

## AB INTER RAO LIETUVA

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
AND UNAUDITED CONSOLIDATED INTERIM REPORT  
FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2020,  
prepared in accordance with International Financial Reporting Standards,  
as adopted by the European Union

*28 August 2020*

*Vilnius*

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## AB INTER RAO Lietuva Unaudited Consolidated Interim Report for the 6 Month Period Ended 30 June 2020

### I. General Information

#### Reporting period

1<sup>st</sup> half of year ended 30<sup>th</sup> June 2020

#### Company and its contact details

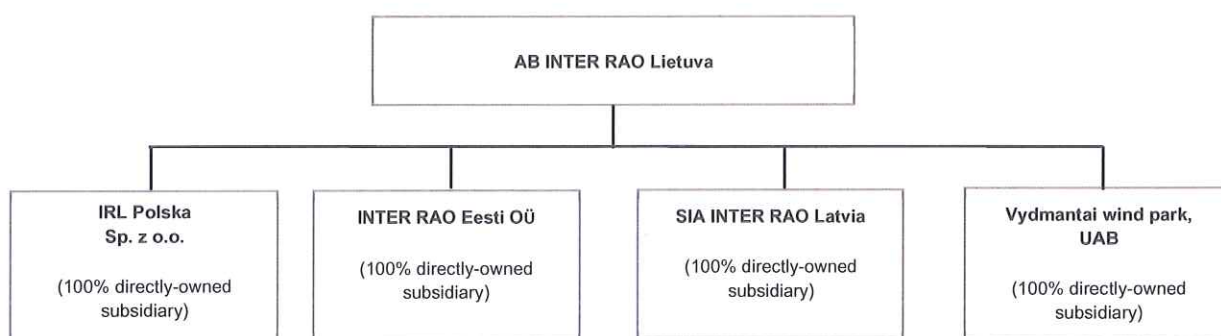
Company name	AB INTER RAO Lietuva (hereinafter – IRL or „the Company”)
Company code	126119913
Legal form	Public company (joint-stock company)
Date of registration	21 <sup>st</sup> December 2002
Name of register of Legal Entities	State Enterprise Centre of Registers
Registered office	A.Tumėno g. 4, block 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 30<sup>th</sup> June 2020, 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 June 2020	Registration address	Activity (including planned)
INTER RAO Eesti OÜ - subsidiary	11879805	100 %	88	Peterburi tee 47, Tallinn, Estonia	Trade of electricity
SIA INTER RAO Latvia - subsidiary	40103268639	100 %	(341)	76 Gustava Zemgala Ave., LV 1039, Riga, Latvia	Trade of electricity
IRL Polska Sp. z o.o. - subsidiary	0000436992	100 %	3,300	Twarda 18, 00-105. Warsaw, Poland	Trade of electricity
Vydmantai Wind Park, UAB – subsidiary	302666616	100 %	16,888	A.Tumėno Str. 4, Vilnius, Lithuania	Generation of electricity

The following chart sets out the Group' subsidiaries and interest in those subsidiaries, as well as the structure of the Group as of 30<sup>th</sup> June 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 and, to a lesser extent, from Belarus, as well as in export to these countries. 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 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 Energijos 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>



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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 33 per 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	<p>The Company signed electricity sale-purchase agreements with the Belarusian company, Belenergo and the Latvian company, Latvenergo.</p> <p>Cooperation regarding the sale of electricity with the largest electricity consumer in the Baltic States, Orlen Lietuva, was established. Delivery was initiated in 2010.</p> <p>The Company changed its name to UAB INTER RAO Lietuva.</p>
2010	<p>The Company established two wholly-owned subsidiaries, one in Latvia (SIA INTER RAO Latvia) and the second in Estonia (INTER RAO Eesti OU).</p> <p>SIA INTER RAO Latvia received its license for electricity trading in Latvia.</p>
2011	<p>SIA INTER RAO Latvia begins electricity trading operations.</p> <p>The Company begins trading activities in the Estonian area of NordPool Spot.</p> <p>The Company begins operations in electricity generation from renewable energy sources by acquiring the wind park in Vydmantai.</p> <p>The Company signs an agreement with INTER RAO UES on potential export of electricity generated in Baltiiskaya NPP under construction in Kaliningrad Oblast.</p>
2012	<p>Decision on public offering and listing of the Company's shares on the Warsaw Stock Exchange was made.</p> <p>Business entity (IRL POLSKA Sp. z o.o.) in Poland was established.</p>
2013	<p>AB INTER RAO Lietuva shareholders decided to distribute 27 million Lit as dividends.</p> <p>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.</p> <p>On 4<sup>th</sup> 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.</p>
2014	On 3 <sup>rd</sup> 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 9 <sup>th</sup> January 2014 till 9 <sup>th</sup> January 2024.

	On 30 <sup>th</sup> 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 <sup>nd</sup> 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 <sup>th</sup> 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 <sup>th</sup> 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 <sup>th</sup> 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.

#### **Agreements with intermediaries of public trading in securities**

Since 29<sup>th</sup> October 2012 the Company and UAB FMI 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 30<sup>th</sup> June 2020 the shareholder structure of the Company was as following:

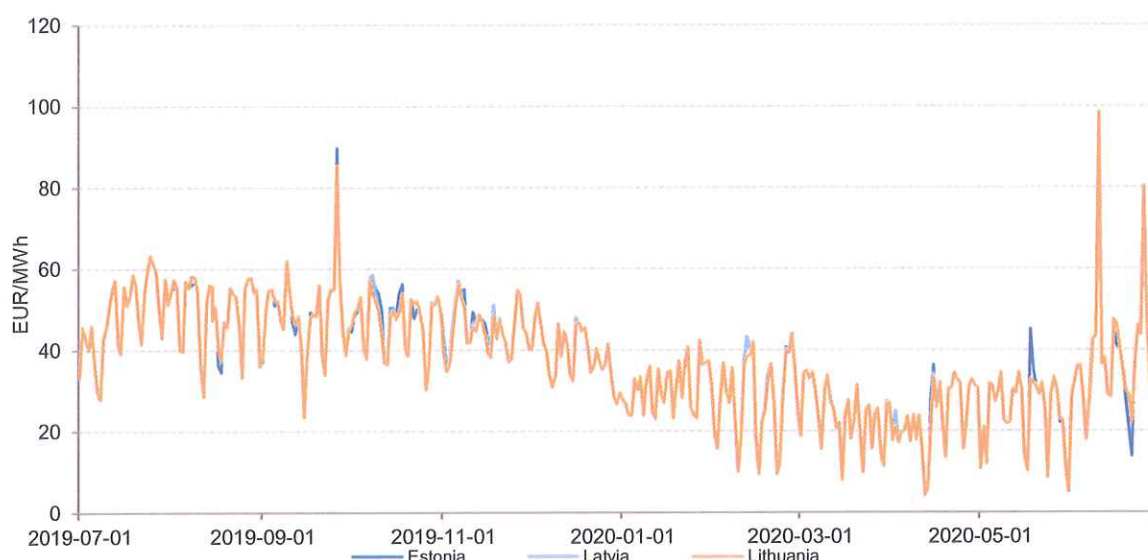
Shareholder	Number of shares/votes	Percentage of shares
RAO Nordic Oy	10,200,000	51%
UAB Scaent Baltic	5,822,856	29,11%
Other shareholders	3,977,144	19,89%
<b>Total</b>	<b>20,000,000</b>	<b>100%</b>



## II. Financial information

### Revenues

The total consolidated Group's sales revenue in January-June of 2020 was equal to EUR 112 million, a 43.17 per cent less than in the first half of 2019. Total revenue decreased due to the lower amounts of electricity traded. The decrease in the amount of electricity traded was mainly influenced by decrease in sales in Lithuanian market. Company's sales revenue in the 1<sup>st</sup> half 2020 was equal to EUR 60.5 million – decreased by 58.76 per cent, compared to the same period in 2019 due to the same reasons – there were less electricity traded in Lithuania.



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	1 <sup>st</sup> half 2020	1 <sup>st</sup> half 2019
<b>Sales (EUR thousand)</b>	<b>112,286</b>	<b>197,588</b>
Gross profit (EUR thousand)	12,594	14,646
Gross profit margin (%)	11.22%	7.41%
Operating profit (EUR thousand)	8,075	10,197
Operating profit margin (%)	7.19%	5.16%
<b>EBITDA (EUR thousand)</b>	<b>9,637</b>	<b>12,760</b>
EBITDA profit margin (%)	8.58%	6.46%
Net profit (EUR thousand)	6,773	10,310
Net profit margin (%)	6.03%	5.22%
Number of shares (thousand)	20,000	20,000
Earnings per share (EUR)	0.34	0.52

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 decreased by 43.17 per cent in 1<sup>st</sup> half 2020, compared to the same period in 2019. The decrease in sales was caused by lower amount of electricity traded, and lower average price of electricity sold at the same time – as the result Group's cost of sales decreased by 45.51 per cent if compared to the 1<sup>st</sup> half of 2019, which is more than decrease in sales revenues during the same period. The Group's gross profitability equaled to 11.22 per cent in the accounting period, if compared to 7.41 per cent in January-June 2019.

Company's gross profit margin in 2020 accounts to 13.84 per cent, compared to 7.68 per cent in the 1<sup>st</sup> half of 2019. Operating profit of the Company for the 1<sup>st</sup> half of 2020 was equal to EUR 5.3 million compared to EUR 8.2 million a year ago.

Group's and Company's EBITDA for the 1<sup>st</sup> half 2020 was EUR 9.6 million and EUR 6.3 million respectively. Group's EBITDA profit margin increased from 6.46 per cent in 1<sup>st</sup> half 2019 to 8.58 per cent in 1<sup>st</sup> half of 2020. Company's EBITDA profit margin increased from 6.52 per cent in 2019 to 10.41 per cent in the accounting period. In the 1<sup>st</sup> half of 2020, Group's net profit decreased to EUR 6.8 million from EUR 10.3 million in 2019. As a result, Group's net profit margin during the accounting period increased and was equal to 6.03 per cent, if compared to 5.22 per cent a year ago. Net profit of the Company in 1<sup>st</sup> half 2020 decreased and was equal to EUR 5.2 million compared to EUR 8.8 million in January-June 2019.

<b>Sales revenues by operating segments, thous. EUR</b>	<b>6 months 2020</b>	<b>6 months 2019</b>
Electricity purchases and sales	108,804	194,833
Electricity production and sales	3,482	2,755
<b>Total</b>	<b>112,286</b>	<b>197,588</b>

Group's revenue from purchases and sales of electricity in the 1<sup>st</sup> half of 2020 amounted to EUR 108.8 million. Revenue from produced electricity sales accounted for EUR 3.5 million, a 26.37 per cent more than in the same period a year ago. During the accounting period Vydmantai wind park, UAB has produced more electricity compared to 1<sup>st</sup> half 2019, due to the better meteorological conditions.

Company's revenue during January-June 2020 were lower by 58.76 per cent and was equal to EUR 60.5 million compared to EUR 146.7 million in the same period in 2019.

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The tables below present data on the electricity trading activities of the Group for the 6 months period ended on 30<sup>th</sup> June 2020 and the 2<sup>nd</sup> quarter of 2020, compared with the same periods in 2019, with a breakdown by each country for the periods indicated (S - sale, P - purchase).

	For the 1 <sup>st</sup> half of 2020		For the 1 <sup>st</sup> half of 2019	
	S	P	S	P
	GWh		GWh	
Lithuania*	1 491	71	3 075	20
Latvia	25	25	148	148
Estonia	142	186	127	157
Russia	32	1 408	30	2 992
Belarus	-	-	-	63
Poland	915	915	590	590
<b>Total*</b>	<b>2 605</b>	<b>2 605</b>	<b>3 970</b>	<b>3 970</b>

\* Excluding equivalent trades on the power exchange

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

	For the 2 <sup>nd</sup> quarter of 2020		For the 2 <sup>nd</sup> quarter of 2019	
	S	P	S	P
	GWh		GWh	
Lithuania*	645	47	1 317	19
Latvia	10	10	67	67
Estonia	74	89	57	79
Russia	11	594	23	1 295
Belarus	-	-	-	3
Poland	548	548	372	372
<b>Total*</b>	<b>1 288</b>	<b>1 288</b>	<b>1 835</b>	<b>1 835</b>

\* 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	6 months 2020	6 months 2019
Electricity purchases and sales	99,001	182,148
Electricity production and sales	691	794
<b>Total</b>	<b>99,692</b>	<b>182,942</b>

Group's cost of sales in January-June of 2020 accounted to EUR 99.7 million, a 45.51 per cent less than during the first six months of 2019. As a result of the lower amount of electricity traded, the cost of sales of the Group were lower compared to the results a year ago. Cost of sales of electricity production shrunk if compared to the same period a year ago due to the change of maintenance contract of the wind turbines, and cost of sales of electricity purchased and sold were lower by 45.65 per cent if compared to the same period a year ago.



Cost of sales in 1<sup>st</sup> half of 2020 of the Company was lower by 61.51 per cent if compared to the accounting period a year ago.

Group's and Company's cost of purchased electricity in the 1<sup>st</sup> half of 2020 amounted to EUR 97.7 million and EUR 50.8 million respectively. Group's cost of purchased electricity comprised 98.03 per cent of total cost of sales, Company's – 97.55 per cent.

Group's operating expenses in the 1<sup>st</sup> half of 2020 amounted to EUR 4.5 million, a 1.6 per cent increase over a year ago. Company's operating expenses amounted to EUR 3.1 million in January-June 2020 and stayed at the same level as a year ago.

### **Earnings**

Gross profit of the Group in January-June of 2020 amounted to EUR 12.6 million, while the gross profit margin increased to 11.22 per cent (7.41 per cent a year ago). Gross profit of the Company in the same period accounted to EUR 8.4 million. Company's gross profit margin increased from 7.68 per cent in January-June of 2019 to 13.84 per cent in the 1<sup>st</sup> half of 2020.

Group's operating profit over the same period accounted to EUR 8.1 million, while the operating profit margin increased to 7.19 per cent from 5.16 per cent a year ago. Operating profit in the 1<sup>st</sup> half of 2020 of the Company decreased by 35.57 per cent compared to the same period in 2019. It amounted to EUR 5.3 million in 1<sup>st</sup> half of 2020 compared to EUR 8.2 million in the same period a year ago.

Net profit of financial activities of the Group in the 1<sup>st</sup> half of 2019 amounted to EUR 1 million, Group had no net profit of financial activities in the accounting period. Financial expenses were mainly comprised of interest expenses that were due for the stand-alone financing of the wind park. Net profit of financial activities of the Company in the 1<sup>st</sup> half of 2019 mostly arose from the fair value change of derivatives not designated as hedging instruments and dividend income from the wind park.

As a result, profit before tax for the Group and the Company in the accounting period amounted to EUR 8.1 million and EUR 6 million compared to EUR 11.2 million and EUR 9.4 million in the 1<sup>st</sup> half in 2019 respectively.

Group's net profit in the 1<sup>st</sup> half of 2020 amounted to EUR 6.8 million, if compared to the profit of EUR 10.3 million for the same period year ago. The profit margin increased from 5.22 per cent a year ago to 6.03 per cent in the accounting period. Company's net profit in the 1<sup>st</sup> half of 2020 amounted to EUR 5.2 million, if compared to the profit of EUR 8.8 million for the same period year ago.

### **Balance sheet and Cash Flows**

During January-June 2020 total assets of the Group decreased by 47.51 per cent and of the Company decreased by 55.35 per cent. The most significant influence to the assets was caused by decrease of cash in the Group and in the Company.

Total non-current assets of the Company decreased by 5.39 per cent and of the Group increased by 2.26 per cent.

At the end of June 2020, total amount of borrowings, including financial liabilities related to finance lease and bank financing, amounted to EUR 1 million for the Group. Cash, cash equivalents amounted to EUR 0.8 million for the Company and EUR 5.1 million for the Group.

Net cash flows from operating activities of the Group were higher in the 1<sup>st</sup> half of 2020 and amounted to minus EUR 3.8 million, compared to minus EUR 5.7 million in the same period a year ago. Net cash flows from operating activities of the Company in the 1<sup>st</sup> half 2020 equaled to minus EUR 8.5 million compared to minus EUR 8.7 million a year ago.



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Net cash flows from investing activities of the Company in the 1<sup>st</sup> half of 2020 equaled to EUR 0.8 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 1<sup>st</sup> half of 2020 amounted to EUR (-18.1) million outflow, compared to EUR (-8.8) million outflow in the same period a year ago. Net cash flows from financing activities of the Company in the 1<sup>st</sup> half 2020 equaled to EUR (-14.1) million outflow compared to EUR (-7.1) million outflow in the same period a year ago.

### Personnel

As of 30<sup>th</sup> June 2020 there were 38 employees in the Group and 23 in the Company. The employment structure by category is provided in the table below.

Employee category	Number of employees			
	As of 30 <sup>th</sup> June 2020		As of 30 <sup>th</sup> June 2019	
	Group	Company	Group	Company
Management	8	8	8	8
Sales Managers, including Traders	11	5	13	7
PR & Marketing Staff	1	1	1	1
Project managers	2	1	2	1
Technical staff	3	1	3	1
Office Staff	13	7	12	6
<b>Total</b>	<b>38</b>	<b>23</b>	<b>39</b>	<b>24</b>

On 30<sup>th</sup> June 2020 Company's personnel consisted of 8 managers and 15 specialists, as Group's personnel consisted of 8 managers and 30 specialists.

### III. Corporate governance

The corporate bodies of the Company are as follows: General Shareholders Meeting, a collegial supervisory body – Supervisory Council, a collegial management body – Board, and single-person management body – Chief Executive Officer.

#### Members of Supervisory council



**Victor Kolotievskiy**

Chairman of the Supervisory Council at INTER RAO Lietuva  
(term: 2020.04.27 – 2024.04.28)

Head of International Contracting Department of the Trading  
Unit of PJSC Inter RAO

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**Education:**

National Research University "Moscow Power Engineering Institute" qualification – Engineer-Manager  
The Moscow University of Finance and Law, qualification – Lawyer

**Career over the last five years:**

2019 – present: Head of International Contracting Department of the Trading Unit of PJSC Inter RAO  
2017 - present: Member of the Supervisory Council at INTER RAO Lietuva  
2015 - 2019: Head of European Operations of the Trading Unit of PJSC Inter RAO

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**Evgeniya Popova**

Member of the Supervisory Council (term: 2020.04.27 –  
2024.04.28)

Head of business planning and reporting on Trading Activity  
Department at PJSC Inter RAO

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**Education:**

Moscow State Institute of International Relations qualification – Finance and Credit, and MBA at Kingston  
University and Academy of National Economy under the Government of the Russian Federation

**Career over the last five years:**

2020 – present: Head of business planning and reporting on Trading Activity Department at PJSC Inter  
RAO  
2016 - present: Chairman of the Supervisory Council at INTER RAO Lietuva  
2011 – 2020: Head of Operational Analysis and Trading Activity Forecasting Department at PJSC Inter  
RAO



**Jonas Garbaravičius**

Member of the Supervisory Council at INTER RAO Lietuva (term: 2020.04.27 – 2024.04.28)

Owner of JG Investment Management, UAB

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**Education:**

Vytautas Magnus University

**Career over the last five years:**

2018 – present: Counsellor of CEO at UAB Scaent Baltic

2017 - present: Member at YPO

2013 - present: Owner of JG Investment Management, UAB

2013 - present: Co Founder / Supporting Shareholder at Children Hospital Support Foundation (Vaikų Ligoninės Paramos Fondas)

2013 - present: Co Founder / Supporting Shareholder at Public Organization "Šiaurės Jeruzalė" (Northern Jerusalem), project LitvakWorld.com

2012 - present: Board member at Vilnius City Opera

2012 - present: Member of the Supervisory Council at INTER RAO Lietuva

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**Rytis Davidovičius**

Member of the Supervisory Council (term: 2020.04.27 – 2024.04.28)

Director, Lewben Group, Lewben Asia Pacific

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**Education:**

Bachelor degree, History and Political science at Vytautas Magnus University

Licence of consultant, Bank of Lithuania

**Career over the last five years:**

2017 - present: Director of Business Development, Lewben Group

2016 - present: Member of the Supervisory Council at INTER RAO Lietuva

2013 - present: President, Lithuanian Rugby Federation, Lithuania;

2016 - 2017: Director, Lewben Group, Lewben Asia Pacific;

2013 - 2016: CEO, JG Investment Management UAB, Lithuania;

2014 - 2016: Adviser of the Chairman of the Board, Orion Asset Management UAB, Lithuania.

2011 - 2014: CEO, Orion Asset Management UAB, Lithuania.



**Valerian Goncharov**

Member of the Supervisory Council at INTER RAO Lietuva  
(term: 2020.04.27 – 2024.04.28)

Head of Direction at International Law Department of PJSC  
«Inter RAO»

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**Education:**

Moscow State Institute of International Relations (MGIMO University), Master degree in International Law

**Career over the last five years:**

2017 – present: Head of Direction at International Law Department of PJSC «Inter RAO»  
2014 - 2017: Chief Expert at International Law Department of PJSC «Inter RAO»



**Vasily Kulikov**

Member of the Supervisory Council (term: 2020.04.27 – 2024.04.28)

Head of Risk department JSC "INTER RAO EXPORT"

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**Education:**

Bachelor degree in Management at Non –State Educational Institution Modern University for the Humanities

**Career over the last five years:**

2018 – present: Head of Risk department JSC "INTER RAO EXPORT"  
2016 - present: Member of the Supervisory Council at INTER RAO Lietuva  
2014 – 2018: Head of Risk management and internal control department PJSC Inter RAO



## Members of the Board



### **Alexandra Panina**

Chairwoman of the Management Board at INTER RAO Lietuva  
(term: 2018.07.06 – 2021.03.30)  
Member of the Management Board, Acting Head of the Trading  
Unit of PJSC Inter RAO

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#### **Education:**

Law faculty of Volgograd state University  
State Academy of Innovation

#### **Career over the last five years:**

2018 - present: Chairwoman of the Management Board at INTER RAO Lietuva  
2018 - present: Member of the Management Board, Interim Head of the Trading Division, PJSC Inter RAO  
2018 - 2018: Deputy Head of Exports Division, Division Management Block, PJSC Inter RAO  
2011 - 2018: Vice President of Marketing and Sales, LLC INTER RAO — Management of Electric Power  
Plants

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### **Evgeny Sarymsakov**

Member of the Board (term: 2018.07.16 – 2021.03.30)  
Head of International Law Department of Legal Affairs Unit of PJSC  
Inter RAO

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#### **Education:**

Law faculty of Volgograd state University  
State Academy of Innovation

#### **Education:**

Master's Degree at Moscow State Institute of International Relations, qualification – International Law

#### **Career over the last five years:**

2018 - present: Member of the Management Board at INTER RAO Lietuva  
2017 - 2018: Member of the Supervisory Council at INTER RAO Lietuva  
2012 - present: Head of International Law Department of Legal Affairs Unit of PJSC Inter RAO



**Giedrius Balčiūnas**

Member of the Management Board at INTER RAO Lietuva  
(term: 2017.03.30 –2021.03.30)  
Director General (CEO) at INTER RAO Lietuva

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**Career over the last five years:**

2012 - present: Member of the Management Board at INTER RAO Lietuva  
2010 - present: Member of the Management Board at INTER RAO Eesti OÜ  
2006 - present: Member of the Management Board at Alproka  
2003 - present: Director General (CEO) at INTER RAO Lietuva

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**Vidas Čebatariūnas**

Member of the Management Board at INTER RAO Lietuva  
(term: 2017.03.30 –2021.03.30)  
Director of Commerce of AB INTER RAO Lietuva

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**Education:**

Master of Economic Analysis and Planning awarded by Vilnius University

**Career over the last five years:**

2012 - present: Member of the Management Board at IRL Polska  
2012 – present: Chairman of the Management Board at INTER RAO Latvia  
2010 – present: Member of the Management Board at INTER RAO Eesti  
2010 – 2013: Member of the Management Board at Scaent Baltic  
2007 – present: Member of the Management Board at INTER RAO Lietuva  
2005 – present: Director of Commerce at INTER RAO Lietuva



**Tatiana Zaltsman**

Member of the Board (term: 2020.06.09 – 2021.03.30)  
Head of Economic Planning Department PJSC Inter RAO

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**Education:**

Krasnoyarsk State trade and Economic University, qualification – Economist  
Krasnoyarsk State Pedagogical University, qualification – English philologist  
The Academy of National Economy under the Government of the Russian Federation – MBA

**Career over the last five years:**

2018 - present: Member of Revision Commission PJSC Inter RAO  
2013 - present: Head of Economic Planning Department PJSC Inter RAO

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**CEO**

The chief executive officer of the company is Giedrius Balčiūnas. Term in the position: 2003.05.21 – unlimited

**Chief accountant**

Chief accountant of the Company is Edita Vagonienė. Term in the position: 2012.10.01 – unlimited

**Audit committee**

The Company has formed an audit committee. The term of the Audit committee members ended in April 2020. The new members of Audit committee will be elected in September 2020.

#### IV. Publicly announced information

During the period from the start of 2020 to 30th June 2020 Company publicly announced and broadcasted through Warsaw Stock Exchange information system and on own webpage the following information:

Title	Category of announcement	Language	Date
Publication date of the results for the 4th quarter of 2019 and the Annual Information for 2019 of AB INTER RAO Lietuva	Investor news	EN, LT	12-Feb-2020
Announcement of the results for the 4th quarter of 2019 and the Annual Information for 2019 of AB INTER RAO Lietuva	Annual information	EN, LT	14-Feb-2020
AB „INTER RAO Lietuva“ announces about the liquidation of the company's subsidiary UAB „Alproka“	Notification on material event	EN, LT	18-Feb-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	19- Feb-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	20-Feb-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	24-Feb-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	28-Feb-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	06-Mar-2020
Statement on corporate governance	Investor news	EN, LT	09-Mar-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	10-Mar-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	16-Mar-2020



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Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	20-Mar-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	25-Mar-2020
AB INTER RAO Lietuva decisions of the Management Board	Notification on material event	EN, LT	27-Mar-2020
AB INTER RAO Lietuva decisions of the Supervisory Board	Notification on material event	EN, LT	30-Mar-2020
AB „INTER RAO Lietuva“ announces about the Management Board decision to approve the extension of the overdraft agreement with OP Corporate Bank plc Lithuania Branch	Notification on material event	EN, LT	13-Mar-2020
Notice on convocation of the Annual General Meeting of Shareholders	Notification on material event	EN, LT	02-Apr-2020
The decisions adopted by the Annual General Meeting of Shareholders of AB INTER RAO Lietuva	Notification on material event	EN, LT	27-Apr-2020
Notice on the procedure for the payment of dividends	Notification on material event	EN, LT	07-May-2020
Publication date of the results for the 1st quarter of 2020 of AB INTER RAO Lietuva	Investor news	EN, LT	13-May-2020
Announcement of the results for the 1st quarter of the year 2020 of AB INTER RAO Lietuva	Interim information	EN, LT	15-May-2020
Announcement of the transactions concluded by managers in AB INTER RAO Lietuva securities	Notification on transactions concluded by managers	EN, LT	25-May-2020
AB INTER RAO Lietuva decisions of the Supervisory Board	Notification on material event	EN, LT	09-June-2020

Contents of above mentioned announcements can be obtained on Company's webpage <https://interrao.lt/en/reports/current-reports/>.

## AB INTER RAO Lietuva Unaudited Consolidated Interim Financial Statements for the 6 Month Period Ended 30<sup>th</sup> June 2020

### Statement of financial position

Notes	Group	Group	Company	Company
	As at 30 <sup>th</sup> June 2020	As at 31 <sup>st</sup> December 2019	As at 30 <sup>th</sup> June 2020	As at 31 <sup>st</sup> December 2019
<b>ASSETS</b>				
Non-current assets				
Intangible assets				
Goodwill	716	716	-	-
Patents and licenses	603	1,207	-	-
Other intangible assets	12	9	-	-
<b>Total intangible assets</b>	<b>1,331</b>	<b>1,932</b>	<b>-</b>	<b>-</b>
Property, plant and equipment				
Land			-	-
Buildings and structures	2,315	2,398	-	-
Machinery and equipment	13,002	13,461	-	-
Office premises	509	547	509	547
Other property, plant and equipment	29	45	17	16
<b>Total property, plant and equipment</b>	<b>15,855</b>	<b>16,451</b>	<b>526</b>	<b>563</b>
Right-of-use asset	962	1,102	322	412
Investment property	323	323	323	323
Interest in a joint venture	-	-	10,927	10,927
Other non-current financial assets	250	147	41	38
Derivative financial instruments	158	-	158	-
Deferred income tax asset	-	-	243	-
<b>Total non-current assets</b>	<b>18,879</b>	<b>19,955</b>	<b>12,540</b>	<b>12,263</b>
Current assets				
Inventories and prepayments	355	1,251	198	167
Accounts receivable				
Trade receivables	8,123	12,576	6,361	10,216
Receivables from subsidiaries		-	1,937	3,157
Other receivables	1,340	992	-	-
<b>Total accounts receivable</b>	<b>9,463</b>	<b>13,568</b>	<b>8,298</b>	<b>13,373</b>
Prepaid income tax		-		-
Other current assets	163	1,163	100	100
Derivative financial instruments	205	2,104	332	1,407
Cash and cash equivalents	5,087	27,022	810	22,584
<b>Total current assets</b>	<b>15,273</b>	<b>45,108</b>	<b>9,738</b>	<b>37,631</b>
<b>Total assets</b>	<b>34,152</b>	<b>65,063</b>	<b>22,278</b>	<b>49,894</b>

*(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  
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**Statement of financial position (cont'd)**

	Notes	Group As at 30 <sup>th</sup> June 2020	Group As at 31 <sup>st</sup> December 2019	Company As at 30 <sup>th</sup> June 2020	Company As at 31 <sup>st</sup> December 2019
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital		5,800	5,800	5,800	5,800
Legal reserves		1,115	1,011	579	579
Cash flow hedge reserve		(1,584)	916	(1,582)	808
Retained earnings		14,211	21,542	5,393	14,199
Currency translation reserve		(206)	(48)	-	-
<b>Total equity</b>		<b>19,336</b>	<b>29,221</b>	<b>10,190</b>	<b>21,386</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Non-current borrowings		-	-	-	-
Financial lease obligations		766	890	185	245
Derivative financial instruments		-	-	-	-
Deferred income tax liability		974	1,501	-	176
<b>Total non-current liabilities</b>		<b>1,740</b>	<b>2,391</b>	<b>185</b>	<b>421</b>
<b>Current liabilities</b>					
Current portion of non-current borrowings			3,850	-	-
Current portion of financial lease obligations		210	251	126	130
Derivative financial instruments		2,409	243	2,403	255
Trade payables		7,772	26,350	7,644	26,163
Income tax payable		897	715	478	284
Advances received		11	13	11	13
Other current liabilities		1,777	2,029	1,242	1,242
<b>Total current liabilities</b>		<b>13,076</b>	<b>33,451</b>	<b>11,903</b>	<b>28,087</b>
<b>Total equity and liabilities</b>		<b>34,152</b>	<b>65,063</b>	<b>22,278</b>	<b>49,894</b>

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

General Director	Giedrius Balčiūnas	28 August 2020
Director of Economics	Paulius Vazniokas	28 August 2020

**Statement of comprehensive income**  
**For the six months ended 30<sup>th</sup> June**

	Notes	Group	Group	Company	Company
		2020	2019	2020	2019
Sales		112,286	197,588	60,493	146,670
Cost of sales		(99,692)	(182,942)	(52,118)	(135,400)
<b>Gross profit</b>		<b>12,594</b>	<b>14,646</b>	<b>8,375</b>	<b>11,270</b>
General and administrative expenses		(4,519)	(4,448)	(3,114)	(3,104)
<b>Profit from operations</b>		<b>8,075</b>	<b>10,198</b>	<b>5,261</b>	<b>8,166</b>
Other activities		2	8	8	8
<b>Financing and investing activities profit</b>		<b>(3)</b>	<b>977</b>	<b>706</b>	<b>1,246</b>
Finance income		247	1,298	895	1,288
Finance expenses		(250)	(319)	(189)	(42)
Share of result of joint venture		-	(2)	-	-
<b>Profit before tax</b>		<b>8,074</b>	<b>11,183</b>	<b>5,975</b>	<b>9,420</b>
Income tax		(1,301)	(873)	(781)	(638)
<b>Net profit</b>		<b>6,773</b>	<b>10,310</b>	<b>5,194</b>	<b>8,782</b>
Other comprehensive income(expenses)					
Net (loss) on cash flow hedges		(2,941)	6,249	(2,812)	6,207
Income tax effect		441	(936)	422	(932)
Effect of currency exchange		(158)	33		
Other comprehensive income, net of tax		(2,658)	5,346	(2,390)	5,275
<b>Total comprehensive income, net of tax</b>		<b>4,115</b>	<b>15,656</b>	<b>2,804</b>	<b>14,057</b>

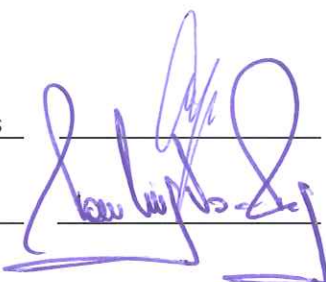



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**Statement of comprehensive income**

	Notes	Group 2nd quarter 2020	Group 2nd quarter 2019	Company 2nd quarter 2020	Company 2nd quarter 2019
Sales		54,133	90,516	26,082	61,143
Cost of sales		(46,449)	(83,828)	(19,518)	(55,696)
<b>Gross profit</b>		<b>7,684</b>	<b>6,688</b>	<b>6,564</b>	<b>5,447</b>
General and administrative expenses		(2,307)	(2,469)	(1,702)	(1,739)
<b>Profit from operations</b>		<b>5,377</b>	<b>4,219</b>	<b>4,862</b>	<b>3,708</b>
Other activities		2	4	4	4
<b>Financing and investing activities profit</b>		<b>(211)</b>	<b>(125)</b>	<b>451</b>	<b>79</b>
Finance income		(40)	98	613	97
Finance expenses		(171)	(222)	(162)	(18)
Share of result of joint venture		-	(1)	-	-
<b>Profit before tax</b>		<b>5,168</b>	<b>4,098</b>	<b>5,317</b>	<b>3,791</b>
Income tax		(812)	(205)	(681)	(154)
<b>Net profit</b>		<b>4,356</b>	<b>3,893</b>	<b>4,636</b>	<b>3,637</b>
<b>Total comprehensive income, net of tax</b>		<b>5,185</b>	<b>721</b>	<b>5,510</b>	<b>427</b>

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

General Director	Giedrius Balčiūnas		28 August 2020
Director of Economics	Paulius Vazniokas		28 August 2020

**Statement of changes in equity**  
**For the six months ended 30<sup>th</sup> June 2020**

**Group**

	Share capital	Legal reserve	Cash flow hedge reserve	Currency translation reserve	Retained earnings	Total
<b>Balance as at 1<sup>st</sup> January 2020</b>	<b>5,800</b>	<b>1,011</b>	<b>916</b>	<b>(48)</b>	<b>21,542</b>	<b>29,221</b>
Profit for the period	-	-	-	-	6,773	6,773
Other comprehensive income, net of tax	-	-	(2,500)	-	-	(2,500)
Foreign exchange effect	-	-	-	(158)	-	(158)
Total comprehensive income	-	-	(2,500)	(158)	6,773	4,115
Dividends declared	-	-	-	-	(14,000)	(14,000)
Transfer to legal reserve	-	104	-	-	(104)	-
<b>Balance as at 30<sup>th</sup> June 2020</b>	<b>5,800</b>	<b>1,115</b>	<b>(1,584)</b>	<b>(206)</b>	<b>14,211</b>	<b>19,336</b>

	Share capital	Legal reserve	Cash flow hedge reserve	Currency translation reserve	Retained earnings	Total
<b>Balance as at 1<sup>st</sup> January 2019</b>	<b>5,800</b>	<b>982</b>	<b>(4,771)</b>	<b>(76)</b>	<b>15,524</b>	<b>17,459</b>
Profit for the period	-	-	-	-	10,310	10,310
Other comprehensive income, net of tax	-	-	5,313	-	-	5,313
Foreign exchange effect	-	-	-	33	-	33
Total comprehensive income	-	-	5,313	33	10,310	15,656
Dividends declared	-	-	-	-	(11,600)	(11,600)
Transfer to legal reserve	-	29	-	-	(29)	-
<b>Balance as at 30<sup>th</sup> June 2019</b>	<b>5,800</b>	<b>1011</b>	<b>542</b>	<b>(43)</b>	<b>14,205</b>	<b>21,515</b>

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**Company**

	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings	Total
<b>Balance as at 1<sup>st</sup> January 2020</b>	<b>5,800</b>	<b>579</b>	<b>808</b>	<b>14,199</b>	<b>21,386</b>
Profit for the period	-	-	-	5,194	5,194
Other comprehensive income	-	-	(2,390)	-	(2,390)
Total comprehensive income	-	-	(2,390)	5,194	2,804
Dividends declared	-	-	-	(14,000)	(14,000)
Transfer to legal reserve	-	-	-	-	-
<b>Balance as at 30<sup>th</sup> June 2020</b>	<b>5,800</b>	<b>579</b>	<b>(1,582)</b>	<b>5,393</b>	<b>10,190</b>

	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings	Total
<b>Balance as at 1<sup>st</sup> January 2019</b>	<b>5,800</b>	<b>579</b>	<b>(4,813)</b>	<b>11,707</b>	<b>13,273</b>
Profit for the period	-	-	-	8,782	8,782
Other comprehensive income	-	-	5,275	-	5,275
Total comprehensive income	-	-	5,275	8,782	14,057
Dividends declared	-	-	-	(11,600)	(11,600)
Transfer to legal reserve	-	-	-	-	-
<b>Balance as at 30<sup>th</sup> June 2019</b>	<b>5,800</b>	<b>579</b>	<b>462</b>	<b>8,889</b>	<b>15,730</b>

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

General Director \_\_\_\_\_ Giedrius Balčiūnas \_\_\_\_\_ 28 August 2020

Director of Economics \_\_\_\_\_ Paulius Vazniokas \_\_\_\_\_ 28 August 2020

**Statements of cash flows**

**For the six months ended 30<sup>th</sup> June**

	Notes	Group		Company	
		2020	2019	2020	2019
<b>Cash flows from (to) operating activities</b>					
Net profit		6,773	10,310	5,194	8,782
<b>Adjustments for non-cash items:</b>					
Income tax expenses		1,301	873	781	638
Depreciation and amortisation		1,313	1,258	132	102
Interest and dividend (income)		(3)	(1)	(816)	(150)
Change in fair value of derivatives not designated as hedging instruments		(171)	(1,128)	(25)	(1,128)
Share of net profit of joint venture		-	2	-	-
Interest and dividend expenses		90	148	26	19
		<b>9,303</b>	<b>11,462</b>	<b>5,292</b>	<b>8,263</b>
<b>Changes in working capital:</b>					
(Increase) decrease in inventories and prepayments		896	1,009	1,470	25
(Increase) decrease in accounts receivable and other current assets		6,904	(5,916)	4,550	(5,672)
Decrease in other non-current assets		(137)	(787)	-	-
Increase (decrease) in trade payables		(18,580)	(10,762)	(18,520)	(10,812)
Income tax (paid)		(1,199)	(1,810)	(577)	(1,759)
(Decrease) in other current liabilities		(857)	1,066	(700)	1,295
Unrealized foreign currency exchange		(157)	33	-	-
<b>Net cash flows from operating activities</b>		<b>(3,827)</b>	<b>(5,705)</b>	<b>(8,485)</b>	<b>(8,660)</b>
<b>Cash flows from (to) investing activities</b>					
(Acquisition) of non-current assets		(6)	(19)	(6)	(9)
Interest and dividends received		3	1	807	150
<b>Net cash flows (to) investing activities</b>		<b>(3)</b>	<b>(18)</b>	<b>801</b>	<b>141</b>

*(cont'd on the next page)*

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



**Statements of cash flows (cont'd)**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Cash flows from (to) financing activities</b>				
Proceeds from loans and borrowings	-	4,639	-	4,639
Dividends (paid)	(14,000)	(11,600)	(14,000)	(11,600)
Loans repaid	(3,850)	(1,650)	-	-
Interest (paid)	(90)	(148)	(26)	(19)
Financial lease (payments)	(165)	(89)	(64)	(67)
<b>Net cash flows (to) financing activities</b>	<b>(18,105)</b>	<b>(8,848)</b>	<b>(14,090)</b>	<b>(7,047)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(21,935)</b>	<b>(14,571)</b>	<b>(21,774)</b>	<b>(15,566)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>27,022</b>	<b>20,737</b>	<b>22,584</b>	<b>19,110</b>
<b>Cash and cash equivalents as at the end of the period</b>	<b>5,087</b>	<b>6,166</b>	<b>810</b>	<b>3,544</b>

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

General Director	Giedrius Balčiūnas		28 August 2020
Director of Economics	Paulius Vazniokas		28 August 2020

## 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 six months ended 30<sup>th</sup> June 2020.

Six month ended 30 <sup>th</sup> June 2020	Electricity purchases and sales	Electricity production and sales	Total Segments	Adjustments and eliminations	Consolidated
<b>Revenue</b>					
External customers	108,803	3,482	112,286	-	112,286
<b>Total revenue</b>	<b>108,803</b>	<b>3,482</b>	<b>112,286</b>	<b>-</b>	<b>112,286</b>
<b>Results</b>					
Depreciation and amortisation	143	1,170	1,313	-	1,313
Interest income					
Interest expenses	28	62	90	-	90
Share of profit of associate joint venture	-	-	-	-	-
<b>Segment operating profit</b>	<b>5,995</b>	<b>2,080</b>	<b>8,075</b>	<b>-</b>	<b>8,075</b>
<b>Segment assets</b>	<b>14,918</b>	<b>19,234</b>	<b>34,152</b>	<b>-</b>	<b>34,152</b>
<b>Segment liabilities</b>	<b>11,815</b>	<b>1,130</b>	<b>12,945</b>	<b>1,871</b>	<b>14,816</b>

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	6	-	-	-	6

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(all amounts are in EUR thousand unless otherwise stated)

The following tables present information regarding the Group's operating segments for the six months ended 30<sup>th</sup> June 2019.

<b>Six month ended 30<sup>th</sup> June 2019</b>	<b>Electricity purchases and sales</b>	<b>Electricity production and sales</b>	<b>Total Segments</b>	<b>Adjustments and eliminations</b>	<b>Consolidated</b>
<b>Revenue</b>					
External customers	194,833	2,755	197,588	-	197,588
<b>Total revenue</b>	<b>194,833</b>	<b>2,755</b>	<b>197,588</b>	<b>-</b>	<b>197,588</b>
<b>Results</b>					
Depreciation and amortisation	106	1,152	1,258	-	1,258
Interest income					
Interest expenses	19	129	148	-	148
Share of profit of associate joint venture	-	-	-	(2)	(2)
<b>Segment operating profit</b>	<b>8,947</b>	<b>1,250</b>	<b>10,197</b>	<b>-</b>	<b>10,197</b>
<b>Segment assets</b>	<b>31,347</b>	<b>22,254</b>	<b>53,601</b>	<b>-</b>	<b>53,601</b>
<b>Segment liabilities</b>	<b>23,193</b>	<b>6,489</b>	<b>29,682</b>	<b>2,404</b>	<b>32,086</b>

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	-	-	-	77	<b>77</b>
Capital expenditure	9	10	19	-	<b>19</b>

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

**Adjustments and eliminations**

Finance income and expenses are allocated to individual segments as the underlying instruments are managed on each separate Company basis.

Taxes and certain financial liabilities are not allocated to operating segments as they are managed on a Group basis.

### 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 six month periods ending 30 June 2020 and as at 30 June 2019 were as follows:

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

### 3 Related party transactions

#### For the six month period ended 30<sup>th</sup> June 2020

		<b>Purchases</b>	<b>Sales</b>	<b>Paid dividends</b>	<b>Receivables</b>	<b>Payables, including loans granted</b>
PJSC Inter RAO	a)	49,331	158	-	31	7,387
RAO Nordic Oy		-	-	7,140	-	-
UAB Scaent Baltic		-	-	4,076	-	-
Other related parties		-	-	2,784	-	-
		<b>49,331</b>	<b>158</b>	<b>14,000</b>	<b>31</b>	<b>7,387</b>

#### For the six month period ended 30<sup>th</sup> June 2019

		<b>Purchases</b>	<b>Sales</b>	<b>Paid dividends</b>	<b>Receivables</b>	<b>Payables, including loans granted</b>
PJSC Inter RAO	a)	128,448	143	-	40	14,063
RAO Nordic Oy		-	-	5,916	-	-
UAB Scaent Baltic		-	-	3,364	-	-
Other related parties		-	-	2,320	-	-
		<b>128,448</b>	<b>143</b>	<b>11,600</b>	<b>40</b>	<b>14,063</b>

- a) The Group performs electricity trading transactions with PJSC Inter RAO.



## Confirmation of Responsible Persons

Following the Article No. 23 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 6 month period ended 30 June, 2020 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. The Unaudited Consolidated Interim Report of the Company include a fair review of the development and performance of the business of the Company and the Group.

Giedrius Balčiūnas

General Director

