

Strategic Plan 2020-2023

Ignitis Group | 2020 June



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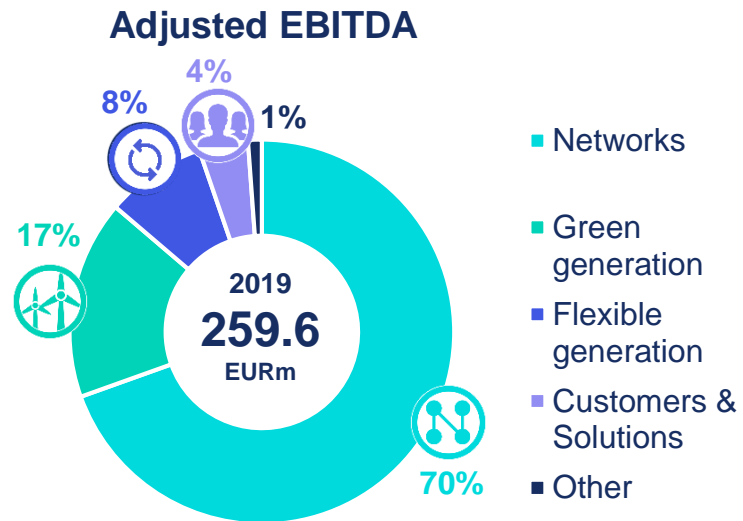
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Positioning

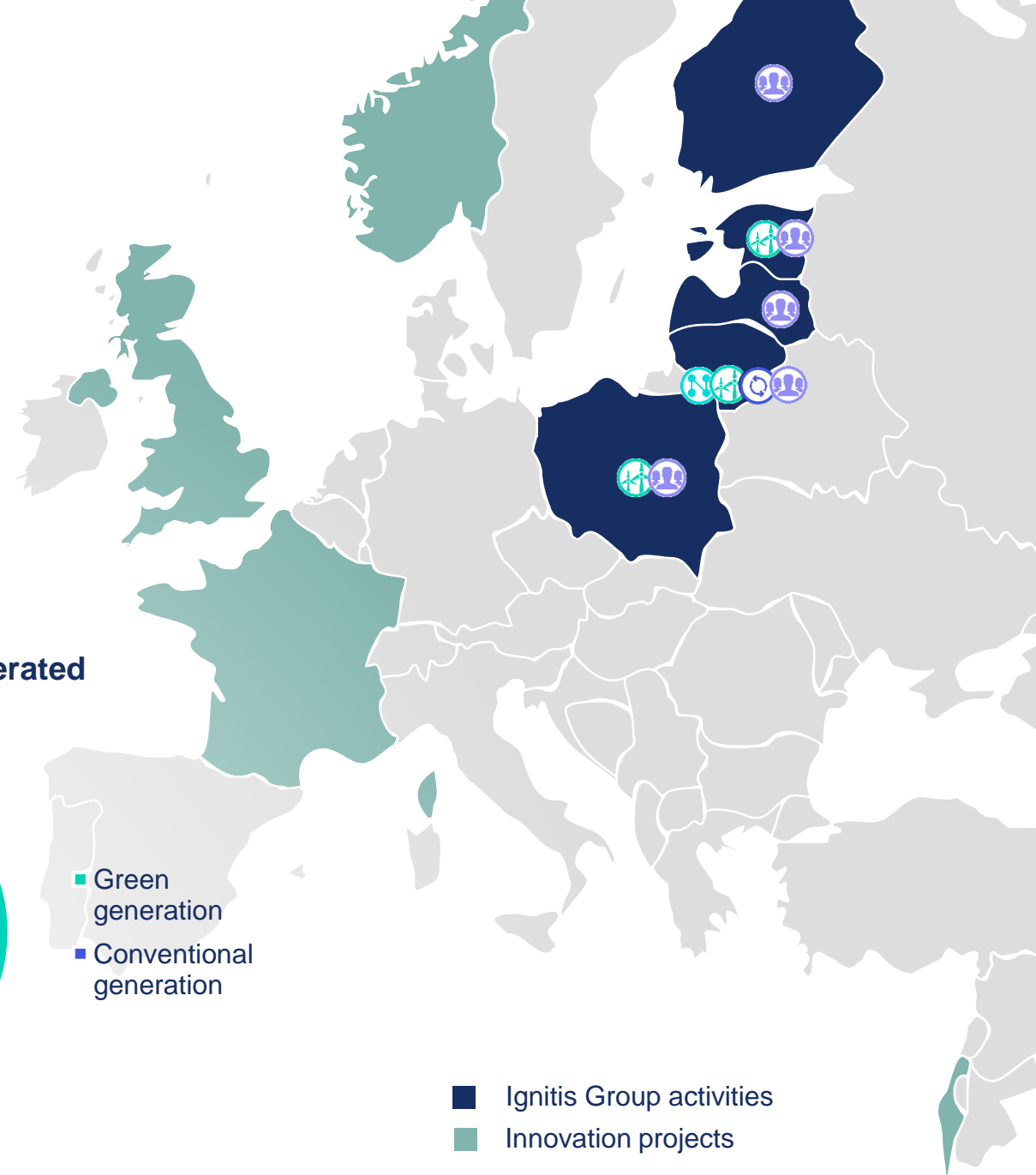
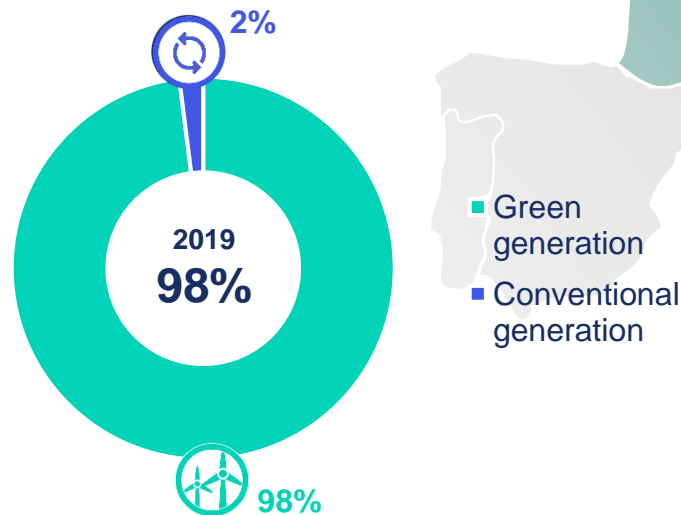
Ignitis Group at a glance

Creating an Energy Smart world

- One of the **largest energy groups** in the Baltics
- Committed to become **net CO₂ neutral**. No coal. No nuclear. Aligned with the fundamental **ESG** principles
- Main businesses – **Networks (electricity dominant)** and **Green Generation**. Also engaged in complementary Flexible Generation and Customers & Solutions businesses



Share of electricity generated



Business segments

Core businesses focused on sustainable value creation



Networks

Resilient and efficient distribution enabling the energy transition

Fully regulated

#1 in Baltics*

Country-wide natural monopoly of electricity and gas distribution networks in Lithuania





Green Generation

Focused, sustainable and profitable growth

Material share of regulated or contracted activities

#1 in Lithuania**
#2 in Baltics**

MWe: 1,077





Flexible Generation

Reliability and flexibility of power system

Mostly regulated

#1 in Lithuania**
#2 in Baltics**

MWe: 1,055



Customers & Solutions

Innovative solutions for easier life and energy evolution

Material share of regulated activities

#1 in Baltics***

Unique remote solar platform "saulesparkai.lt"

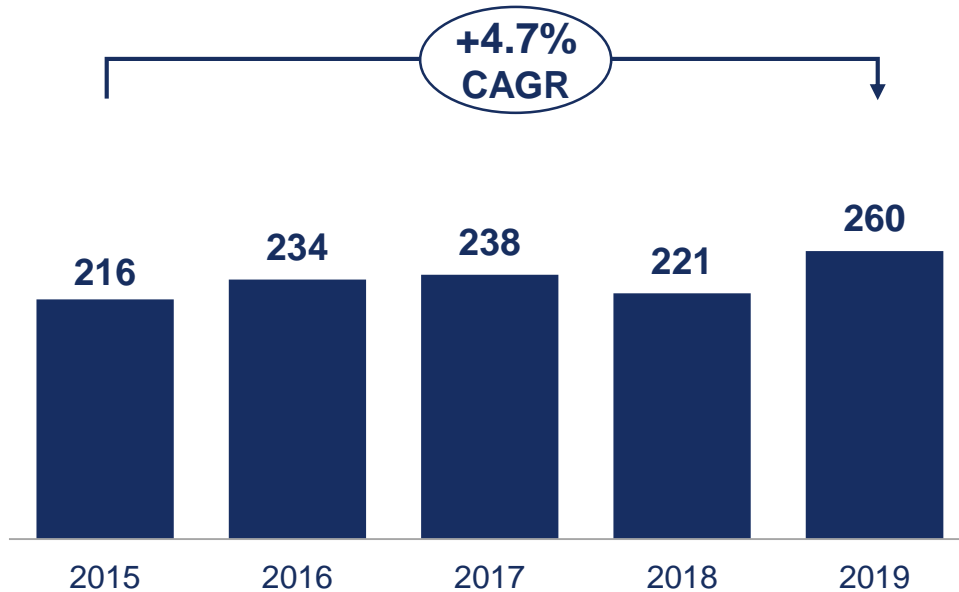
* Based on network size and number of customers

** Based on installed capacity

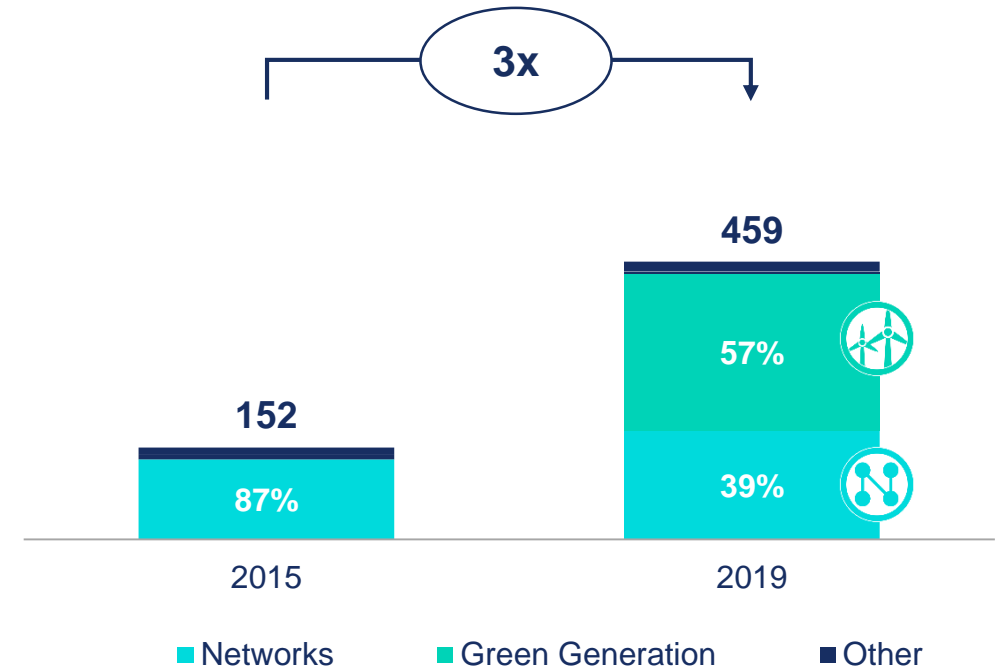
*** Based on number of customers

Sustainable investments to accelerate our continued growth

Adjusted EBITDA
EURm



Investments
EURm



We are well positioned to benefit from energy transition in our core markets

Our core focus is on home markets - Baltic countries, Poland and Finland

We also explore new opportunities in other European countries on the energy transition path



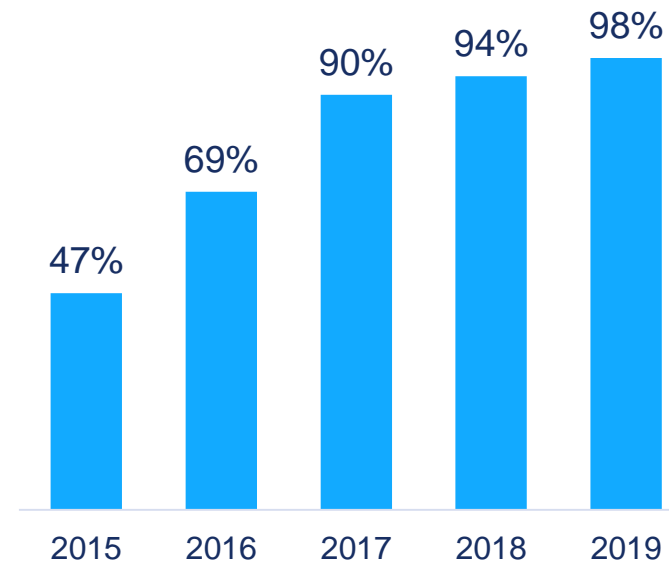
Contributing to decarbonisation by growing green energy share

We are committed to achieve net CO₂ neutrality by 2050

Taking the steps to a sustainable future

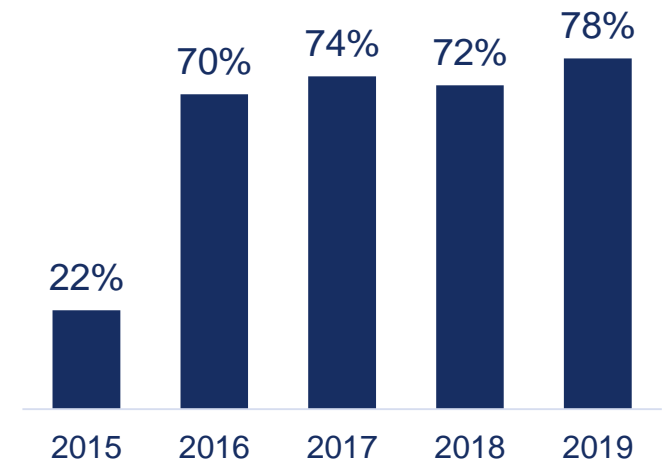
Share of green energy, %

Electricity generation



In less than 5 years, we doubled the share of green power generation with 98% of our power generation coming from green sources

Heat production



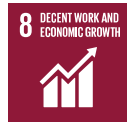
Green share to increase further. Two CHPs are currently under construction, estimated start of operation by 2020-2021

Strong commitment to a more sustainable future

Environmental, social and governance criteria are an integral part of our business goals

We align our business goals with the United Nations' Sustainable Development Goals

**SUSTAINABLE
DEVELOPMENT
GOALS**



Our primary focus is on five SDGs where Ignitis' impact is most significant. We also contribute to the achievement of almost all SDGs.

We are committed to reduce net carbon dioxide (CO₂) emissions to zero by 2050

**BUSINESS
AMBITION FOR 1.5°C**   **OUR ONLY
FUTURE**

Innovation driven to ensure our long-term success



#Open funding

Investments by Smart Energy Fund powered by Ignitis Group (managed by Contrarian ventures)



#Open culture

Internal and external initiatives to promote Energy Tech and attract innovative ideas



#Open data and infrastructure

Sharing data and inviting to Sandbox program to create and prove new concepts



#Open partnerships

Cooperation with universities, companies, utilities for R&D and experience sharing projects

Selected investments by our corporate venture capital fund:



Automating solar design and engineering



Accelerating the sustainable mobility transition



Raising the IQ of the world's batteries



Green, carbon-free hydrogen production technology







AI automating infrastructure inspection



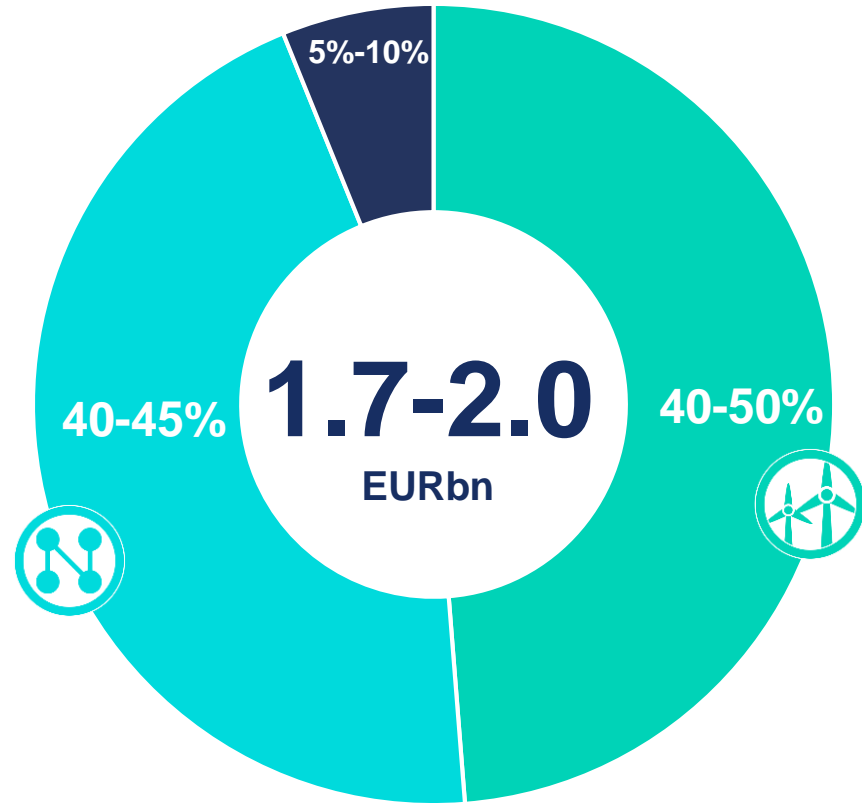
Making sustainable mobility solutions to gig workers

Strategic plan 2020-2023

Leading regional platform to drive sustainable growth

		Lithuania	Poland Latvia, Estonia	Other	Allocation of investments 2020-2023
 Green Generation Focused, sustainable and profitable growth	<ul style="list-style-type: none"> • Onshore wind • Offshore wind • Solar • Waste-to-energy • Biomass • Hydro 	✓	✓	✓	40-50%
 Networks Resilient and efficient energy distribution enabling energy transition	<ul style="list-style-type: none"> • Network maintenance and efficiency improvement • New connection points and upgrades • Smart meter roll-out • Network digitisation and automation • Facilitation of decentralized renewable generation • Data-hub development 	✓			40-45%
 Flexible Generation Reliable and flexible power system	<ul style="list-style-type: none"> • Investments required for balancing of renewables as well as increased system adequacy • Maintenance of operating assets 	✓			5-10%
 Customers & Solutions Innovative solutions for easier life and energy evolution	<ul style="list-style-type: none"> • Innovative solutions and platforms • Digital channels 	✓	✓	✓	

Investments over 2020-2023



■ Green Generation ■ Networks ■ Other

SUSTAINABLE
DEVELOPMENT
GOALS

85-95%
of investments are
SDGs related



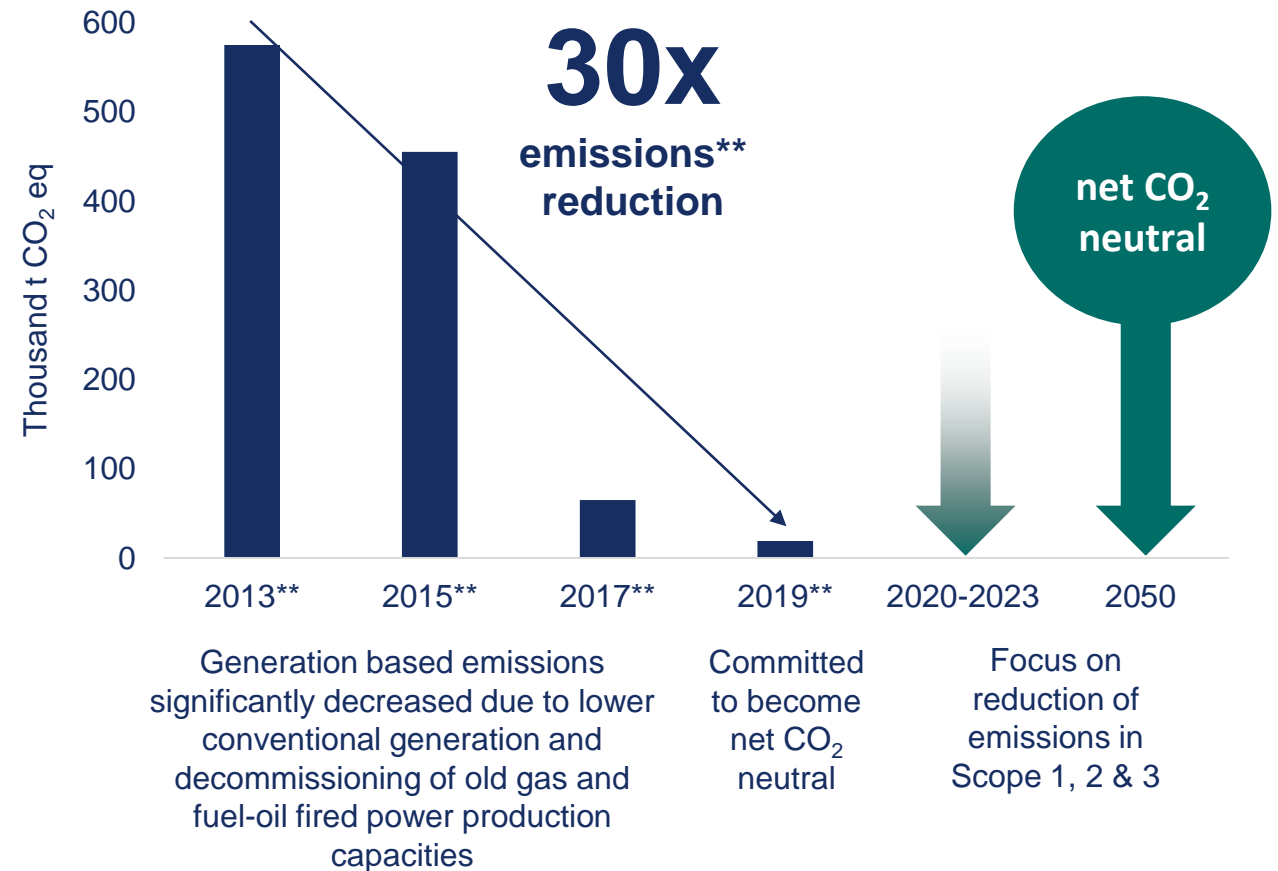
CO₂ reduction path



Ignitis Group's pathway to net CO₂ neutrality by 2050:

- **2020:** Holistic CO₂ emissions measurement and management plan in place
- **2021:** Detailed plan aligned with SBTi* in place. Ready for disciplined implementation
- **2023:** Focus on:
 - reduction of Ignitis Group's operational emissions (Scope 1) in line with expansion of green generation
 - reduction of energy consumption (Scope 2)
 - supply chain emissions (Scope 3)

Net GHG emissions



* Science Based Targets Initiative

** Generation based (Scope 1; Elektrėnai Complex)

Green Generation

Focused, sustainable and
profitable growth



Operating assets



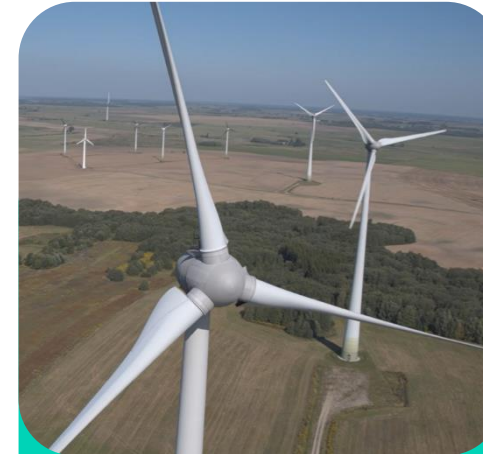
Kruonis PSHPP

Electric capacity	900 MW
Heat capacity	-
Energy source	Hydro (pumped storage)
Location	Lithuania
Revenue source	~30/70% regulated/merchant*
Other info	4 units of 225 MW



Kaunas HPP

Electric capacity	101 MW
Heat capacity	-
Energy source	Hydro (river flow)
Location	Lithuania
Revenue source	Merchant
Other info	4 units of 25 MW



4 wind farms

Electric capacity	76 MW
Heat capacity	-
Energy source	Wind
Location	Lithuania and Estonia
Revenue source	Feed-in (LT), feed-in premium (EE)
Other info	LT 58 MW, EE 18 MW



Elektrėnai boiler

Electric capacity	-
Heat capacity	40 MW
Energy source	Biomass
Location	Lithuania
Revenue source	Mostly regulated
Other info	-

* Proportions based on 2019 adjusted EBITDA. Regulated portion is based on RAB*WACC model

Assets under construction



Kaunas CHP

Electric capacity

24 MW (WtE)

Heat capacity

70 MW (WtE)

Energy source

Waste-to-energy

Total CAPEX

EUR ~150m

Expected COD

2020 Q3

Construction status*

Commissioning

Comments

Partnership with Fortum



Vilnius CHP

19 MW WtE, 73 MW biomass

60 MW WtE, 169 MW biomass

Waste-to-energy/Biomass

EUR ~350m

2021 Q2

~80% completed

Financed by EU and EIB



Pomerania WF

94 MW (29 WTGs)

n.a.

Wind

EUR ~130m

2021 Q1

All 29 foundations completed

Financed by EIB



Mažeikiai WF

63 MW (14 WTGs)

n.a.

Wind

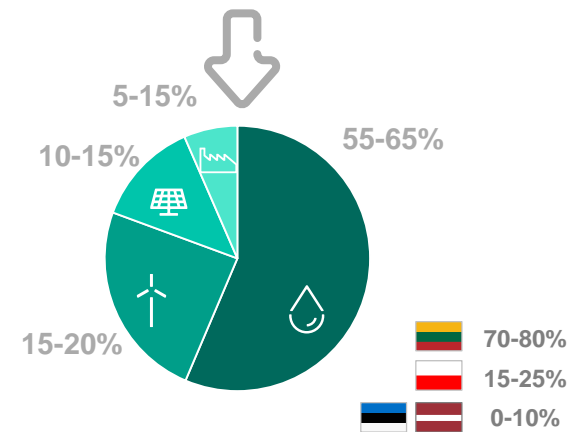
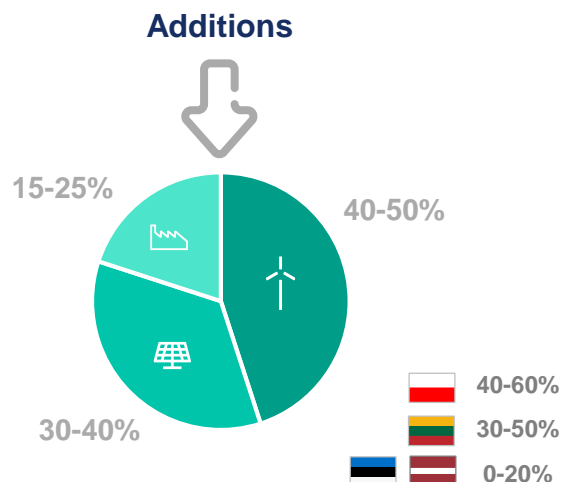
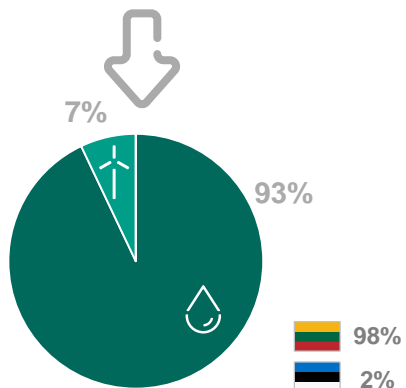
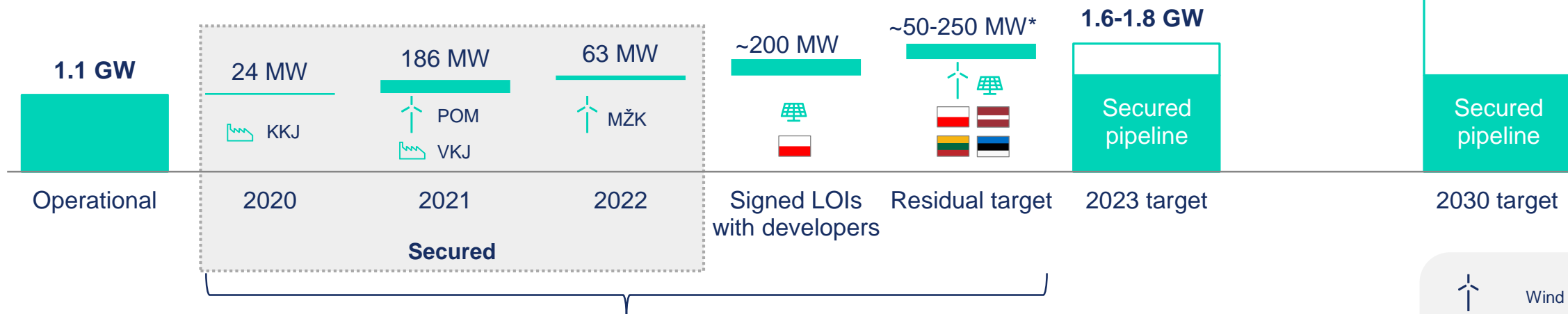
EUR ~80-90m

2022

Tendering suppliers

-

Target to reach 1.6-1.8 GW in 2023, 4 GW in 2030



- Wind (onshore)
- Wind (offshore)
- Hydro
- Biomass, WtE
- Solar PV

Disciplined investment policy to ensure value-creating growth



Expected CAPEX

EUR 700 - 950m investments to Green Generation during 2020-2023 to complete current construction and reach 1.6-1.8 GW installed capacity in 2023



Strategic partnerships

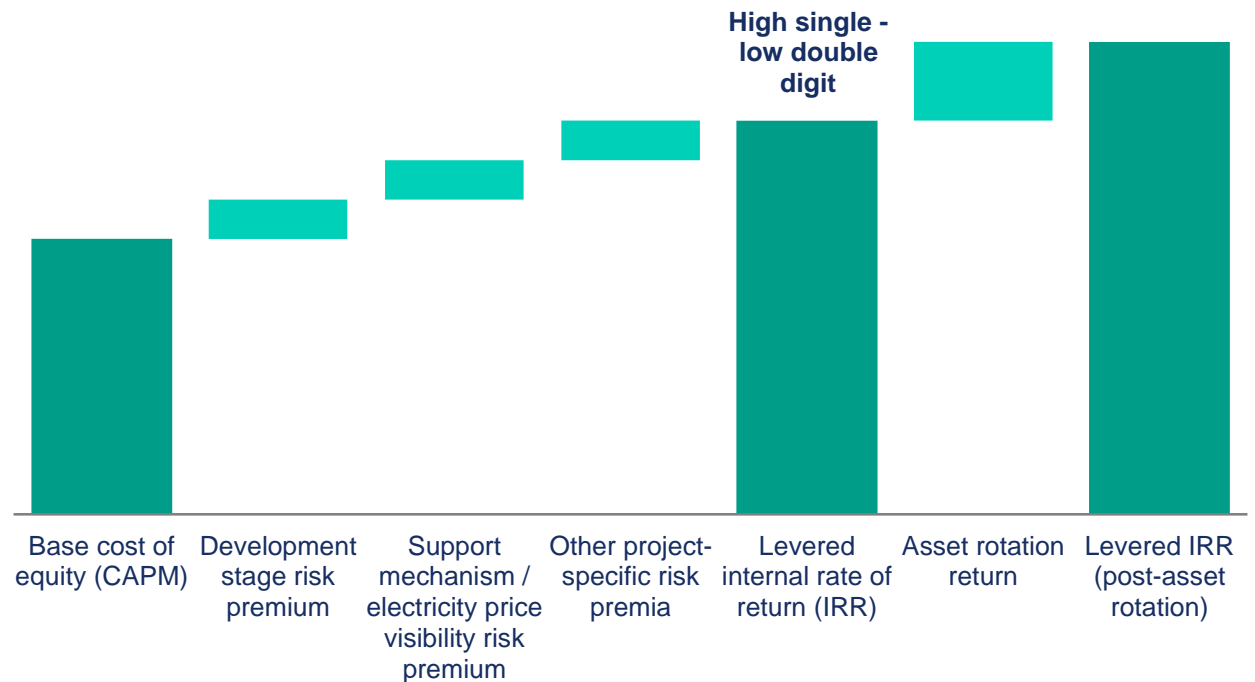
We aim to partner with strategic investors to adopt new technologies or enter new markets



Asset rotation program

We intend to sell up to 49% after completion of construction to recycle capital and capture premium. Asset rotation will be pursued only in case it creates additional value

Target return build-up



Core growth markets offer significant opportunities

Structural electricity deficit

Only **28%** of electricity consumption **covered by national generation** in Lithuania, which combined with the phase out of oil shale power generation capacities in Estonia, increase necessity for the Baltic States to develop new domestic energy generation assets

Coal generation phase-out in Poland

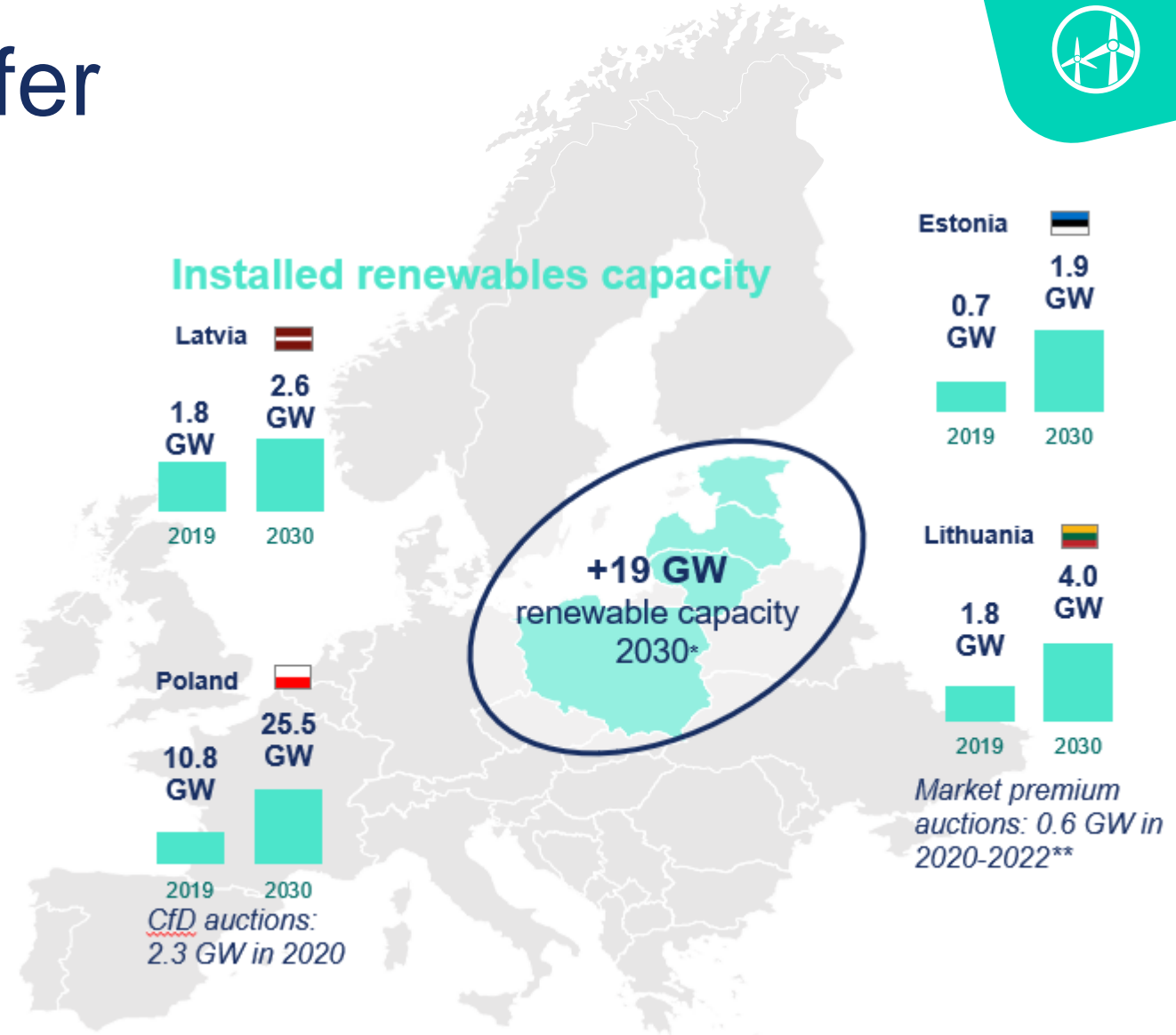
Coal generation is expected to see gradual decline and be **replaced by renewable energy** technologies

Renewable energy auctions

Poland and Lithuania introduced auction-based **support schemes** in 2016-2019

Renewables-focused climate strategies

Baltic states and Poland adopted **energy policies** supporting extensive buildout of renewable generation capacities



* Based on national climate and energy plans. Capacities include hydro pumped-storage assets

** Ignitis Group estimate, based on Ministry of Energy of Lithuania; excluding offshore wind auction

Sources: Ministry of Energy of the Republic of Lithuania, Ministry of State Assets of Poland, IRENA, European Commission, LITGRID, Ignitis group estimates

Potential offshore wind development in Lithuania



Partnership tender

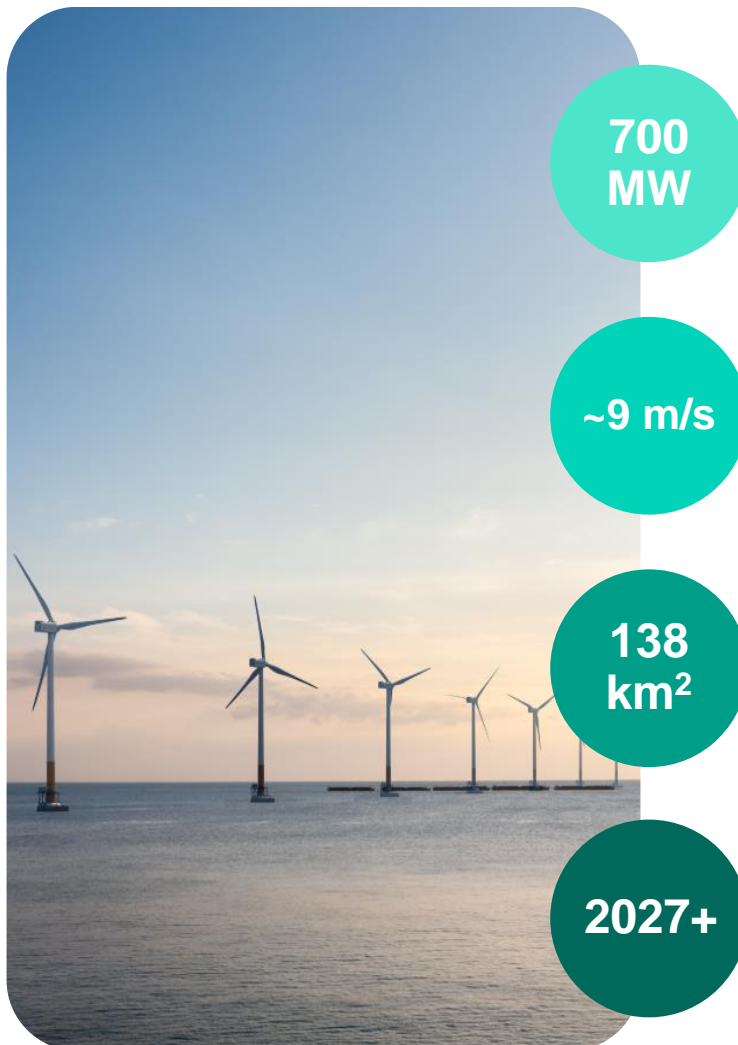
In 2019, Ignitis Group launched search for international strategic partner to co-develop offshore wind farm

We aim to conclude partnership agreement in 2020 and start preparation for anticipated auctions

Regulatory milestones

2020 – the Government's approval of location and capacity

2023 – the first auction is expected to take place



**700
MW**

installed capacity expected for the 1st development stage*

~9 m/s

expected average wind speed

**138
km²**

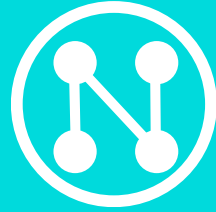
size of area recommended for development, 29 km distance to shore, with 35 m average depth

2027+

expected COD

Networks

Resilient and efficient distribution
enabling energy transition



Networks

Resilient and efficient distribution enabling energy transition



~125,000 km

Electricity distribution network

~9,500 km

Gas distribution network

1.8 m

Residential and business customers

Doing Business 2020 ranking



We achieved this improvement as a result of simplified procedures to get connected to the electrical grid



In 2019 Networks operator was acknowledged as the most transparent company in Lithuania

Network digitisation

1.2
million

Number of smart meters planned to be installed by 2023

2020
01 01

Data Hub platform* trial version was launched. To be completed by 2023

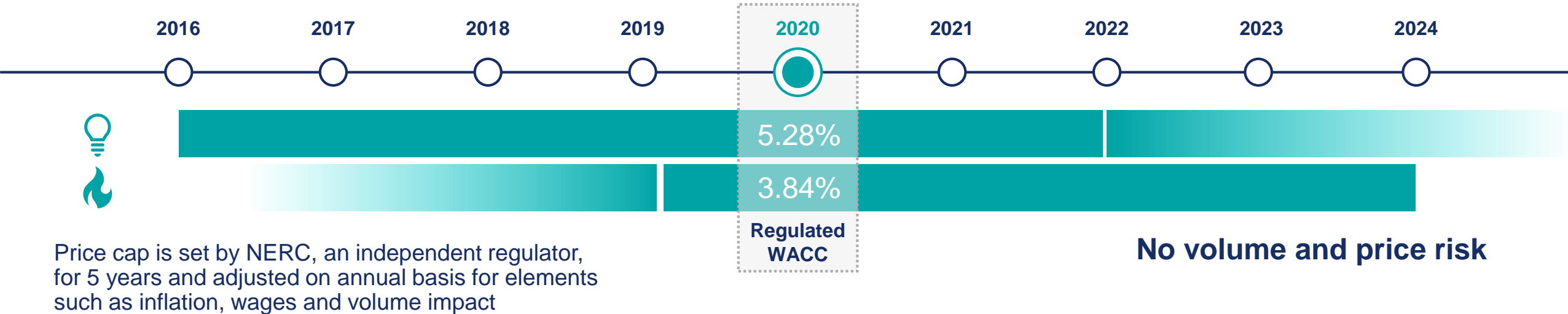


* Data hub platform will provide information about the customers and their electricity consumption habits and allow suppliers to prepare the best possible offer/solution for each customer



Strong cash flow visibility underpinned by a well-established and stable regulatory framework

5-year regulatory periods*



Tariff formula

$$\frac{\text{Operating Expenses} + \text{Technological Losses} + \text{Depreciation and Amortisation} + \text{ROI} = \text{Regulatory Assets Base} \times \text{Rate of Return (WACC)}}{\text{Distributed Volume of Energy kWh}} = \text{Price Cap ct/kWh}$$

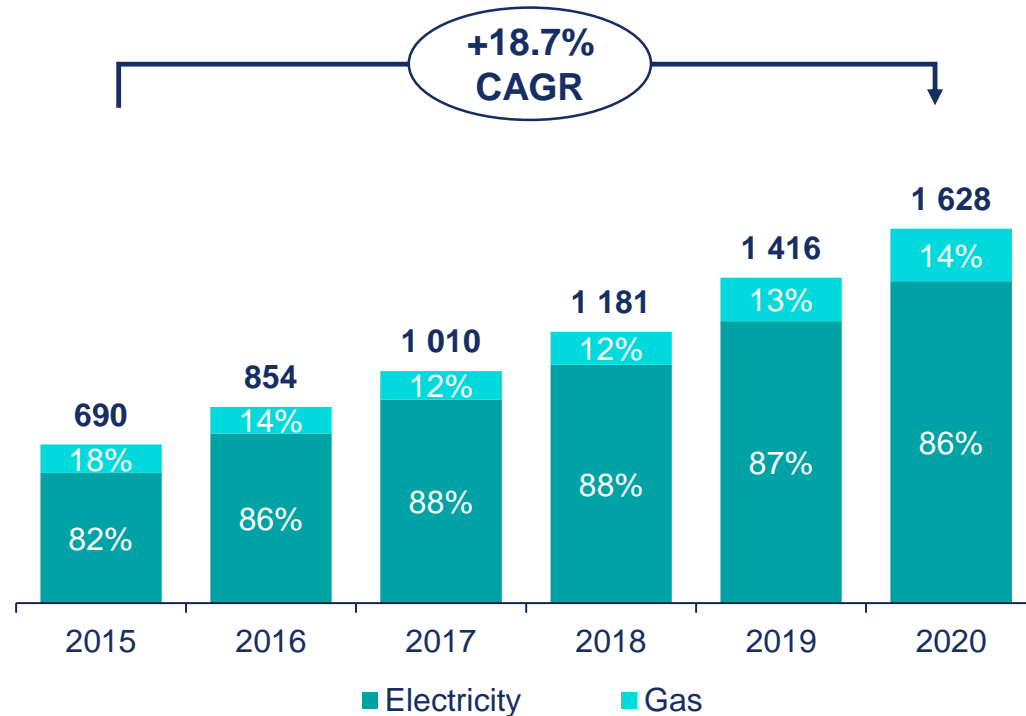
* Current regulatory period for electricity was extended by one year and will last for 6 years

Continued investments into networks upgrade



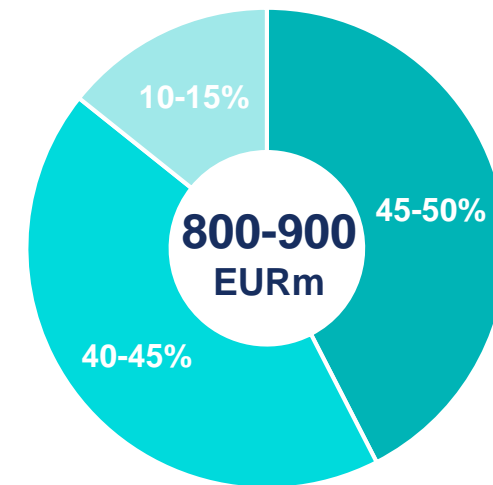
Regulated asset base 2015-2020

Electricity dominant network



Investments 2020-2023

Investing for growth and to address further improvements in efficiency, service quality and grid digitisation

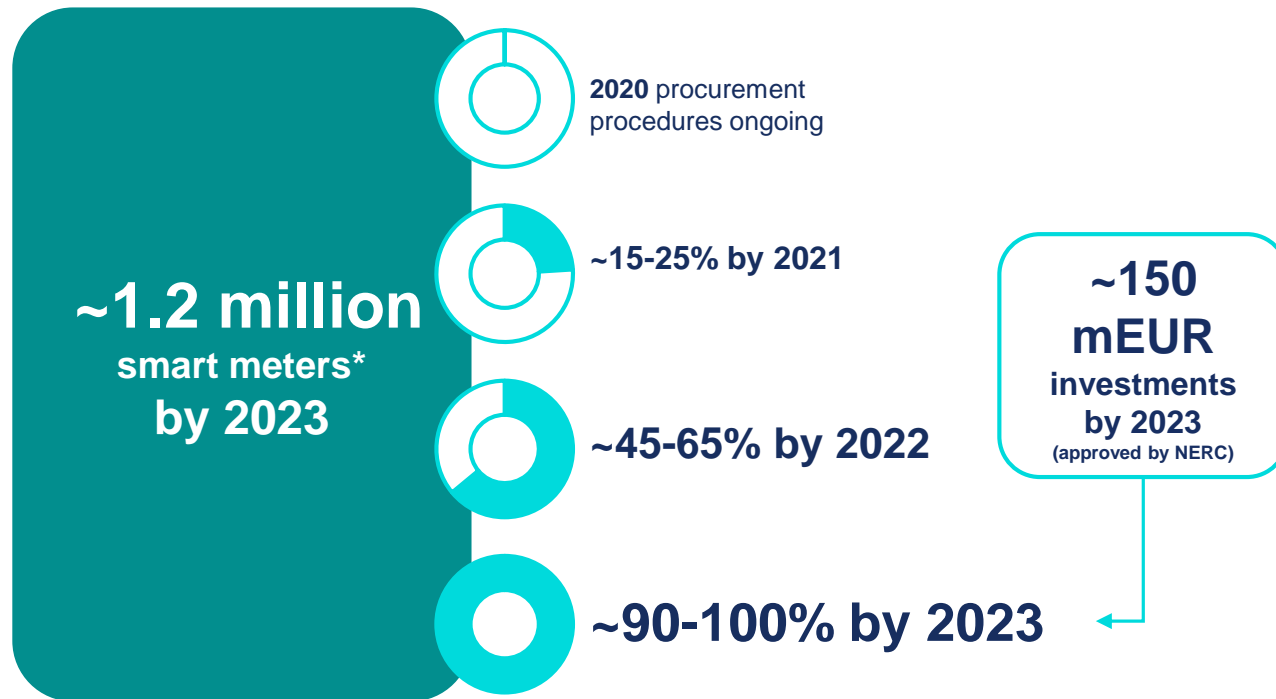


- Maintenance capex
- Growth capex: new connection points or upgrades
- Growth capex: smart metering program

Focus on efficiency and digitisation



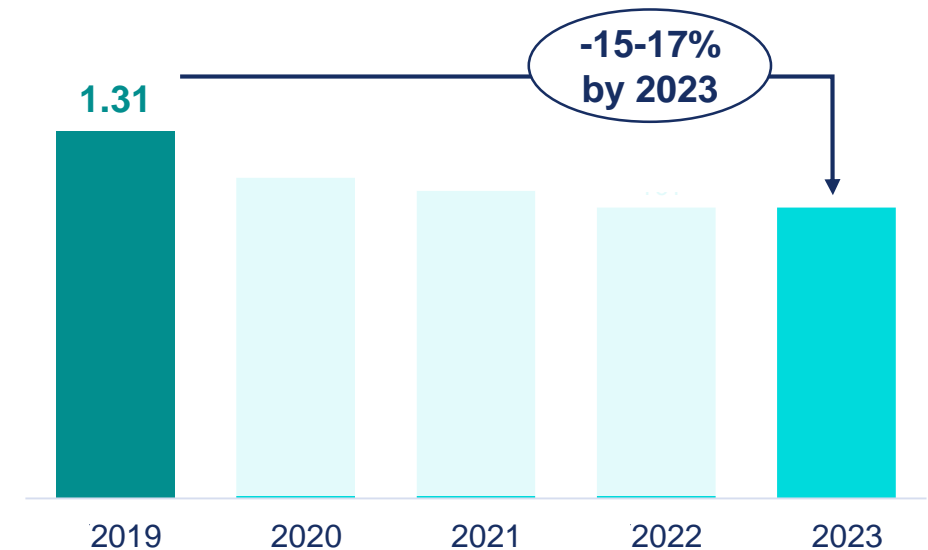
Network digitisation – Smart metering program



* For all business customers and the households, consuming more >1.000 kWh/year

Improving quality of service – Electricity SAIFI

Investments in service quality and network efficiency will boost distribution network resilience, resulting in an expected decline of SAIFI indicator by 3-5% annually.



Flexible Generation

Reliable and flexible of power system



Ensuring reliability and flexibility of power system



CCGT of Elektrėnai complex

Electricity capacity	455 MW
Energy source	Gas
Location	Lithuania
Revenue source	Mostly regulated*
Other info	COD in 2012



Units 7-8 of Elektrėnai complex

Electricity capacity	600 MW
Energy source	Gas
Location	Lithuania
Revenue source	100% regulated*
Other info	2 units of 300 MW

Service	2020	2023
Tertiary reserve	Units 7-8 are providing 475 MW of reserve in 2020	Stable outlook ➡
Other ancillary services	CCGT is providing "isolated system operation" ancillary service in 2020	Stable outlook ➡
Merchant generation	522 operating hours (165 GWh) of CCGT (Jan-May 2020)	Operating hours of CCGT should increase ⬆
Capacity provision within newly established capacity remuneration mechanism	The first capacity auction is expected to be organized in 2020/2021**	Both CCGT and units 7-8 are well positioned to be successful in prospective capacity auctions ⬆

* Based on adjusted EBITDA (CCGT was 100% regulated in 2019, expected to decrease starting from 2020. Regulated portion is based on RAB*WACC model)

** First auctions should be organized after Lithuanian TSO updates the adequacy study and when EU Commission provides clearance for Lithuanian capacity remuneration mechanism, which was approved by Lithuanian parliament in June 2020

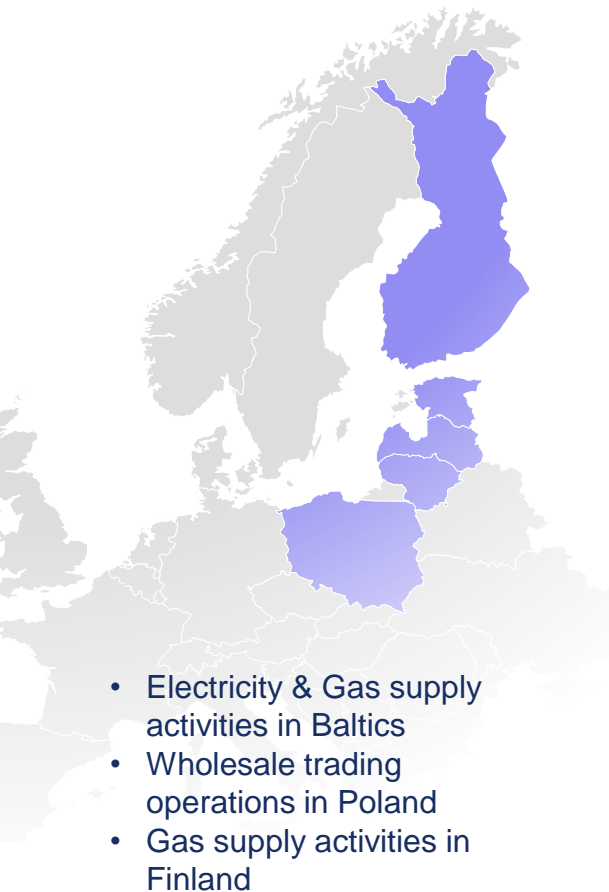
Customers & Solutions










Innovative solutions for easier life
and energy evolution



Well diversified portfolio and scale gains

Scaling core energy supply & trading business complemented with innovative energy solutions



		2019	2023 trends	
		Profile and drivers	Development	
Electricity 	B2C	<ul style="list-style-type: none"> 1.6m households in Lithuania 2.9 TWh sold Regulated in Lithuania 	<ul style="list-style-type: none"> Deregulation by 2023 	
	B2B	<ul style="list-style-type: none"> ~26% SoM in Lithuania, 8.4 thousand customers, 1.7 TWh sold ~10% SoM in Latvia, 0.8 TWh sold 	<ul style="list-style-type: none"> SoM to increase Expansion to Poland 	
	Wholesale services and trading	<ul style="list-style-type: none"> Balancing services Trading 	<ul style="list-style-type: none"> Enabling industrial scale renewable energy development through: <ul style="list-style-type: none"> o offtake agreements (PPA) o balancing competences 	
	Innovative products and projects	<ul style="list-style-type: none"> Unique remote solar platform Solar energy for homes and businesses EV network (59 fast-charging stations) ESCO solutions 	<ul style="list-style-type: none"> Expansion with focus on home markets Utilize current customer base to upsell 	
Gas 	B2C	<ul style="list-style-type: none"> 0.6m households, 2.1 TWh sold Regulated in Lithuania 	<ul style="list-style-type: none"> Remain mostly regulated in Lithuania 	
	B2B	<ul style="list-style-type: none"> ~84% SoM in Lithuania, 7.3 thousands customers, 4.7 TWh sold ~5% SoM in Latvia, 1.3 TWh sold Finnish market starting from 2020 	<ul style="list-style-type: none"> Expanding in Finland (~15% of total Finland gas market in Q1 2020) Expansion to Poland 	
	Wholesale LNG and gas trading	<ul style="list-style-type: none"> 1.8 TWh sold Designated supplier function for Lithuania's LNG terminal 	<ul style="list-style-type: none"> Gas interconnection Poland–Lithuania (GIPL) will be established until the end of 2021 and to be used for gas trading 	

Target KPIs



Our KPIs for creating a sustainable future



		2019	2020	2023	
Growing renewables	Green generation capacity, GWe	1.1		1.6-1.8	
Becoming CO₂ neutral	Net GHG emissions, thousand t CO ₂ eq	19*	Reduction according to plan*		
Resilient distribution	Electricity SAIFI, interruptions per customer	1.31		1.09-1.11	
Network digitisation	# Smart meters, m	-		1.1-1.2	
Flexible energy system	Ancillary services, market position	#1 in LT	#1 in LT		
Scaling energy supply	Retail sales volumes (electricity and gas), TWh	13.4		Growth by 10-20%	
Safety at work	# of fatal accidents	0	0		
Engaged employees	Employee NPS, %	29.5	Stable or positive development		
Strong governance	Corporate Governance Index (SOEs)	A+	A+		
Sustainable growth	Investments, EURbn	0.46	1.7-2.0		
Financial discipline	Credit rating Net Debt to EBITDA**	BBB+ 4.67	BBB and above < 5x		

Creating a sustainable future

















**No coal.
No nuclear.
Becoming CO₂ neutral.
ESG principles driven**

Appendices











Green Generation portfolio

Operating

	Name	Capacity (MWe)	Capacity (MWth)	Generation (GWh p.a.)*		Subsidy scheme	Subsidy (EUR/MWh)	End of subsidy
				Power	Thermal			
 	Kruonis PSHP	900	-	518.1	-	-	-	-
 	Kaunas HPP	101	-	360.0	-	-	-	-
 	Eurakras	24	-	80.6	-	FiT	71.0	2027
 	Vėjo gūsis	19	-	48.7	-	FiT	86.9	2023
 	Tuuleenergia	18	-	52.6	-	FiP	53.7	2026
 	Vėjo vatas	15	-	36.9	-	FiT	89.6	2022
 	Elektrėnai biomass boiler	-	40	-	106.6	-	-	-
Total operating		1,077	40					

Under construction & development

	Name	Capacity (MWe)	Capacity (MWth)	COD	Status	Subsidy scheme	Subsidy (EUR/MWh)	End of subsidy
 	Kaunas CHP	24	70	2020	Commissioning	-	-	-
 	Vilnius CHP	92	229	2021	80% completion	EU capex subsidy	-	-
 	Pomerania	94	-	2021	Foundations complete	Indexed CfD	48.6**	2035
 	Mažeikiai	63	-	2022	Tendering suppliers	-	-	-
Total under construction & development		273	-					
TOTAL		1,350	339					

* Generation is based on historical figures

** 214.97 PLN / MWh, applying 4.4272 PLN/EUR rate as of June 16th 2020



% Ignitis Group ownership

Key operating indicators, Ignitis Group

		2019	2018	Δ	Δ, %
Electricity					
Electricity distributed	TWh	9.55	9.59	-0.04	-0.43%
Electricity generated	TWh	1.06	1.01	0.05	5.26%
Green share of generation	%	97.68%	93.38%	-	4.61%
Green electricity generated	TWh	1.04	0.94	0.10	10.03%
Green Generation capacity	MW	1,350	1,256	94.00	7.48%
Green Generation installed capacity	MW	1,077	1,077	0.00	0.00%
Green Generation projects under construction	MW	210	116	94.00	81.03%
Green Generation projects under development	MW	63	63	0.00	0.00%
Electricity sales in retail market	TWh	5.86	5.91	-0.05	0.84%
Lithuania	TWh	5.03	5.22	-0.19	-3.58%
Latvia	TWh	0.83	0.69	0.14	20.73%
Electricity sales in wholesale market	TWh	4.71	0.70	4.01	574.72%
New connection points and upgrades	units	40,151	30,976	9,175	29.62%
SAIDI	min.	91.79	81.37	10.42	12.81%
SAIFI	units	1.31	1.14	0.17	14.74%
Gas					
Gas distributed	TWh	6.97	7.60	-0.64	-8.39%
Gas sales	TWh	9.83	11.33	-1.50	-13.22%
New connection points and upgrades	units	11,793	14,741	-2,948	-20.00%
SAIDI	min.	1.25	0.61	0.64	106.23%
SAIFI	units	0.008	0.006	0.00	35.93%

Key financial indicators, Ignitis group

		2019	2018	Δ	Δ, %
Revenue	EURm	1,090.6	1,070.1	20.6	1.9%
EBITDA <small>APM</small>	EURm	206.8	145.3	61.5	42.3%
EBITDA margin <small>APM</small>	%	19.0%	13.6%	-	-
Adjusted EBITDA <small>APM</small>	EURm	259.6	221.3	38.3	17.3%
Adjusted EBITDA margin <small>APM</small>	%	23.8%	20.7%	-	-
EBIT <small>APM</small>	EURm	82.8	-20.4	103.2	506.0%
Adjusted EBIT <small>APM</small>	EURm	149.7	133.6	16.1	12.1%
Net profit	EURm	59.0	-22.0	80.9	368.4%
Adjusted net profit <small>APM</small>	EURm	106.0	99.0	7.0	7.1%
Investments <small>APM</small>	EURm	455.7	429.3	26.4	6.1%
FFO <small>APM</small>	EURm	187.0	131.4	55.6	42.3%
FOCF <small>APM</small>	EURm	-196.2	-206.9	10.7	5.2%
		2019.12.31	2018.12.31	Δ	Δ, %
Total assets	EURm	3,198.1	2,853.9	344.2	12.1%
Equity	EURm	1,348.6	1,302.5	46.1	3.5%
Net debt <small>APM</small>	EURm	966.5	736.0	230.5	31.3%
Net working capital <small>APM</small>	EURm	-1.4	-19.2	17.8	92.9%
ROE <small>APM</small>	%	4.4%	-1.7%	-	-
Adjusted ROE <small>APM</small>	%	8.0%	7.5%	-	-
ROCE <small>APM</small>	%	3.8%	-1.1%	-	-
Adjusted ROCE <small>APM</small>	%	6.9%	7.0%	-	-
Net debt/EBITDA <small>APM</small>	times	4.67	5.07	-	-
Net debt/Adjusted EBITDA <small>APM</small>	times	3.72	3.33	-	-
FFO/Net debt <small>APM</small>	%	19.3%	17.8%	-	-

Key performance indicators by segment

Networks

Operational		2019	2018	Δ,%
Electricity				
Electricity distributed	TWh	9.55	9.59	-0.4%
Independent supply	TWh	6.22	6.17	0.9%
Public supply	TWh	2.86	2.91	-1.8%
Guaranteed supply	TWh	0.47	0.51	-8.8%
Electricity distribution network	th. km	125.50	125.08	0.3%
Technical losses in electricity distribution network	%	6.3%	6.0%	0.3%
New connection points and upgrades	th	40.2	31.0	29.6%
Time to connect (average)	c. d.	32.0	46.3	-30.9%
SAIDI	min.	91.79	81.37	12.8%
SAIFI	unit	1.31	1.14	14.7%
Gas				
Gas distributed	TWh	6.97	7.60	-8.4%
Gas distribution network	th. km	9.48	8.95	5.9%
Technical losses in gas distribution network	%	2.2%	2.1%	0.1%
New connection points and upgrades	th	11.8	14.7	-20.0%
Time to connect (average)	c. d.	65.1	87.7	-25.8%
SAIDI	min.	1.25	0.61	106.2%
SAIFI	unit	0.008	0.006	35.9%
Financial, mEUR				
Revenue		413.8	381.2	8.5%
Adjusted EBITDA ^{APM}		180.5	168.8	6.9%
Adjusted EBIT ^{APM}		98.9	111.5	-11.3%
Adjusted net profit ^{APM}		73.3	83.1	-11.8%
Property, plant and equipment, intangible and right-of-use assets		1,628.8	1,506.9	8.1%
Net debt ^{APM}		657.7	625.2	5.2%
Investments ^{APM}		181.4	271.3	-33.1%
Adjusted EBITDA margin,% ^{APM}		43.6%	44.3%	-
Net debt/Adjusted EBITDA ^{APM}		3.64	3.70	-

Green Generation

Operational		2019	2018	Δ,%
Electricity generated:				
Electricity generated:	TWh	1.04	0.94	10.0%
Wind	TWh	0.23	0.13*	81.4%
Hydro	TWh	0.81	0.82	-1.1%
Wind farms availability factor	%	98%	99%	-1.1%
Wind farms load factor	%	34%	28%	6.0%
Installed capacity:				
Installed capacity - electricity	MW	1077	1077	0%
Wind	MW	76	76	0%
Hydro	MW	1001	1001	0%
Installed capacity - heat	MW	40	40	0%
Financial, mEUR				
Revenue		83.3	78.3	6.3%
Adjusted EBITDA ^{APM}		43.4	38.1	14.1%
Adjusted EBIT ^{APM}		30.7	27.3	12.8%
Adjusted net profit ^{APM}		25.8	22.1	16.5%
Property, plant and equipment, intangible and right-of-use assets		546.7	321.0	70.3%
Net debt ^{APM}		278.5	94.8	193.8%
Investments ^{APM}		256.5	132.8	93.1%
Adjusted EBITDA margin,% ^{APM}		52.2%	48.6%	
Net debt/Adjusted EBITDA ^{APM}		6.41	2.49	

*Electricity generated in power plants owned by the Group. Electricity generated in two wind farms prior to their acquisition by the Group is excluded

Key performance indicators by segment

Flexible Generation

Operational		2019	2018	Δ, %
Electricity generated	TWh	0.02	0.07	-63.2%
Tertiary active power reserve	MW	260	260	0%
Strategic power reserve	MW	0	212	-100%
Installed capacity:				
Installed capacity – electricity	MW	1055	1055	0%
Installed capacity – heat	MW	50	50	0%

Financial, mEUR		2019	2018	Δ, %
Revenue		79.7	68.0	17.1%
Adjusted EBITDA <small>APM</small>		22.0	13.3	65.4%
Adjusted EBIT <small>APM</small>		10.4	1.7	527.4%
Adjusted net profit <small>APM</small>		10.6	-2.3	554.7%
Property, plant and equipment, intangible and right-of-use assets		392.0	401.8	-2.4%
Net debt <small>APM</small>		-43.2	-23.0	-87.8%
Investments <small>APM</small>		0.4	1.5	-70.2%
Adjusted EBITDA margin, % <small>APM</small>		27.6%	19.6%	
Net debt/Adjusted EBITDA <small>APM</small>		-1.96	-1.72	

Customers and Solutions

Operational		2019	2018	Δ, %
Electricity sales				
Retail	TWh	5.40	5.40	0.1%
Lithuania	TWh	4.56	4.71	-3.1%
B2C	TWh	2.88	2.97	-2.8%
B2B	TWh	1.68	1.74	-3.7%
Latvia	TWh	0.83	0.69	20.7%
Wholesale trading (Poland)	TWh	4.71	0.70	574.7%

Gas sales	TWh	9.83	11.33	-13.2%
Retail	TWh	8.01	10.91	-26.6%
Lithuania	TWh	6.74	10.23	-34.1%
B2C	TWh	2.08	2.13	-2.3%
B2B	TWh	4.66	8.10	-42.4%
Latvia	TWh	1.27	0.68	86.2%
Wholesale trading	TWh	1.82	0.43	323.3%

Financial, mEUR		2019	2018	Δ, %
Revenue		502.9	525.3	-4.3%
Adjusted EBITDA <small>APM</small>		10.7	6.7	59.8%
Adjusted EBIT <small>APM</small>		3.8	5.5	-32.0%
Adjusted net profit <small>APM</small>		-1.1	0.8	-231.6%
Property, plant and equipment, intangible and right-of-use assets		43.0	42.7	0.8%
Net debt <small>APM</small>		91.2	38.8	134.8%
Investments <small>APM</small>		2.1	0.3	569.2%
Adjusted EBITDA margin, % <small>APM</small>		2.1%	1.3%	
Net debt/Adjusted EBITDA <small>APM</small>		8.56	5.82	

Abbreviations

Indicator	Definition
Adjusted EBIT	Adjusted EBITDA less depreciation and amortization expenses
Adjusted EBITDA	EBITDA after eliminating items, which are non-recurring, and/or non-cash, and/or related to other periods, and/or non-related to the main activities of the Group, and after adding back items, which better reflect the result of the current period
Adjusted EBITDA margin	Profitability ratio, which shows Adjusted EBITDA as a percentage of revenue
Adjusted net profit	Net profit after eliminating items which are non-recurring, and/or related to other periods, and/or non-related to the main activities of the Group, and after adding back items, which better reflect the result of the current period
APM	Alternative performance measures
B2B	Business to business
B2C	Business to consumer
CCGT	Combined Cycle Gas Turbine Plant
CO ₂	Carbon dioxide
COD	Commercial operations date
Designated supplier	The designated supplier sells the mandatory quantity of LNG on the competitive market, being compensated only for expenses which it incurred due to the specifics of its activity as the designated supplier and which other natural gas suppliers do not incur
eNPS	Employee Net Promoter Score
Guaranteed supply	Supply of electricity in order to meet electricity demand of customers who have not selected an independent supplier under the established procedure or an independent supplier selected by them does not fulfil its obligations, terminates activities or the agreement on the purchase and sale of electricity
Installed capacity	Where all assets have been completed and have passed a final test
Investments	Capital spent on acquiring non-current tangible and intangible assets, as well as shares in other companies. Gross investments.
LOI	Letter of intent
NERC	National Energy Regulatory Council. An independent national regulatory authority (in the European Union law's sense) regulating activities of entities in the field of energy and carrying out the supervision of state energy sector
Net debt	Net debt is the total financial liabilities of the Group, net of cash and cash equivalents, and short-term investments
Net debt/Adjusted EBITDA	Leverage ratio, which shows the Group's ability to repay its debt from the profit earned.
New connection points and upgrades	Number of new customers connected to the network and capacity upgrades of the existing connection points
Public supply	Electricity supply activity performed in accordance with the procedure and terms established by legal acts by an entity holding a public supply licence
SAIFI	Average number of unplanned long interruptions per customer
SoM	Share of market
WtE	Waste-to-energy