



**AB AMBER GRID
CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION**

CONFIRMATION OF RESPONSIBLE PERSONS

6 February 2023

Following the Law on Securities of the Republic of Lithuania and the Rules on Information Disclosure of the Bank of Lithuania, we, Nemunas Biknius, Chief Executive Officer of AB Amber Grid, Gytis Fominas, Chief Financial Officer of AB Amber Grid and Rasa Baltaragienė, Head of accounting of AB Amber Grid, hereby confirm that, to the best of our knowledge, the attached AB Amber Grid unaudited interim condensed consolidated and separate financial statements for the period ended 31 December 2022 are prepared in accordance with International Financial Reporting Standards, adopted by the European Union, present a true and fair view of the group's assets, liabilities, financial position, profit and cash flows.

Chief Executive Officer

Nemunas Biknius

(The document is signed with a qualified electronic signature)

Chief Financial Officer

Gytis Fominas

(The document is signed with a qualified electronic signature)

Head of accounting

Rasa Baltaragienė

(The document is signed with a qualified electronic signature)

Consolidated and separate statement of financial position

(All amounts are in EUR '000 unless otherwise stated)

		Group		Company	
		At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
ASSETS					
A.	Non-current assets	292,179	272,087	292,179	272,202
I.	Intangible assets	2,584	4,742	2,584	4,210
II.	Property, plant and equipment	281,089	255,984	281,089	255,978
II.1.	Land	125	125	125	125
II.2.	Buildings	6,526	6,529	6,526	6,529
II.3.	Plant and equipment	229,892	199,940	229,892	199,940
II.4.	Machinery and equipment	33,831	37,143	33,831	37,143
II.5.	Motor vehicles	220	373	220	373
II.6.	Other	3,849	4,066	3,849	4,060
II.7.	Construction in progress	6,646	7,808	6,646	7,808
III.	The right-of-use assets	3,365	3,849	3,365	3,737
IV.	Non-current financial assets	-	4	-	769
IV.1.	Investment in the subsidiary	-	-	-	769
IV.2.	Non-current trade receivables	-	-	-	-
IV.3.	Other non-current financial assets	-	4	-	-
V.	A deferred tax asset	5,141	7,508	5,141	7,508
B.	Current assets	256,177	108,127	53,168	46,318
I.	Inventories and prepayments	13,735	8,818	13,735	8,801
I.1.	Raw materials, spare parts and other inventories	12,833	8,101	12,833	8,101
I.2.	Prepayments	902	717	902	700
II.	Accounts receivable	38,220	45,946	38,220	35,257
II.1.	Trade receivables	18,498	21,424	18,498	10,736
II.2.	Other receivables	19,722	24,522	19,722	24,521
III.	Corporate income tax paid in advance	-	943	-	943
IV.	Other financial assets	423	51,514	423	1,305
V.	Cash and cash equivalents	21	906	21	12
VI.	Asset held for sale (asset of the disposal group)	203,778	-	769	-
Total assets		548,356	380,214	345,347	318,520

(cont'd on the next page)

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

Consolidated and separate statement of financial position (cont'd)

(All amounts are in EUR '000 unless otherwise stated)

	Notes	Group		Company	
		At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
EQUITY AND LIABILITIES					
C. Equity		183,804	178,040	183,392	177,573
I. Share capital		51,731	51,731	51,731	51,731
II. Reserves		115,999	102,715	115,941	102,678
II.1. Legal reserve		5,231	5,210	5,173	5,173
II.2. Other reserves		110,768	97,505	110,768	97,505
III. Retained earnings (deficit)		16,074	23,594	15,720	23,164
D. Accounts payable and liabilities		364,552	202,174	161,955	140,947
I. Amounts payable after one year and non-current liabilities		78,777	97,661	78,777	97,578
I.1. Non-current borrowings	13	73,496	91,391	73,496	91,391
I.2. A right-of-use asset and corresponding liability	14	3,012	3,494	3,012	3,411
I.3. Contract liabilities	15	1,271	1,305	1,271	1,305
I.4. Non-current employee benefits		616	530	616	530
I.5. Deferred income tax liability		-	-	-	-
I.6. Other non-current liabilities		-	-	-	-
I.7. Provisions		382	941	382	941
II. Accounts payable within one year and short-term liabilities		285,775	104,513	83,178	43,369
II.1. Current financial liability	13	17,895	3,284	17,895	3,284
II.2. Current portion of non-current borrowings	13	9,571	10,174	9,571	10,174
II.3. A right-of-use asset and corresponding liability	14	502	432	502	401
II.4. Current year portion of non-current employee benefits		122	72	122	72
II.5. Trade payables	17	13,668	32,476	13,668	8,439
II.6. Advance amounts and contract liabilities	18	882	37,284	882	829
II.7. Income tax payable		-	86	-	-
II.8. Payroll related liabilities		2,754	2,943	2,754	2,826
II.9. Other payables and current liabilities	19	37,142	16,546	37,142	16,128
II.10. Provisions		642	1,216	642	1,216
II.11. Liabilities of the disposal group	12	202,597	-	-	-
Total equity and liabilities		548,356	380,214	345,347	318,520

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

Consolidated statement of profit or loss

(All amounts are in EUR '000 unless otherwise stated)

		Group				
		Notes	For the period of three months ended 31 December 2022	For the period of three months ended 31 December 2021	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021
I.	Revenue	4	31,853	24,104	98,206	68,595
II.	Expenses		(25,645)	(14,504)	(79,357)	(45,381)
II.1.	Cost of natural gas		(14,267)	(4,577)	(39,834)	(11,268)
II.2.	Depreciation and amortization	4,5,7	(3,360)	(3,106)	(13,045)	(12,057)
II.3.	Remuneration and related social security tax expenses		(3,588)	(3,318)	(12,423)	(11,387)
II.4.	Repair and technical maintenance expenses		(1,499)	(1,369)	(4,646)	(3,561)
II.5.	Taxes other than income tax		(734)	(620)	(2,812)	(2,320)
II.6.	Telecommunications and IT systems expenses		(516)	(545)	(1,953)	(1,715)
II.7.	Other expenses		(1,681)	(969)	(4,644)	(3,073)
III.	Operation profit (loss)	4	6,208	9,600	18,849	23,214
IV.	Financial activity	4	(222)	(167)	(719)	(437)
IV.1.	Income		35	-	44	2
IV.2.	Expense		(257)	(167)	(763)	(439)
V.	Profit (loss) before income tax	4	5,986	9,433	18,130	22,777
VI.	Income tax	4	(921)	(1,171)	(2,465)	434
VI.1.	Current period income tax		(51)	(25)	(98)	(113)
VI.2.	Deferred income tax		(870)	(1,146)	(2,367)	547
VII.	Net profit (loss)	4	5,065	8,262	15,665	23,211
	Basic and diluted earnings (loss) per share (Eur)	20	0,03	0,05	0,09	0,13

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

Consolidated statement of comprehensive income

(All amounts are in EUR '000 unless otherwise stated)

		Group			
		For the period of three months ended 31 December 2022	For the period of three months ended 31 December 2021	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021
I.	Net profit (loss)	5,065	8,262	15,665	23,211
II.	Total comprehensive income (loss)	5,065	8,262	15,665	23,211

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

Company's statement of profit or loss

(All amounts are in EUR '000 unless otherwise stated)

		Company				
		Notes	For the period of three months ended 31 December 2022	For the period of three months ended 31 December 2021	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021
I.	Revenue	4	31,346	23,657	96,652	66,973
II.	Expenses		(25,447)	(14,151)	(78,541)	(44,448)
II.1.	Cost of natural gas		(14,267)	(4,577)	(39,834)	(11,268)
II.2.	Depreciation and amortization	4,5,7	(3,309)	(3,062)	(12,854)	(11,882)
II.3.	Remuneration and related social security tax expenses		(3,417)	(3,202)	(11,942)	(10,937)
II.4.	Repair and technical maintenance expenses		(1,499)	(1,369)	(4,646)	(3,561)
II.5.	Taxes other than income tax		(734)	(620)	(2,808)	(2,318)
II.6.	Telecommunications and IT systems expenses		(481)	(519)	(1,840)	(1,625)
II.7.	Other expenses		(1,740)	(802)	(4,617)	(2,857)
III.	Operation profit (loss)	4	5,899	9,506	18,111	22,525
IV.	Financial activity	4	(246)	(141)	(23)	92
IV.1.	Income		11	-	618	480
IV.2.	Expense		(257)	(141)	(641)	(388)
V.	Profit (loss) before income tax	4	5,653	9,365	18,088	22,617
VI.	Income tax	4	(870)	(1,146)	(2,368)	547
VI.1.	Current period income tax		-	-	(1)	-
VI.2.	Deferred income tax		(870)	(1,146)	(2,367)	547
VII.	Net profit (loss)	4	4,783	8,219	15,720	23,164
	Basic and diluted earnings (loss) per share (Eur)	20	0,03	0,05	0,09	0,13

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

Company's statement of comprehensive income

(All amounts are in EUR '000 unless otherwise stated)

	Group		Company	
	For the period of three months ended 31 December 2022	For the period of three months ended 31 December 2021	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021
I. Net profit (loss)	4,783	8,219	15,720	23,164
II. Total comprehensive income (loss)	4,783	8,219	15,720	23,164

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

Consolidated statement of changes in equity

(All amounts are in EUR '000 unless otherwise stated)

Group	Share capital	Legal reserve	Other reserves	Retained earnings (deficit)	Total
Balance as of 31 December 2020	51,731	5,173	69,465	28,461	154,830
Reserves established	-	37	28,040	(28,077)	-
<i>Net profit (loss) for the period</i>	-	-	-	23,211	23,211
Total comprehensive income (loss)	-	-	-	23,211	23,211
Balance as of 31 December 2021	51,731	5,210	97,505	23,594	178,040
Reserves established	-	21	13,263	(13,284)	-
Dividends	-	-	-	(9,901)	(9,901)
<i>Net profit (loss) for the period</i>	-	-	-	15,665	15,665
Total comprehensive income (loss)	-	-	-	15,665	15,665
Balance as of 31 December 2022	51,731	5,231	110,768	16,074	183,804

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

Company's statement of changes in equity

(All amounts are in EUR '000 unless otherwise stated)

Company	Share capital	Legal reserve	Other reserves	Retained earnings (deficit)	Total
Balance as of 31 December 2020	51,731	5,173	69,465	28,041	154,410
Reserves established	-	-	28,040	(28,040)	-
<i>Net profit (loss) for the period</i>	-	-	-	23,164	23,164
Total comprehensive income (loss)	-	-	-	23,164	23,164
Balance as of 31 December 2021	51,731	5,173	97,505	23,164	177,573
Reserves established	-	-	13,263	(13,263)	-
Dividends	-	-	-	(9,901)	(9,901)
<i>Net profit (loss) for the period</i>	-	-	-	15,720	15,720
Total comprehensive income (loss)	-	-	-	15,720	15,720
Balance as of 31 December 2022	51,731	5,173	110,768	15,720	183,392

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

Consolidated and separate statement of cash flows
 (All amounts are in EUR '000 unless otherwise stated)

	Notes	Group		Company	
		For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021
I. Cash flows from operating activities					
I.1. Net profit (loss)	4	15,665	23,211	15,720	23,164
Adjustments for non-cash items and other corrections:					
I.2. Depreciation and amortisation	4,5,7	13,045	12,057	12,854	11,882
I.3. Loss (profit) on disposal and write-off of property, plant and equipment, doubtful trade receivables and inventories		97	(115)	97	(115)
I.4. Impairment (reversal of impairment) of property, plant and equipment, financial assets, doubtful trade receivables and inventories		1	142	1	48
I.5. Income tax expenses (benefit)	4	2,465	(434)	2,368	(547)
I.6. Interest (income)		-	-	-	-
I.7. Interest expenses		757	437	635	386
I.8. Dividend income		-	-	(598)	(478)
I.9. Income of grants		(101)	(144)	(101)	(144)
I.10. Elimination of other non-cash items		(8)	2	(8)	2
Changes in working capital:					
I.11. Decrease (increase) in inventories		(4,822)	(6,047)	(4,822)	(6,047)
I.12. (Increase) decrease in trade receivables		(9,845)	(13,579)	(7,757)	(4,910)
I.13. (Increase) decrease in other receivables and prepayments		655	(214)	1,286	(214)
I.14. (Decrease) increase in trade payables		36,567	24,682	4,189	2,923
I.15. (Decrease) increase in other payables and current liabilities		103,282	32,461	(5,754)	4,167
I.16. (Increase) decrease in other financial assets		(137,878)	(42,868)	882	(1,302)
I.17. Income tax (paid)		(112)	(523)	-	(472)
Net cash flows from operating activities		19,768	29,068	18,992	28,343
II. Cash flows from investing activities					
II.1. (Acquisition) of property, plant and equipment and intangible assets		(14,467)	(48,448)	(14,363)	(48,410)
II.2. Proceeds on disposal of property, plant and equipment		69	169	69	169
II.3. Grants received		9,429	35,052	9,429	35,052
II.4. Loans granted (repayments received)		-	-	-	-
II.5. Interest received		-	-	-	-
II.6. Dividends received		-	-	598	478
Net cash flows (used) in investing activities		(4,969)	(13,227)	(4,267)	(12,711)

The accompanying notes are an integral part of these financial statements.
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Consolidates and separate statements of cash flows (cont'd)

(All amounts are in EUR '000 unless otherwise stated)

	Group		Company	
	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021
III. Cash flows from financing activities				
III.1. Dividends (paid)	(9,900)	-	(9,900)	-
III.2. Proceeds from borrowings	-	-	-	-
III.3. (Repayments) of borrowings	(10,174)	(10,174)	(10,174)	(10,174)
III.4. Change in overdraft	6,287	(4,568)	6,287	(4,568)
III.5. Interest (paid)	(634)	(540)	(512)	(489)
III.6. Liabilities settled in relation to right-of-use assets	(446)	(420)	(417)	(392)
III.7. Other cash flows from financing activities	-	-	-	-
Net cash flows from (used in) financing activities	(14,867)	(15,702)	(14,716)	(15,623)
IV. Cash and cash equivalents included in disposal group	(817)			
V. Net increase (decrease) in cash and cash equivalents	(885)	139	9	9
VI. Cash and cash equivalents at the beginning of the year	906	767	12	3
VII. Cash and cash equivalents at the end of the period	21	906	21	12

The accompanying notes are an integral part of these financial statements.
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Notes to the consolidated and separate financial Statements
(All amounts are in EUR '000 unless otherwise stated)

1 General information

The consolidated financial statements disclose the financial position and performance of the AB Amber Grid (hereinafter referred to as the 'Company' or Amber Grid) and the Group which consists of Amber Grid and its subsidiary UAB GET Baltic (hereinafter together referred to as the 'Group').

Amber Grid was registered on 25 June 2013 after the spin-off from AB Lietuvos Dujos of the natural gas transmission activity with respective assets, rights and obligations attributed to the activity in question. The Company's operations date back to 1 August 2013.

On 10 April 2015, upon the obtaining of a positive decision from the European Commission, the National Energy Regulatory Council (before National Commission for Energy Control and Prices) issued in respect of the Company an open-ended License No. L2-3 (GDP) for the engagement in the Transmission System Operator's activity within the territory of Lithuania.

The Company is engaged in the natural gas transmission system operator's activity and provides to system users, other operators, and gas market players the following services:

- transmission of natural gas in the territory of the Republic of Lithuania;
- balancing of natural gas flows in the transmission system;
- administration of the funds intended to compensate for the installation and fixed operating costs of the Liquefied Natural Gas Terminal, its infrastructure and connector and, as from 2016, for reasonable costs of the designated supplier for the supply of an obligatory quantity of liquefied natural gas.

On 1 October 2021, the company has changed its registered office address. As of the specified date, the registered office address of Amber Grid is Laisvės ave. 10, Vilnius, Lithuania.

On 31 December 2022, the Company had 122 contracts for natural gas transmission services with the users of natural gas transmission system (natural gas customers, natural gas distribution system operators, natural gas supply companies that supply gas up to customers systems). In addition, Company had entered into natural gas balancing agreements with 1 natural gas trade companies that trade natural gas, but do not use Company's transmission system infrastructure.

The Company's largest shareholder is UAB EPSO-G (www.epsog.lt). The rights and obligations of the sole shareholder of the management company UAB EPSO - G are implemented by the Ministry of Energy of the Republic of Lithuania.

Since 1 August 2013, the Company's shares have been traded on a stock exchange; they are listed on the Baltic Secondary Trading List of NASDAQ OMX Vilnius Stock Exchange (ISIN code LT0000128696, instrument AMG1L, LEI code 097900BGMP0000061061).

As of 31 of December 2022 and 31 December 2021, the Company's shareholders were as follows:

	Number of shares owned	Ownership share (percent)
UAB EPSO-G (Company Code 302826889, Gedimino ave. 20, Vilnius)	172,279,125	96,58
Other shareholders	6,103,389	3,42
	<u>178,382,514</u>	<u>100,00</u>

The Company's share capital amounts to EUR 51,730,929.06. It is divided into 178,382,514 ordinary registered shares with par value of EUR 0.29 each.

The Company holds one subsidiary GET Baltic UAB (hereinafter referred to as the 'Get Baltic'). The Group consists of the parent company Amber Grid AB and its subsidiary GET Baltic.

Information on the subsidiary as at 31 December 2022 and 31 December 2021 is presented below:

Company	Company code	Registered address of the company	Stake of shares held as of 31 December 2022	Stake of shares held as of 31 December 2021
UAB GET Baltic	302861178	Geležinio Vilko st. 18 A, Vilnius	100 percent	100 percent

GET Baltic is a Joint Stock Company registered in the Republic of Lithuania. The Company was registered in the Register of Legal Entities on 13 September 2012. The Company is the sole shareholder of GET Baltic, which owns 100% of the authorized capital. On 31 December 2022 and on 31 December 2021 the share capital of GET Baltic was valued of EUR 580,450 and it consists of 3,055,000 ordinary registered shares with a nominal value of EUR 0,19.

GET Baltic is a licensed natural gas market operator with a status of Registered Reporting Mechanism status provided by the ACER. The Company administrates the electronic trading system for trading spot and forward natural gas products with physical delivery in the market areas located in Lithuania, Latvia, and Estonia. The Company also provides the following services to wholesale natural gas market participants:

- Providing REMIT data to the ACER;
- Providing inside information;
- Distribution of indirect natural gas transmission capacity at interconnection points between the Baltic States;
- Organizing LNG auction;
- Announcement of balancing marginal pricing.

On 31 December 2022 Get Baltic had 110 registered stock exchange participants.

On 31 December 2022 the average number of employees of the Group consisted of 340 (as at 31 December 2021 – 332); on 31 December 2022 the average number of employees of the Company consisted of 328 employees (as at 31 December 2021 – 321).

2 Summary of significant accounting principles

The principal accounting principles applied in the preparation of the Company's and the Group's financial statements for the period of twelve months ended 31 December 2022 are set out below:

2.1 Basis of preparation

These condensed interim consolidated and separate financial statements, including the statements of financial position and statement of profit or loss, statements of comprehensive income, cash flow statement and the statements of changes in equity for the period of twelve months ended 31 December 2022 have not been audited. The consolidated and separate financial statements for the period ended 31 December 2021 have been audited and prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in European Union.

For a better understanding of the information presented in these financial statements, these condensed financial statements should be read together with the annual consolidate and separate financial statements for the period ended 31 December 2021. PricewaterhouseCoopers UAB carried out an audit of Consolidated and separate Financial Statements for the period ended on 31 December 2021.

The Group's and separate condensed interim consolidated financial statements as of 31 December 2022 were prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The Group and the Company have been following the same accounting principles as the ones that were followed in the preparation of financial statements for the year 2021.

The statements were prepared based on an acquisition cost, excluding tangible fixed assets, which were presented at revalued amount.

In accordance with the accounting principles of fixed assets of EPSO–G UAB group companies, assets are accounted at revalued amount deducting accumulated depreciation and impairment losses, whereas grants are accounted for by reducing the carrying amount of the related asset.

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

2.2 Presentation currency

All amounts in these financial statements have been measured and presented in the euros (EUR), which is an official currency of the Republic of Lithuania. These financial statements are presented in EUR '000 unless otherwise stated.

3 Accounting estimates and assumptions

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

3.1 Sale of the shares of subsidiary

Compiling the financial statements for the period ended 30 September 2022, the investment in the subsidiary Get Baltic that is singles out as separate operating segment were reclassified into the asset held for sale as the following criteria were met: (1) all necessary approvals for the proposed share transfer transaction have been obtained, i.e. the boards of the Group and the Company approved the initial conditions for the sale of shares and initiation of the process; (2) the asset or disposal group is available for immediate sale in its present condition and to terms that are usual and customary for sales of such assets or disposal groups; (3) an active sales have been initiated (potential buyer that have been selected submitted the initial offers; (4) the sale of the asset or disposal group is probable, and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale within one year, except if events or circumstances beyond our control extend the period of time required to sell the asset or disposal group beyond one year; (5) the asset (disposal group) can be sold in the market at a price that is reasonable in relation to its current fair value; and (6) actions required to complete the sale plan indicate that it is unlikely that significant changes to the sale plan will be made or that the sale will be withdrawn.

The disposal group that is classified as asset held for sale is carried out at a carrying amount that is lower than its fair value.

The disposal group does not meet the criteria for discontinued operations, as the subsidiary is not considered a major (significant) line of business or geographical area of operation, so the impact of discontinued operations is not disclosed in the profit (loss) and cash flow statements.

The company's transactions with Get Baltic will be carried out even after the sale date, therefore, in the consolidated reports, mutual transactions are eliminated from the disposal group.

3.2 Accounting principles applying to system user's balancing

Under the Regulation establishing a Network Code on Gas Balancing of Transmission Networks (hereinafter – Regulation) the system users are responsible to balance their inflow and outflow volumes. If system users do not adjust the quantities of natural gas at the entry and exit points, the Company is authorized to perform the balancing actions provided in the Regulation. In accordance with the Regulation, the Company performs system user balancing actions each reporting month when imbalance occurs at the transmission system.

Revenue from balancing is recognised for each reporting month when a negative imbalance is caused by the transmission system user, that occurs a shortage of natural gas in the transmission system. Expense from balancing is recognised for each reporting month when a positive imbalance is caused by the transmission system user, that occurs an excess of natural gas in the transmission system. In order to comply with the principle of profit neutrality from the 1 March 2022 Company calculates a neutrality charge for each reporting month. The neutrality charge is a charge paid by or to the transmission system operator for the balancing of the transmission system. This charge consists of the difference between the transmission system operator's costs and the revenue from balancing activities. Neutrality charges can be both positive and negative. In the event of a negative

neutrality charge, the transmission system operator pays the neutrality charge to the system users. In the event of a positive neutrality charge, the transmission system operator receives a neutrality charge from the system users. The purpose of neutrality charge is to ensure the transmission system operators financial neutrality.

In the assessment of the Company's management due to the changes in balancing regulation, the Company acts as an agent and presents the net result of balancing activity in the financial statements. The "net" principle for balancing income and expenses is applied from 1 March 2022.

3.3 The impact of the Russia's invasion of Ukraine on financial statements

Whereas the Group and the Company does not have any significant transactions in the affected markets and has no subsidiaries in the affected markets, no negative impact on financial results and cash flows was identified.

As of 1 April 2022, Lithuania has completely switched away from Russian gas in order to achieve full energy independence from Russian gas, in response to Russia's energy blackmail in Europe and to the war in Ukraine, thus Lithuania's gas transmission system operates without Russian gas imports. Lithuania's entire gas demand is met through the Klaipėda Liquefied Natural Gas (LNG) terminal. Gas continues to be transported in transit through Lithuania for the needs of Karaliaučius region, but under a different technical regime from the usual one, ensuring the transmission of only the volume of gas needed for transit. From 1 May 2022, the gas market participants can use the GIPL gas interconnection, which are resulting in commercial gas flows between Lithuania and Poland. The Group expects that this interconnection will become of regional importance and will have a greater-than-expected impact on revenue growth.

The events in Ukraine and the high prices of natural gas influenced the decrease of natural gas consumption in the Baltic countries and the Finnish region by about 40 percent as at 2022. Accordingly, about 7 TWh of natural gas, or 13 percent less compared to 2021 (as at 2021 - about 8 TWh) was traded in the natural gas exchange managed by the Company. However, the share of the volume traded on the GET Baltic exchange, when assessed on a regional scale, increased and accounted for about 17% of the total demand of the Baltic-Finland region (as at 2021 - 12%). The Company's activities were stable and operated under normal market conditions, no cyber attacks directed at the Company's managed trading platforms were observed.

Under the influence of the war the value of some investment projects increased as a result of contractors no longer using materials or parts imported from Russia, Belarus and Ukraine.

4 Information by segments

The Group singles out 2 operating segments: 1) natural gas transmission operations and 2) natural gas exchange operator activities (disposal group).

All non-current assets of the Group are located in Lithuania, where the activities are carried out.

As of 31 December 2022, the Group generated 99 % (31 December 2021: 97 %) of its total revenue from the transmission activity, 1% (31 December 2021: 2%) of revenue originated from the services provided by the natural gas exchange operator, (31 December 2021: 1%) from the provision of the other goods (services).

The Group's information on segments for the period of twelve months ended on 31 December 2022 is disclosed below:

	Transmission activity	Activities of the gas exchange*	Total
Revenues	96,652	1,690	98,342
Income having eliminated the income of Group entities	96,652	1,554	98,206
Profit / loss from operating activities	18,111	738	18,849
Net financing income (costs)	(621)	(98)	(719)
Profit / loss before tax	17,490	640	18,130
Income tax	(2 368)	(97)	(2,465)
Net earnings (loss)	15,122	543	15,665
Depreciation / amortisation costs	(12,854)	(191)	(13,045)
Write-offs of non-current tangible assets	-	-	-

* In the statement of financial position, the assets and liabilities of the natural gas exchange operator business segment are included in the assets and liabilities of the disposal group.

The Group's information on segments for the period of twelve months ended on 31 December 2021 is disclosed below:

	Transmission activity	Activities of the gas exchange	Total
Revenues	66,973	1,660	68,633
Income having eliminated the income of Group entities	66,973	1,622	68,595
Profit / loss from operating activities	22,469	745	23,214
Net financing income (costs)	(386)	(51)	(437)
Profit / loss before tax	22,083	694	22,777
Income tax	547	(113)	434
Net earnings (loss)	22,630	581	23,211
Depreciation / amortisation costs	(11,882)	(175)	(12,057)
Write-offs of non-current tangible assets	(26)	-	(26)

5 Non-current tangible and intangible assets

Non-current intangible assets	Group	Company
Residual value as of 31 December 2020	4,833	4,189
Additions	856	822
Write-offs, sales	-	-
Reclassification	479	479
Amortisation	(1,113)	(967)
Netting of grants with the non-current assets	(313)	(313)
Residual value as of 31 December 2021	4,742	4,210
Residual value as of 31 December 2021	4,742	4,210
Additions	418	315
Write-offs, sales	(889)	(889)
Amortisation	(1,213)	(1,052)
Netting of grants with the non-current assets	-	-
Reclassification to disposal group	(474)	-
Residual value as of 31 December 2022	2,584	2,584

As a part of intangible assets there are the provision for the commitment to register and the right to use the third party's land areas under the land use conditions in amount of EUR 2,179 thousand. The provision and related intangible assets were established under the amendments to the Regulations of the Real Property Cadastre, which were necessary for the establishment of a commitment to form a register of protected areas, as set out in the Lithuanian Law on Special Land Use Conditions, by the year 2023, and based on the *Description of the procedure for preparation and approval of the protected areas*, approved under the Lithuanian Energy Minister's Order No. 1-339 of 13 October 2020. Discounting of the provision was based on a discount rate of 0.62 percent. As at 31 December 2022 the Company reassessed the value of the intangible asset and the liability over the expected term of fulfilment of the obligation using a discount rate of 1.24 percent. Due to clearer legal regulation, the scope of protection zone registration services has been reduced. Also, relevant services for the actions necessary for the determination and registration of protection zones and area classes, were purchased through public procurement, the sum of the contract values of which was lower than the preliminary value used in the assumptions of provisioning, therefore the value of the provision and related intangible assets were reduced by EUR 889 thousand.

Non-current tangible assets	Group	Company
Residual value as of 31 December 2020	241,624	241,620
Additions	44,918	44,914
Write-offs, sales	(220)	(220)
Reclassification	(479)	(479)
Depreciation	(10,478)	(10,476)
Netting of grants with the non-current assets	(19,381)	(19,381)
Residual value as of 31 December 2021	255,984	255,978
Residual value as of 31 December 2021	255,984	255,978
Additions	42,542	42,542
Write-offs, sales	(27)	(27)
Reclassification	(56)	(56)
Depreciation	(11,327)	(11,325)
Netting of grants with the non-current assets	(6,023)	(6,023)
Reclassification to disposal group	(4)	-
Residual value as of 31 December 2022	281,089	281,089

In the Group and the Company, non-current assets are accounted at revalued amount of assets, reducing the grants received for that asset.

After the start of commercial flows to/from Poland through the GIPL gas pipeline at the Santaka point, Eur 27,450 thousand contribution (hereinafter - CBCA contribution), determined according to cross-border cost allocation principles, was accumulated in the value of additions of fixed assets. The CBCA contribution will be paid to the Polish transmission system operator upon completion of the pipeline construction works on the territory of Poland, after recording and auditing the value of the construction works.

Also a value of additions of non-current tangible assets in 2022 year have been consisted of installation of solar power plant modules in amount of EUR 615 thousand; relocation of the gas pipeline in the territory of Kaunas FEZ in amount of Eur 715 thousand; investments into the gas interconnection between Poland and Lithuania (GIPL) (pipeline pressurization with natural gas and etc.) in amount of EUR 326 thousand; ELLI-capacity enhancement for the gas interconnection between Lithuania and Latvia (expansion of the Kiemėnai gas metering station) in amount of EUR 3,572 thousand, reconstruction of GDS in Grigiškės, Kėdainiai, Vievis, Šiauliai, Telšiai in amount of EUR 5,840 thousand, reconstruction of main gas pipelines according to the results of diagnostics in amount of EUR 538 thousand, replacement of closing devices and connection to SCADA in amount of EUR 711 thousand, reconstruction of individual sections of the main gas pipeline Vilnius-Kaunas in amount of EUR 381 thousand and etc.

The amount of the depreciation of the grants in the income statement is reflected by deducting the depreciation costs of the related assets with the grant income, as of 31 December 2022 it stood at EUR 4,461 thousand (as of 31 December 2021 - EUR 3,344 thousand).

6 Construction in progress

The largest objects of construction in progress of the Group and Company as of 31 December 2022 and 31 December 2021 were as follows:

Items	At 31 December 2022	At 31 December 2021
Installation of pig launchers/receivers	2,328	10,364
Implementation of operative technological control of gas transmission system	1,251	1,487
Construction of the main gas pipeline Vilnius-Kaunas and interconnection Kaunas-Šakiai	551	551
Reconstruction of the individual sections of the main gas pipeline Vilnius-Kaunas	473	92
Reconstruction of GDS	6,247	407
ELLI - capacity enhancement for the gas interconnection between Lithuania and Latvia (expansion of the Kiemėnai gas metering station)	-	148
Modernization of Panevėžys gas compressor station	560	798
Installation of solar power plant modules	-	41
Relocation of gas pipeline in the territory of Kaunas FEZ	-	26
Other	1,607	1,097
Grants recognised (offsetting against non-current assets)	(5,774)	(6,606)
Less: impairment of construction work in progress ¹⁾	(597)	(597)
	6,646	7,808

¹⁾ Impairment for the Project "Construction of interconnection between the gas transmission pipelines Vilnius-Kaunas and Kaunas-Šakiai (spatial planning and design services)" was made for the amount of EUR 551 thousand because the construction of the pipeline was postponed for later periods and there arose certain uncertainties regarding of its funding issues and its further development.

7 The right-of-use assets and lease liabilities

As described below, the Group and the Company have taken on lease office premises, motor vehicles, and land. Lease periods for premises, motor vehicles and land are 5-10 years, 4 years, and 99 years, respectively. From 1 October 2021, the Company leases new office premises located at address: Laisvės ave. 10, Vilnius. Having assessed the lease extension option, which is intended to be exercised, the lease term is 10 years. Due to increase in the land lease tax, on 2021 year the Company remeasured right-of-use assets and lease liabilities, wherefore the value of land, which is held on the lease basis and recognised as an asset, and the lease liabilities increased by EUR 256 thousand. In order to reduce the impact of its activities on the environment, the Company is renewing its car fleet by replacing polluting cars with electric cars. In 2022 year Company leased seven electric cars. The lease term is 4 years.

Group

	Buildings	Land	Motor vehicles	Total
Initial value of recognized assets at 31 December 2020	221	1,252	862	2,335
Acquisitions	1,716	257	8	1,981
Write-offs	-	-	-	-
Amortization	(162)	(16)	(289)	(467)
Residual value at 31 December 2021	1,775	1,493	581	3,849
Residual value of recognized assets at 31 December 2021	1,775	1,493	581	3,849
Acquisitions	-	-	105	105
Write-offs	-	-	-	-
Amortization	(197)	(15)	(292)	(504)
Reclassification to disposal group	(83)	-	(2)	(85)
Residual value at 31 December 2022	1,495	1,478	392	3,365
Initial value	1,716	1,534	1,224	4,474
Accumulated depreciation	(221)	(56)	(832)	(1,109)
Residual value at 31 December 2022	1,495	1,478	392	3,365

	Company			
	Buildings	Land	Motor vehicles	Total
Initial value of recognized assets at 31 December 2020	99	1,252	853	2,204
Acquisitions	1,716	257	-	1,973
Write-offs	-	-	-	-
Amortization	(143)	(16)	(281)	(440)
Residual value at 31 December 2021	1,672	1,493	572	3,737
Residual value of recognized assets at 31 December 2021	1,672	1,493	572	3,737
Acquisitions	-	-	105	105
Write-offs	-	-	-	-
Amortization	(177)	(15)	(285)	(477)
Residual value at 31 December 2022	1,495	1,478	392	3,365
Initial value	1,716	1,534	1,224	4,474
Accumulated depreciation	(221)	(56)	(832)	(1,109)
Residual value at 31 December 2022	1,495	1,478	392	3,365

As the useful life of the right-of-use assets is longer than the lease term, depreciation is calculated from the commencement date of the lease to the end of the lease term.

8 Inventories

	Group	
	At 31 December 2022	At 31 December 2021
Raw materials, spare parts and other inventories	1,135	1,212
Natural gas	12,250	7,289
Assets held for resale	-	5
Inventories, gross	13,385	8,506
Less: write-down allowance	(552)	(405)
	12,833	8,101

The increase in the value of natural gas was most significantly influenced by prevailing high natural gas prices in 2022 year.

9 Trade receivables

	Group		Company	
	At 31 September 2022	At 31 December 2021	At 31 September 2022	At 31 December 2021
Non-current trade receivables				
Other trade receivables	-	-	-	-
Current trade receivables and other amounts receivable				
Amounts receivable for transmission of natural gas	13,620	9,424	13,834	9,574
Amounts receivable for natural gas	12,952	10,838	-	-
Amounts receivable for balancing of transmission system	4,473	1,222	4,473	1,222
Other trade receivables	237	7	208	7
Less: impairment of amounts receivable	(17)	(67)	(17)	(67)
Reclassification to disposal group	(12,767)	-	-	-
Total trade receivables	18,498	21,424	18,498	10,736

The change in trade receivables was influenced by higher transmission volumes, increased price of natural gas and changes in regulation of system user's balancing. Get Baltic trade receivables in amount of EUR 12,767 thousand after assessment the influence of the elimination of mutual transactions, were reclassified to assets of the disposal group.

Short-term trade receivables were interest-free; their payment period ranged from 7 to 20 calendar days. Impairment allowance of EUR 17 thousand was established for trade receivables as at 31 December 2022 (as at 31 December 2021 - EUR 67 thousand).

10 Other receivables

	Group		Company	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
LNG terminal funds receivable (administered by the Company)	7,802	13,385	7,802	13,385
Grants receivable	6,976	10,330	6,976	10,330
Contract assets	2,780	766	2,780	766
Taxes receivable	2,754	22	2,147	22
Other receivables	42	19	17	18
Reclassification to disposal group	(632)	-	-	-
	19,722	24,522	19,722	24,521

The LNG terminal funds receivable as at 31 December 2022 include the overdue amount of EUR 5,688 thousand (as at 31 December 2021 - EUR 4,912 thousand) of which as at 31 December 2022 total the overdue amount of AB "Achema's" was EUR 5,587 thousand, the overdue amount of UAB "Kauno termofikacijos elektrinė" was EUR 10 thousand.

As at 31 December 2022 Group's other receivables consist of refundable VAT and other tax overpayments in amount of EUR 2,754 thousand, other receivables in amount of EUR 42 thousand, contract assets in amount of EUR 2,780 thousand, of which EUR 632 thousand were reclassified to assets of the disposal group.

For the Company's Other Receivables, no impairment loss was formed.

Contract assets include as follows:

	Group	
	At 31 December 2022	At 31 December 2021
Current contract assets related to transportation of natural gas	2,780	766
Total contract assets	2,780	766

11 Other financial assets

As at 31 December 2022 and 31 December 2021, the Group's other financial assets consisted of cash received from the additional add-on for natural gas security of supply on the natural gas transmission price, abbreviated as LNG terminal funds, and funds transferred by natural gas exchange participants. LNG funds are received from system users, held in a separate bank account for LNG terminal funds administered in accordance with the legal requirements, and are intended to be disbursed to beneficiaries of the LNG terminal funds: to the LNG terminal operator (AB Klaipėdos Nafta) until 1 May 2022, the designated supplier (UAB Ignitis) and to cover the costs incurred by the Company for the administration of LNG terminal funds. Resolution No. O3E-1522 of the National Energy Regulatory Council of 19 November 2021 establishes an additional add-on for natural gas security of supply on the natural gas transmission price was applicable from 1 January 2022. As at 31 March 2022 by the resolution No. O3E-438 of the National Energy Regulatory Council the additional add-on for natural gas security of supply on the natural gas transmission price applicable from 1 May 2022 were recalculated.

The advance payment funds received by gas exchange members as at 31 December 2022 are accounted for EUR 188,969 thousand, which were reclassified to asset of the disposal group. As at 31 December 2021 the advance payment funds received by gas exchange members were accounted for EUR 50,209 thousand.

	Group		Company	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
Funds of the LNG terminal	1	1,305	1	1,305
Deposits received	422	-	422	-
Funds transferred by the gas exchange members	188,969	50,209	-	-
Reclassification to disposal group	(188,969)	-	-	-
	423	51,514	423	1,305

The Group and the Company keeps its cash in the accounts of those banks, which meet reliability requirements.

12 Assets and liabilities of the disposal group

As at 31 December 2022 the following assets and liabilities have been reclassified as held for sale, taking into account the Company's Get Baltic share sale plan, which is intended to be completed within one year:

	Group At 31 December 2022
Non-current assets	
Intangible assets	474
Property, plant and equipment	4
The right-of-use assets	85
Other non-current financial assets	4
Current assets	
Prepayments	26
Trade receivable	12,767
Other receivables	632
Other financial assets	188,969
Cash and cash equivalents	817
Total assets of the disposal group:	203,778
Non-current liabilities	
A right-of-use asset and corresponding liability	57
Short-term liabilities	
A right-of-use asset and corresponding liability	29
Trade payables	56,415
Advance amounts	145,932
Income tax payable	15
Payroll related liabilities	136
Other payables and current liabilities	13
Total liabilities of the disposal group:	202,597

13 Loans

	Group		Company	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
Long-term loans	73,496	91,391	73,496	91,391
Loans from credit institutions of Lithuania	-	14,000	-	14,000
Loans from international financial institutions	73,496	77,391	73,496	77,391
Short-term loans	27,466	13,458	27,466	13,458
Loans from credit institutions of Lithuania	-	-	-	-
Short-term loan (EPSO-G UAB)	9,571	3,284	9,571	3,284
Current portion of long-term loans	17,895	10,174	17,895	10,174
	100,962	104,849	100,962	104,849

To balance the liquid funds, on 1 March 2022 the Company and EPSO-G UAB entered into a new cash pool contract, based on which the maximum borrowing limit from EPSO-G UAB was set in amount of EUR 40,000 thousand. As at 31 December 2022 according to this agreement Company had borrowed Eur 9,571 thousand.

As at 31 December 2022, the weighted average annual interest rate on borrowings of the Company and the Group was 1,53 percent (31 December 2021: 0,34 percent).

14 Lease liabilities

Lease liabilities and their movement were as follows:

	Group	
	At 31 December 2022	At 31 December 2021
Carrying amount of lease liabilities at the beginning of the period	3,926	2,363
Recognition of lease liabilities under IFRS 16	-	257
Concluded lease contracts	105	1,724
Termination of leases (write-offs of debts and accrued interest)	-	-
Interest expenses	31	28
Lease payments (Principal and Interest)	(462)	(446)
Reclassification to disposal group	(86)	-
Carrying amount at the end of the period	3,514	3,926
Non-current lease liabilities	3,012	3,494
Current lease liabilities	502	432
	Company	
	At 31 December 2022	At 31 December 2021
Carrying amount of lease liabilities at the beginning of the period	3,812	2,230
Recognition of lease liabilities under IFRS 16	-	257
Concluded lease contracts	105	1,716
Termination of leases (write-offs of debts and accrued interest)	-	-
Interest expenses	30	26
Lease payments (Principal and Interest)	(433)	(417)
Carrying amount at the end of the period	3,514	3,812

Non-current lease liabilities	3,012	3,411
Current lease liabilities	502	401

	Group	
	At 31 December 2022	At 31 December 2021
Lease liabilities		
Current year	502	432
Repayment terms of non-current liabilities:	3,012	3,494
Between 1 and 2 years	247	505
From 2 to 3 years	222	243
From 3 to 5 years	404	421
After 5 years	2,139	2,325

	Company	
	At 31 December 2022	At 31 December 2021
Lease liabilities		
Current year	502	401
Repayment terms of non-current liabilities:	3,012	3,411
Between 1 and 2 years	247	476
From 2 to 3 years	222	221
From 3 to 5 years	404	389
After 5 years	2,139	2,325

Interest on lease liabilities reflected in the Group's finance costs amounted to EUR 31 thousand as at 31 December 2022 (31 December 2021: EUR 28 thousand).

The Group and the Company had no leases with variable payments not included in the value of lease liabilities. As at 31 December 2022, the Group's lease payments amounted to EUR 462 thousand (31 December 2021: EUR 446 thousand).

15 Contract liabilities

The funds from connection of new system users to the gas transmission system and advance payments received from system users on connection services are recognised as contract liabilities.

	Group	
	At 31 December 2022	At 31 December 2021
Non-current portion of contract liabilities	1,271	1,305
Total non-current contract liabilities	1,271	1,305
Current portion of contract liabilities	34	33
Advance amounts received for connection services	318	-
Advance amounts received for transmission services	-	23
Total current contract liabilities	352	56
Total contract liabilities	1,623	1,361

Funds for the connection of new customers to the gas transmission system was in amount of EUR 1,305 thousand as at 31 December 2022 (31 December 2021: EUR 1,338 thousand), whereof non – current contract liabilities under the connection contracts were in amount of EUR 1,271 thousand as at 31 December 2022 (31 December 2021: EUR 1,305 thousand). The contract liabilities to be recognised as revenue within one year are reported as current contract liabilities.

16 Income tax

In 2022, the standard corporate income tax rate applicable to the companies of the Republic of Lithuania was 15 per cent (in 2021: 15 per cent). The income tax expenses for the period comprise the current income tax and the deferred income tax.

On investments in new technologies, as at 31 December 2022, the Company had calculated a corporate income tax relief amounting to EUR 266 thousand (as at 31 December 2021: EUR 3,878 thousand).

17 Trade payables

	Group		Company	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
Payables to suppliers under investment programme (new construction and reconstruction)	3,159	2,141	3,159	2,141
Payables to suppliers of goods and providers of services	2,076	1,457	2,043	1,438
Payables to providers of repairs services under non-current assets repairs programme	244	358	244	358
Payables to suppliers of natural gas	58,982	28,520	2,600	4,502
Payables for balancing of transmission system	5,622	-	5,622	-
Reclassification to disposal group	(56,415)	-	-	-
	13,668	32,476	13,668	8,439

As at 31 December 2022, the trade payables were interest-free and the payment terms of the largest share of them ranged from 30 to 60 days.

18 Received advanced payments and contract liabilities

	Group		Company	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
Current contract liabilities	352	56	352	56
Grants received in advance	60	151	60	151
Deposits received	422	-	422	-
Advance amounts received from gas exchange participants	145,932	36,455	-	-
Other advance amounts received	48	622	48	622
Reclassification to disposal group	(145,932)	-	-	-
Total advance amounts received	882	37,284	882	829

The Group's advance amounts received amounted to EUR 882 thousand as at 31 December 2022 (31 December 2021: EUR 37,284 thousand). Advance amounts received from the gas exchange participants which were reclassified to disposal group amounted to EUR 145,932 thousand as at 31 December 2022. As at 31 December 2021 advance amounts received from the gas exchange participants were amounted to EUR 36,455 thousand).

The advance amounts received from gas exchange participants are used on the date of settlement of the exchange participants, unless there is a request of a participant not to use the advance amount, thereby reducing the amount payable for gas and exchange services. The advance amount not used in full or in part remains for other settlements of an exchange participant. If an advance amount has not been used by an exchange participant for over 1 year, such amount is refunded to the exchange participant.

19 Other payables and current liabilities

	Group		Company	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
Payable LNG terminal funds administrated by the Company	7,635	12,259	7,635	12,259
Accrued LNG terminal funds subject to administration by the Company ¹⁾	328	2,406	328	2,406
Real Estate Tax payable	666	838	666	838
Value Added Tax (VAT) payable	-	637	-	235
CBCA contribution payable	27,450	-	27,450	-
Other payables	1,076	406	1,063	390
Reclassification to disposal group	(13)	-	-	-
	37,142	16,546	37,142	16,128

¹⁾Accrued LNG terminal funds subject to administration by the Company are accounted when natural gas transmission system users are issued VAT invoices. Accrued funds subject to administration by the Company are included into the account of LNG terminal funds payable when a VAT invoice is issued to the Company in respect of the security-of-supply-related extra tariff component added to the regular natural gas tariff.

As at 31 December 2022 in the other payables and current liabilities the obligation to pay the CBCA contribution were in the amount of EUR 27.450 thousand, more information about the CBCA contribution is given in Note 5.

20 Earnings per share

Basic earnings per share reflect the Group net profit divided by the weighted average number of shares. There are no diluting instruments, therefore basic and diluted earnings per share are equal. Calculations of the basic earnings per share are presented below:

	Group	
	For the period of twelve months ended 31 December 2022	For the period of twelve months ended 31 December 2021
Net profit (loss) attributable to the shareholders (EUR thousand)	15.665	23.211
Weighted average number of shares (thousand)	178.383	178.383
Basic and diluted earnings (loss) per share (EUR)	0,09	0,13

21 Dividends

As at 20 April 2022 held ordinary general meeting of shareholders the decision to pay EUR 9,901 thousand dividends was made, i.e. EUR 0.0555 dividends per share.

As at 23 April 2021 according to the decision of the Company's ordinary general meeting of the shareholders no profit were approved to allocate to dividends from the profit for allocation.

22 Commitments and contingencies

Litigations

Currently, the Company has one ongoing civil case against AB Achema regarding the award of the LNG terminal funds. The Company acts as an administrator of LNG terminal funds only, and transfers LNG terminal funds to their beneficiaries only after it collects them from buyers, therefore it does not incur any credit risk for the amount in dispute. The above civil case is still pending at first instance before the Kaunas Regional Court.

By its ruling of 20 January 2022, the Kaunas Regional Court suspended the part of the case concerning the claims for EUR 4,463,155.98 of the LNG terminal funds and EUR 53,359.95 in interest on late payment arising under the natural gas transmission service contract of 22 December 2014, pending the decision of the European Commission on the compatibility of the LNG terminal funds collected for the period from 1 January 2016 to 31

December 2018 with the state aid rules under the European Union law. By its ruling of 17 March 2022, the Court of Appeal of Lithuania upheld the ruling of the Kaunas Regional Court of 20 January 2022.

The other part of the case for late payment interest of EUR 763,119.55 under the natural gas transmission service contract of 21 December 2012 and the counterclaim, whereby AB Achema seeks to declare actions of the Company in calculating late payment interest under the 21 December 2012 natural gas transmission service contract and in allocating the payments received on the basis of this contract from AB Achema for the purpose of setting off of the late payment interest unlawful and invalid, Kaunas District Court with the ruling of 20 June 2022 also suspended until the decision of the European Commission would be adopted regarding the LNG terminal funds, which have been applied for the period from 1 January 2016 until 31 December 2018, in compliance with the state aid rules provided for in European Union law. The Company, disagreeing with the 20 June 2022 decision of the Kaunas District Court, submitted a separate complaint regarding the annulment of this order. The Lithuanian Court of Appeal, examined the Company's separate complaint on 8 September 2022, adopted a ruling by which left the ruling of Kaunas District Court's at 20 June 2022 unchanged.

Also, the Company on 6 September 2022 applied to the court with a statement regarding the issuance of a court order for EUR 69.8 thousand damages for inadequate quality goods, 6 percent annual interest and court costs. On 7 September 2022 the court accepted the Court's order in favor of the Company awarding EUR 69.8 thousand debt, 6 percent annual interest and litigation costs. The court order was handed over to the bailiffs for execution.

23 Related party transactions

As at 31 December 2022 and 31 December 2021, the parent company was EPSO-G UAB. The parent country of the latter company was the Republic of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania. For the purposes of related-party disclosures, the Republic of Lithuania does not include central or local authorities. Disclosures include transactions and balances with EPSO-G Group companies, subsidiaries, all state-controlled companies or those under significant influence (transactions with such entities are disclosed separately only if the amount of transactions exceeds EUR 100,000 in a calendar year) and management, and close family members. A list of publicly-controlled entities or those under significant influence that are subject to disclosure is provided here: [All state-owned enterprises - GCC | Governance Coordination Center \(governance.lt\)](#).

The Company's/Group's related parties as at 31 December 2022 and 31 December 2021 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:

- Litgrid AB (common shareholders);
- Tetas UAB (common shareholders);
- Baltpool UAB (common shareholders).
- Energy cells UAB (common shareholders);
- The subsidiary of the Company GET Baltic UAB;

Ignitis grupė UAB companies:

- Energijos skirstymo operatorius AB;
- Ignitis UAB;
- Ignitis gamyba AB;
- Transporto Valdymas UAB;
- Energetikos paslaugų ir rangos organizacija UAB;
- Ignitis Polska sp. z.o.o.
- Other Ignitis grupė UAB companies.

Other state-controlled companies:

- Klaipėdos Nafta AB;
- State Enterprise Ignalina Nuclear Power Plant;
- State Enterprise Geoterma;
- Other state-controlled companies or those under significant influence.
- Management.

The tables below show the Group's and the Company's receivables and payables from related parties as at 31 December 2022 and 31 December 2021. Transactions with related parties are disclosed for the twelve-month period ended 31 December 2022 and 31 December 2021.

As at 31 December 2022

	Group										
	Purcha- ses	LNG terminal funds (purcha- ses)	Sales	LNG ter- minal funds (sales)	Amounts recei- vable	Recei- vable LNG terminal funds	Borro- wings	Amounts payable	Payable LNG terminal funds	Financial activity costs	
UAB EPSO-G	153	-	-	-	-	-	9,571	56	-	81	
UAB Tetas	4	-	30	-	-	-	-	-	-	-	
AB Ignitis gamyba	1,602	-	99,074	6,368	1,020	432	-	84,613	-	-	
AB Energijos skirstymo operatorius	2,630	-	271	228	49	8	-	15	-	-	
UAB Ignitis	122,039	18,996	50,158	6,163	5,720	402	-	2,379	3,660	-	
UAB Transporto valdymas	408	-	-	-	-	-	-	44	-	-	
AB Klaipėdos Nafta	-	10,729	4	-	1	-	-	-	3,975	-	
State Enterprise Ignalina Nuclear Power Plant	-	-	4	7	-	-	-	-	-	-	
Ignitis Polska Sp. z.o.o.	74	-	214	-	38	-	-	-	-	-	
Other state- owned enterprises	68	-	-	-	-	-	-	9	-	-	
	126,978	29,725	149,755	12,766	6,828	842	9,571	87,116	7,635	81	
	Company										
	Purcha- ses	LNG terminal funds (purcha- ses)	Sales	LNG ter- minal funds (sales)	Amounts recei- vable	Recei- vable LNG terminal funds	Borro- wings	Amounts payable	Payable LNG termi- nal funds	Divi- dends re- ceived	Fi- nan- cial acti- vity costs
GET Baltic	42,143	-	14,000	-	214	-	-	2,604	-	598	-
UAB EPSO-G	127	-	-	-	-	-	9,571	54	-	-	81
UAB Tetas	4	-	30	-	-	-	-	-	-	-	-
AB Ignitis gamyba	1,475	-	7,460	6,368	1,019	432	-	378	-	-	-
AB Energijos skirstymo operatorius	2,630	-	270	228	49	8	-	15	-	-	-
UAB Ignitis	13,091	18,996	22,749	6,163	1,876	402	-	2,334	3,660	-	-
UAB Transporto valdymas	402	-	-	-	-	-	-	43	-	-	-
AB Klaipėdos Nafta	-	10,729	-	-	-	-	-	-	3,975	-	-
State Enterprise Ignalina Nuclear Power Plant	-	-	4	7	-	-	-	-	-	-	-
Ignitis Polska sp.z.o.o	74	-	214	-	38	-	-	-	-	-	-
Other state- owned enterprises	68	-	-	-	-	-	-	-	-	-	-
	60,014	29,725	44,727	12,766	3,196	842	9,571	5,428	7,635	598	81

As at 31 December 2021

	Group									
	Purcha- ses	LNG terminal funds (purcha- ses)	Sales	LNG ter- minal funds (sales)	Amounts recei- vable	Recei- vable LNG terminal funds	Borro- wings	Amounts payable	Payable LNG terminal funds	Finan- cial activity costs
UAB EPSO-G	110	-	-	-	-	-	3,284	36	-	99
UAB Tetas	3	-	7	-	5	-	-	-	-	-
AB Ignitis gamyba	72	-	62,887	14,409	444	1,453	-	4,927	-	-
AB Energijos skirstymo operatorius	197	-	245	264	42	27	-	-	-	-
UAB Ignitis	37,082	35,607	16,681	22,373	1,728	1,318	-	5,522	4,939	-
UAB Transporto valdymas	405	-	-	-	-	-	-	44	-	-
AB Klaipėdos Nafta	-	27,732	4	-	-	-	-	-	7,005	-
State Enterprise Ignalina Nuclear Power Plant	-	-	61	110	5	11	-	-	-	-
UAB Geoterma	-	-	-	-	45	65	-	-	-	-
Other state- owned enterprises	59	-	-	-	-	-	-	6	-	-
	37,928	63,339	79,885	37,156	2,269	2,874	3,284	10,535	11,944	99

	Company										
	Purcha- ses	LNG terminal funds (purcha- ses)	Sales	LNG ter- minal funds (sales)	Amounts recei- vable	Recei- vable LNG terminal funds	Borro- wings	Amounts payable	Pay- able LNG termi- nal funds	Divi- dends re- ceived	Finan- cial activi- ty costs
GET Baltic	6,319	-	2,790	-	150	-	-	1,036	-	478	-
UAB EPSO-G	110	-	-	-	-	-	3,284	34	-	-	99
UAB Tetas	3	-	7	-	5	-	-	-	-	-	-
AB Ignitis gamyba	9	-	5,018	14,409	444	1,453	-	-	-	-	-
AB Energijos skirstymo operatorius	197	-	244	264	42	27	-	-	-	-	-
UAB Ignitis	6,474	35,607	5,177	22,373	1,728	1,318	-	3,146	4,939	-	-
UAB Transporto valdymas	399	-	-	-	-	-	-	43	-	-	-
AB Klaipėdos Nafta	-	27,732	-	-	-	-	-	-	7,005	-	-
State Enterprise Ignalina Nuclear Power Plant	-	-	61	110	5	11	-	-	-	-	-
UAB Geoterma	-	-	-	-	45	65	-	-	-	-	-
Other state- owned enterprises	59	-	-	-	-	-	-	6	-	-	-
	13,570	63,339	13,297	37,156	2,419	2,874	3 284	4,265	11,944	478	99

There have been none guaranties received to the revenue obtained and payable by the related parties. On 31 December 2022 the Company and Group did not form and accounted the depreciation of value to the revenue received from the related parties.

Benefits to the Management

	Group		Company	
	At 31 December 2022	At 31 December 2021	At 31 December 2022	At 31 December 2021
Earnings-related benefits	774	685	673	593
Benefits for Board Members	48	47	48	47
	822	732	721	640

The management of the Group and the Company is deemed to include the CEO, the Technical Director, the Legal and Administration Director, the Commerce Director, the Organisational Progress Director, and the Finance Director. No loans, guarantees were issued nor were any assets transferred to the management of the Group and the Company.

24 Subsequent events

On 13 January 2023 in Pasvalys district there was a fire in the gas transmission pipeline. No one was injured in the incident. The event did not affect the Company's continuity and income. All obligations to system users have been fulfilled. The causes of the incident are being investigated both by the Company's specialists and by the responsible institutions. The losses incurred during the fire are being assessed. The Company has insured its property and general civil liability.