

AB INTER RAO LIETUVA

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AND UNAUDITED CONSOLIDATED INTERIM REPORT
FOR THE 9 MONTH PERIOD ENDED 30 SEPTEMBER 2021,
prepared in accordance with International Financial Reporting Standards,
as adopted by the European Union

12 November 2021
Vilnius

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AB INTER RAO Lietuva Unaudited Consolidated Interim Report for the 9 Month Period Ended 30 September 2021

I. General Information

Reporting period

9-month period ended 30th September 2021

Company and its contact details

Company name	AB INTER RAO Lietuva (hereinafter – IRL or „the Company“)
Company code	126119913
Legal form	Public company (joint-stock company)
Date of registration	21 st December 2002
Name of register of Legal Entities	State Enterprise Centre of Registers
Registered office	A.Tumėno str. 4, block B, LT-01109 Vilnius
Telephone number	+370 5 242 11 21
Fax number	+370 5 242 11 22
E-mail	info@interrao.lt
Internet address	www.interrao.lt

The Group structure

As of 30th September 2021, INTER RAO Lietuva Group consisted of the Company and the below described directly and indirectly controlled subsidiaries and joint venture (hereinafter - the Group):

Company	Company code	Directly and indirectly held effective attributable interest	Equity as of 30 September 2021	Registration address	Activity (including planned)
INTER RAO Eesti OÜ - subsidiary	11879805	100 %	230	Harju maakond, Tallinn, Lasnamäe linnaosa, Väike-Paala tn 2-206, 11415	Trade of electricity
SIA INTER RAO Latvia - subsidiary	40103268639	100 %	8,021	76 Gustava Ave., Riga, LV-1039, Latvia	Trade of electricity
IRL Polska Sp. z o.o. - subsidiary	0000436992	100 %	2,102	Twarda 18, 00-105 Warsaw, Poland	Trade of electricity
Vydmantai Wind Park, UAB – subsidiary	302666616	100 %	15,688	A.Tumėno Str. 4, Vilnius, Lithuania	Generation of electricity

The following chart sets out the Group's subsidiaries and interest in those subsidiaries, as well as the structure of the Group as of 30th September 2020:



Main activities of the Group

The Group of INTER RAO Lietuva (hereinafter – “the Group”) is an independent supplier of electricity and, as such, may engage in various forms of electricity trading. Moreover, the Group is also present in electricity generation operations, as it owns a wind farm in Western Lithuania.

The Group is engaged in various forms of electricity trading: the purchase and sale of electricity under bilateral contracts with other electricity suppliers, as well as on the power exchange; supply of electricity to end-users; provision of balancing services for end-users and other wholesalers of electricity; sale and purchase of regulating and balancing electricity for the transmission system operators; cross-border electricity trading.

The Group has permission to import and export electricity to and from Lithuania, it is engaged in the import of electricity from Russia as well as in export to this country. The Group is also active in cross-border electricity trading between Lithuania and other EU Member States, namely Latvia and Estonia.

The Group sells all of the electricity it cross-border delivers from the third countries to the Lithuanian internal market on the power exchange since, in accordance with respective regulations, all electricity cross-border delivered to the Lithuanian internal electricity market has to be sold on the power exchange. Then the Group buys the electricity on the power exchange in a volume corresponding to its contractual obligations with clients. Sale and purchase orders are submitted for the same prices and trades are executed at the market price. Some portion of electricity is also sold through Nord Pool AS in Lithuania to other market participants. Trades on the power exchange are executed at the market price.

The price of electricity sold under bilateral contacts is the market price, adjusted for variances depending on the electricity trading or consumption pattern of the customer and contractual arrangements (e.g., fixed on annual or monthly basis or agreed in daily delivery schedules).

Apart from importing electricity, the Group also purchases the electricity from other wholesalers of electricity in Lithuania and Latvia under bilateral contracts based on various pricing arrangements, as well as on Nord Pool AS in Lithuania, Latvia and Estonia.

The Group is also present in the electricity trading market in Poland, where it started its operations in 2014 and is involved in buying and selling electricity on the Polish Power Exchange.

The Group history and development

2002	The Company was incorporated as UAB Energljos realizacijos centras.
2003	<p>The Company received its license as independent electricity supplier with permission to export electricity.</p> <p>The Company signed sale-purchase agreements with INTER RAO UES and Lietuvos energija AB.</p> <p>The Company began electricity trading activities by exporting electricity to Russia and Belarus.</p>
2004	Permission to import electricity was granted to the Company.
2005	<p>The Company began importing electricity to Lithuania.</p> <p>RAO Nordic OY, a wholly owned subsidiary of INTER RAO UES, acquired 18 per cent of the Company's share capital from UAB VB rizikos kapitalo valdymas.</p>

- 2006 The Company acquired a 49.99 per cent stake in UAB Alproka, a company engaged in real estate development in the Lithuanian seaside resort of Palanga.
- 2007 UAB Scaent Baltic acquired an 82 per cent stake in the Company's share capital from Scaent Holdings Cooperatie UA and Bengtsbädd Förvaltning AB.
- 2008 RAO Nordic OY increased its shareholding in the Company by acquiring a 33per cent stake from UAB Scaent Baltic. The stake of RAO Nordic OY in the Company's share capital reaches 51 per cent, while the stake of UAB Scaent Baltic decreases to 49 per cent.
- 2009 The Company signed electricity sale-purchase agreements with the Belarusian company, Belenergo and the Latvian company, Latvenergo.
- Cooperation regarding the sale of electricity with the largest electricity consumer in the Baltic States, Orlen Lietuva, was established. Delivery was initiated in 2010.
- The Company changed its name to UAB INTER RAO Lietuva.
- 2010 The Company established two wholly owned subsidiaries, one in Latvia (SIA INTER RAO Latvia) and the second in Estonia (INTER RAO Eesti OU).
- SIA INTER RAO Latvia received its license for electricity trading in Latvia.
- 2011 SIA INTER RAO Latvia begins electricity trading operations.
- The Company begins trading activities in the Estonian area of NordPool Spot.
- The Company begins operations in electricity generation from renewable energy sources by acquiring the wind park in Vydmantai.
- The Company signs an agreement with INTER RAO UES on potential export of electricity generated in Baltiiskaya NPP under construction in Kaliningrad Oblast.
- 2012 Decision on public offering and listing of the Company's shares on the Warsaw Stock Exchange was made.
- Business entity (IRL POLSKA Sp. z o.o.) in Poland was established.
- 2013 AB INTER RAO Lietuva shareholders decided to distribute 27 million Lit as dividends.
- In July 2013, the Company has completed a merger of its two subsidiary companies UAB IRL Wind and Vydmantai wind park, UAB. Subsidiary companies were reorganised by merging UAB IRL Wind, which ceased its activities as a legal entity after the merger, into Vydmantai wind park, UAB which continued its activities after the merger.
- On 4th December 2013, the statutory capital of subsidiary company of AB INTER RAO Lietuva in Poland IRL Polska Sp.z o.o. was increased from PLN 2 million to PLN 10 million.
- 2014 On 3rd January 2014, the subsidiary company of AB INTER RAO Lietuva in Poland IRL Polska Sp.z o.o. was granted the license for trade in electricity in Poland. The term of the license is from 9th January 2014 till 9th January 2024.

	On 30 th of April 2014, the General Annual Meeting of shareholders has adopted the decision to pay dividends to the shareholders of the Company in the amount of 13 million Lit.
	On 22 nd of May 2014, IRL Polska Sp. z o.o. begins electricity trading operations.
2015	After Lithuania joined the euro zone, AB INTER RAO Lietuva shareholders fixed a nominal value of one share 0.29 EUR, share capital equal to 5.8 million EUR.
	AB INTER RAO Lietuva shareholders decided to distribute 11.2 million EUR as dividends.
2016	AB INTER RAO Lietuva shareholders decided to distribute 16.1 million EUR as dividends.
2017	On 30 th of March 2017 by decision of Supervisory Council The Board of the Company was re-elected for a new office term of four years.
	On 28 th of April 2017 new three members of the Supervisory Council, among them one independent member, were elected at the Annual General Meeting of Shareholders.
	AB INTER RAO Lietuva shareholders decided to distribute 10.2 million EUR as dividends.
2018	AB INTER RAO Lietuva shareholders decided to distribute 7.1 million EUR as dividends.
	On 6 th of November 2018 the decision has been taken to liquidate company's subsidiary UAB „Alproka“ which has successfully completed a real estate project and all real estate owned by UAB „Alproka“ has been sold. Therefore, UAB „Alproka“ was no longer carrying out any commercial activities.
2019	AB INTER RAO Lietuva shareholders decided to distribute 11.6 million EUR as dividends.
2020	UAB „Alproka“ was liquidated.
	AB INTER RAO Lietuva shareholders decided to distribute 14 million EUR as dividends.
2021	AB INTER RAO Lietuva shareholders decided to distribute 11 million EUR as dividends.

Agreements with intermediaries of public trading in securities

Since 29th October 2012 the Company and UAB FMJ Orion Securities (code 122033915), A. Tumėno str. 4, LT-01109 Vilnius, have an agreement on accounting of the Company's securities and services related to the accounting of securities.

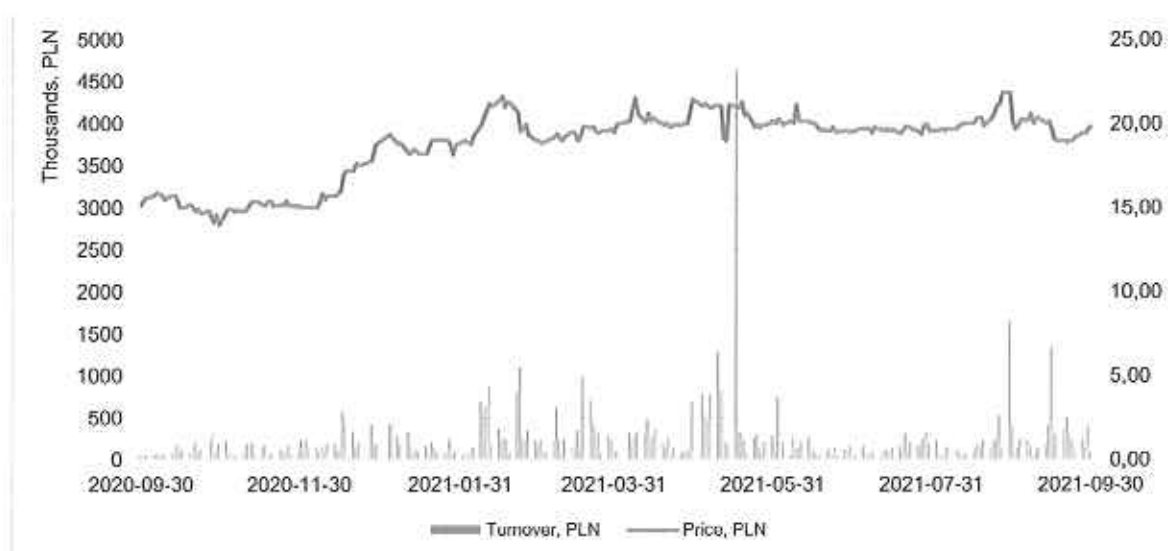
Data about securities traded on regulated market

The following securities of the Company are included into the Main List of Warsaw stock exchange (symbol: IRL):

Types of shares	Number of shares	Nominal value (in EUR)	Total nominal value (in EUR)	Issue Code
Ordinary registered shares	20,000,000	0.29	5,800,000	LT0000128621

In December 2012, the initial public offering of the Company's ordinary shares was completed on the Warsaw Stock Exchange. The total oversubscription for the Company's ordinary shares exceeded 26 per cent. Given the ordinary share offer price of PLN 24.17 the value of the offering exceeded PLN 96.7 million. The Company's ordinary shares were included into the Main list of the Warsaw Stock Exchange.

Trading in the Company's securities on Warsaw Stock Exchange:



Securities of the Group's subsidiaries are not traded publicly.

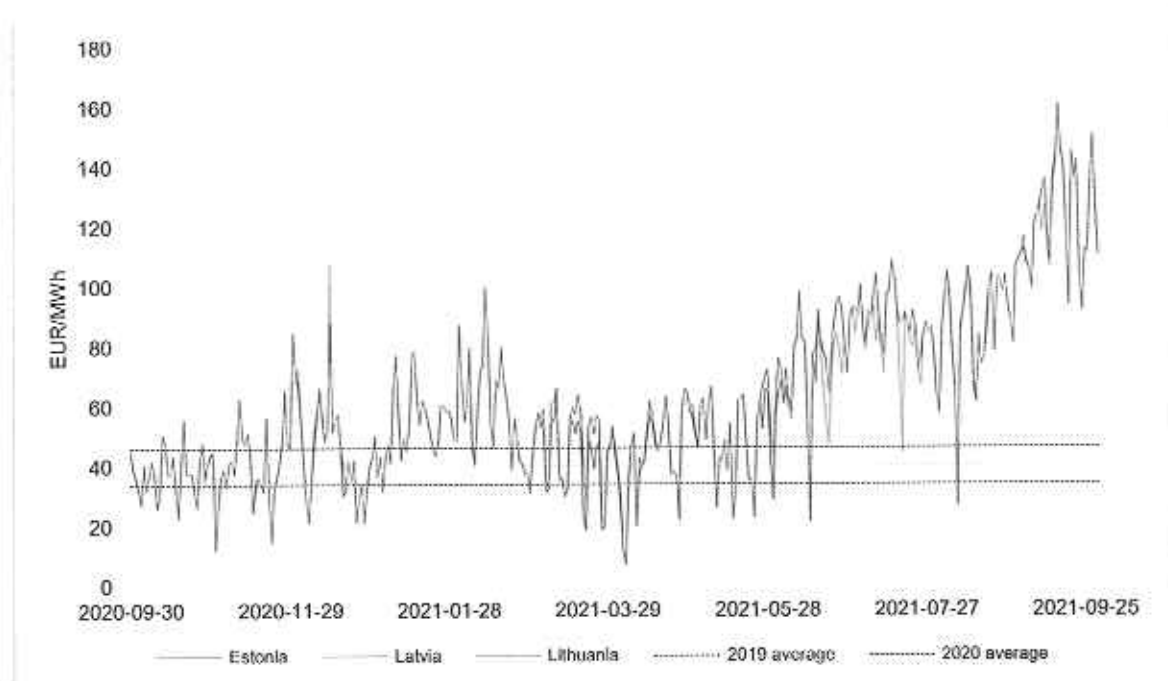
As of 30th September 2021, the shareholder structure of the Company was as following:

Shareholder	Number of shares/votes	Percentage of shares
RAO Nordic Oy	10,200,000	51%
UAB Scaent Baltic	5,822,856	29,11%
Other shareholders	3,977,144	19,89%
Total	20,000,000	100%

II. Financial information

Revenues

The total consolidated Group's sales revenue in January-September of 2021 was equal to EUR 313 million, a 77.8 per cent increase if compared to the first 9 months of 2020. Total revenue increased mainly due to the higher amounts of electricity traded, especially in Latvia and Poland. Company's sales revenue in the first 9 months of 2021 was equal to EUR 55.7 million – decreased by 42.85 per cent, compared to the same period in 2020 due to the lower amounts of electricity traded in Lithuanian market.



The consolidated financial statements of the Group have been prepared according to the International Financial Reporting Standards as adopted by the European Union.

Key figures of IRL Group

Financial figures	9 months 2021	9 months 2020
Sales (EUR thousand)	313,199	176,126
Gross profit (EUR thousand)	27,428	17,842
Gross profit margin (%)	8.76%	10.13%
Operating profit (EUR thousand)	19,443	11,369
Operating profit margin (%)	6.21%	6.46%
EBITDA (EUR thousand)	20,504	14,132
EBITDA profit margin (%)	6.55%	8.02%
Net profit (EUR thousand)	8,364	9,939
Net profit margin (%)	2.67%	5.64%
Number of shares (thousand)	20,000	20,000
Earnings per share (EUR)	0.42	0.50

Gross profit margin – Gross profit / Sales

Operating profit margin – Operating profit / Sales

EBITDA profit margin – EBITDA / Sales

Net profit margin – Net profit / Sales

Earnings per shares – Net profit / Number of shares

EBITDA - Profit (loss) before income tax + Interest expenses + Depreciation and amortization

These performance indicators are used to determine Group's progress in achieving its strategic and operational goals, and also to compare Group's finances and performance against other businesses within the industry.

Group's sales increased by 77.83 per cent in first 9 months of 2021, compared to the same period in 2020. At the same time increase in cost of sales was higher than increase in sales – 80.54 per cent change, if compared to 9 months of 2020. Despite the increase in sales, Group's gross profitability shrank to 8.76 per cent in the accounting period, if compared to 10.13 per cent in January-September 2020. Group's operating profit increased to EUR 19.4 million if compared to EUR 11.4 million in the same period a year ago, but operating profit margin decreased to 6.21 per cent, if compared to 6.46 per cent during the same period a year ago.

Company's gross profit margin in 2021 accounts to negative 12 per cent, if compared to 13.15 per cent in the first 9 months of 2020. Operating loss of the Company for the January-September of 2021 was equal to EUR 12 million compared to operating profit of EUR 8.3 million a year ago.

Group's and Company's EBITDA for the first 9 months of 2021 was EUR 20.5 million and EUR 1.9 million respectively. Group's EBITDA profit margin decreased from 8.02 per cent in first 9 months of 2020 to 6.55 per cent in the same period in 2021. Company's EBITDA profit margin decreased – from 10.2 per cent in January-September of 2020 to 3.33 per cent in the accounting period. Despite the increase in sales revenues, in the 9 months of 2021, Group's net profit decreased to EUR 8.4 million from EUR 9.9 million in the same period in 2020. As a result, Group's net profit margin during the accounting period was equal to 2.67 per cent, compared to 5.64 per cent a year ago. Net profit of the Company in 9 months in 2021 decreased and was equal to EUR 2.1 million compared to EUR 8.2 million in January-September 2020.

Sales revenues by operating segments, thous. EUR	9 months 2021	9 months 2020
Electricity purchases and sales	311,728	171,555
Electricity production and sales	1,471	4,571
Total	313,199	176,126

Group's revenue from purchases and sales of electricity in the first 9 months of 2021 amounted to EUR 311.7 million compared to EUR 171.6 million in the same period a year ago. Revenue from produced electricity sales accounted for EUR 1.5 million, the 67.85 per cent decrease if compared to in the same period a year ago. During the accounting period Vydmantai wind park, UAB has produced less electricity compared to the same period in 2020.

Company's revenue during January-September 2021 decreased by 42.85 per cent and was equal to EUR 55.7 million compared to EUR 97.5 million in the same period in 2020.

The tables below present data on the electricity trading activities of the Group for the 9 months period ended on 30th September 2021 and the 3rd quarter of 2021, compared with the same periods in 2020, with a breakdown by each country for the periods indicated (S - sale, P - purchase).

	For the 9 months of 2021		For the 9 months of 2020	
	S	P	S	P
	<i>GWh</i>		<i>GWh</i>	
Lithuania*	1 263	129	2 494	74
Latvia	2 545	41	36	36
Estonia	193	240	211	280
Russia	84	3 675	53	2 404
Poland	1 663	1 663	1 336	1 336
Total*	5 748	5 748	4 130	4 130

* Excluding equivalent trades on the power exchange;

Differences between purchased and sold electricity total values is due to rounding

	For the 3rd quarter of 2021		For the 3rd quarter of 2020	
	S	P	S	P
	<i>GWh</i>		<i>GWh</i>	
Lithuania*	316	95	1 003	3
Latvia	498	17	11	11
Estonia	53	71	69	94
Russia	29	712	21	996
Poland	539	539	421	421
Total*	1 435	1 434	1 525	1 525

* Excluding equivalent trades on the power exchange

Differences between purchased and sold electricity total values is due to rounding

Expenses

COGS by operating segments, thous. EUR	9 months 2021	9 months 2020
Electricity purchases and sales	284,828	157,257
Electricity production and sales	943	1,027
Total	285,771	158,284

Group's cost of sales in January-September of 2021 accounted to EUR 281 million, the 81.12 per cent more than during the first nine months of 2020. Cost of sales of the Group increased compared to the results a year ago, due to the higher amount of electricity traded and higher electricity purchase prices. Cost of sales of electricity production reduced if compared to the same period a year ago – a 8.18 per cent decrease due to the change of maintenance contract of the wind turbines.

Cost of sales of the Company decreased by 26.31 per cent if compared the accounting period and the same period a year ago and amounted to EUR 62.4 million if compared to EUR 84.7 million a year ago.

Group's cost of purchased electricity in the first 3 quarters of 2021 amounted to EUR 284 million. Group's cost of purchased electricity comprised 99.4 per cent of total cost of sales, Company's – 98.6 per cent.

Group's operating expenses in the nine-month period of 2021 amounted to EUR 8 million, a 23.36 per cent increase if compared to the same period as a year ago. Company's operating expenses amounted to EUR 5.3 million in January-September 2021.

Earnings

Gross profit of the Group in January-September of 2021 amounted to EUR 27.4 million (compared to the EUR 17.8 million), while the gross profit margin decreased to 8.76 per cent (10.13 per cent a year ago). Gross loss of the Company in the same period accounted to EUR 6.7 million, decrease from gross profit of EUR 12.8 million if compared to the same period a year ago. Company's gross profit margin decreased in the first nine months of 2021 to minus 12 per cent if compared to the same period of 2020 – 13.15 per cent.

Group's operating profit over the same period accounted to EUR 19.4 million, while the operating profit margin decreased to 6.21 per cent from 6.46 per cent a year ago. Operating loss in the first 3 quarters of 2021 of the Company accounted to EUR 12 million, compared to gross profit EUR 8.3 million in the same period a year ago.

Net result of financial activities of the Group in the first 3 quarters of 2021 amounted to EUR (-11.6) million, if compared to EUR 0.6 million net financial profit during the same period a year ago. It should be noted that the loss is attributed to the cost of financial hedging instruments for hedging electricity sale price. Net income of financial activities of the Group and the Company in the 3 quarters of 2021 was mainly comprised from the fair value change of derivatives not designated as hedging instruments and the dividends received from Vydmantal Wind Park UAB.

Group's net profit in the January-September of 2021 amounted to EUR 8.4 million, if compared to the net profit of EUR 9.9 million for the same year ago. Group's net profit margin decreased from 5.64 per cent a year ago to 2.67 per cent in the accounting period. Company's net profit margin decreased from 8.43 per cent a year ago to 3.85 per cent in 2021.

Balance sheet and Cash Flows

During January-September 2021 total assets of the Group decreased by 1.52 per cent and of the Company increased by 5.33 per cent. The most significant influence to the change of the assets was caused by decrease of cash and cash equivalents and increase of derivative financial instruments in the Group and in the Company.

Total non-current assets of the Company increased by 20.69 per cent and of the Group increased by 5.79 per cent. The most significant change in assets in the Group was related to amortization of patents and licenses and depreciation of wind farm equipment held by subsidiary Vydmantai wind park, UAB and change in deferred income tax asset.

During the year, shareholders' equity of the Company and of the Group decreased by 132.1 per cent and 60.2 per cent respectively. Company's equity decreased mainly because of the dividend's distribution in 2021 in the amount of EUR 11 million and negative hedge reserve (EUR 12.4 million change). It should be noted that negative hedge reserve is caused by revaluation of open positions because of highly volatile electricity market prices for the date of the balance sheet preparation.

At the end of September 2021, total amount of borrowings, including financial liabilities related to finance lease and bank financing, amounted to EUR 1 million for the Group. Cash and cash equivalents amounted to EUR 6.3 million for the Company and EUR 15.4 million for the Group.

Net cash flows from operating activities of the Group were lower in the first 3 quarters of 2021 and amounted to EUR 4.4 million, compared to EUR 32.2 million in the same period a year ago. Net cash flows from operating activities of the Company in the first 9 months of 2021 equaled to EUR 4.9 million compared to EUR 22.1 million a year ago.

Net cash flows from investing activities of the Company in the January-September of 2021 equaled to EUR 2.2 million. Such a result was due to the dividends received from the Company's subsidiaries.

Net cash flows from financing activities of the Group in the first 3 quarters of 2021 amounted to EUR (11.4) million out-flow, compared to EUR (18.2) million out-flow in the same period a year ago. Net cash flows from financing activities of the Company in the first 9 months of 2021 equaled to EUR (11.2) million out-flow compared to EUR (14.1) million out-flow in the same period a year ago.

Personnel

As of 30th September 2021, there were 39 employees in the Group and 24 in the Company. The employment structure by category is provided in the table below.

Employee category	Number of employees			
	As of 30 th September 2021		As of 30 th September 2020	
	Group	Company	Group	Company
Management	8	8	8	8
Sales Managers, including Traders	12	6	11	5
PR & Marketing Staff	1	1	1	1
Project managers	2	1	2	1
Technical staff	3	1	3	1
Office Staff	13	7	13	7
Total	39	24	38	23

On 30th September 2021 Company's personnel consisted of 8 managers and 16 specialists, as Group's personnel consisted of 8 managers and 31 specialists.

AB INTER RAO Lietuva Unaudited Consolidated Interim Financial Statements for the 9 Month Period Ended 30th September 2021

Statement of financial position

	Group As at 30 th September 2021	Group As at 31 st December 2020	Company As at 30 th September 2021	Company As at 31 st December 2020
ASSETS				
Non-current assets				
Intangible assets	-	-	-	-
Goodwill	-	-	-	-
Patents and licenses	-	-	-	-
Other intangible assets	4	8	-	-
Total intangible assets	4	8	-	-
Property, plant and equipment	-	-	-	-
Land	-	-	-	-
Buildings and structures	1,921	2,033	-	-
Machinery and equipment	10,867	11,498	-	-
Office premises	415	471	415	471
Other property, plant and equipment	35	32	22	15
Total property, plant and equipment	13,238	14,034	437	486
Right-of-use asset	1,069	1,101	476	427
Investment property	323	323	323	323
Interest in a joint venture	-	-	10,927	10,927
Other non-current financial assets	251	223	6	41
Derivative financial Instruments	377	118	377	118
Deferred Income tax asset	1,460	-	2,326	-
Total non-current assets	16,722	15,807	14,872	12,322
Current assets				
Inventories and prepayments	1,887	1,838	1,748	168
Accounts receivable	-	-	-	-
Trade receivables	10,606	8,169	6,731	5,469
Receivables from subsidiaries	-	-	1,503	1,929
Other receivables	1,697	316	-	-
Total accounts receivable	12,303	8,485	8,234	7,398
Prepaid income tax	1,797	15	1,382	-
Other current assets	258	258	195	195
Derivative financial Instruments	1,126	1,599	843	1,312
Cash and cash equivalents	15,396	22,250	6,305	10,485
Total current assets	32,767	34,445	18,707	19,558
Total assets	49,489	50,252	33,579	31,880

(cont'd on the next page)

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

AB INTER RAO LIETUVA, Company code 126119913, A.Tumėno str. 4, Vilnius, Lithuania
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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 (All amounts are in EUR thousand unless otherwise stated)

Statement of financial position (cont'd)

	Group As at 30th September 2021	Group As at 31st December 2020	Company As at 30th September 2021	Company As at 31st December 2020
EQUITY AND LIABILITIES				
Equity				
Share capital	5,800	5,800	5,800	5,800
Legal reserves	1,183	1,115	579	579
Cash flow hedge reserve	(13,704)	(1,308)	(13,704)	(1,308)
Retained earnings	16,943	19,647	2,157	11,012
Currency translation reserve	(291)	(288)	-	-
Total equity	9,931	24,966	(5,168)	16,083
Non-current liabilities				
Financial lease obligations	820	910	269	271
Derivative financial Instruments	4,883	-	4,883	-
Deferred income tax liability	-	992	-	104
Total non-current liabilities	5,703	1,902	5,152	375
Current liabilities				
Current portion of financial lease obligations	257	234	164	123
Derivative financial instruments	19,885	2,597	19,885	2,597
Trade payables	10,855	17,782	2,069	9,449
Income tax payable	-	935	-	461
Advances received	12	12	11	10
Other current liabilities	2,846	1,824	11,466	2,782
Total current liabilities	33,855	23,384	33,595	15,422
Total equity and liabilities	49,489	50,252	33,579	31,880

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

General Director	Giedrius Bakčlūnas		12 November 2021
Director of Economics	Paulius Vazniokas		12 November 2021

Statement of comprehensive income
For the 9 months ended 30th September 2021

	Group	Group	Company	Company
	2021	2020	2021	2020
Sales	313,199	176,126	55,718	97,486
Cost of sales	(285,771)	(158,284)	(62,396)	(84,671)
Gross profit	27,428	17,842	(6,678)	12,815
General and administrative expenses	(7,985)	(6,473)	(5,318)	(4,474)
Profit from operations	19,443	11,369	(11,996)	8,341
Other activities	-	2	11	11
Financing and investing activities profit	(11,562)	597	13,586	1,319
Finance income	26	749	13,641	1,393
Finance expenses	(11,588)	(152)	(55)	(74)
Profit before tax	7,881	11,968	1,601	9,671
Income tax	483	(2,029)	544	(1,449)
Net profit	8,364	9,939	2,145	8,222
Total comprehensive income, net of tax	(4,035)	9,221	(10,250)	7,816

Statement of comprehensive income

	Group 3 rd quarter 2021	Group 3 rd quarter 2020	Company 3 rd quarter 2021	Company 3 rd quarter 2020
Sales	103,273	63,840	13,010	36,993
Cost of sales	(94,073)	(58,592)	(21,932)	(32,553)
Gross profit	9,200	5,248	(8,922)	4,440
General and administrative expenses	(2,331)	(1,954)	(1,512)	(1,360)
Profit from operations	6,869	3,294	(10,434)	3,080
Other activities	(12)	-	3	3
Financing and investing activities profit	(6,990)	600	10,576	611
Finance income	(6)	502	10,593	497
Finance expenses	(6,984)	98	(17)	114
Profit before tax	(133)	3,894	145	3,694
Income tax	(246)	(727)	(652)	(666)
Net profit	(379)	3,167	(507)	3,028

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

General Director	Giedrius Balčiūnas		12 November 2021
Director of Economics	Paulius Vazniokas		12 November 2021

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 (All amounts are in EUR thousand unless otherwise stated)

Statement of changes in equity
For the 9 months ended 30th September 2021

Group

	Share capital	Legal reserve	Cash flow hedge reserve	Currency translation reserve	Retained earnings	Total
Balance as at 1st January 2021	5,800	1,115	(1,308)	(288)	19,647	24,966
Profit for the period	-	-	-	-	8,364	8,364
Other comprehensive income, net of tax	-	-	(12,396)	-	-	(12,396)
Foreign exchange effect	-	-	-	(3)	-	(3)
Total comprehensive income	-	-	(12,396)	(3)	8,364	(4,035)
Dividends declared	-	-	-	-	(11,000)	(11,000)
Transfer to legal reserve	-	68	-	-	(68)	-
Balance as at 30th September 2021	5,800	1,183	(13,704)	(291)	16,943	9,931

	Share capital	Legal reserve	Cash flow hedge reserve	Currency translation reserve	Retained earnings	Total
Balance as at 1st January 2020	5,800	1,011	916	(48)	21,542	29,221
Profit for the period	-	-	-	-	9,939	9,939
Other comprehensive income, net of tax	-	-	(514)	-	-	(514)
Foreign exchange effect	-	-	-	(204)	-	(204)
Total comprehensive income	-	-	(514)	(204)	9,939	9,221
Dividends declared	-	-	-	-	(14,000)	(14,000)
Transfer to legal reserve	-	104	-	-	(104)	-
Balance as at 30th September 2020	5,800	1,115	402	(252)	17,377	24,442


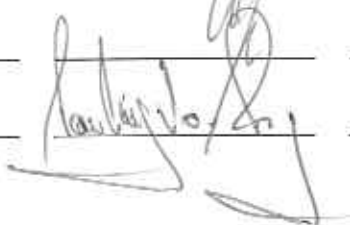
AB INTER RAO LIETUVA, Company code 126119913, A.Tumėno str. 4, Vilnius, Lithuania
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE 9 MONTH PERIOD ENDED 30th September 2021
 (All amounts are in EUR thousand unless otherwise stated)

Company

	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings	Total
Balance as at 1st January 2021	5,800	579	(1,308)	11,012	16,083
Profit for the period	-	-	-	2,145	2,145
Other comprehensive income	-	-	(12,396)	-	(12,396)
Total comprehensive income	-	-	(12,396)	2,145	(10,250)
Dividends declared	-	-	-	(11,000)	(11,000)
Transfer to legal reserve	-	-	-	-	-
Balance as at 30th September 2021	5,800	579	(13,704)	2,157	(5,168)

	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings	Total
Balance as at 1st January 2020	5,800	579	808	14,199	21,386
Profit for the period	-	-	-	8,222	8,222
Other comprehensive income	-	-	(406)	-	(406)
Total comprehensive income	-	-	(406)	8,222	7,816
Dividends declared	-	-	-	(14,000)	(14,000)
Transfer to legal reserve	-	-	-	-	-
Balance as at 30th September 2020	5,800	579	402	8,421	15,202

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

General Director	Gedrius Balčiūnas		12 November 2021
Director of Economics	Paulius Vazniokas		12 November 2021

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 (All amounts are in EUR thousand unless otherwise stated)

Statements of cash flows

For the 9 months ended 30th September

	Group		Company	
	2021	2020	2021	2020
Cash flows from (to) operating activities				
Net profit	8,364	9,939	2,145	8,222
Adjustments for non-cash items:				
Income tax expenses	(483)	2,028	(544)	1,449
Depreciation and amortisation	1,035	2,012	201	198
Interest and dividend (income)	(2)	(3)	(2,107)	(807)
Change in fair value of derivatives not designated as hedging instruments	(425)	(531)	(425)	(386)
Realised gain on electricity forwards contracts (non-hedge)	11,932	-	(11,051)	-
Interest and dividend expenses	55	108	31	37
Other	1	(248)	(34)	(225)
	20,477	13,305	(11,784)	8,488
Changes in working capital:				
(Increase) decrease in inventories and prepayments	(49)	(165)	(1,150)	1,067
(Increase) decrease in accounts receivable and other current assets	(3,604)	8,255	(1,057)	5,740
(Increase) decrease in other non-current assets	(59)	(132)	-	-
Increase (decrease) in trade payables	(6,927)	13,244	(7,512)	13,323
Income tax (paid)	(2,499)	(1,491)	(1,382)	(727)
(Decrease) in other current liabilities	(2,905)	(613)	27,754	(812)
Unrealized foreign currency exchange	(3)	(204)	-	-
Net cash flows from operating activities	4,431	32,199	4,869	27,079
Cash flows from (to) investing activities				
(Acquisition) of non-current assets	(16)	(8)	(16)	(8)
Proceeds from sale of non-current assets	61	-	61	-
Sale of non-current financial assets	34	-	34	-
Interest and dividends received	2	3	2,107	807
Net cash flows (to) investing activities	81	(5)	2,186	799

(cont'd on the next page)



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

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UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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 (All amounts are in EUR thousand unless otherwise stated)

Statements of cash flows (cont'd)

	Group		Company	
	2021	2020	2021	2020
Cash flows from (to) financing activities				
Dividends (paid)	(11,000)	(14,000)	(11,000)	(14,000)
Proceeds from loans	-	(3,850)	-	-
Interest (paid) and financial lease (payments)	(367)	(329)	(206)	(134)
Net cash flows (to) financing activities	(11,367)	(18,179)	(11,236)	(14,134)
Net increase (decrease) in cash and cash equivalents	(6,855)	14,015	(4,181)	13,744
Cash and cash equivalents at the beginning of the year	22,250	27,022	10,485	22,584
Cash and cash equivalents as at the end of the period	15,395	41,037	6,304	36,328

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

General Director	Gedrius Balčiūnas		12 November 2021
Director of Economics	Paulius Vazniokas		12 November 2021

Notes to financial statements

1 General information

AB INTER RAO Lietuva (hereinafter "the Company") is a private limited liability company registered in the Republic of Lithuania. The Company's core line of business is trade of electricity. The Group companies operate in electricity trading and production sectors.

2 Segment information

Operating segments

The following tables present information regarding the Group's operating segments for the 9 months ended 30th September 2021.

9 months ended 30 th September 2021	Electricity purchases and sales	Electricity production and sales	Total Segments	Adjustments and eliminations	Consolidated
Revenue					
External customers	311,728	1,471	313,199	-	313,199
Total revenue	311,728	1,471	313,199	-	313,199
Results					
Depreciation and amortisation	253	782	1,035	-	1,035
Interest income	-	-	-	-	-
Interest expenses	34	21	55	-	55
Segment operating profit	19,077	366	19,443	-	19,443
Segment assets	37,571	8,661	46,232	3,257	49,489
Segment liabilities	38,086	1,472	39,558	-	39,558

Segment assets and liabilities are presented after elimination of intercompany assets and liabilities within the segment, which are eliminated on consolidation.

Other disclosures

Interest in a joint venture	-	-	-	-	-
Capital expenditure	16	-	16	-	16

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties including assets from the acquisition of subsidiaries.

The following tables present information regarding the Group's operating segments for the 9 months ended 30th September 2020.

9 month ended 30 th September 2020	Electricity purchases and sales	Electricity production and sales	Total Segments	Adjustments and eliminations	Consolidated
Revenue					
External customers	171,555	4,571	176,126	-	176,126
Total revenue	171,555	4,571	176,126	-	176,126
Results					
Depreciation and amortisation	257	1,755	2,012	-	2,012
Interest income	-	-	-	-	-
Interest expenses	38	70	108	-	108
Share of profit of associate joint venture	-	-	-	-	-
Segment operating profit	8,908	2,461	11,369	-	11,369
Segment assets	49,919	19,526	69,445	-	69,445
Segment liabilities	41,194	1,146	42,340	2,663	45,003

Segment assets and liabilities are presented after elimination of Intercompany assets and liabilities within the segment, which are eliminated on consolidation.

Other disclosures

Interest in a joint venture	-	-	-	-	-
Capital expenditure	8	-	8	-	8

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties including assets from the acquisition of subsidiaries.

Related party transactions

The parties are considered related when one party has the possibility to control the other one or have significant influence over the other party in making financial and operating decisions. The related parties of the Group during the 9 month periods ending 30 September 2021 and as at 30 September 2020 were as follows:

PJSC Inter RAO (ultimate parent);
 RAO Nordic Oy (one of the shareholders);
 UAB Scaent Baltic (one of the shareholders);
 Other related parties include:
 UAB Scaent Baltic Group companies (the same shareholder).
 Management

3 Related party transactions

For the 9 month
period ended 30th
September 2021

	Purchases	Sales	Paid (received) dividends	Receivables	Payables, including loans granted
PJSC Inter RAO	154,541	418	-	50	10,557
RAO Nordic Oy	-	-	5,610	-	-
UAB Scaent Baltic	-	-	3,202	-	-
Other related parties	-	-	2,188	-	-
	154,541	418	11,000	50	10,557

For the 9 month
period ended 30th
September 2020

	Purchases	Sales	Paid (received) dividends	Receivables	Payables, including loans granted
PJSC Inter RAO	81,045	263	-	136	39,102
RAO Nordic Oy	-	-	7,140	-	-
UAB Scaent Baltic	-	-	4,076	-	-
Other related parties	-	-	2,784	-	-
	81,045	263	14,000	136	39,102

Confirmation of Responsible Persons

Following the Article No. 24 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Central Bank of the Republic of Lithuania, I, Giedrius Balčiūnas, the General Director of AB INTER RAO Lietuva hereby confirm that, to the best of my knowledge, AB INTER RAO Lietuva Unaudited Consolidated Interim Financial statements for the 9 month period ended 30 September, 2021 as set out on above are prepared in accordance with International Financial Reporting Standards as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position and profit or loss and cash flows of the Company and the Group.

Giedrius Balčiūnas
General Director

