	-
Effect of deferred income tax		9	-
Other comprehensive income that will not be reclassified to profit or loss		(52)	-
Total other comprehensive income (expenses)		18,447	612
Basic and diluted earnings/(deficit) per share (in EUR)		0.037	0.001



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

	Notes	01-07- 30-09-2020	01-07- 30-09-2019 (restated)
Revenue			
Revenue from electricity transmission and related services		47,484	43,576
Other income		140	175
Total revenue		47,624	43,751
Expenses			
Expenses of electricity transmission and related services		(30,987)	(33,840)
Depreciation and amortisation		(5,023)	(5,076)
Wages and salaries and related expenses		(2,617)	(2,184)
Repair and maintenance expenses		(1,873)	(2,939)
Telecommunications and IT maintenance expenses		(410)	(385)
Property, plant and equipment write-off expenses		(162)	(42)
Impairment of property, plant and equipment		(233)	-
Impairment of inventories and accounts receivables		78	-
Impairment of investments		-	-
Other expenses		(1,405)	(1,608)
Total expenses		(42,632)	(46,074)
Operating profit (loss)		4,992	(2,323)
Financing activities			
Finance income		15	13
Disposal of the associate		831	-
Finance costs		(247)	(277)
Total finance costs		599	(264)
Profit (loss) before income tax		5,591	(2,587)
Income tax			
Current year income tax expenses		(1,839)	(997)
Deferred income tax income (expenses)		1,105	1,408
Total income tax		(734)	411
Net profit (loss)		4,857	(2,176)
Other comprehensive income (expenses) that will not be reclassified to profit or loss			
Change in fair value of financial assets		-	-
Effect of deferred income tax		-	-
Other comprehensive income that will not be reclassified to profit or loss		-	-
Total other comprehensive income (expenses)		4,857	(2,176)
Basic and diluted earnings/(deficit) per share (in EUR)		1.010	(0.004)

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



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CONDENSED INTEREM STATEMENT OF CHANGES IN EQUITY
(All amounts in EUR thousands unless otherwise stated)

	Share capital	Share premium	Reserve of changes in fair value of financial assets	Legal reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2019	146,256	8,579	655	14,626	63,309	(37,588)	195,837
Comprehensive income (expenses) for the year	-	-	-	-	-	612	612
Transferred to retained earnings	-	-	-	-	(40,210)	40,210	-
Dividends	-	-	-	-	-	(2,622)	(2,622)
Balance at 30 September 2019	146,256	8,579	655	14,626	23,099	612	193,827
Balance at 1 January 2020	146,256	8,579	52	14,626	23,099	4,130	196,742
Comprehensive income (expenses) for the year	-	-	(52)	-	-	18,499	18,447
Transfer to reserves	-	-	-	-	45	(45)	-
Dividends	-	-	-	-	-	(4,085)	(4,085)
Balance at 30 September 2020	146,256	8,579	-	14,626	23,144	18,499	211,104

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



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

		30-09-2020	30-09-2019 (restated)
Cash flows from operating activities			
Profit (loss) for the year		18,499	612
Adjustments for non-cash items and other adjustments:			
Depreciation and amortisation expenses	4,5,6	14,989	15,325
Impairment of financial assets		765	-
(Reversal of) / impairment of assets		(78)	(3,412)
Written-off bad debts		-	2,820
Impairment of property, plant and equipment		233	-
Income tax expenses		2,759	59
(Gain) loss on disposal/write-off of property, plant and equipment		358	121
Elimination of results of financing and investing activities:			
Interest income		(35)	(35)
Interest expenses		720	814
Disposal of the associate	10	(831)	-
Dividend income		(895)	(174)
Other finance costs (income)		1	2
Changes in working capital:			
(Increase) decrease in trade receivables and other amounts receivable		(2,479)	(130)
(Increase) decrease in inventories, prepayments and other current assets		(52)	(259)
Increase (decrease) in amounts payable, grants, deferred income and advance amounts received		(3,183)	6,297
Changes in other financial assets		100	(298)
Income tax (paid)		(2,872)	(1,566)
Net cash flows from operating activities		27,999	20,176
Cash flows from investing activities			
(Purchase) of property, plant and equipment and intangible assets		(26,530)	(25,988)
Grants received		5,225	5,532
Revenue generated from congestion management		23,388	21,738
Decrease (increase) in congestion management revenue balance		(19,433)	2,190
Disposal of the associate	10	1,652	-
Interest received		47	47
Dividends received		895	174
Net cash flows from investing activities		(14,756)	3,693
Cash flows from financing activities			
Repayments of borrowings		(8,213)	(8,213)
Borrowings from related parties		-	(12,517)
Lease payments		(258)	(254)
Interest paid		(609)	(657)
Dividends paid		(4,103)	(2,617)
Net cash flows from financing activities		(13,183)	(24,258)
Increase (decrease) in cash and cash equivalents		60	(389)
Cash and cash equivalents at the beginning of the period		30	397
Cash and cash equivalents at the end of the period		90	8

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



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NOTES TO THE CONDENSED INTEREM FINANCIAL STATEMENTS
(All amounts in EUR thousands unless otherwise stated)

1. General information

LITGRID AB (hereinafter “the Company”) is a public limited liability company registered in the Republic of Lithuania. The address of its registered office is: Viršuliškių skg. 99B, 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 an operator of electricity transmission system, operating electricity transmissions in the territory of Lithuania and ensuring the stability of operation of the whole electric power system. In addition, the Company is responsible for the integration of the Lithuanian power system into the European electricity infrastructure and common electricity market.

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

The principal objectives of the Company’s activities include ensuring the stability and reliability of the electric power system in the territory of Lithuania within its areas of 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 September 2020, 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.

As at 30 September 2020 and 31 December 2019, the Company’s shareholders structure was as follows:

Company’s shareholders	Number of shares held	Number of shares held (%)
UAB EPSO-G	491,736,153	97.5
Other shareholders	12,595,227	2.5
Total:	504,331,380	100

The ultimate controlling shareholder of EPSO-G UAB (company code 302826889, address Gedimino Ave. 20, Vilnius, Lithuania) 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 Company had no subsidiaries as of 30 September 2020. In 2019, the Company sold its shares in subsidiary UAB TETAS, and the subsidiary UAB Litgrid Power Link Service was liquidated.

As at 30 September 2020 and 31 December 2019 Company’s investments in associates and joint ventures comprised of the following:

Company	Address of the company’s registered office	Shareholding as at 30 September 2020	Shareholding as at 31 December 2019	Profile of activities
Duomenų logistikos centras UAB	Žvejų Str. 14, Vilnius, Lithuania	-	20 %	Provision of IT services
LitPol Link Sp.z.o.o	Warszawska 165, 05-520, Konstancin-Jeziorna, Poland	50 %	50 %	In the process of liquidation

On 19 September 2019, Polish and Lithuanian transmission system operators Polskie Sieci Elektroenergetyczne and LITGRID, the sole shareholders of LitPol Link, each holding 50 percent of the company, decided to liquidate the company. As at 30 September 2020 and 31 December 2019, the acquisition cost of the investment to LitPol Link Sp.z.o.o. was EUR 295 thousand, which was 100 % recognized for impairment.

On 7 July 2020 The company together with Ignitis grupė, UAB has executed closing of a transaction under a share sale-purchase agreement regarding the sale of shares of UAB Duomenų logistikos centras (“DLC”). Following the agreement, LITGRID sold 20.36 percent and Ignitis Grupė, UAB - 79.64 percent of DLC shares. On 7 June 2020 the Company received consideration of Eur 1 652 thousand for the DLC shares sold.

As at 30 September 2020, the Company had 312 employees (31 December 2019: 290).



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NOTES TO THE CONDENSED INTEREM FINANCIAL STATEMENTS
(All amounts in EUR thousands unless otherwise stated)

2. Accounting principles

2.1. Basis of preparation

These condensed interim Company's financial statements, for the period ended 30 September 2020 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 these condensed interim financial statements, these financial statements should be read in conjunction with the audited Consolidated and the Company's financial statements for the year 2019, prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

These condensed interim financial statements are a stand-alone Company's condensed interim financial information, as at 30 September 2020 the Company had no subsidiaries.

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 accumulated impairment loss, and available-for-sale financial assets which are carried at fair value.

These financial statements for the nine-months period ended 30 September 2020 are not audited. Financial statements for the year ended 31 December 2019 are audited by the external auditor UAB Deloitte Lietuva.

2.2. Adjustment of comparative figures

Due to the changed accounting of land lease in the Company, the comparative figures of the comprehensive income and cash flow statements for 2019 have been adjusted. In the statement of comprehensive income, depreciation and amortization expenses increased by EUR 34 thousand, other expenses decreased by EUR 55 thousand, finance costs increased by EUR 47 thousand, net profit decreased by EUR 26 thousand. In the cash flow statement, depreciation and amortization expenses increased by EUR 34 thousand, interest expenses increased by EUR 47 thousand, payment of lease liabilities increased by EUR 55 thousand. The cash flow statement also reclassified the comparative figures for congestion management revenue for 2019: Changes in other financial assets decreased by EUR 2 190 thousand, Decrease (increase) in congestion management revenue balance increased by EUR 2 190 thousand.

3. The impact of COVID-19 on key accounting estimates and assumptions

The preparation of financial statements according to International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the accounting policies applied, the reported amounts of assets, liabilities, income and expenses and the disclosures of contingencies. Actual results may differ from those estimates. Significant management's judgements regarding the application of accounting policies and the main sources for estimation uncertainties used in the preparation of these interim condensed financial statements are consistent with those as was used in preparing the annual financial statements for the year ended 31 December 2019, except for those accounting estimates for which the uncertainty has increased as a result of the COVID 19 pandemic:

Business continuity

Considering the state-level emergency in Lithuania due to the threat of the coronavirus (COVID-19), business continuity and preventative measures were reviewed and implemented by LITGRID AB: responsible personnel for monitoring the situation and providing information to the Company's management has been appointed; units and personnel performing critical functions and administering the key systems have been identified; additional organizational measures at system control centres are being applied; technical and replacement measures in case of the further spread of the virus have been planned. The Company also reviewed emergency management plans, the prepared additional documentation and implemented a number of measures - lists of critical activities, lists of resources needed to keep those activities going, lists of resources and people in charge, as well as other documents and measures. The first wave of COVID-19 did not have a material impact on Companies operations or financial results. At the reporting date, the impact of the second wave COVID-19 pandemic on the Company's operations cannot yet be reliably assessed, however, considering the fact that the first wave did not have a material impact and that the Company is a regulated company, the sole provider of electricity transmission services in Lithuania, there is no threat to the Company's business continuity.

Impairment of property, plant and equipment

Management has reviewed the key assumptions used to determine the fair value of property, plant and equipment. Management estimates that the COVID-19 pandemic will not have a material impact on the Company's property, plant and equipment as the assets are measured using the discounted cash flow method and the Company's operations are regulated and possible short-term changes in services and income are assessed and compensated in the following years.



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NOTES TO THE CONDENSED INTEREM FINANCIAL STATEMENTS
(All amounts in EUR thousands unless otherwise stated)

Other accounting estimates

Management estimates that the COVID-19 pandemic does not currently affect trade and other receivables, as the main clients are large companies, which are often also regulated and / or are considered to be low risk companies (about 80% of trade receivables are receivables from AB "Energijos skirstymo operatorius"). The Company has in place a credit insurance contract for receivables under transmission and imbalance agreements. In addition, imbalance market participants have provided flat-rate bank guarantees or paid their deposits. At the time of reporting, settlements/collecting of payments were on agreed terms, there were no delays due to COVID-19.

In the opinion of the management, there is no risk for the repayment of the loans granted to UAB TETAS, as UAB TETAS is a company of the EPSO-G UAB group. UAB TETAS repaid a loan of Eur 1.2 million on 23 October 2020 as per loan agreement dated 25 October 2017.

The COVID-19 pandemic does not affect the repayment of loans received by the Company, as the cash flows generated by the Company are more than sufficient to ensure the fulfilment of financial obligations.

There are short-term borrowing facilities available with the EPSO-G.

Due to the effects of the pandemic, the Company's revenue may decline in 2020 as a result of reduced electricity consumption. However, restrictions did not significantly affect the volumes of power transmission services during the quarantine. In addition, in the long term, the price regulation mechanism provides for loss of revenue during the calendar year to be offset in future periods.

The Company operates in one of the most strategic and secure sectors of the state. The services provided by the Company are indispensable and operate on the regulated monopoly principle.



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NOTES TO THE CONDENSED INTEREM FINANCIAL STATEMENTS
(All amounts in EUR thousands unless otherwise stated)

4. Intangible assets

	Intangible assets
Net book amount at 31 December 2018	6,529
Additions	55
Reclassification from PPE	1
Amortization charge	(925)
Net book amount at 30 September 2019	5,660
Net book amount at 31 December 2019	4,857
Additions	366
Amortization charge	(844)
Net book amount at 30 September 2020	4,379

5. Property, plant and equipment

	Property, plant and equipment
Net book amount at 31 December 2018	307,047
Additions	31,220
Prepayments for PP&E	790
Write-offs	(145)
Transfer from inventories	3
Reclassification to intangible assets	(1)
Set-off of grants with non-current assets	(8,136)
Depreciation charge	(14,169)
Net book amount at 30 September 2019	316,609
Net book amount at 31 December 2019	322,579
Additions	31,697
Prepayments for PP&E	76
Write-offs	(568)
Impairment	17
Transfer from inventories	14
Set-off of grants with non-current assets	(5,974)
Depreciation charge	(13,917)
Net book amount at 30 September 2020	333,924

Property, plant and equipment is stated at acquisition cost reduced by the amount of grants received/receivable for the purpose of acquiring the related assets. Grants include the EU structural funds, the funds of connecting new consumers (producers) to electricity transmission network (based on the accounting policy applicable until 1 July 2009). PSO funds allocated to the Company for the development and implementation of strategic projects and the portion of congestion management revenue for financing investments are accounted for as asset-related grants.

Had the value of property, plant and equipment not been reduced by the amount of grants, the carrying amount would be higher by EUR 300,608 thousand as at 30 September 2020 (EUR 298,818 thousand as at 30 September 2019). Below is information about property, plant and equipment, the value of which was reduced by the amount of grants received/receivable:

	30-09-2020	30-09-2019
Opening balance	300,876	296,763
Additions	5,974	8,136
Depreciation charge	(6,241)	(6,061)
Write-offs	(1)	(20)
Closing balance	300,608	298,818



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NOTES TO THE CONDENSED INTEREM FINANCIAL STATEMENTS
(All amounts in EUR thousands unless otherwise stated)

6. Right-of-use assets

	Right-of-use assets
Initial value of recognised assets at 1 January 2019	5,312
Amortisation	(231)
Net book amount at 30 September 2019	5,081
Net book amount at 31 December 2019	5,004
Additions	59
Amortisation	(228)
Net book amount at 30 September 2020	4,835

7. Loans granted

The company has granted two loans to UAB TETAS. The loan granted on 25 October 2017, amounted to EUR 1,203 thousand (annual interest rate - 2.09 %, loan repayment term 25 October 2020). The loan granted on 25 June 2018, amounted to EUR 1 million (annual interest rate - 2.2 %, loan repayment term 25 June 2021).

The amount of loans granted to TETAS UAB as of 30 September 2020 and 31 December 2019 was EUR 2,203 thousand.

8. Financial assets at fair value through other comprehensive income

Financial assets at fair value, by recognising a change in fair value in other comprehensive income, comprised the shares of TSO Holding AS

	30-09-2020	31-12-2019
TSO Holding AS (2 proc.)	1,089	1,984
Iš viso	1,089	1,984

On 15 January 2020 the Company together with other Nord Pool Holding AS shareholders - Northern and Baltics power transmission operators ("PSO") through the intermediate company TSO HOLDING AS (The Company holds 2% of shares) sold 66% of shares in Nord Pool Holding AS to Euronext. Company reduced the value in its investment in TSO HOLDING AS based on the price in sale and purchase agreement as at 31 December 2019. The reduction in investment was accounted for in other comprehensive income and the revaluation reserve was reduced accordingly.

In 2020 Company received dividend of Eur 895 thousand from TSO Holding AS and further reduced its investment in TSO Holding AS by the amount of dividends received: Eur 834 thousand were accounted in operating costs and Eur 61 thousand in other comprehensive income as a reduction in revaluation reserve.

9. Trade receivables

	30-09-2020	31-12-2019
Receivables from transmission of electricity	18,322	15,679
Other trade receivables	2,195	1,348
Less: impairment allowance for trade receivables	(263)	(263)
Carrying amount	20,254	16,764



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NOTES TO THE CONDENSED INTEREM FINANCIAL STATEMENTS
(All amounts in EUR thousands unless otherwise stated)

10. Other financial assets

	30-09-2020	31-12-2019
Funds deposited for guarantees and deposits	1,519	1,619
Financial assets held for sale	-	752
Carrying amount	1,519	2,371

As at 31 December 2019 the financial assets held for sale comprised of 20.36% shareholding in UAB „Duomenų logistikos centras“ („DLC“). As noted in Note 1, on 7 July 2020 the Company sold its shares in DLC, which was accounted for in Finance Income.

11. Borrowings

Borrowings of the Company were as follows:

	30-09-2020	31-12-2019
Non-current borrowings		
Borrowings from banks	71,690	79,903
Current borrowings		
Current portion of non-current borrowings	14,225	14,225
Total	85,915	94,128

Maturity of non-current borrowings:

	30-09-2020	31-12-2019
Between 1 and 2 years	14,225	14,225
From 2 to 5 years	32,393	37,535
After 5 years	25,072	28,143
Total	71,690	79,903

As at 30 September 2020 and 31 December 2019 the weighted average interest rate on the Company's borrowings was 1 %.

As at 30 September 2020 and 31 December 2019 the Company had no unused loans and overdrafts.

12. Lease liabilities

Lease liabilities and their movement were as follows:

	Lease liabilities
Recognition of lease liabilities under IFRS 16	5,312
Lease payments (Principal and Interest)	(203)
Net book amount at 30 September 2019	5,109
Net book amount at 31 December 2019	5,041
Lease agreements have been concluded	59
Lease payments (Principal and Interest)	(209)
Net book amount at 30 September 2020	4,891



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NOTES TO THE CONDENSED INTEREM FINANCIAL STATEMENTS
(All amounts in EUR thousands unless otherwise stated)

13. Congestion management revenue

	30-09-2020	31-12-2019
Opening balance of congestion management revenue	39,135	15,754
Congestion management revenue received during the period	25,002	27,366
Reclassified to property, plant and equipment	(749)	(3,787)
Congestion management revenue recognised as income during the period	(633)	(198)
Closing balance of congestion management revenue	62,755	39,135

Long-term share of unused balance on congestion management revenue as of 30 September 2020 amounted to EUR 27,618 thousand EUR (as of 31 December 2019 - EUR 8,185 thousand), short-term - EUR 4,463 thousand (as at 31 December 2019 - EUR 4,463 thousand). The difference between the balance of congestion revenue in liabilities and assets is due to the temporary use of funds to finance the Company's operations.

14. Information by segments

The Company is engaged in electricity transmission and related services activities and operates as one segment. All non-current assets of the Company are located in Lithuania, where the Company carries out its activity. During the nine months of 2020, the Company earned 94 percent of its revenue from Lithuanian clients (during the nine months of 2019: - 93 percent).

15. Revenue from electricity transmission and related services

	30-09-2020	30-09-2019
Electricity transmission services	60,560	51,085
Trade in balancing/regulating electricity	14,396	20,189
System services	62,835	52,029
Other sales of electricity and related services	3,369	4,928
Services under PSO scheme	6,334	6,925
Income from connection of new producers/customers and equipment replacement	157	363
Congestion revenue	633	189
Income from the administration of guarantees of origin	97	65
Total	148,381	135,773

Revenues from electricity transmission and system services increased by 9% compared to the nine-month period of 2019. Revenue growth was driven by higher average actual prices for electricity transmission and system services.

16. Related-party transactions

The Company's related parties were as follows:

- EPSO-G (the parent company). 100% of EPSO-G share capital is owned by the Ministry of Energy of the Republic of Lithuania;
- EpsO-G UAB Group companies:
 - Amber Grid AB (common shareholders);
 - Tetas UAB (common shareholders);
 - Baltpool UAB (common shareholders).
- Ignitis grupė UAB companies
- Other state-controlled companies:
 - VĮ Ignalinos atominė elektrinė;
 - Other state-controlled companies or those under significant influence.
- Management.



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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 January and September of 2020 and balances arising from these transactions as at 30 September 2020 were as follows:

Related parties	Receivables and accrued income	Amounts payable and accrued charges	Loans granted	Purchase	Sales	Finance income
<u>EPSO-G UAB group companies</u>						
EPSO-G UAB	-	27	-	113	-	-
TETAS UAB	192	3,203	2,203	8,225	125	35
BALTPPOOL UAB	573	-	-	203	3,724	-
<u>State-controlled companies</u>						
Energijos skirstymo operatorius AB	14,813	960	-	596	111,890	-
Ignitis gamyba AB	671	7,582	-	60,369	3,942	-
Duomenų logistikos centras UAB	26	-	-	7	175	-
Ignitis grupės paslaugų centras UAB	26	-	-	-	195	-
Ignitis UAB	296	-	-	1,764	3,047	-
Vilniaus kogeneracinė jėgainė UAB	32	-	-	-	32	-
Kauno kogeneracinė jėgainė UAB	3	45	-	138	215	-
Energetikos paslaugų ir rangos organizacija UAB	-	287	-	712	-	-
Transporto valdymas UAB	-	18	-	135	-	-
Ignalinos atominė elektrinė VĮ	105	16	-	132	798	-
Lietuvos geležinkelių infrastruktūra AB	49	-	-	-	366	-
	16,786	12,138	2,203	72,394	124,509	35

The Company's transactions with related parties between January and September of 2019 and balances arising from these transactions as at 30 September 2019 were as follows:

Related parties	Receivables and accrued income	Amounts payable and accrued charges	Loans granted	Purchase	Sales	Finance income
<u>EPSO-G UAB group companies</u>						
EPSO-G UAB	-	16	-	84	-	-
TETAS UAB	246	596	2,203	2,883	3	35
LITGRID Power Link Service UAB	-	-	-	8	-	-
BALTPPOOL UAB	657	-	-	-	3,631	-
<u>State-controlled companies</u>						
Energijos skirstymo operatorius AB	13,308	2,546	-	1,625	91,366	-
Ignitis gamyba AB	815	7,290	-	54,866	4,909	-
Energijos tiekimas UAB	-	216	-	1,065	1,991	-
Ignitis UAB	899	401	-	897	1,506	-
Duomenų logistikos centras UAB	26	18	-	134	197	81
Ignitis grupės paslaugų centras UAB	27	-	-	-	197	-
Transporto valdymas UAB	-	18	-	138	-	-
Energetikos paslaugų ir rangos organizacija UAB	-	52	-	580	-	-
Kauno kogeneracinė jėgainė UAB	-	609	-	-	-	-
Lietuvos geležinkeliai AB	41	-	-	-	328	-
Ignalinos atominė elektrinė VĮ	91	32	-	131	678	-
	16,110	11,794	2,203	62,411	104,806	116

Payments to the key management personnel

	30-09-2020	30-09-2019
Employment-related payments	577	571
Whereof: termination benefits	-	-
Number of the key management personnel (average annual)	7	7



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During the first nine months of 2020 and 2019 the Management of the Company did not receive any loans, guarantees, or any other payments or property transfers were made or accrued.

Key management personnel consists of the Company's head of administration and department directors.

17. Dividends

During the Ordinary General Meeting of Shareholders of LITGRID AB held on 20 April 2020, the decision was made in relation to the payment of dividends in the amount of EUR 4,085,084. Dividends per share amounted to EUR 0.0081.

18. Basic and diluted earnings per share

During the first nine months of 2020 and 2019, the Company's basic and diluted earnings per share were as follows:

	30-09-2020	30-09-2019
Net profit (loss) attributable to the Company's shareholders (EUR thousands)	18,499	612
Weighted average number of shares (units)	504,331,380	504,331,380
Basic and diluted earnings (deficit) per share (in EUR)	<u>0.037</u>	<u>0.001</u>

19. Events after the reporting period

1 October 2020 The Coordinating Committee of the EU Infrastructure Network Connecting Europe Facility (CEF) has decided to provide the maximum possible support for key projects for the synchronization of the Baltic States with the continental European networks. According to the joint application of Lithuanian, Latvian, Estonian and Polish transmission system operators, Eur 719.7 million was granted. It will support and ensure the smooth implementation of major infrastructure projects and will allow The Baltic States already in 2025 to start operating on the same frequency as Poland and other continental European countries.

Support of a maximum intensity of 75% is granted for the most important and already started synchronization projects. Eur 493 million has been allocated for the construction of the Lithuanian-Polish maritime connection Harmony Link. The support for the installation of synchronous compensators in Lithuania, Latvia and Estonia - Eur 166.5 million., the rest of the support is for the modernization and development of networks required for the integration of the Harmony Link connection.

The synchronization project is important for the creation of a common European electricity market, ensuring secure electricity transmission and energy independence from Russian systems. It will also have the effect of closer economic cooperation.

On 23 October 2020 UAB TETAS returned an intercompany loan of Eur 1.2 million as per loan agreement dated 25 October 2017.