



Litgrid

LITGRID AB

COMPANY'S CONDENSED INTERIM FINANCIAL STATEMENTS, PREPARED
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS AS
ADOPTED BY THE EUROPEAN UNION (UNAUDITED),
FOR THE PERIOD ENDED 31 DECEMBER 2020

CONFIRMATION OF RESPONSIBLE PERSONS

February 4, 2021 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 year ended 31 December 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 February 2021.

Vidmantas Grušas
acting Chief Executive Officer

Vytautas Tauras
Director of Finance Department

Jurgita Kerpė
Head of Accounting Division



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

	Notes	31-12-2020	31-12-2019
ASSETS			
Non-current assets			
Intangible assets	4	4,339	4,857
Property, plant and equipment	5	333,820	322,579
Right-of-use assets	6	4,795	5,004
Deferred income tax assets		13,190	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	18,041	8,185
Total non-current assets		375,274	351,864
Current assets			
Inventories		26	36
Prepayments		988	527
Trade receivables	9	24,897	16,764
Other amounts receivable		3,284	111
Loans granted	7	1,000	1,203
Short-term share of unused funds balance of congestion management revenue	13	6,860	4,463
Other financial assets	10	1,619	2,371
Cash and cash equivalents		33	30
Total current assets		38,707	25,505
TOTAL ASSETS		413,981	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)		27,088	4,130
Total equity		219,693	196,742
Liabilities			
Non-current liabilities			
Non-current borrowings	11	65,677	79,903
Lease liabilities	12	4,590	4,771
Congestion management revenue	13	55,659	34,672
Other non-current amounts payable and liabilities		2,365	6,310
Total non-current liabilities		128,291	125,656
Current liabilities			
Current portion of non-current borrowings	11	14,225	14,225
Current portion of lease liabilities	12	267	270
Trade payables		25,021	25,596
Share of congestion management revenue of the current year	13	6,860	4,463
Advance amounts received		5,399	2,338
Income tax liability		5,913	426
Other current amounts payable and liabilities		8,312	7,653
Total current liabilities		65,997	54,971
Total liabilities		194,288	180,627
TOTAL EQUITY AND LIABILITIES		413,981	377,369

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



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

	Notes	2020	2019
Revenue			
Revenue from electricity transmission and related services	15	206,875	184,675
Other income		1,117	616
Total revenue	14	207,992	185,291
Expenses			
Expenses of electricity transmission and related services		(128,256)	(134,948)
Depreciation and amortisation	4,5,6	(20,354)	(20,418)
Wages and salaries and related expenses		(11,151)	(9,717)
Repair and maintenance expenses		(9,449)	(9,176)
Telecommunications and IT maintenance expenses		(1,670)	(1,644)
Property, plant and equipment write-off expenses		(590)	(187)
Impairment of property, plant and equipment		(233)	(239)
Impairment of inventories and accounts receivables		227	356
Impairment of investments		(719)	-
Other expenses		(5,170)	(6,086)
Total expenses		(177,365)	(182,059)
Operating profit (loss)		30,627	3,232
Financing activities			
Finance income		958	259
Disposal of the subsidiary and associate	1,10	831	2,150
Finance costs		(964)	(1,117)
Total finance costs		825	1,292
Profit (loss) before income tax		31,452	4,524
Income tax			
Current year income tax expenses		(9,290)	(4,074)
Deferred income tax income (expenses)		4,926	3,680
Total income tax		(4,364)	(394)
Net profit (loss)		27,088	4,130
Other comprehensive income (expenses) that will not be reclassified to profit or loss			
Change in fair value of financial assets		(61)	(709)
Effect of deferred income tax		9	106
Other comprehensive income that will not be reclassified to profit or loss		(52)	(603)
Total other comprehensive income (expenses)		27,036	3,527
Basic and diluted earnings/(deficit) per share (in EUR)	18	0.054	0.008



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

	Notes	01-10- 31-12-2020	01-10- 31-12-2019
Revenue			
Revenue from electricity transmission and related services		58,494	48,902
Other income		420	164
Total revenue		58,914	49,066
Expenses			
Expenses of electricity transmission and related services		(34,972)	(33,412)
Depreciation and amortisation		(5,365)	(5,093)
Wages and salaries and related expenses		(3,003)	(2,696)
Repair and maintenance expenses		(3,000)	(3,056)
Telecommunications and IT maintenance expenses		(476)	(468)
Property, plant and equipment write-off expenses		(232)	(66)
Impairment of property, plant and equipment		-	(239)
Impairment of inventories and accounts receivables		149	(236)
Impairment of investments		46	-
Other expenses		(1,652)	(1,846)
Total expenses		(48,505)	(47,112)
Operating profit (loss)		10,409	1,954
Financing activities			
Finance income		11	46
Disposal of the subsidiary and associate		-	2,150
Finance costs		(226)	(297)
Total finance costs		(215)	1,899
Profit (loss) before income tax		10,194	3,853
Income tax			
Current year income tax expenses		(2,731)	(1,109)
Deferred income tax income (expenses)		1,126	774
Total income tax		(1,605)	(335)
Net profit (loss)		8,589	3,518
Other comprehensive income (expenses) that will not be reclassified to profit or loss			
Change in fair value of financial assets		-	(709)
Effect of deferred income tax		-	106
Other comprehensive income that will not be reclassified to profit or loss		-	(603)
Total other comprehensive income (expenses)		8,589	2,915
Basic and diluted earnings/(deficit) per share (in EUR)		0.017	0.007

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

CONDENSED INTERIM 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	-	-	(603)	-	-	4,130	3,527
Transferred to retained earnings	-	-	-	-	(40,210)	40,210	-
Dividends	-	-	-	-	-	(2,622)	(2,622)
Balance at 31 December 2019	146,256	8,579	52	14,626	23,099	4,130	196,742
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)	-	-	27,088	27,036
Transfer to reserves	-	-	-	-	45	(45)	-
Dividends	-	-	-	-	-	(4,085)	(4,085)
Balance at 31 December 2020	146,256	8,579	-	14,626	23,144	27,088	219,693

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

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

	2020	2019
Cash flows from operating activities		
Profit (loss) for the year	27,088	4,130
Adjustments for non-cash items and other adjustments:		
Depreciation and amortisation expenses	4,5,6 20,354	20,418
Impairment of financial assets	719	-
(Reversal of) / impairment of assets	(227)	(3,176)
Written-off bad debts	-	2,820
Impairment of property, plant and equipment	233	239
Income tax expenses	4,364	394
(Gain) loss on disposal/write-off of property, plant and equipment	590	187
Elimination of results of financing and investing activities:		
Interest income	(42)	(47)
Interest expenses	945	1,076
Disposal of the associate	(831)	(2,150)
Dividend income	(895)	(174)
Other finance costs (income)	(2)	3
Changes in working capital:		
(Increase) decrease in trade receivables and other amounts receivable	(7,369)	(221)
(Increase) decrease in inventories, prepayments and other current assets	(348)	(30)
Increase (decrease) in amounts payable, grants, deferred income and advance amounts received	(1,341)	3,861
Changes in other financial assets	(12,253)	2,663
Income tax (paid)	(3,802)	(3,209)
Net cash flows from operating activities	27,183	26,784
Cash flows from investing activities		
(Purchase) of property, plant and equipment and intangible assets	(51,776)	(41,957)
Grants received	9,708	14,848
Loans recovered	1,203	-
Revenue generated from congestion management	30,748	27,318
Disposal of the subsidiary and associate	1,652	3,315
Interest received	47	47
Dividends received	895	174
Other cash flows from investing activities	46	-
Net cash flows from investing activities	(7,477)	3,745
Cash flows from financing activities		
Repayments of borrowings	(14,225)	(14,225)
Borrowings from related parties	-	(12,517)
Lease payments	(344)	(338)
Interest paid	(1,019)	(1,197)
Dividends paid	(4,115)	(2,619)
Net cash flows from financing activities	(19,703)	(30,896)
Increase (decrease) in cash and cash equivalents	3	(367)
Cash and cash equivalents at the beginning of the period	30	397
Cash and cash equivalents at the end of the period	33	30

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

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 31 December 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 31 December 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 31 December 2020. In 2019, the Company sold its shares in subsidiary UAB TETAS, and the subsidiary UAB Litgrid Power Link Service was liquidated.

As at 31 December 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 31 December 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 31 December 2020, the acquisition cost of the investment to LitPol Link Sp.z.o.o. was EUR 250 thousand (EUR 295 thousand as at 31 December 2019), which was fully impaired. As part of the liquidation process on 15 October 2020 Company received a payment of EUR 45.6 thousand. It is planned to finalize the liquidation process in 2021.

On 26 April 2019, the decision of the sole shareholder was made to terminate the activities of Litgrid Power Link Service UAB and liquidate the company. On 14 October 2019, the authorized capital of Litgrid Power Link Service UAB (EUR 174 thousand) was annulled, partially covering it with the amount of retained earnings (EUR 9 thousand). Cash with a balance of EUR 165 thousand was paid to the Company. On 19 December 2019, Litgrid Power Link Service UAB was liquidated and removed from the Register of Legal Entities.

The extraordinary general meeting of shareholders of LITGRID AB held 29 November 2019 adopted the decision to approve the decision of the Board of the Company as of 7 November 2019 to conclude TETAS UAB 100 % share purchase and sale agreement



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with EPSO-G UAB. Shares of TETAS UAB (400,000 units) were sold at the price set by the independent property valuer - EUR 3.15 million, which on 29 November 2019 were paid by EPSO-G UAB to the Company. TETAS UAB sales profit amounting to EUR 2.15 million is recognized in the Company's statement of comprehensive income.

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 31 December 2020, the Company had 309 employees (31 December 2019: 290).

2. Accounting principles

2.1. Basis of preparation

These condensed interim Company's financial statements, for the period ended 31 December 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 31 December 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 period ended 31 December 2020 are not audited. Financial statements for the year ended 31 December 2019 are audited by the external auditor UAB Deloitte Lietuva.

3. Significant 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 used in preparing the annual financial statements for the year ended 31 December 2019, except for the ones listed below:

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

Key areas considered as part of COVID-19 impact assessment:

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. During the second quarantine (November-December) the amount of electricity transmitted was 2.2% higher compared to the same period last year. Considering the fact that the Company is a regulated company and 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



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

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.

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 74% of trade receivables are receivables from Energijos skirstymo operatorius AB). 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 loan granted to TETAS UAB, as TETAS UAB is a company of the EPSO-G UAB group.

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 group.

The COVID-19 pandemic did not have a material impact on Company's revenue. During the second quarantine (November-December) the amount of electricity transmitted was 2.2% higher compared to the same period last year. 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.

3.2. Adjustment of the provision for statutory servitudes

31 December 2018 The Company recognised intangible assets and provision of EUR 2,300 thousand in relation to 'Statutory servitudes' which give the right to use the land lots of the third parties based on servitudes with equipped electrical networks and equipment. The amount of provision was estimated on the basis of available information on servitudes used and expected compensation amount, which was discounted using 2.24% discount rate.

On 8 July 2020 The Constitutional Court published a ruling which states that certain parts of methodology used to calculate compensation payment in relation to statutory servitudes (specifically in relation to application of coefficient and determination of the value of the land plots) are in conflict with the Constitution and other laws. The ruling is only applicable for the future and there is no need to recalculate the compensations paid previously. The Company, taking into account the ruling of the Constitutional Court, recalculated the provision for compensation of statutory servitudes by applying a coefficient of 0.5 to 1/3 of the plots with the power lines built since 11 March 1990 until 10 July 2004. The Company also revised the applicable discount rate and applied a discount rate of 0.62%. The Company has adjusted its intangible assets and related provision by EUR 165 thousand accordingly.

4. Intangible assets

	Intangible assets
Net book amount at 31 December 2018	6,529
Additions	249
Value adjustments impacted by changes in assumptions*	(700)
Amortization charge	(1,221)
Net book amount at 31 December 2019	4,857
Net book amount at 31 December 2019	4,857
Additions	444
Value adjustments impacted by changes in assumptions*	165
Amortization charge	(1,127)
Net book amount at 31 December 2020	4,339

* In 2018 The Company recognised intangible assets in relation to 'Statutory servitudes' which give the right to use the land lots of the third parties based on servitudes with equipped electrical networks and equipment. On 31 December 2018, the intangible assets and provisions of EUR 2,300 thousand were recognised on the basis of available information on servitudes used and expected compensation amount.

On 31 December 2019, the Company has adjusted its intangible assets and related provisions by EUR 700 thousand, based on the information available on paid servitude compensations for the year 2019.

On 31 December 2020 the Company, taking into account the ruling of the Constitutional Court and the information about the compensations for the servitudes actually paid during 2020, recalculated and adjusted the provision and intangible assets by EUR 165 thousand accordingly.

5. Property, plant and equipment

	Property, plant and equipment
Net book amount at 31 December 2018	307,047
Additions	47,255
Prepayments for PP&E	(227)
Write-offs	(248)
Impairment	(239)
Reclassification from inventories	131
Set-off of grants with non-current assets	(12,251)
Depreciation charge	(18,889)
Net book amount at 31 December 2019	322,579
Net book amount at 31 December 2019	322,579
Additions	52,846
Prepayments for PP&E	(1,160)
Write-offs	(813)
Impairment	17
Transfer to inventories	(12)
Set-off of grants with non-current assets	(20,714)
Depreciation charge	(18,923)
Net book amount at 31 December 2020	333,820

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 and the portion of congestion management revenue for financing investments are accounted for as asset-related grants.

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Had the value of property, plant and equipment not been reduced by the amount of grants, the carrying amount would be higher by EUR 313,067 thousand as at 31 December 2020 (EUR 300,876 thousand as at 31 December 2019). Below is information about property, plant and equipment, the value of which was reduced by the amount of grants received/receivable:

	31-12-2020	31-12-2019
Opening balance	300,876	296,763
Additions	20,714	12,251
Depreciation charge	(8,451)	(8,118)
Write-offs	(72)	(20)
Closing balance	<u>313,067</u>	<u>300,876</u>

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 31 December 2019	<u>5,081</u>
Net book amount at 31 December 2019	5,004
Additions	106
Reclassification	(11)
Amortisation	(304)
Net book amount at 31 December 2020	<u>4,795</u>

7. Loans granted

The company has granted loan to TETAS UAB on 25 June 2018, amounted to EUR 1 million (annual interest rate - 2.2 %, loan repayment term 25 June 2021).

The loan granted on 25 October 2017, amounted to EUR 1,203 thousand (annual interest rate - 2.09 %), was repaid on 23 October 2020.

The amount of loans granted to TETAS UAB as of 31 December 2020 was EUR 1,000 thousand (as of 31 December 2019 - 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

	31-12-2020	31-12-2019
TSO Holding AS (2 percent)	1,089	1,984
Iš viso	<u>1,089</u>	<u>1,984</u>

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.

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

9. Trade receivables

	31-12-2020	31-12-2019
Receivables from transmission of electricity	23,153	15,679
Other trade receivables	1,899	1,348
Less: impairment allowance for trade receivables	(155)	(263)
Carrying amount	24,897	16,764

10. Other financial assets

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

As at 31 December 2019 the financial assets held for sale comprised of 20.36% shareholding in Duomenų logistikos centras UAB. 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:

	31-12-2020	31-12-2019
Non-current borrowings		
Borrowings from banks	65,677	79,903
Current borrowings		
Current portion of non-current borrowings	14,225	14,225
Total	79,902	94,128

Maturity of non-current borrowings:

	31-12-2020	31-12-2019
Between 1 and 2 years	14,225	14,225
From 2 to 5 years	29,452	37,535
After 5 years	22,000	28,143
Total	65,677	79,903

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

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

12. Lease liabilities

Lease liabilities and their movement were as follows:

	2020	2019
Opening balance	5,041	-
Recognition of lease liabilities under IFRS 16 (01-01-2019)	-	5,312
Lease agreements have been concluded	106	-
Reclassification	(12)	-
Lease payments (Principal and Interest)	(278)	(271)
Closing balance	4,857	5,041

13. Congestion management revenue

	31-12-2020	31-12-2019
Opening balance of congestion management revenue	39,135	15,754
Congestion management revenue during the period	32,381	27,366
Reclassified to property, plant and equipment	(8,005)	(3,787)
Congestion management revenue recognised as income during the period	(992)	(198)
Closing balance of congestion management revenue	62,519	39,135

Long-term share of unused balance on congestion management revenue as of 31 December 2020 amounted to EUR 18,041 thousand EUR (as at 31 December 2019 - EUR 8,185 thousand), short-term - EUR 6,860 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 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

	2020	2019
Electricity transmission services	83,365	69,315
Trade in balancing/regulating electricity	21,217	26,376
System services	86,702	70,750
Other sales of electricity and related services	4,727	7,195
Services under PSO scheme	8,837	9,274
Income from connection of new producers/customers and equipment replacement	916	1,483
Congestion revenue	991	198
Income from the administration of guarantees of origin	120	84
Total	206,875	184,675

Revenues from electricity transmission and system services increased by 12% compared to the period of 2019. Revenue growth was driven by higher average actual prices for electricity transmission and system services.

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(All amounts in EUR thousands unless otherwise stated)

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.

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 in 2020 and balances arising from these transactions as at 31 December 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	-	136	-	-
TETAS UAB	155	825	1,000	11,994	191	42
BALTPOOL UAB	516	-	-	203	5,070	-
<u>State-controlled companies</u>						
Energijos skirstymo operatorius AB	18,050	379	-	857	154,900	-
Ignitis gamyba AB	777	8,548	-	80,884	6,002	-
Duomenų logistikos centras UAB	25	-	-	8	240	-
Ignitis grupės paslaugų centras UAB	27	-	-	-	261	-
Ignitis UAB	721	-	-	2,137	4,867	-
Vilniaus kogeneracinė jėgainė UAB	-	100	-	-	32	-
Kauno kogeneracinė jėgainė UAB	28	-	-	192	282	-
Energetikos paslaugų ir rangos organizacija UAB	-	-	-	712	-	-
Transporto valdymas UAB	-	18	-	181	-	-
Ignalinos atominė elektrinė VĮ	107	23	-	177	1,058	-
LTG Infra AB	52	-	-	-	492	-
	20,458	9,920	1,000	97,481	173,395	42

The Company's transactions with related parties in 2019 and balances arising from these transactions as at 31 December 2019 were as follows:

Related parties	Receivables and accrued income	Amounts payable and accrued charges	Loans granted	Purchase	Sales	Finance income	Finance costs
<u>EPSO-G UAB group companies</u>							
EPSO-G UAB	-	16	-	113	3,150	-	17
TETAS UAB	246	254	2,203	4,856	16	47	5
BALTPOOL UAB	415	-	-	-	4,800	-	-
<u>State-controlled companies</u>							
Energijos skirstymo operatorius AB	13,835	2,661	-	2,269	125,340	-	-
Ignitis gamyba AB	580	7,308	-	72,949	6,852	-	-
Energijos tiekimas UAB	-	-	-	1,065	1,991	-	-
Ignitis UAB	15	-	-	1,312	2,762	-	-
Duomenų logistikos centras UAB	21	34	-	178	253	81	-
Ignitis grupės paslaugų centras UAB	26	-	-	-	263	-	-
Vilniaus kogeneracinė jėgainė UAB	-	35	-	-	264	-	-
Transporto valdymas UAB	-	18	-	183	-	-	-
Energetikos paslaugų ir rangos organizacija UAB	-	240	-	989	-	-	-
Kauno kogeneracinė jėgainė UAB	281	-	-	-	279	-	-
Lietuvos geležinkeliai AB	-	-	-	-	396	-	-
Ignalinos atominė elektrinė VĮ	94	41	-	178	908	-	-
	15,513	10,607	2,203	84,092	147,274	128	22



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(All amounts in EUR thousands unless otherwise stated)

Payments to the key management personnel

	2020	2019
Employment-related payments	879	764
Whereof: termination benefits	90	-
Number of the key management personnel (average annual)	7	7

During 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.

During the Ordinary General Meeting of Shareholders of LITGRID AB held on 23 April 2019, the decision was made in relation to the payment of dividends in the amount of EUR 2,622,523. Dividends per share amounted to EUR 0.0052.

18. Basic and diluted earnings per share

In 2020 and 2019, the Company's basic and diluted earnings per share were as follows:

	2020	2019
Net profit (loss) attributable to the Company's shareholders (EUR thousands)	27,088	4,130
Weighted average number of shares (units)	504,331,380	504,331,380
Basic and diluted earnings (deficit) per share (in EUR)	<u>0.054</u>	<u>0.008</u>

19. Events after the reporting period

There were no events after the reporting period.