

AB INTER RAO LIETUVA

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AND UNAUDITED CONSOLIDATED INTERIM REPORT
FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2021,
prepared in accordance with International Financial Reporting Standards,
as adopted by the European Union

18 February 2022
Vilnius

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AB INTER RAO Lietuva Unaudited Consolidated Interim Report for the 12 Month Period Ended 31st December 2021

I. General Information

Reporting period

Year ended 31st December 2021

Company and its contact details

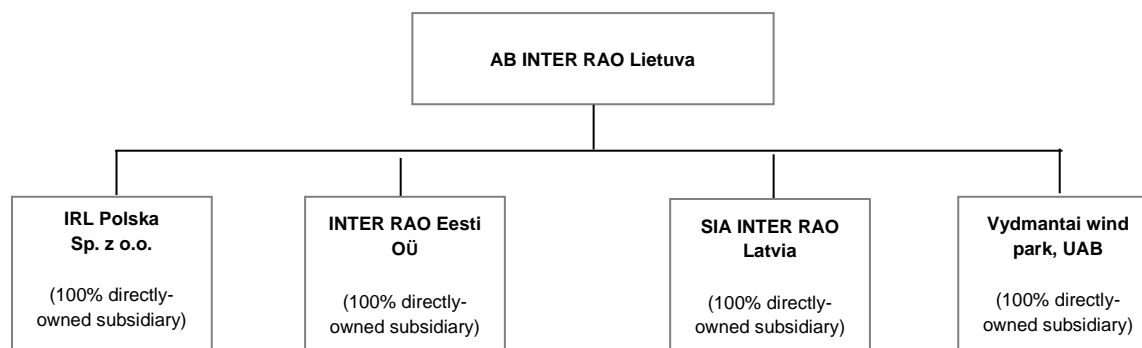
Company name	AB INTER RAO Lietuva (hereinafter – IRL or „the Company“)
Company code	126119913
Legal form	Public company (joint-stock company)
Date of registration	21 December 2002
Name of register of Legal Entities	State Enterprise Centre of Registers
Registered office	A.Tumėno str. 4, block B, LT-01109 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 on 31st December 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 at 31 st December 2021	Registration address	Activity (including planned)
INTER RAO Eesti OÜ - subsidiary	11879805	100 %	66	Peterburi tee 47, Tallinn, Estonia	Trade of electricity
SIA INTER RAO Latvia - subsidiary	4010326863 9	100 %	7,968	76 Gustava Zemgala Ave., Riga, Latvia	Trade of electricity
IRL Polska Sp. z.o.o. - subsidiary	0000436992	100 %	4,728	Twarda 18, 00-105, Warsaw, Poland	Trade of electricity
Vydmantai Wind Park, UAB – subsidiary	302666616	100 %	15,926	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 at 31st December 2021:



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 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 Energijos realizacijos centras.
- 2003 The Company received its license as independent electricity supplier with permission to export electricity.
- The Company signed sale-purchase agreements with INTER RAO UES and Lietuvos energija AB.
- The Company began electricity trading activities by exporting electricity to Russia and Belarus.
- 2004 Permission to import electricity was granted to the Company.
- 2005 The Company began importing electricity to Lithuania.
- 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.
- 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 established a subsidiary UAB IRL Wind and in the same year UAB IRL Wind acquired the wind park in Vydmantai.
- 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 30th 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 as.
On 22nd 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 30th 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 28th 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 6th 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.
On 29th April, 2021 Annual General Meeting of Shareholders approved the New Wording of Articles of according with the actual Wording of Republic of Lithuania Law on Companies.

Agreements with intermediaries of public trading in securities

Since 29th October 2012 the Company and UAB FMĮ 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.

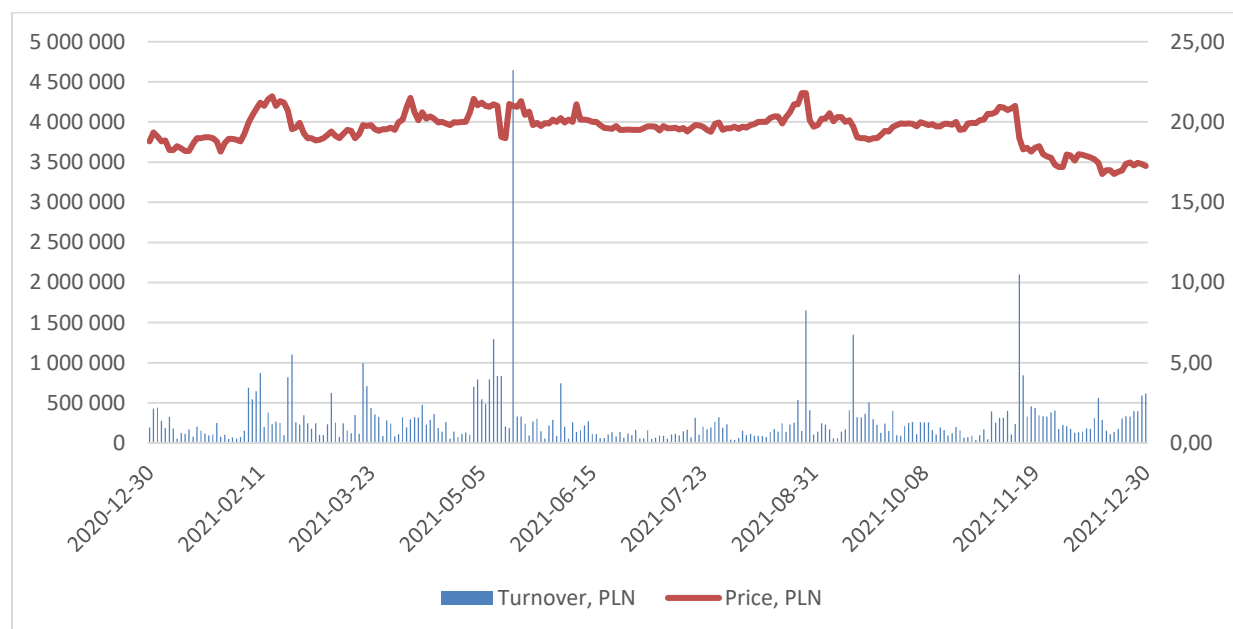
Data about securities traded on regulated market

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 at 31st December 2021 the shareholder structure of the Company was as following:

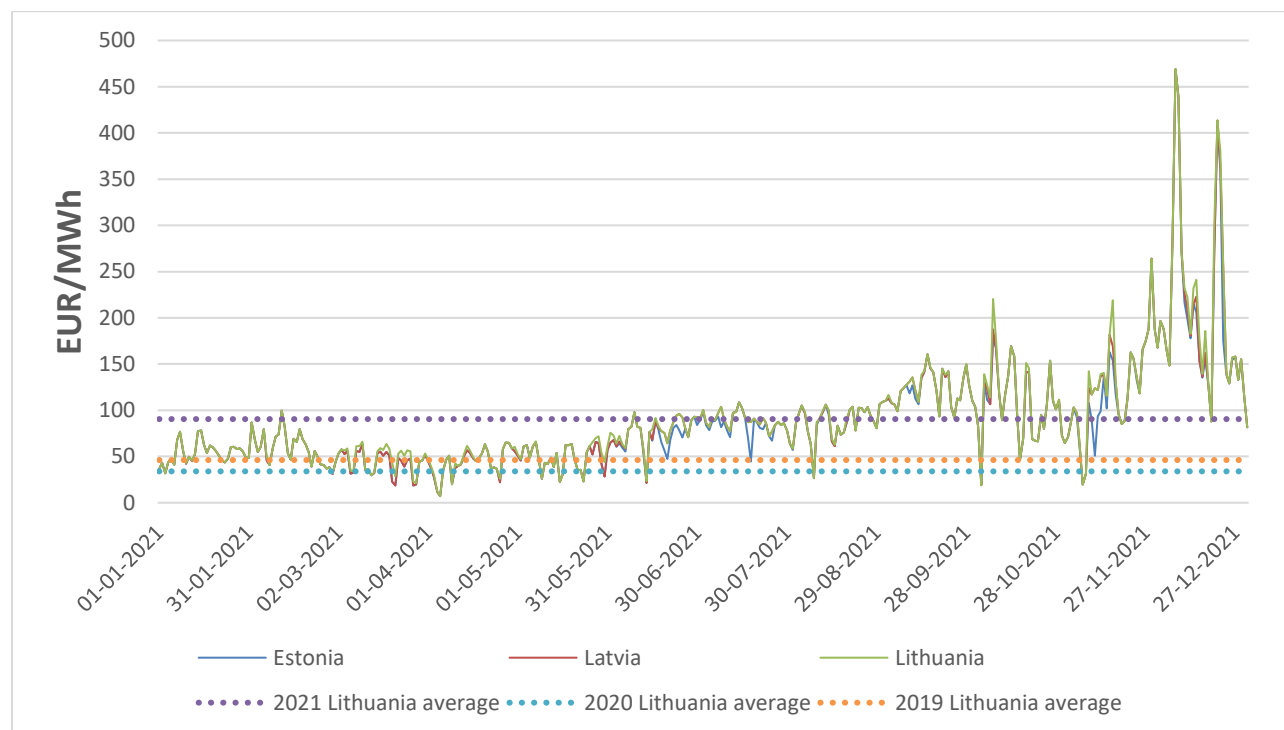
Shareholder	Number of shares/votes	Percentage of shares
RAO Nordic Oy	10,200,000	51%
UAB Scaent Baltic	5,822,856	29,11%
Other shareholders	3,977,144	19,89%
Total	20,000,000	100%

II. Financial information

Revenues

The total consolidated Group's sales revenue in 2021 was equal to EUR 334.3 million, a 104.65 per cent increase if compared to 2020. Total revenue increased mainly due to the increase of volume and electricity market price, which resulted in higher revenue amounts and higher volumes from electricity traded, especially in Latvia and Poland.

Electricity price in NordPoolSpot exchange



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	2021	2020
Sales [Revenues from contracts with customers] (EUR thousand)	334,339	163,371
Gross profit (EUR thousand)	42,666	23,240
Gross profit margin (%)	12.76%	14.23%
Operating profit [profit from operations] (EUR thousand)	33,187	11,993
Operating profit margin (%)	9.93%	7.34%
EBITDA (EUR thousand)	36,859	19,543
EBITDA profit margin (%)	11.02%	11.96%
Net profit (EUR thousand)	14,345	12,209
Net profit margin (%)	4.29%	7.47%

Number of shares (thousand)	20,000	20,000
Earnings per share (EUR)	0.72	0.61

Gross profit margin – Gross profit / Sales

Operating profit margin – Operating profit / Sales

EBITDA profit margin – EBITDA / Sales

Profit before taxes margin – Profit before taxes / 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 + impairment + loss from realized derivative financial instruments

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.

The total consolidated Group's sales increased by 104.65 per cent in 2021, compared to Group's sales in 2020. At the same time, cost of sales also increased to EUR 291.7 million in 2021, compared to EUR 140.1 million in 2020. Such increase in costs of sales was mainly due to the increased electricity market price and electricity volumes traded in the markets. Therefore, the Group's gross profitability stayed at the healthy level and equaled to 12.76 per cent in the accounting period, if compared to 14.23 per cent in 2020. Group's operating profit margin increased to 9.93 per cent in accounting period from the 7.34 per cent in 2020. During the period of 2021, the Company and the Group delivered electricity to all of its clients and fulfilled all of its contractual obligations of electricity sales at prices, agreed upon in the contracts.

Company's gross profit margin in 2021 accounts to 4.86 per cent, compared to 12.92 per cent in 2020. Operating profit margin of the Company decreased from the 8.22 per cent in 2020 to minus (1.05) per cent in 2021.

Group's and Company's EBITDA for 2021 was EUR 36.9 million and EUR 8.4 million respectively. Group's EBITDA profitability margin stayed at the same level and equaled to 11.02 per cent in January-December of 2021 and to 11.96 per cent in accounting period of 2020. In 2021, Group's net profit was equal to EUR 14.3 million if compared to the EUR 12.2 million in 2020. As a result, Group's net profit margin during the accounting period was equal to 4.29 per cent, compared to the 7.47 per cent a year ago.

Sales revenues by operating segments, thous. EUR	4th quarter 2021	4th quarter 2020
Electricity purchases and sales	20,455	(14,597)
Electricity production and sales	685	1,842
Total	21,140	(12,755)

Group's revenue from purchases and sales of electricity in the 4th quarter of 2021 amounted to EUR 20.5 million, a 265.74 per cent increase compared with the same period a year ago. The negative result in the results of 2020 were due to the change in accounting policy in Polish subsidiary, which was made in order to better reflect the actual situation of the subsidiary. As the Polish subsidiary is mainly trading in the TGE electricity market, therefore electricity trading results were moved out from the main activity and showed in the financial activity. Because of this change the amount of sales and the amount of cost of sales was decreased (resulting in negative numbers) and the overall result was shown in the financial activities. It should be noted, that in case the accounting policy changes were not implemented, net profit would have stayed the same as it is now, only sales and cost of sales amounts would differ. Revenue from produced electricity sales in the 4th quarter accounted for EUR 0.7 million, a 62.8 per cent less than a year ago. The decrease in electricity production was mainly caused by the worse wind conditions in the area and the lower electricity purchase price (in 2020 the wind park benefited from the fixed feed in tariff).

Company's revenue during October-December 2021 increased by 79.52 per cent and was equal to EUR 64.7 million compared to EUR 36 million in the same period in 2020. Company's revenue during 2021 decreased by 9.83 per cent and was equal to EUR 120.4 million compared to EUR 133.5 million in 2020.

The tables below present data on the electricity sale volumes of the Group for the 4th quarter of 2021 and 2020 with a breakdown by each country for the periods indicated.

	For the 4th quarter of 2021	For the 4th quarter of 2020
	S	S
	<i>GWh</i>	<i>GWh</i>
Lithuania*	696	737
Poland	735	489
	381	314
Other countries	90	111
Total*	1,902	1,651

* Excluding equivalent trades on the power exchange

Expenses

COGS by operating segments, thous. EUR	4th quarter 2021	4th quarter 2020
Electricity purchases and sales	5.580	(18,482)
Electricity production and sales	322	329
Total	5.902	(18,153)

Group's cost of sales in October-December of 2021 accounted to negative EUR 5.9 million, a 132.51 per cent more than during the last 3 months of 2020. This change was due to a change in accounting policy in Polish subsidiary as explained earlier.

The Company's and the Group's cost of purchase of electricity in 2021 stayed at the same level and the Group's increased by 111.64 per cent respectively if compared to 2020 and amounted to EUR 113.4 million and EUR 287.832 million. Cost of purchase of electricity constituted 98.97 per cent and 98.68 per cent of total cost of sales for the Company and for the Group respectively in 2021.

Company's cost of purchased electricity in the last 3 months of 2021 amounted to EUR 51.8 million, a 65.94 per cent more, then a year ago.

Group's operating expenses in the 4th quarter of 2020 amounted to EUR 1.5 million, a 68.71 per cent decrease over a year ago. Company's operating expenses amounted to EUR 1.8 million in October-December 2021 the same as a year ago.

Earnings

Gross profit of the Group in October-December of 2021 amounted to EUR 15.2 million. Gross profit of the Company in the same period accounted to EUR 12.5 million, compared to EUR 5.5 million a year ago. Company's gross profit margin increased from 12.31 per cent in the last quarter of 2020 to 19.37 per cent in the last 3 months of 2021.

Gross profit in 2021 decreased and amounted to EUR 5.9 million for the Company, and increased to EUR 42.7 million for the Group, if compared to EUR 17.2 million and EUR 23.2 million respectively in 2020. Gross profit margin in 2021 decreased to 4.86 per cent for the Company and to 12.76 per cent for the Group from 12.92 per cent and 14.23 per cent in 2020.

Group's operating profit over the 4th quarter accounted to EUR 13.7 million. Operating profit in the last 3 months of 2021 of the Company amounted to EUR 10.7 million compared to the EUR 2.6 million the same period in 2020. The operating profit margin of the Company increased to 16.59 per cent in 4th quarter of 2021 if compared to 7.32 per cent for the same period in 2020.

Loss from operations for the Company for year 2021 were equal to EUR (1.3) million and profit for the Group were equal to EUR 33.2 million, compared to the profit from operations of EUR 11 million and EUR 12 million in 2020. Operating profit margin for the Company and for the Group reached level of negative (1.05) per cent and 9.93 per cent compared to 8.22 per cent and 7.34 per cent a year ago.

Net result from financial and investing activities for the Company in 2021 reached EUR 8.8 million profit. In 2021 subsidiary Vydmantai wind park, UAB paid dividends (EUR 1 million, if compared – in 2020 EUR 0.2 million). Net consolidated result from financial and investing activities for the Group decreased to EUR 16.1 million loss. Overall result for the Group from financial activities was mainly caused by increase in finance income and expense – fair value change of derivatives not designated as hedging instruments.

As a result, profit before tax for the Company in 2021 decreased and for the Group increased and amounted to EUR 8 million and EUR 17.5 million respectively.

The net profit of the Company and the Group in 2021 amounted to EUR 7.4 million and EUR 14.3 million respectively.

The net profit margins for the Company and for the Group in 2021 decreased and were equal to 6.18% and 4.29% (compared to 8.1% and 7.47% year ago).

Balance sheet and cash flow

During January-December 2021 total assets of the Company increased by 57.41% and of the Group increased by 40.53%. The most significant influence to the assets was caused by increase in total accounts receivable and derivative financial instruments in the Company and in the Group.

Total non-current assets of the Company stayed at almost the same level as a year ago (1.32 per cent increase) and of the Group decreased by 5.35%. Total non-current assets amounted to 25% of the total assets for the Company and to 21% of total assets for the Group.

During the year, shareholders' equity of the Company decreased by 23.47% and of the Group increased by 12.5% and amounted to 25% of the total equity and liabilities of the Company and to 40% of the total equity and liabilities of the Group. Total dividends distributed in 2021 reached EUR 11 million.

At the end of December 2021, total amount of borrowings, including financial liabilities related to finance lease, amounted to 1.1 million for the Group, if compared to previous year – a 2.7% decrease. The Company had EUR 0.4 million borrowings, the same as a year ago, including financial liabilities related to lease and bank financing. Cash, cash equivalents amounted to EUR 10.2 million for the Company and EUR 21.2 million for the Group.

Net cash flow from operating activities for the Company in 2021 increased and amounted to EUR 8.7 million and for the Group decreased to EUR 10.3 million respectively (compared to EUR 1.3 million and EUR 13.6 million a year ago).

During 2021 net cash flow from investing and financing activities amounted to negative EUR (9) million for the Company and negative EUR (11.3) million for the Group (compared to negative EUR (13.4) million for the Company and to negative EUR (18.4) million for the Group in 2020). Negative cash flow from financing activities is mainly related to the loans repaid and paid out dividends.

Personnel

As of 31st December 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 at 31 st December 2021		As at 31 st December 2020	
	Group	Company	Group	Company
Management	8	8	8	8
Sales Managers, including Traders	11	5	11	5
PR & Marketing Staff	1	1	1	1
Project managers	3	2	2	1
Technical staff	3	1	3	1
Office Staff	13	7	13	7
Total	39	24	38	23

On 31st December 2021 24 employees were employed in the Company. Company's personnel consisted of 8 managers and 16 specialists.

AB INTER RAO Lietuva Unaudited Consolidated Interim Financial Statements for the 12 Month Period Ended 31st December 2021

Statement of financial position

	Group	Group	Company	Company
	As at 31 st December 2021	As at 31 st December 2020	As at 31 st December 2021	As at 31 st December 2020
ASSETS				
Non-current assets				
Intangible assets				
Goodwill	-	-	-	-
Operating license	-	-	-	-
Other intangible assets	3	8	-	-
Total intangible assets	3	8	-	-
Property, plant and equipment				
Buildings and structures	1,883	2,033	-	-
Office premises	396	471	396	471
Machinery and equipment	10,656	11,498	-	-
Other property, plant and equipment	34	32	21	15
Total property, plant and equipment	12,969	14,034	417	486
Investment property	1,051	1,101	448	427
Interest in a joint venture and subsidiaries	687	323	687	323
Other non-current financial assets	-	-	10,927	10,927
Derivative financial instruments	251	223	6	41
Deferred income tax asset	-	118	-	118
Total non-current assets	14,961	15,807	12,485	12,322
Current assets				
Inventories and prepayments	1,412	1,838	95	168
Accounts receivable				
Trade receivables	18,048	8,169	12,352	5,469
Other receivables from subsidiaries and joint venture	-	-	2,805	1,929
Contract assets	-	316	-	-
Total accounts receivable	18,048	8,485	15,157	7,398
Prepaid income tax	1,335	15	974	-
Other current assets	2,387	258	2,293	195
Derivative financial instruments	11,232	1,599	8,995	1,312
Cash and cash equivalents	21,246	22,250	10,182	10,485
Total current assets	55,660	34,445	37,696	19,558
Total assets	70,621	50,252	50,181	31,880

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AB INTER RAO LIETUVA, company code 126119913, A.Tumėno str. 4, Vilnius, Lithuania
CONSOLIDATED AND COMPANY'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2021
(all amounts are in EUR thousand unless otherwise stated)

Statement of financial position (cont'd)

	Group	Group	Company	Company
	As at 31st	As at 31st	As at 31st	As at 31st
	December 2021	December 2020	December 2021	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	(1,522)	(1,308)	(1,522)	(1,308)
Currency translation reserve	(298)	(288)	-	-
Retained earnings	22,924	19,647	7,451	11,012
Total equity	28,087	24,966	12,308	16,083
Liabilities				
Lease liabilities	840	910	284	271
Deferred income tax liability	3,346	992	139	104
Total non-current liabilities	4,186	1,902	423	375
Current liabilities				
Current portion of financial lease obligations	273	234	159	123
Derivative financial instruments	10,409	2,597	10,409	2,597
Trade payables	24,345	17,782	20,136	9,449
Income tax payable	-	935	-	461
Advances received	12	12	12	10
Other current liabilities	3,309	1,824	6,734	2,782
Total current liabilities	38,348	23,384	37,450	15,422
Total equity and liabilities	70,621	50,252	50,181	31,880

General Director

Giedrius Balčiūnas

18 February 2022

Director of Economics

Paulius Vazniokas

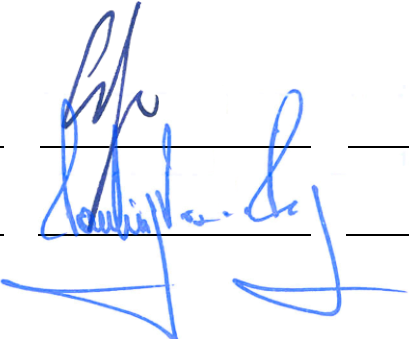
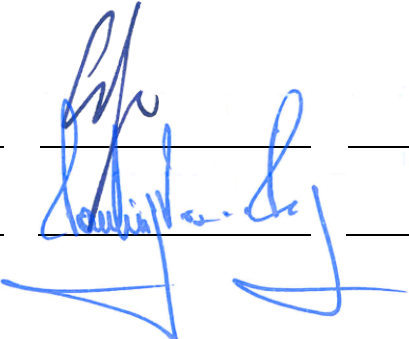
18 February 2022

Statement of comprehensive income For the 12 months ended 31st December 2021

	Group	Group	Company	Company
	2021	2020	2021	2020
Revenue from contracts with customers	334,339	163,371	120,391	133,511
Cost of sales	(291,673)	(140,131)	(114,540)	(116,263)
Gross profit	42,666	23,240	5,851	17,248
General and administrative expenses	(9,479)	(11,247)	(7,120)	(6,269)
Profit or loss from operations	33,187	11,993	(1,269)	10,979
Other activities	386	2	401	14
Finance income	1,895	2,850	9,020	1,872
Finance expenses	(17,955)	(185)	(194)	(90)
Profit (loss) before tax	17,513	14,660	7,958	12,775
Income tax	(3,168)	(2,451)	(519)	(1,962)
Net profit	14,345	12,209	7,439	10,813

Statement of comprehensive income

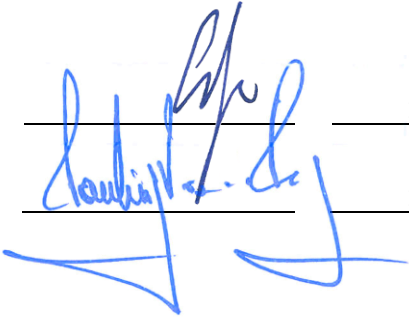
	Group	Group	Company	Company
	4 th quarter	4 th quarter	4 th quarter	4 th quarter
	2021	2020	2021	2020
Revenue from contracts with customers	21,140	(12,755)	64,673	36,025
Cost of sales	(5,902)	18,153	(52,144)	(31,592)
Gross profit	15,238	5,398	12,529	4,433
General and administrative expenses	(1,494)	(4,774)	(1,802)	(1,795)
Profit from operations	13,744	624	10,727	2,638
Other activities	386	-	390	3
Finance income	1,869	2,101	(4,621)	479
Finance expenses	(6,367)	(33)	(139)	(16)
Share of result of joint venture	-	-	-	-
Profit before tax	9,632	2,692	6,357	3,104
Income tax	(3,651)	(422)	(1,063)	(513)
Net profit	5,981	2,270	5,294	2,591

General Director	Giedrius Balčiūnas		18 February 2022
Director of Economics	Paulius Vazniokas		18 February 2022

Statement of changes in equity
For the 12 months ended 31st December 2021

Group


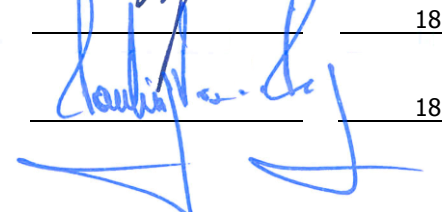
	Equity attributable to equity holders of the parent					Total
	Share capital	Legal reserve	Cash flow hedge reserve	Currency translation reserve	Retained earnings	
Balance as at 31 December 2019	5,800	1,011	916	(48)	21,542	29,221
Net profit for the year	-	-	-	-	12,209	12,209
Other comprehensive income, net of tax	-	-	(2,224)	(240)	-	(2,464)
Total comprehensive income	-	-	(2,224)	(240)	12,209	9,745
Transfer to reserves	-	104	-	-	(104)	-
Dividends declared	-	-	-	-	(14,000)	(14,000)
Balance as at 31 December 2020	5,800	1,115	(1,308)	(288)	19,647	24,966
Net profit for the year	-	-	-	-	14,345	14,345
Other comprehensive income, net of tax	-	-	(214)	(10)	-	(224)
Total comprehensive income	-	-	(214)	(10)	14,345	14,121
Transfer to reserves	-	68	-	-	(68)	-
Dividends declared	-	-	-	-	(11,000)	(11,000)
Balance as at 31 December 2021	5,800	1,183	(1,522)	(298)	22,924	28,087

General Director	Giedrius Balčiūnas		18 February 2022
Director of Economics	Paulius Vazniokas		18 February 2022

AB INTER RAO LIETUVA, company code 126119913, A.Tumėno str. 4, Vilnius, Lithuania
CONSOLIDATED AND COMPANY'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2021
(all amounts are in EUR thousand unless otherwise stated)

Company

Company	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings	Total
Balance as at 31 December 2019	5,800	579	808	14,199	21,386
Net profit for the year	-	-	-	10,813	10,813
Other comprehensive income, net of tax	-	-	(2,116)	-	(2,116)
Total comprehensive income	-	-	(2,116)	10,813	8,697
Dividends declared	-	-	-	(14,000)	(14,000)
Balance as at 31 December 2020	5,800	579	(1,308)	11,012	16,083
Net profit for the year	-	-	-	7,439	7,439
Other comprehensive income, net of tax	-	-	(214)	-	(214)
Total comprehensive income	-	-	(214)	7,439	7,225
Dividends declared	-	-	-	(11,000)	(11,000)
Balance as at 31 December 2021	5,800	579	(1,522)	7,451	12,308

General Director	Giedrius Balčiūnas		18 February 2022
Director of Economics	Paulius Vazniokas		18 February 2022

Statements of cash flows

	Group		Company	
	2021	2020	2021	2020
Cash flows from (to) operating activities				
Net profit	14,345	12,209	7,439	10,813
Adjustments for non-cash items:				
Income tax expenses	3,168	2,451	519	1,962
Depreciation and amortisation	1,093	2,386	87	86
Depreciation of right-of-use assets	298	301	192	185
Impairment of assets	-	2,047	-	-
Dividend (income)	(2)	(3)	(2,107)	(807)
Interest (income) expenses	55	131	35	47
Change in fair value of derivatives not designated as hedging instruments	128	(63)	128	(473)
(Reversal of) impairment of investment to subsidiary	(364)	-	(364)	-
Other non-cash items	37	(215)	(6)	(193)
	18,758	19,244	5,923	11,620
Changes in working capital:				
Decrease (increase) in prepayments and other receivables from subsidiaries and joint venture	(871)	(587)	(2,925)	1,227
(Increase) decrease in accounts receivable and other current assets	(12,383)	6,202	(6,888)	4,747
(Decrease) increase in trade payables	(1,182)	(8,569)	10,556	(16,717)
Income tax (paid)	(3,032)	(2,361)	(1,922)	(1,477)
(Decrease) increase in other current liabilities	9,058	(54)	3,995	1,932
(Increase) decrease in other non-current assets	(56)	(279)	-	-
Net cash flows from operating activities	10,292	13,596	8,739	1,332
Cash flows from (to) investing activities				
(Acquisition) of non-current assets	(18)	(95)	(18)	(9)
Proceeds from sale of non-current assets	61	-	61	-
Dividends received	2	3	2,107	807
Distribution from joint venture	35	-	35	-
	11	-	11	-
Net cash flows from (to) investing activities	91	(92)	2,196	798

(cont'd on the next page)

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)
Loans repaid	-	(3,850)	-	-
Interest (paid)	(23)	(86)	(23)	(42)
Interest paid for lease	(46)	(43)	(12)	(6)
Lease (payments)	(318)	(297)	(203)	(181)
Net cash flows (to) financing activities	(11,387)	(18,276)	(11,238)	(14,229)
Net increase (decrease) in cash and cash equivalents	(1,004)	(4,772)	(303)	(12,099)
Cash and cash equivalents at the beginning of the year	22,250	27,022	10,485	22,584
Cash and cash equivalents at the end of the year	21,246	22,250	10,182	10,485

General Director _____ Giedrius Balčiūnas _____ 18 February 2022 _____

Director of Economics _____ Paulius Vazniokas _____ 18 February 2022 _____

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 Financial results for the 4th quarter of 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

