



Press release

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EPSO-G aims at more efficient group's governance structure

VILNIUS. As part of a focused approach to good governance, EPSO-G holding company of energy transmission and exchange group, has made a bid to acquire 100% stake of contractor firm Tetas from its subsidiary company LITGRID. The transaction is aimed to streamline the governance structure within the state-controlled group providing both subsidiaries to focus on their core business.

Based on international best practices of corporate governance, it is recommended to split the management of different types of activities into separate profit-cost centres, as direct subordination helps the group to assess better the efficiency of each company, optimize their performance, thereby increasing their value and return to shareholders.

"Subject to shareholder approval of a more transparent and efficient governance model within the group, LITGRID will be able to focus on implementation of key synchronization projects with continental European networks, while Tetas will continue to be active in providing infrastructure maintenance services to domestic and foreign energy market participants," says Rolandas Zukas, Chief Executive Officer of EPSO-G group.

The terms and conditions of the intended transaction within the group will be announced when approved by LITGRID management board. The EPSO-G Audit Committee is of the opinion that the transaction is market-conform and fair to the interests of the non-counterparty minority shareholders.

The intension is to close the transaction by the end of the year, subject to approval of the shareholders of the holding company EPSO-G and LITGRID subsidiary.

About EPSO-G

EPSO-G is a state-owned group of energy transmission and exchange companies. The shareholder rights and obligations of EPSO-G holding are implemented by the Ministry of Energy of the Republic of Lithuania. The group consists of a holding company, the transmission system operators managing the infrastructure of electricity and natural gas transmission, the market operators managing natural gas, biofuels and wood exchanges, as well as the company providing the infrastructure maintenance services.

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