



The Company's Interim Management Report
and Financial Statements (unaudited)
for the six-month period ended 30 June 2025



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This interim management report and financial statements do not include all the information required for a complete set of annual financial statements and should therefore be read in conjunction with the annual management report and financial statements for the year ended 31 December 2024 ([link](#)), which were prepared in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board and endorsed for use in the EU.



Management Report / Overview



CEO's foreword

Dear traintravellers,

The first half of this year was active and eventful. I am pleased to share our collective results and to thank everyone – our employees, passengers, and partners – for their trust and collaboration in working toward our shared goals.

During the first six months of the year, more than 2.7 million passengers travelled with LTG Link trains. This once again confirms that an increasing number of people are choosing a more convenient, sustainable, and environmentally friendly way to travel. Compared to the same period last year, the number of passengers increased by 5%.

This growth was driven by our continued focus on the passenger experience, convenient and well-aligned schedules, and pricing tailored to our customers' needs.

The year 2025 began on a positive note – in January, LTG Link became a member of the FTE (Forum Train Europe) association and achieved an important goal: making train travel convenient not only to Riga but also to Tallinn, the capital of Estonia. Since February, passengers have been able to complete this journey with just one transfer in Valga. These steps are not only part of our strategic direction, but also a response to passenger needs and the growing demand for international train travel. During the reporting period, approximately 3.7 thousand traintravellers used this route.

Our main goal remains to increase the frequency of train services between the capitals of Lithuania and Poland and to reduce travel time. We have signed a letter of intent with the Polish company PKP Intercity to strengthen cooperation aimed at improving rail connectivity between Vilnius and Warsaw.

I am pleased that our collaboration with railway operators in Latvia, Estonia, and Poland is enabling more convenient and faster connections that foster regional mobility and support business development.

Clean transport is the future, and we are moving firmly in that direction – the first train ordered by LTG Link began production at the end of November 2024. The interior is currently being finalised, and we have already had the opportunity to test the modern and comfortable passenger seating. Testing of the new Stadler trains – 9 electric and 6 battery-electric units – will begin in Lithuania in autumn 2025. Passenger operations are scheduled to start in the second half of 2026 on the following routes: Vilnius–Klaipėda–Vilnius, Vilnius–Varėna–Marcinkonys–Vilnius, and Kaunas–Šiauliai–Kaunas.

To mark its second anniversary, the Sustainable Travel Club was rebranded as the Traintravellers' Club on 7 March. Members of this loyalty programme can continue to convert virtual points – earned for kilometres travelled by train and CO2 emissions saved – into discounts. The Traintravellers' Club now engages passengers even more actively by organising events, introducing special routes, offering personalised services, and sharing partner offers. The club currently brings together around 105 thousand traintravellers – an increase of one-third since the beginning of the year.

According to LTG Link data, as many as 65% of passengers who try travelling by train for the first time choose to return. The growing number of traintravellers is also the result of various initiatives that successfully encouraged people who had never travelled by train before to give it a try. The Forest Train, the Cold Beetroot Soup Train to Riga, special discounts on public holidays, services aligned with major events, Traintravellers' Day – which saw as many as 33.5 thousand people travel – all helped inspire more people to choose rail and created new, positive experiences.

Train travel was also boosted by new concessions introduced on 1 April, offering discounts of up to 50% for school pupils, the elderly, and parents, adoptive parents or guardians travelling with children on weekends and public holidays. Dy-



KRISTINA MEIDĖ

Chief Executive Officer of LTG Link

amic pricing was launched on five additional train routes (Kaunas–Šiauliai–Kaunas, Kaunas–Marijampolė–Kaunas, Vilnius–Trakai–Vilnius, Vilnius–Varėna–Marcinkonys–Varėna–Vilnius, and Vilnius–Riga–Vilnius), helping passengers who book in advance save money and choose travel times that suit them.

We are proud of the results achieved and are confidently striving to attract more passengers each year and grow the traintraveller community. By embracing continuous improvement tools, we are moving forward consistently and boldly to turn our strategic ambition into reality – to carry 9.3 million passengers per year by 2029. I am confident that together with you, dear traintravellers, we will reach this goal!

Thank you for your trust, commitment, and shared journey.

Activity of the company

Company profile

Name:
UAB LTG Link

Company code:
305052228

Legal form:
Private limited liability company

Registered office address:
Geležinkelio str. 16, LT-02100, Vilnius

Correspondence address:
Geležinkelio str. 16, LT-02100, Vilnius

Phone No.: **+370 700 55 111**

E-mail: info@ltglink.lt

Website: <https://ltglink.lt/en>

Date and place of registration:
28 February 2019 Vilnius, Lithuania

Core business:
Passenger and luggage carriage by rail and provision of related services

Head of the Company:
Kristina Meidė

Shareholder:
100% of shares is owned by AB Lietuvos geležinkeliai

Data on the Company is collected and stored in the Register of Legal Entities of SE Centre of Registers.

Company's branches and representative offices abroad

The Company did not have branches or representative offices during the analysed period.

Operating model of the company

LTG Link was registered in the Register of Legal Entities of the Republic of Lithuania on 28 February 2019. The Company was established after the transfer of the activities of the Passenger Carriage Directorate of AB Lietuvos geležinkeliai.

Core business and services

LTG Link is a licensed railway company engaged in a carriage of passengers on domestic and international routes. The Company also ensures transit routes from the Belarusian border to the Kaliningrad region without the possibility to disembark. A ban on boarding and disembarking at Kena and Kybartai railway border control points came into effect on 1 March 2024, with exceptions only for cases specified by the State Border Guard Service.

The Company fulfils the State's special obligations by providing public passenger carriage services by rail and/or public combined passenger transport services on domestic transport routes. The implementation of the special obligations is financed from the State budget in accordance with the procedure laid down by the legislation of the European Union and the Republic of Lithuania. This contributes significantly to the sustainability of the Company's financial flows.

Services rendered by LTG Link are as follows:

- passenger carriage on domestic routes;
- passenger carriage on international routes;
- carriage of luggage within the territory of Lithuania and abroad;
- carriage of bicycles within the territory of Lithuania and abroad;
- carriage of animals within the territory of Lithuania and abroad;
- organisation of charter routes;
- rental and sale of rolling stocks;
- advertising services;
- services at stations (luggage storage, travel ticket sales via ticket machines, VIP lounge ant Vilnius station, also food and beverage offerings);
- services on trains (sale of travel tickets, sale of food and beverages).

Market and competitive environment

The main market of LTG Link includes passenger carriage services in the territory of the Republic of Lithuania and abroad. At the end of June 2025, passengers were carried on 22 domestic and 6 international routes (including 4 transit routes).

Lithuanian market

In the first half of 2025, 2.5 million passengers were carried on domestic routes, that is, 90.5% of all passengers carried by rail during that period. Passenger numbers grew by 4% compared to the first half of 2024. In the first half of 2025, a total of 32 thousand train routes were operated. Compared to the first half of the previous year, the number of routes remained broadly unchanged.

International market

During the first half of 2025, 0.3 million passengers were carried on international routes, that is, 9.5% of all passengers carried by rail during that period. In the first half of

2025, international carriage consisted of passenger carriage by passenger trains to Poland, Latvia, Estonia and by transit trains through the territory of the Republic of Lithuania in connection with the Kaliningrad region. In the first half of 2025, 1 thousand train routes were operated – 38% more than in the first half of the previous year.

Main customers

Residents of Lithuania and other countries use services rendered by the Company.

Seeking to attract more customers, the Company is expanding its service offerings to different groups of passengers: families, students, business travellers, and active-leisure travellers. Trips to the seaside increase in summer. In 2025, the Seaside Express successfully operated for the ninth consecutive year, making it possible to reach Lithuania's seaside resorts conveniently and safely by combined routes. Additional trips to various cultural and sporting events are organised. Timetable adjustments are made annually based on passenger feedback, helping to increase satisfaction and increase passenger numbers.

LTG Link introduced combined tickets with city public transport on 1 December 2022. Today, combined tickets are available and can be used in four cities: Vilnius, Klaipėda, Šiauliai and Panevėžys. Over 8 thousand combined tickets were sold in the first half of 2025.

In the first half of 2025, business clients made 116 thousand journeys – a 26% increase compared to the first half of 2024. This growth was driven by cooperation with existing clients, encouraging them to travel more by train and to choose a sustainable mode of transport. During the first half of the year, 49 new contracts were signed with legal entities for train travel services.

For the convenience of passengers, a VIP lounge was opened at Vilnius railway station on 26 November 2024. Since its opening, the lounge has been used by over 6 thousand passengers, first-class occupancy has increased by 16%, and passengers rated the lounge 9.3 out of 10.

Participation in associations and international organisations

LTG Link is a member of FTE since 2025.

LTG Link is a member of the Lithuanian Passenger Transport Association since 2021.

LTG Group, and after separation LTG Link, has been a member of LiMA since 2019.

LTG Group, and after separation LTG Link, has been a member of CER since 2003.

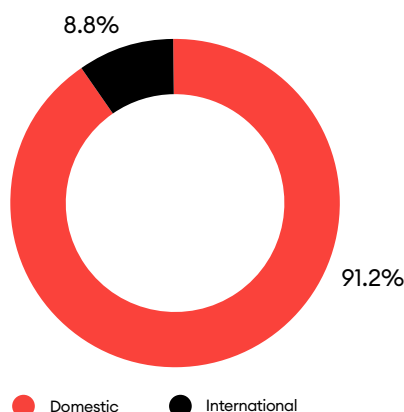
LTG Group, and after separation LTG Link, has been a member of GTT since 1993.

LTG Group, and after separation LTG Link, has been a member of CIT since 1992.

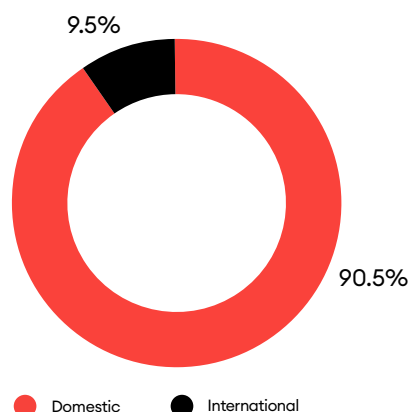
LTG Group, and after separation LTG Link, has been a member of OSJD since 1992.

LTG Group, and after separation LTG Link, has been a member of UIC since 1992.

Market segments of passenger carriage by rail in H1 2024, %



Market segments of passenger carriage by rail in H1 2025, %



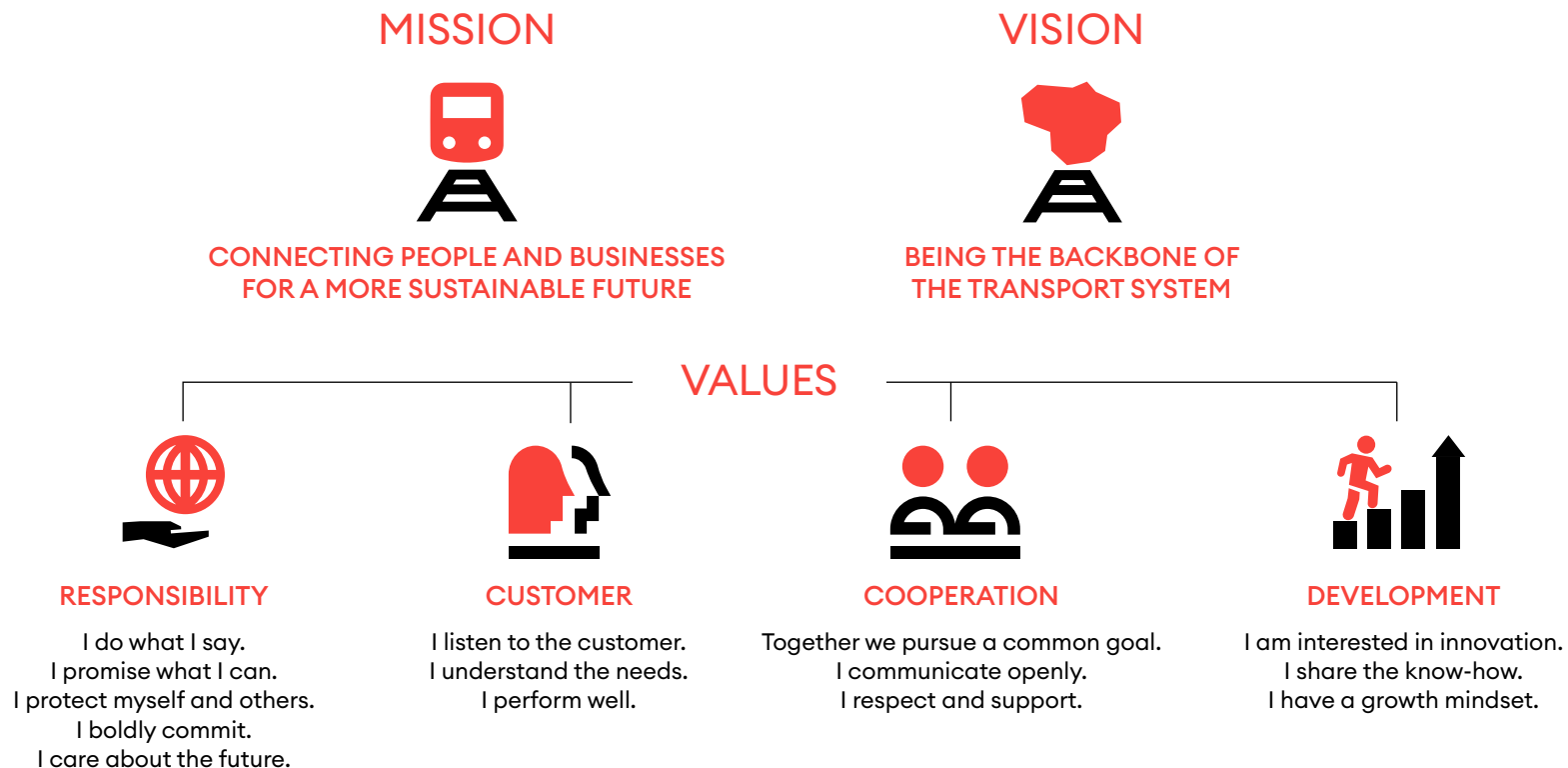
Strategy

The LTG Group's activities are based on rational strategic planning and management. The first comprehensive long-term strategy for LTG Group was approved in 2018 and covers all LTG Group activities.

There is a growing global focus on ecology, the efficient use of energy and natural resources, and initiatives that reduce environmental impact and climate change. Given the significant contribution and impact of the LTG Group's activities at the national level, LTG Link, by promoting organisational change, contributes to the country's progress in the field of sustainable development.

To ensure effective implementation of the strategy and to enable the LTG Group to achieve its objectives in a constantly changing external and internal environment, the Group's strategy, along with the strategies of its business units, is reviewed and updated annually. One of them, the **UAB LTG Link Strategy 2029** (hereinafter – the Strategy), was updated and approved on 16 December 2024.

Mission, vision, values



Strategic directions of activities



CUSTOMER EXPERIENCE

To ensure a competitive travel time and schedules that meet customer expectations. To provide top-level service during the journey and respond to customer needs.



OPERATIONAL EFFICIENCY

To foster a **culture of continuous improvement** within the organisation and ensure **financial stability** by enhancing operational efficiency – operating in line with the highest international corporate standards and optimised asset utilisation.



BUSINESS DEVELOPMENT

To increase capacity and continue to expand into foreign markets, continuously seeking diversification solutions. The aim is to ensure greater competitiveness and independence in the market and accelerate the Group's revenue growth.



ESG

To use energy and natural resources efficiently, to initiate measures to reduce the impact on the environment and climate change, to raise safety awareness among employees and the public, to develop best corporate governance practices and to manage risks in the most effective way. The main objective is **to become a benchmark for greenness and sustainability** in passenger carriage in Lithuania and abroad, thus contributing to climate neutrality goals of the European Union and the Republic of Lithuania.



BUSINESS RESILIENCE

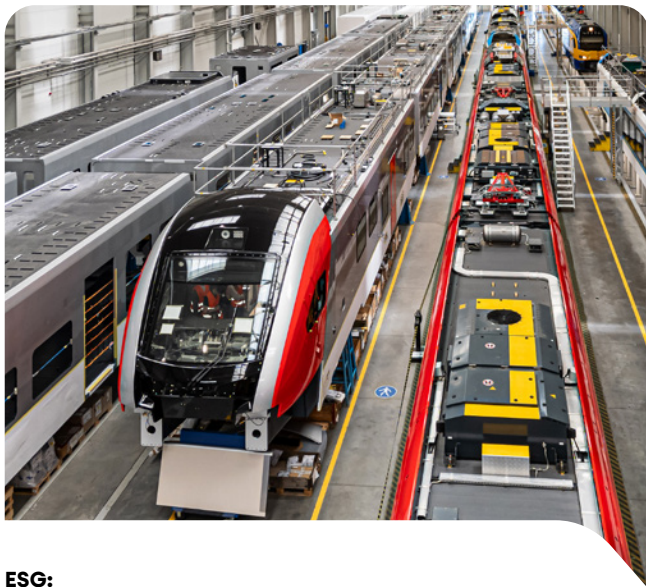
To enhance business resilience in the interests of national security. To ensure technology compatibility within the LTG Group and seamless integration into the European rail system and to apply the **Safety above All** principle by ensuring a high level of road safety, occupational safety and business safety.



INCLUSIVE ORGANISATIONAL CULTURE

To create an open, respectful, and safe working environment based on LTG values, where all employees are encouraged to engage in continuous improvement – creating value for the customer and increasing operational efficiency.

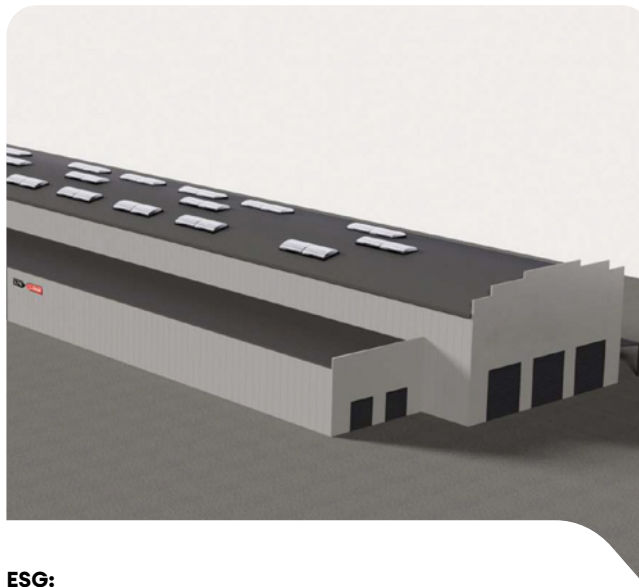
Implementation and progress of strategic projects in the first half of 2025:



ESG:

Acquisition of electric trains

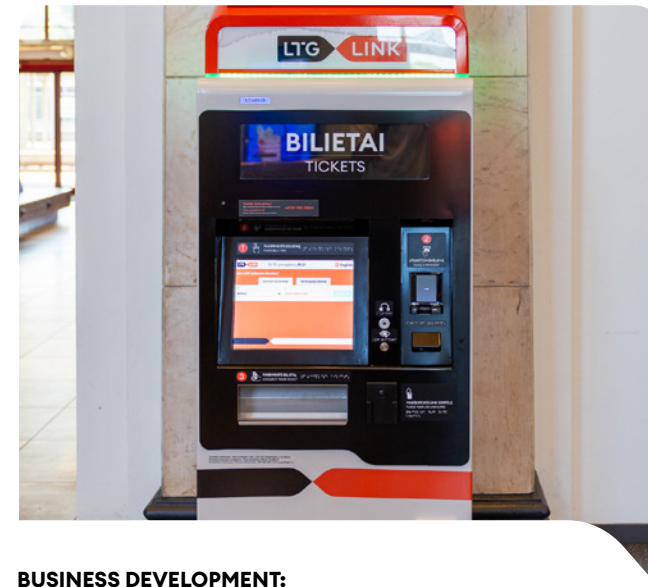
- The production and assembly of the first train has reached the halfway point.
- Preparations are underway for the acceptance and testing of the first train in Lithuania.



ESG:

Modernisation and adaptation of passenger depots to new rolling stocks

- The depot buildings at Pramonės str. 78 and Švitrigailos str. 39A have been adapted for STADLER trains.
- The detailed plan for the Pramonės str. 78 site has been approved.



BUSINESS DEVELOPMENT:

Development of ticketing system

- Following the successful implementation of the project, the initiation of new contracts has begun to ensure continuity of service and a positive experience for passengers.


BUSINESS DEVELOPMENT:

Door-to-Door travel solution

- From the beginning of 2025 until 30 June, 8 thousand passengers used a combined ticket.
- Negotiations are ongoing, and a technological solution is being sought for implementing the combined ticket in the city of Kaunas and Trakai.
- Partner integration is underway, and attractive travel packages for passengers are being developed – you can find them here: [travel plans | ltg link](#).


BUSINESS DEVELOPMENT:

International development

- A Memorandum of Intent was signed with partners Viti and Elron on cooperation in the preparation and procurement of rolling stock for the Rail Baltica project.
- An updated Memorandum of Intent was signed with partner PKP Intercity on strengthening cooperation and preparation for the Rail Baltica project, including the procurement of rolling stock.


CUSTOMER EXPERIENCE:

Comprehensive tailoring of services for passengers with individual needs

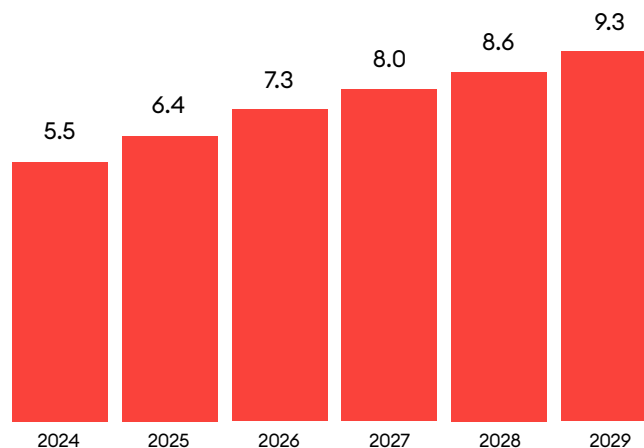
- A project has been initiated to integrate lifts into the existing LTG Link rolling stock.
- To improve service for passengers with reduced mobility on the Klaipėda–Šilutė–Klaipėda route, a lift has been installed at Šilutė station.
- Information centres at the main stations in Kaunas, Šiauliai, and Klaipėda are being upgraded to better accommodate passengers with individual needs and to enhance their overall experience.

Business forecasts

In the updated LTG Link Strategy, it is estimated that having implemented the planned measures, tasks and objectives, the number of passengers will increase by 69% by the year 2029 compared to the fact for 2024. Key growth drivers and initiatives to be implemented until 2029:

- New trains arriving from 2026;
- 2 new domestic routes;
- Coordinated timetables for convenient transfers;
- Traintravellers' Club loyalty programme;
- Dynamic pricing;
- Multimodal (of multiple types) trips (combined ticket, coordinated schedule, first-to-last mile infrastructure at stations);
- Destination travel offers with additional services;
- Accessibility for passengers with individual needs.

Passengers flow forecast up to 2029, in million



Annual goals for 2025

On 16 December 2024, the LTG Link Board approved **LTG Link's annual goals**, the corresponding performance indicators, and targets for 2025 values aligned with the implementation of the LTG Group Strategy 2029. Considering LTG Link's ambition and strategic objectives, the annual goals were formulated to support customer retention, enhance operational efficiency, expand the service business, strengthen business resilience, and increase employee engagement. Based on the approved annual objectives, LTG Link employees have personal goals set. In this way, LTG Link employees are involved in a structured and coherent process of implementing the LTG Group's strategy, linking the achievement of goals to career, development and incentive plans.

Strategic direction/target	Indicators for measuring achievement of targets	Measuring unit	Weight, %	Benchmarks for achievement of targets for 2025
FINANCIAL INDICATORS				
Stable company operations	Cost/revenue ratio (excluding transit and subsidies)	Ratio	10.0	≤1.92
OPERATIONAL EFFICIENCY				
Improvement of operational efficiency	Maintain train readiness (50 trains)	%	20.0	≥70
	Continuous Improvement Level I maturity achieved	Maturity assessment in points	10,0	≥1,5
CUSTOMER EXPERIENCE				
Increase in customer satisfaction	Increased customer retention rate	%	10.0	≥56
BUSINESS DEVELOPMENT				
International development	Development of international operations	Achievement level	10.0	Implementation level of the action plan agreed with the LTG Link Board
BUSINESS RESILIENCE				
Ensuring occupational safety	Ensured level of business resilience	%	5.0	≥90
	Improved employee safety (accidents attributable to employer fault)	Workplace accidents due to employer fault* per 1 million total working hours	5.0	≤0.5
ESG				
Sustainable operations	Increased passenger turnover (excluding transit)	in million passengers km	20.0	≥502
INCLUSIVE ORGANISATIONAL CULTURE				
Strengthening organisational culture	Maintained employee engagement level	%	10.0	≥81

Highlights for the first half of 2025

JANUARY

In early January, LTG Link became a member of Forum Train Europe (FTE), a neutral international platform facilitating schedule coordination among its members. The association actively represents operational and strategic interests with infrastructure managers, European organisations, and international institutions. FTE's membership comprises 87 carriers and associations.

In January, one of the two Škoda EJ575 trains was successfully reloaded onto European standard gauge (1,435 mm) bogies at the Šeštokai terminal and safely carried to the Škoda depot in the Czech Republic, where it is being restored.

On 11 January, the Pesa 730-001 train entered service following a major overhaul. The refurbished train is now operating on the Vilnius–Klaipėda–Vilnius, Vilnius–Ryga–Valga–Vilnius, and Vilnius–Mockava–Vilnius routes.

FEBRUARY

Baltic carriers LTG Link, Vivi and Elron harmonised their train schedules in late 2024 to enable daily rail connections between the three Baltic capitals. From 10 February 2025, passengers can travel Vilnius–Riga–Tallinn connection with a single transfer and purchase tickets through one platform. Passengers travelling from Vilnius to cities in Estonia take a comfortable train to Valga, where refreshments and snacks are available, and Starlink internet connectivity is provided. For Tallinn-bound travellers, a coordinated Elron train connection awaits in Valga. The same single-transfer route in Valga is available for journeys from Tallinn to Vilnius.

MARCH

On 7 March, LTG Link rebranded its loyalty programme from the Sustainable Travel Club to the Traintravellers' Club. The renaming was accompanied by special promotions and campaigns, which led to a rapid increase in membership. In the first half of 2025, over 105 thousand traintravellers joined the club.

To mark World Earth Day, starting on 20 March, LTG Link invited passengers to discover Lithuania's natural beauty by travelling on the Forest Train. Until March 2026, traintravellers commuting daily between Vilnius and Kaunas, and on Fridays between Vilnius and Trakai, can enjoy a unique experience – a train decorated with plant motifs and images of animals native to the region's forests, enhanced with educational content. The Forest Train project was developed in collaboration with renowned nature photographer, writer, and ornithologist Marius Čepulis. Some of the animal photographs used to decorate the train come from Čepulis' personal archive, and he also selected the most compelling nature stories for traintravellers to explore during their journey.

APRIL

On 1 April, new fare concessions for train travellers came into effect: school pupils, pensioners, and families can now travel at half price. The 50% discount on domestic routes applies from 1 April to the following passenger groups: children up to and including age 7 who occupy a separate seat in the carriage; school pupils aged 8 to 23 attending general education schools; all pensioners up to the age of 80; and parents, adoptive parents, or guardians travelling with one or more children on weekends or public holidays. The concessions apply to 2nd- and 3rd-class domestic travel, both for single tickets and season passes.

On 11 April, the LTG Link campaign Traintravellers was awarded an honourable 3rd place in the Customer Relations category at the prestigious Mi:t&Links Baltic Communication Awards 2025.

Starting from 14 April, LTG Link introduced dynamic pricing on the following routes: Kaunas–Šiauliai–Kaunas, Kaunas–Marijampolė–Kaunas, Vilnius–Trakai–Vilnius, and Vilnius–Varėna–Marcinkonys–Vilnius. From 15 April, dynamic pricing was also applied to the international route Vilnius–Riga–Vilnius. Passengers who purchase tickets for these routes in advance pay up to 40% less than the regular fare. Since summer 2024, dynamic pricing has already been in effect for 20 train routes on the most popular route: Vilnius–Kaunas. This pricing strategy enables passengers to secure cheaper tickets while allowing the company to manage passenger flows more effectively based on pre-booked numbers.

MAY

As of 12 May, LTG Link passengers can now purchase tickets for international routes Vilnius–Riga–Vilnius and Vilnius–Kraków–Vilnius up to 60 days in advance (previously 30 days). This change allows for more convenient travel planning, especially during the summer season.

On 14 May, LTG Link welcomed the summer travel season with a specially decorated Cold Beetroot Soup Train on the Vilnius–Riga–Vilnius route, which will operate until 10 August. The unique train was designed in collaboration with Go Vilnius, inviting travellers to the increasingly popular Vilnius Pink Soup Fest, held on 31 May in the capital. The middle carriage of this special train was decorated with minimalist yet instantly recognisable cold beetroot soup motifs, featuring a pink-themed interior design. Travellers less fond of beetroot soup or bright colours could choose one of the two standard carriages instead.

On 27 May, LTG Link signed a letter of intent with the Polish company PKP Intercity to strengthen cooperation and improve rail connectivity between Vilnius and Warsaw. The plan is to increase the frequency of trains between the capitals of Lithuania and Poland and to shorten travel times. The Lithuanian and Polish passenger rail operators have agreed to aim for a reduction in route time from Vilnius to Warsaw by approximately one hour – to 7 hours 30 minutes – starting from December this year, with a long-term goal of reducing it to under 7 hours. In addition, two new connections to Vilnius are under consideration: one from western Poland via Poznań and Warsaw, and another from Suwałki.

On 30 May, to mark Traintravellers' Day, train journeys within Lithuania were offered at a 90% discount. *Traintravellers' Day* is an LTG Link initiative launched in 2024 that received significant public attention – around 26 thousand people travelled by train in Lithuania on that day last year, while this year the number rose to an impressive 33.5 thousand passengers. This celebration was a continuation of a branding campaign built around the newly coined word traintravellers. The fresh-sounding term quickly caught on – leading to the first-ever Traintravellers' Day last year. This year, the loyalty programme for the train passenger community was renamed the Traintravellers' Club.

JUNE

On 6 June, the composition of the LTG Link Board changed following the resignation of Board member Andrej Kosiakov.

Also on 6 June, the first Seaside Express train began operating. The Seaside Express is a combined rail and bus service, with bus schedules coordinated to match the train timetable. This train provided a convenient connection between the capital and Palanga – Lithuania's most popular seaside resort. The Seaside Express will run until 31 August.

On 30 June, the Seimas of the Republic of Lithuania adopted amendments to the Railway Transport Code (RTC) ([link](#)). The main RTC changes: municipalities will be able to contribute to the financing of routes, passenger transport tariffs on domestic routes will be settled by the carrier (no longer needed to be coordinated with the Energy Regulatory Council (NERC), will come into force from 1st August 2025).

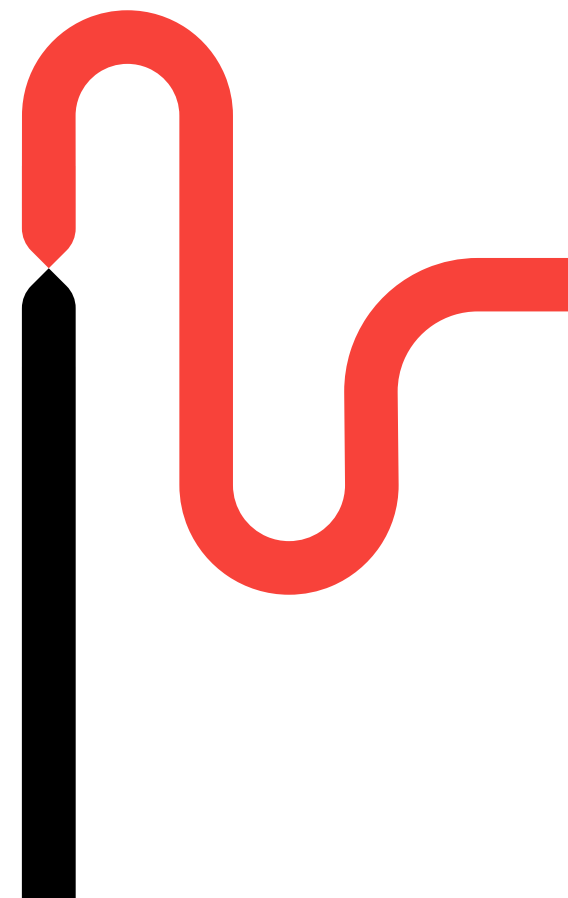
Events after the reporting period

JULY

On 2 July, Minister of Transport and Communications Eugenijus Sabutis, LTG Group CEO Egidijus Lazauskas, LTG Link CEO Kristina Meidė, and a group of Lithuanian journalists visited the Stadler factory in Siedlce, Poland. There, they had a unique opportunity to see first-hand how the next-generation electric trains for Lithuania are being manufactured and assembled by the Swiss train producer. These trains will make a significant contribution to the sustainability of Lithuania's transport system – they will run on electricity from renewable sources, resulting in near-zero CO₂ emissions.

AUGUST

As of 1 August, pricing changes. The prices of 30-day season tickets will be reduced by an average of 15%, meaning that traintravellers who commute daily with a season ticket could save more than 60%. Also starting 1 August, a 50% discount will apply on weekdays to parents, adoptive parents, and guardians travelling with children – previously, this discount was valid only on weekends and public holidays. To continue improving service quality, single ticket prices will be adjusted. From 1 August, prices will increase by an average of 5%. This marks the first price adjustment since 1 June 2023.





Results

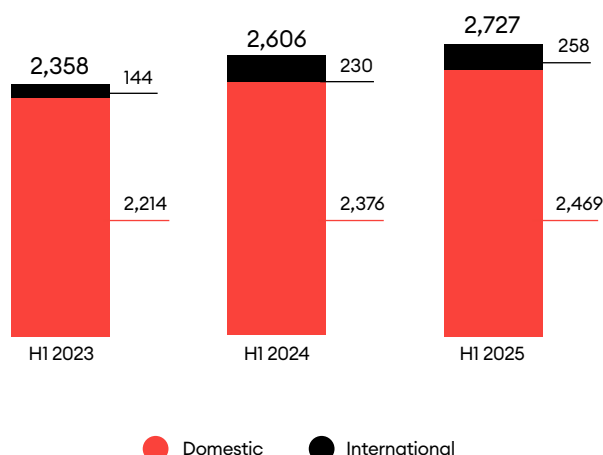


Overview of the key performance indicators

Volumes of passenger carriage

LTG Link, as a separate LTG Group company, has been operating passenger carriage services since 1 September 2019. The total number of people travelling by rail is rising steadily. Passenger numbers increased by 4.6% in the first half of 2025 compared to the first half of 2024, reaching a total of 2,727 thousand passengers. Growth in rail passenger numbers was observed across both domestic and international carriage markets in 2024.

*Dynamics of passenger carriage
in thousands of passengers*



Key performance indicators

Indicators	Measuring unit	H1 2025	H1 2024	2025/2024 Δ, %	H1 2023
Total passengers carried	thousands of passengers	2,727	2,606	4.6%	2,358
Domestic routes	thousands of passengers	2,469	2,376	3.9%	2,214
International routes	thousands of passengers	258	230	12.2%	144
Passenger turnover	km for millions of passengers	264.9	242.2	9.4%	208.2
Domestic routes	km for millions of passengers	207.6	191.2	8.6%	176.3
International routes	km for millions of passengers	57.3	51.0	12.3%	31.9
Average distance travelled by passenger	km	97.9	92.9	5.3%	88.3
Share of online ticket sales	%	66	55	20.0%	49
Punctuality of train arrivals	%	98	98	0.0%	96
Passenger Net Promoter Score (NPS)	Score	76	72	5.6%	73

Passenger carriage by rail on domestic routes

During the first half of 2025, 2,469 thousand passengers travelled on domestic routes (compared to 2,376 thousand passengers in the corresponding period of 2024), an increase of 3.9% compared to the first half of 2024. Passengers are drawn to rail travel through continuous service quality improvements, optimised route scheduling, professional and attentive service delivery, targeted promotional campaigns, and other passenger growth initiatives.

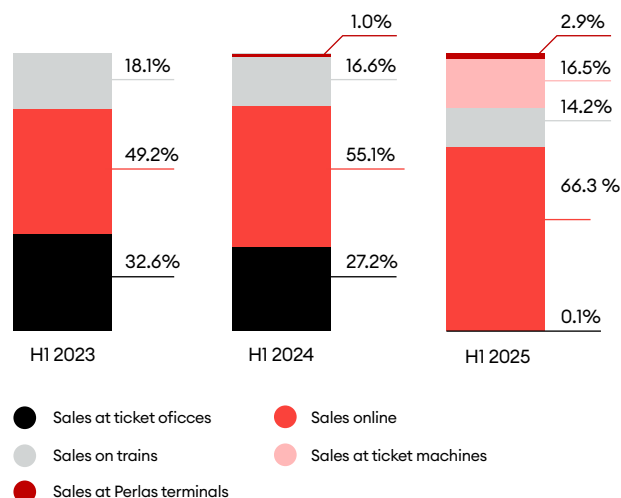
The introduction of the new train ticketing system Smart Ticketing and the mobile application in 2022 has led to a steady increase in the number of tickets purchased through digital sales channels. Passengers are able not only to purchase tickets faster but also to view travel information conveniently and receive notifications about important changes to their journey. Since 2024, passengers have been able to purchase tickets via ticket vending machines and Perlas terminals, which accounted for 16.5% and 2.9% of ticket sales respectively in the first half of 2025. The share of tickets sold through LTG Link digital sales channels (www.ltglink.lt, LTG Link mobile app, ticket machines) reached 82.8% in the first half of 2025 (in the first half of 2024 – 56.1%).

In the first half of 2025, the combined ticket service continued to be successfully offered, available to passengers travelling to or from Vilnius, Klaipėda, Šiauliai, and Panevėžys.

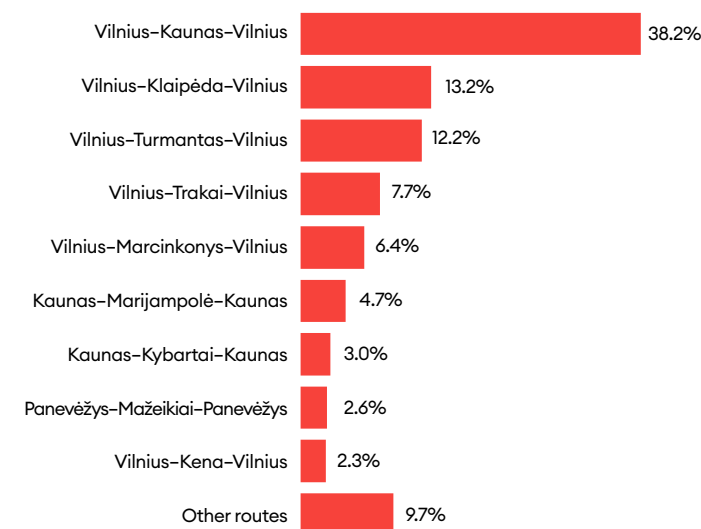
In the first half of 2025 due to traffic disruptions caused by track works, some train routes were cancelled or shortened. On days with service interruptions, 34 thousand fewer passengers were carried than planned.

Vilnius–Kaunas–Vilnius remained the most popular domestic route (38.2% of total domestic carriage). 943 thousand passengers have travelled on this route during the first half of 2025.

Ticket sales channels, %



Structure of domestic carriage in H1 2025, %



Passenger carriage by rail on international routes

In the first half of 2025, 258 thousand passengers travelled on international routes (compared to 230 thousand in the first half of 2024), using passenger trains to Poland, Latvia, Estonia and transit trains crossing Lithuanian territory to and from the Kaliningrad region. The number of passengers in the international carriage segment increased by 12.4% compared to the first half of 2024.

Rail connectivity with Poland has been in place since 11 December 2022, through cooperation with the Polish operator PKP Intercity. During the first half of 2025, 59 thousand passengers travelled on this route, including 20 thousand passengers on international route. The average train occupancy rate was 67.7%.

The route between Vilnius and Riga commenced on 27 December 2023. From 10 February of this year, in collaboration with partners Vivi and Elron, by harmonising trains schedules and convenient transfers, the route has been extended to Tallinn. Trains run daily on the route Vilnius–Joniškis–Riga–Tallinn. During the first half of 2025, 45 thousand passengers have travelled on this route, including 29 thousand passengers on international route. The average train occupancy rate was 66.1%.

At the end of June 2025, passengers were carried on 6 international routes: 2 international passenger routes and 4 transit routes.



Financial results

Revenue

In the first half of 2025, the Company's revenue totalled EUR 51.5 million – an increase of 9.9% compared to the first half of 2024 (EUR 46.9 million).

Domestic passenger carriage revenue accounted for 26.0% of the Company's total revenue structure and amounted to EUR 13.4 million, an increase of 8.2% compared to the first half of 2024 (EUR 12.4 million). Revenue increased by EUR 1.0 million due to higher passenger flows, driven by continuous service quality improvements, optimised scheduling, professional and attentive service delivery, targeted promotional campaigns, and other initiatives.

The Law on Transport Privileges provides for **concessions** to encourage the use of rail transport by socially disadvantaged groups who are entitled to 80% and 50% discounted tickets. This activity is subsidised by the state budget to compensate for the loss of income incurred as a result of carrying passengers on domestic routes under preferential conditions. In the first half of 2025, passengers were granted concessions amounting to EUR 2.9 million.

Revenue from passenger carriage by transit trains amounted to EUR 15.5 million. Compared to the first half of 2024, revenue from this activity has increased by 21.3% or EUR 2.7 million. Revenue growth was driven by a 16.4% increase in passenger numbers combined with a 5% increase in transit passenger tariffs.

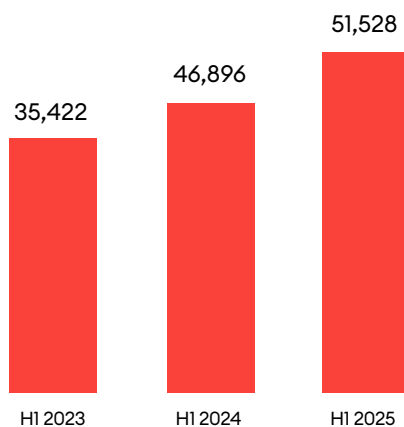
International passenger carriage revenue amounted to EUR 0.7 million, i. e. 1.4% of total sales revenue.

Passenger-related revenue (carriage of luggage, on-board catering) amounted to EUR 1.9 million, an increase of 32.7% compared to the first half of 2024 (EUR 1.4 million). Revenue from food and beverage sales increased as a result of greater focus on passenger needs: the product range was refreshed, the number of routes offering food and beverage services was expanded, and processes continued to be optimised.

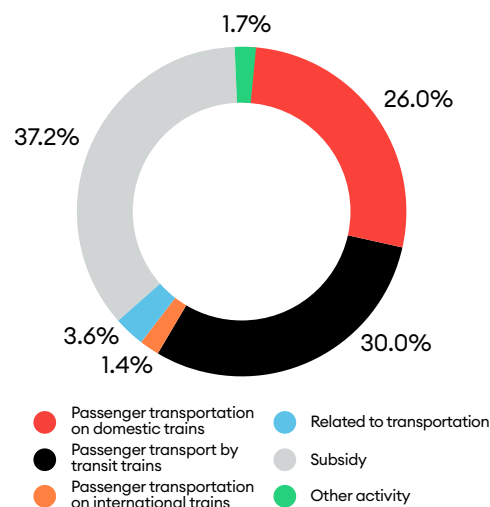
The Company also provides **other ancillary services**: luggage storage, advertising, asset lease services, rolling stock rental services, selling of food and beverages to passengers at stations in major cities. During the period under analysis, the revenue received from this group of services amounted to EUR 0.8 million.

The **subsidy** amounted to EUR 19.2 million (in the first half of 2024: EUR 19.2 million). The need for subsidies remained at the same level as in the first half of 2024.

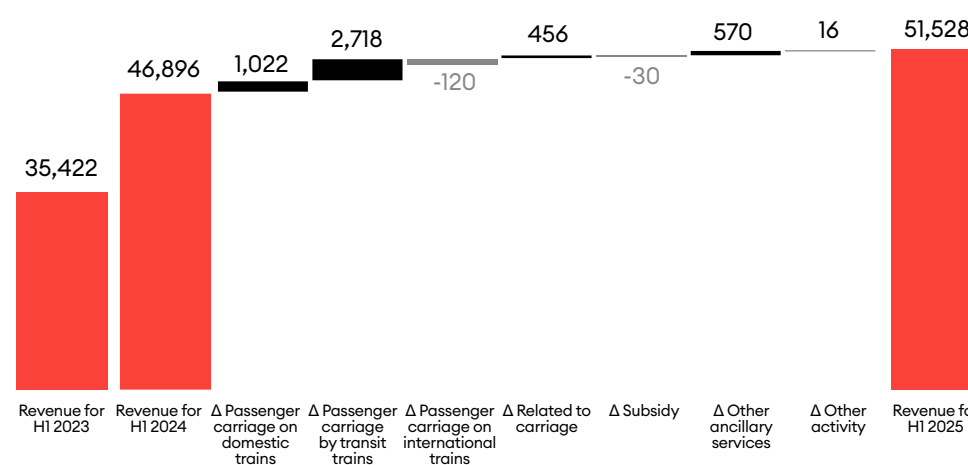
Sales revenue, EUR thousand



Revenue structure, H1 2025, %



Change in revenue, EUR thousand



Costs

The Company's operating and other costs amounted to EUR 40.5 million in the first half of 2025 (EUR 38.2 million for the corresponding period in 2024).

The main components thereof comprised the following: employee benefit costs (24.6%), depreciation and amortisation (19.4%), infrastructure charges (13.2%), strategic management and general administrative charges (10.1%), traffic enforcement services of passenger trains (8.8%), energy resources (8.6%), materials, repairs and maintenance costs (5.8%).

Employee benefit costs amounted to EUR 10.0 million in the first half of 2025; compared to the first half of 2024, they increased by EUR 1.2 million. The main factors contributing to the increase in remuneration costs were the annual salary review carried out in April 2025 and the higher number of employees. Changes to the average remuneration are disclosed

in the section Employees in the Report.

Depreciation and amortisation costs amounted to EUR 7.9 million in the first half of 2025, an increase of EUR 1.5 million compared to the first half of 2024, driven by higher investment levels.

Costs of traffic enforcement services of passenger trains totalled EUR 3.6 million in the first half of 2025, representing a decrease of EUR 1.7 million compared to the same period in 2024, due to lower rates for locomotives and crew services purchased from LTG Cargo.

Costs of energy resources (fuel, electricity) amounted to EUR 3.5 million in the first half of 2025, representing an insignificant increase of EUR 0.1 million compared to the first half of 2024.

The costs of infrastructure charges amounted to EUR 5.3 million in the first half of 2025, an increase of EUR 1.2 million

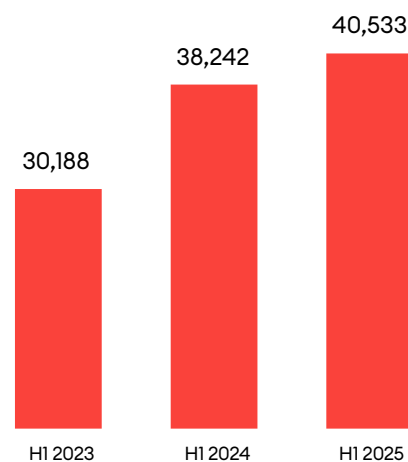
compared to the first half of 2024, driven by a higher tariff for domestic and transit operations as well as increased transit volumes.

Strategic management and general administrative charges reached EUR 4.1 million in the first half of 2025, up by EUR 0.4 million from the first half of 2024. This increase was driven by remuneration growth and a changed structure of services.

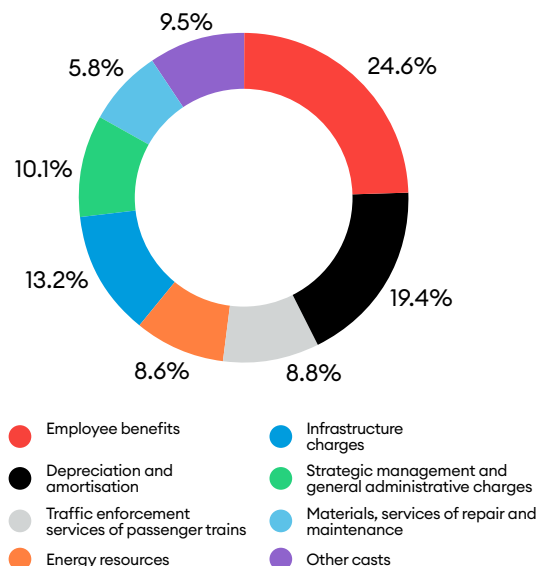
Costs related to materials, repair and maintenance amounted to EUR 2.4 million in the first half of 2025, which is EUR 1 million less compared to the same period in 2024.

Other costs (revaluation of non-current assets and inventories, cleaning, security, insurance and other purchased services) amounted to EUR 3.9 million in the first half of 2025, an increase of EUR 0.6 million compared to the first half of 2024. This was mainly driven by a decrease in the value of parts replaced during repairs recorded in the first half of 2025.

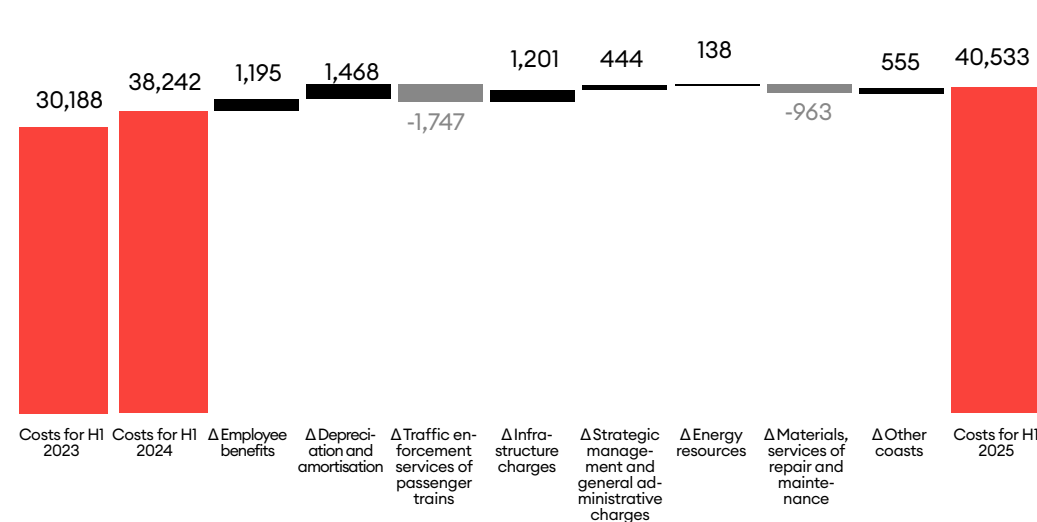
The Company's costs, EUR thousand



Costs structure, H1 2025, %



Change in costs, EUR thousand



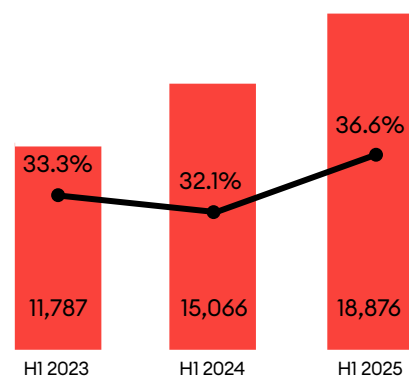
Performance results

In the first half of 2025, the Company's **EBITDA** was EUR 18.9 million (in the first half of 2024: EUR 15.1 million), and the **EBITDA margin** was 36.6% (in the first half of 2024: 32.1%).

In the first half of 2025, the Company generated EUR 9.2 million of **net profit**, whereas, in the first half of 2024, it amounted to EUR 7.8 million. The improved result was driven by a

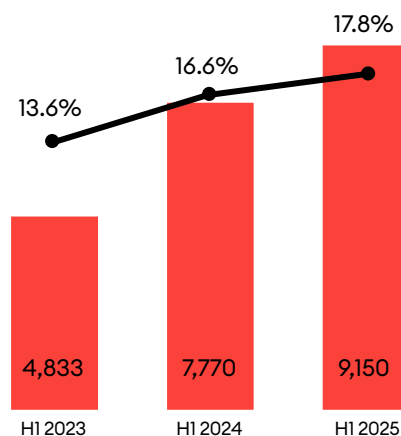
4.6% increase in passenger numbers. In the first half of 2025, passenger carriage revenue increased by EUR 3.6 million or 14.0% compared to the same period in 2024. The **net profit (loss) margin** for the first half of 2025 stood at 17.8% (compared to 16.6% in the first half of 2024).

EBITDA of the Company, EUR thousand



● EBITDA
● EBITDA margin, %

Net profit of the Company, EUR thousand



● Net profit
● Net profit margin, %

Changes in the statement of financial position

As at 30 June 2025, the carrying amount of **non-current assets** was EUR 161.5 million (EUR 157.1 million as at 31 December 2024). The changes were influenced by the increase in purchased inventories for train repairs.

As at 30 June 2025, **current assets** totalled EUR 41.9 million, representing a 7.6% increase compared to 31 December 2024. The change in current assets was impacted by a EUR 24.6 million decrease in cash and cash equivalents, which stood at EUR 2.5 million at the end of the period mainly due to the loan granted to the LTG group. Receivables amounted to EUR 31.2 million. This increase was mainly driven by receivables from

related parties, which totalled EUR 23.4 million during the reporting period.

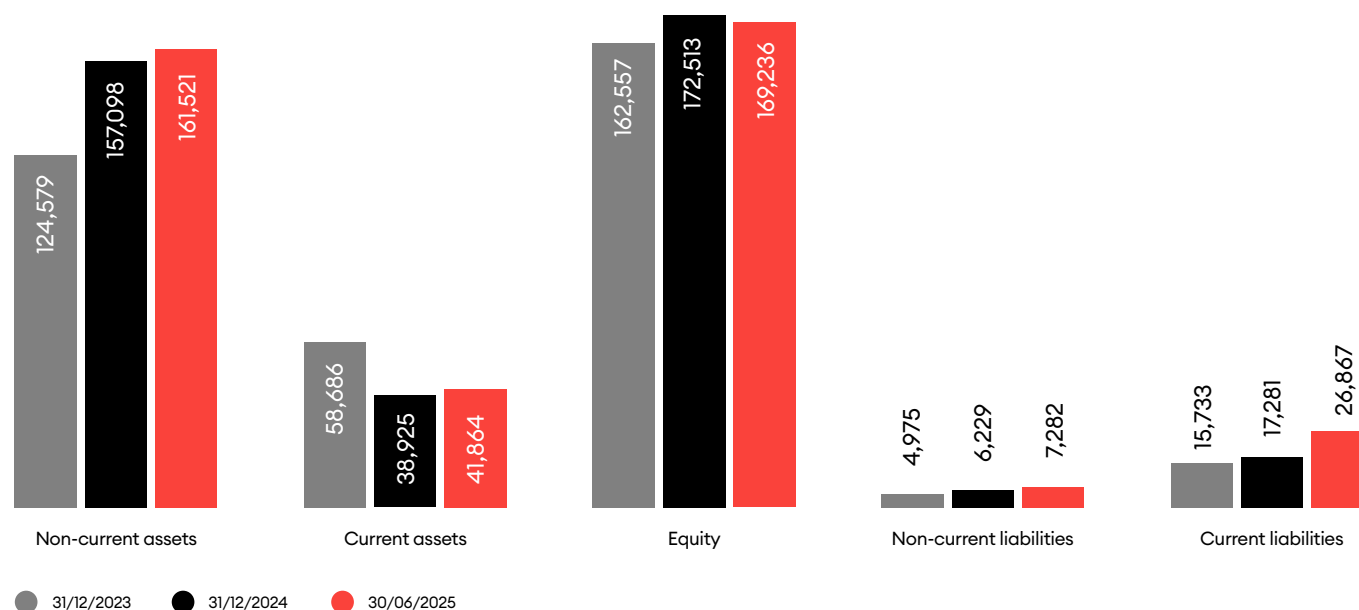
The authorised capital has remained unchanged during the period under analysis and amounted to EUR 143.6 million.

In the first half of 2025, **equity** decreased by EUR 3.3 million and amounted to EUR 169.2 million. The main reasons for the change are the increase in the results for the reporting period (EUR 9.2 million) and the payment of dividends (EUR 12.4 million).

As at 30 June 2025, **non-current liabilities** amounted to EUR 7.3 million (EUR 6.2 million as at 31 December 2024). The increase in non-current liabilities has been caused by the increased deferred tax liabilities.

As at 30 June 2025, **current liabilities** amounted to EUR 26.9 million (EUR 17.3 million as at 31 December 2024). The main drivers of the increase were trade payables to related parties and corporate income tax liabilities.

Changes in the main items of the Statement of Financial Position, EUR thousand



Key financial indicators

	Measuring unit	H1 2025	H1 2024	H1 2023
Sales revenue	EUR thousand	32,332	27,686	19,961
Subsidy revenue	EUR thousand	19,178	19,208	15,460
Other income	EUR thousand	18	2	1
Total revenue	EUR thousand	51,528	46,896	35,422
Costs	EUR thousand	40,533	38,242	30,188
EBITDA	EUR thousand	18,876	15,066	11,787
Adjusted EBITDA	EUR thousand	19,138	15,062	11,966
EBITDA margin	%	36.6%	32.1%	33.3%
Adjusted EBITDA margin	%	37.2%	32.1%	33.8%
EBIT	EUR thousand	10,996	8,654	5,234
EBIT margin	%	21.3%	18.5%	14.8%
Net profit	EUR thousand	9,150	7,770	4,833
Net profit margin	%	17.8%	16.6%	13.6%
		30/06/2025	31/12/2024	31/12/2023
Non-current assets	EUR thousand	161,521	157,098	124,579
Current assets	EUR thousand	41,864	38,925	58,686
Total assets	EUR thousand	203,385	196,023	183,265
Equity	EUR thousand	169,236	172,513	162,557
Financial debt	EUR thousand	5,167	4,877	3,868
Net debt	EUR thousand	2,621	(22,298)	(48,955)
Return On Equity (ROE)	%	8.9%	11.4%	8.2%
Return On Assets (ROA)	%	7.6%	10.1%	7.4%
Return on Investment (ROI)	%	8.5%	11.0%	8.0%
Financial debt / EBITDA	times	0.2	0.1	0.1
Financial debt / Equity	%	3.1%	2.8%	2.4%
Net debt / EBITDA	times	0.1	(0.6)	(1.8)
Net debt / Adjusted EBITDA	times	0.1	(0.6)	(1.5)
Equity ratio	%	83.2%	88.0%	88.7%
Asset turnover ratio	times	0.3	0.5	0.4
Quick ratio	times	1.5	2.2	3.7
Current ratio	times	1.6	2.3	3.7

Financing of the Company

As at 30 June 2025, the Company had no debt obligations to credit institutions.

On 19 April 2024, the Nordic Investment Bank (NIB), the European Investment Bank (EIB), and the Company signed a long-term financing agreement for the acquisition of electric and battery-electric trains. NIB and EIB will each provide loans of EUR 100 million. On 25 June 2024, the Seimas of the Republic of Lithuania approved the provision of a state guarantee for these loans. Accordingly, on 23 September 2024, an agreement on the guarantee contribution and asset pledge was signed between the Company and the Ministry of Finance of the Republic of Lithuania. The loan has not yet been drawn down. The repayment term is aligned with the duration of the long-term public service obligation (PSO) contract for the provision and financing of passenger rail transport services, signed between the Company and the Ministry of Transport and Communications of the Republic of Lithuania, and extends until 2032.

To balance its working capital, the Company has access to LTG Group's cash pool. The parent company of LTG Group has entered into an agreement with a credit institution for the provision of cash pool services, and a corresponding intercompany lending and borrowing agreement has been signed between LTG and the Company. The terms of the agreement are in line with normal market conditions and are valid until 31 December 2027.

Special obligations

Special obligations are the functions that a state-owned enterprise (SOE) would not undertake on a commercial basis (or would do so at a higher price than is fixed) and that are entrusted to it by a state decision.

The current list of special obligations to be fulfilled by SOEs and their subsidiaries is approved by Order of the Minister of Economy and Innovation of the Republic of Lithuania of 16 March 2021 No. 4-193, as amended ([link](#)).

The Company carries out a special obligation – **public passenger carriage services by rail**. In December 2022, a long-term Outsourcing and Financing of Outsourced Services (PSO) contract was signed with the Government for a period of 10 years (2023–2032). The average annual amount of co-financing to carry passengers will be EUR 40 million. Public passenger carriage services are fully funded to cover all losses incurred in this activity.

Relevant information on the special obligations carried out by the Company is provided in the **Company's Annual Management Report for 2024** ([link](#)) and on the Company's website ([link](#)).

- Purpose of the special obligation.
- Legislation mandating the special obligation, setting out the conditions for its implementation, and regulating pricing.
- Financing mechanism of the special obligation.
- Performance results of the special obligation.
- Key performance indicators applied.



Investments

LTG Link investments reached EUR 10.1 million in the first half of 2025, representing a 2.2-fold increase from the first half of 2024. The vast majority (72.8%) has been spent on overhauls of passenger rolling stocks.

Investments, EUR thousand	H1 2025	H1 2024	H1 2023
Overhauls of passenger rolling stocks	7,355	3,773	2,736
Other investments	2,750	799	1,039
Total	10,105	4,572	3,775

LTG Link planned investments for the upcoming period:

- Projects started in 2024 and not yet completed are being continued, the most important being: **Acquisition of Electric Passenger Trains** (production and testing of first units planned for 2025) and **Optimisation of Passenger Rolling Stock Bases** (2025 plans include facility adaptation for new trains and completion of planning process).
- Continuation of scheduled maintenance programme for the existing passenger trains.
- Preparation for Rail Baltica line operations investment.

Additional plans include:

- Implementing door-to-door programme projects.
- Completing locomotive safety systems replacement.
- Implementing new on-board passenger information systems.
- Installing remote condition monitoring systems.
- Launching new initiatives to improve service quality and operational efficiency.

Key investment projects in the first half of 2025:

Main projects/ project groups	Works carried out in the first half of 2025
1. Rolling stock repairs	In order to ensure that the passenger trains are prepared for the implementation of the public-service contract concluded with the Ministry of Transport and Communications of the Republic of Lithuania: • Operating passenger trains are being upgraded. As part of scheduled major train overhauls, work totalling EUR 7.4 million was carried out in the first half of 2025, with 27 passenger carriages refurbished.
2. Electric passenger trains procurement project	The LTG Group is implementing the <i>Project for acquiring new electric passenger trains</i> as part of its Rail Electrification Programme. In June 2023, LTG Link signed a contract with Stadler Polska, the Polish subsidiary of the Swiss train manufacturing group Stadler, to acquire 15 electric trains (including 6 battery-electric trains). These trains will replace a number of LTG Link's end-of-life diesel trains. The new trains will allow ensuring environmentally friendly carriage of passengers on electrified lines, and diesel trains will be replaced by battery-electric trains on individual routes that are not electrified. They will be more efficient, adapted to the needs of people with disabilities and will provide a higher level of comfort for passengers. Train manufacturing was underway in the first half of 2025. The first trains are scheduled to be delivered for testing by the end of 2025. Passenger service with the new trains is scheduled to commence in the second half of 2026.
3. Other projects	• <i>The Optimisation of Passenger Rolling Stock Bases</i> project is underway to accommodate new electric trains, enhance maintenance efficiency, and address environmental concerns, among other objectives. Design work continues under the contract signed in late 2023. The reconstruction of the existing depot in Naujoji Vilnia will enable the release of passenger train maintenance territories and buildings in Vilnius city, adjacent to the railway station. • A project to upgrade locomotive safety systems (LSS) across the passenger train fleet is in progress. The Russian-made KLUB-U systems currently in service have to be replaced in 35 passenger trains. System replacement work began in 2025, with equipment replaced in 3 trains.

Dividend policy

The payment of dividends by state-owned enterprises and the amount of profit distributions is governed by Resolution No 665 of 6 June 2012 of the Government of the Republic of Lithuania 'On approval of the procedure for exercising pecuniary and non-pecuniary rights of the state in state owned enterprises', and the amendments thereto [\(link\)](#).

Allocation and payment of dividends of the Group companies are regulated by the Dividend Policy of LTG Group. The Dividend Policy is publicly available on the website [\(link\)](#).

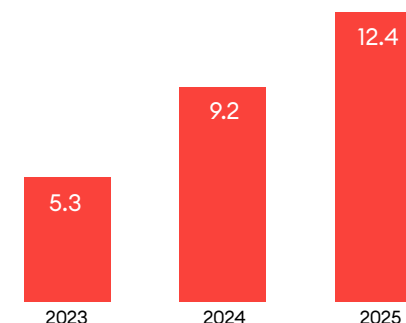
Allocation of dividends for the financial year or a shorter period than the financial year is planned taking into consideration the level of return on equity, net profit earned, financial ability to pay dividends, implementation of economic projects of state importance, as well as other circumstances and conditions as set out in the Dividend Policy. The dividend pay-out ratio is calculated on retained earnings and depends on ROE at the end of the reporting period.

Company's ROE indicator (%)	Share of distributable profit allocated to dividends (%)
≤ 1	≥ 85
> 1 and ≤ 3	≥ 80
> 3 and ≤ 5	≥ 75
> 5 and ≤ 10	≥ 70
> 10 and ≤ 15	≥ 65
> 15	≥ 60

The Company's Board may propose to the shareholder to set a lower or higher portion of profit for dividend distribution or propose not to distribute them, taking into account the conditions and circumstances listed in the Dividend Policy.

On 15 April 2025, by decision of the Company's sole shareholder AB Lietuvos geležinkeliai, the Company's 2024 financial statements were approved, and the 2024 profit (loss) was allocated. The Company paid EUR 12.4 million in dividends to its parent company LTG Group. In 2024, it paid EUR 9.2 million in dividends from the distributable profit of 2023. In 2023, it paid EUR 5.3 million in dividends from the distributable profit of 2022.

Dividends allocated by the Company to the shareholder, EUR million





Governance

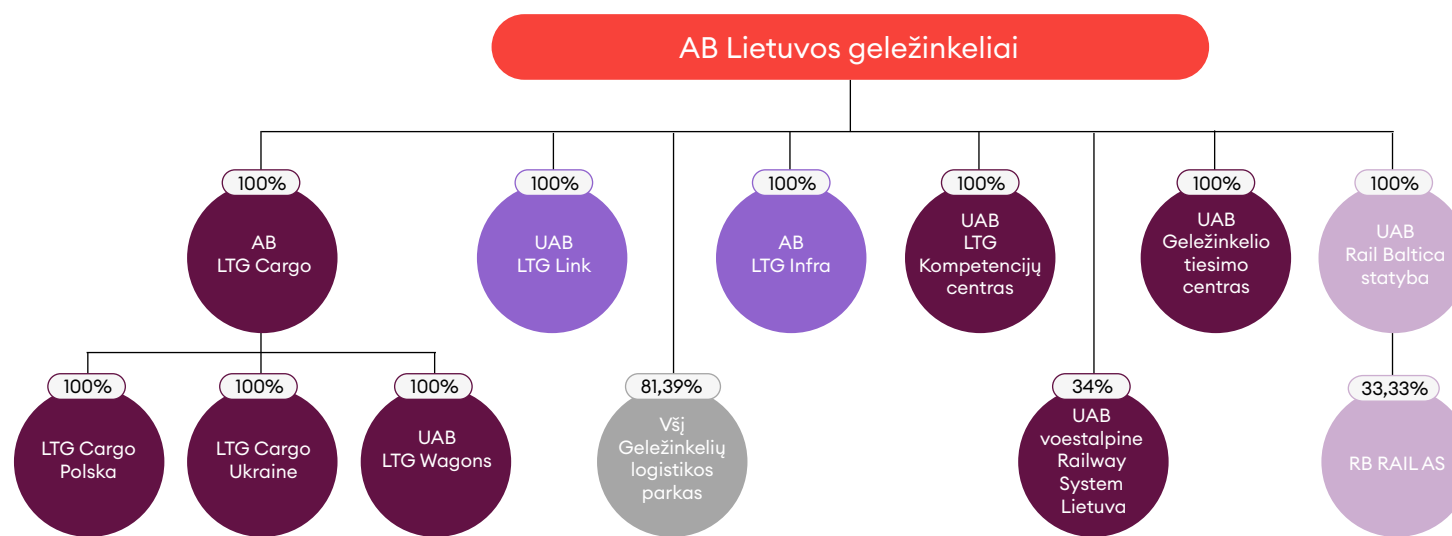


Overview

Group structure

The Company belongs to the LTG Group that is the largest in the Baltic States in terms of freight, passenger carriage and infrastructure management. 100% of the Company's shares are held by its parent company AB Lietuvos geležinkeliai, whose sole shareholder is the State of Lithuania. The shareholder's rights and duties are carried out by the Ministry of Transport and Communications of the Republic of Lithuania.

The Company had no subsidiaries in the reporting period.



- Subsidiaries and subsequent companies operating in competitive markets at the same conditions as other participants of Lithuanian and foreign markets
- Subsidiaries implementing functions imposed by the State – the special obligations
- UAB Rail Baltica Statyba is a founder and shareholder of RB RAIL AS coordinating implementation of the project Rail Baltica
- Public entity

Governance model

The corporate governance of the LTG Group is organised in such a way as to maintain an effective and results-oriented balance between management and control measurements of the LTG Group. The governance model of the LTG Group is centralised, i. e. the governance bodies of the parent LTG company consider and approve consolidated business strategy, consolidated performance objectives, performance indicators and targets, the consolidated budget and operating plan of the LTG Group. LTG Group establishes rules and procedures for coordination of the operating plans of the LTG Group companies, their supervision and control.

LTG Group applies the **functional leadership model**, which means that added value is created by centralising operational support, corporate function management as well as the functions themselves, consolidating competencies and introducing functional excellence. The parent company coordinates financial, legal, planning and monitoring, human resources, risk management, auditing, technology, communications and other general areas of the companies of LTG Group, within the framework of common policies, regulations and norms applicable to all companies of LTG Group.

The corporate governance of the LTG Group is organised according to the following principles:

- openness and transparency of activities;
- compliance of corporate governance with legal regulation and its effectiveness;
- meeting the expectations of the shareholders;
- cooperation with stakeholders and their role;
- effective and efficient risk management and internal control systems;
- clarity and sustainability of goals;
- responsibility and accountability of governance bodies.

LTG group's operating policies

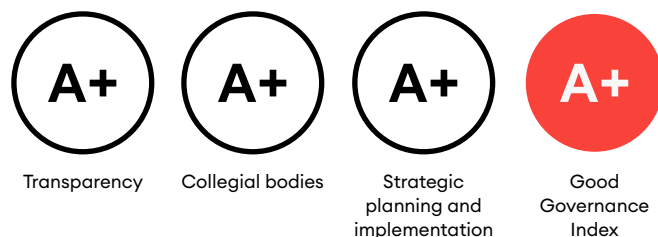
During the reporting period, the following operational policies were approved by the LTG Board and have been implemented in the LTG Group:

- The updated **Procurement Policy** aims to define the key principles and objectives of procurement activity management, ensuring that procurements are conducted in accordance with high quality standards, promoting competition, innovation, sustainability, and efficient use of resources. It also ensures that inventory is managed following best practices and methods of inventory management.
- **The National Security Compliance Policy** aims to establish a strategic and consistent approach across LTG Group companies to ensuring compliance with national security requirements. This arises from the status of LTG Group, whose respective companies are considered important for ensuring national security, and the resulting obligation to operate in accordance with national security interests.
- The updated **Strategic Planning and Management Policy** defines the general principles, responsibilities, and key operational processes for strategic planning and management across the AB Lietuvos geležinkeliai Group. It aims to ensure coordinated strategic planning and management across the Group.

Governance acknowledgements

In the evaluation of the good governance index of state-owned enterprises (SOEs) for 2023/24, in the category of large enterprises, the LTG Group was recognised as one of the leaders among SOEs and received the highest A+ rating.

In the assessment of Good Governance Index, the Company has also received the **highest A+** rating. In strategic planning and implementation, transparency and collegial bodies categories also received an A+ rating.



The assessment of the quality of governance in SOEs is based on the evaluation tool SOE Good Governance Index developed by the Public Enterprise Governance Co-ordination Centre, which aims to assess and measure the implementation of the key good governance practices by state-owned enterprises and by the public authorities that control them. At present, this is the only instrument on the basis of which the governance of all SOEs is monitored, the quality of the governance of all SOEs and their subsidiaries as well as the compliance thereof with the legal provisions are assessed.

Articles of association of the Company

The Articles of Association of the Company are the key document the Company observes in the course of carrying out its business operations.

The Company's Articles of Association are amended under the decision of the general meeting of shareholders by a qualified majority of votes, which shall be at least 2/3 of votes conferred by all shares held by all the shareholders participating in the meeting.

During the reporting period, the Company's Articles of Association were not amended. The currently valid Articles of Association of the Company are available on the Company's website [\(link\)](#).

Information on the shares as at 30 June 2025

Amount of authorised capital, EUR thousand	Number of shares, units	Nominal value per share, EUR
143,590	156,237	919.05

The Company is part of LTG Group and its sole shareholder is the parent company AB Lietuvos geležinkeliai. The shareholder of AB Lietuvos geležinkeliai is the State of Lithuania which owns 100% of its shares, and the shareholder's rights and duties are carried out by the Ministry of Transport and Communications of the Republic of Lithuania.

All shares are of a single class; i. e. ordinary registered shares. The shares are non-certified, and they are recorded in personal securities accounts following the procedure established by the legislation.

During the reporting period, the Company has not acquired its own shares or shares of other companies of the LTG Group.

Current governance information is provided in the **Company's Annual Management Report for 2024** [\(link\)](#) and on the Company's website [\(link\)](#).

- Competencies of the General Meeting of Shareholders.
- Board members' functions, competences, selection criteria, information on remuneration, Board's self-evaluation and results.

Governing bodies of the Company

The following governing bodies of the Company are set out by Articles of Association:

- The General Meeting of Shareholders;
- The Board;
- Head of the Company.

General Meeting of Shareholders

The Company's supreme governing body. The competence of and the procedure for convening the General Meeting of Shareholders, along with the procedure for decision making, are established in the Law on Companies of the Republic of Lithuania, other legislation and the Articles of Association of the Company.

The sole shareholder of the Company is AB Lietuvos geležinkeliai which adopts the main decisions related to implementation of property rights and obligations.

The Company has not issued preference shares. During the reporting period, the voting right was not restricted.

During the reporting period, the property and non-property rights of the shareholder were not restricted, no special rights are intended to be granted to the shareholder.

Board

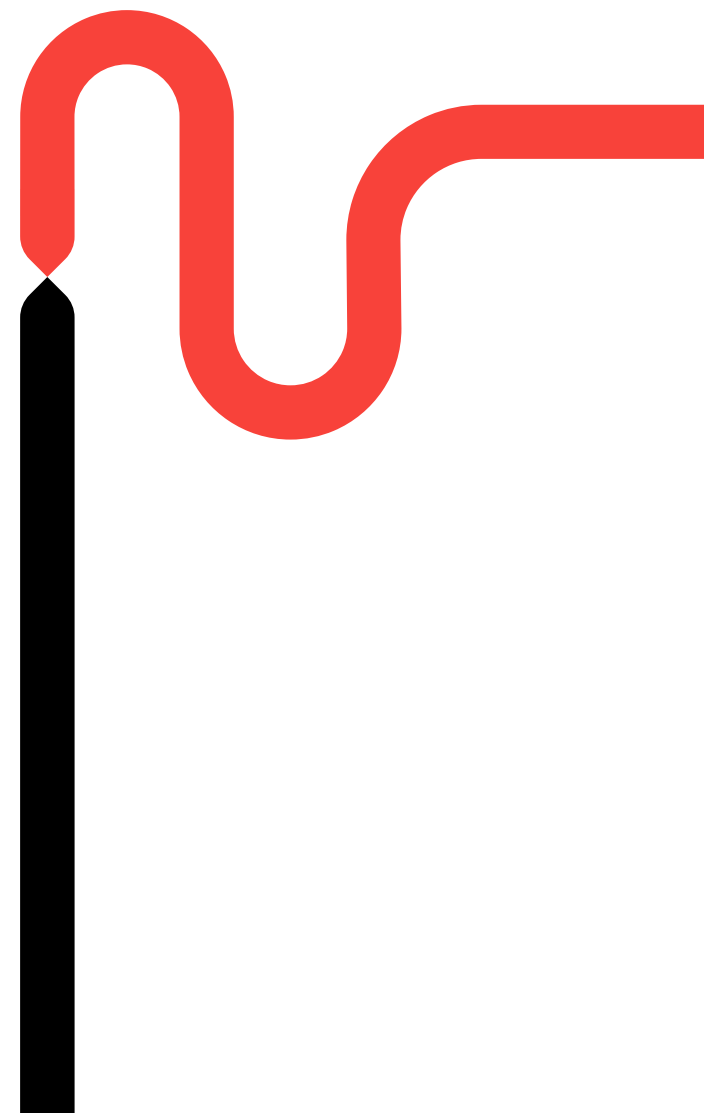
A collegial governing body as defined in the Company's Articles of Association, which, during the reporting period, consisted of 5 members, 2 of whom are independent, 1 is a civil servant and 2 are delegated by the shareholder. The members of the Board are elected by the General Meeting of Shareholders for a term of 4 years. The Board elects the chairperson of the Board from among its members. The same person may be elected as a member of the Board no more than for two consecutive offices. The Board reports to the Company's General Meeting of Shareholders.

Independent Board members are elected in accordance with the Procedures for the Nomination of Candidates to the Board of Directors of a State or Municipal Enterprise and Candidates to the Supervisory or Governing Body of a State- or Municipality-owned Enterprise Elected by the General Meeting of Shareholders (hereinafter – Nomination Procedures), approved by Resolution No 631 of the Government of the Republic of Lithuania of 17 June 2015 (with successive amendments). The composition of the Board is carried out following the provisions of the Nomination Procedures on diversity of the competences of the Board members, the requirements for compliance with the general and specific requirements.

The competence of the Board is in line with the competence of the board, as laid down under the Law on Companies of the Republic of Lithuania and other legal acts; additional competences of the Board are set out in the Articles of Association of the Company.

The term of office of the Board is from 23 January 2023 to 23 January 2027.

None of the members of the Board holds shares in LTG Group companies.



Composition of the Company's Board



AURELIJA KAZLAUSKIENĖ

Independent member of the Board, Chairperson
Member of the Board from 23 January 2023 and Chairperson of the
Board from 2 February 2023.

EDUCATION

- Baltic Management Institute (BMI), EMBA;
- Baltic Institute of Corporate Governance, board member training;
- Graduate of the Leadership Development Programme;
- ISM University of Management and Economics, EMBA;
- Vilnius University, Master's degree in Management and Business Administration;
- Vilnius University, Bachelor's degree in Management and Business Administration.

MAIN EMPLOYER, POSITION

- Director of Strategy, Customers and Marketing Department and Member of the Board of AB Lietuvos Draudimas, J. Basanavičiaus str. 10, Vilnius, company code 110051834.



AISTĖ GASIŪNIENĖ

Board member, civil servant
In-office from 23 January 2023

EDUCATION

- Vilnius Gediminas Technical University, Master's degree in Management and Business Administration;
- Vilnius Gediminas Technical University, Bachelor's degree in Management and Business Administration.

MAIN EMPLOYER, POSITION

- Senior Adviser, Sustainable Mobility and Innovation Group, Ministry of Transport and Communications of the Republic of Lithuania, Gedimino ave. 17, Vilnius, company code 188620589.



VIKTORAS BACHMETJEVAS

Independent Member of the Board
In-office from 23 January 2023

EDUCATION

- Vytautas Magnus University, Doctor's degree in Science (PhD).
- University of Leuven, Research Master (MPhil);

MAIN EMPLOYER, POSITION

- Associate Professor, Department of Philosophy, Vytautas Magnus University, V. Putvinskio str. 23, Kaunas, company code 111950396.

OTHER POSITIONS HELD

- Head of MB Hubris, Švenčionių str. 14-3, Vilnius, company code 304955142.
- Head of MB Kolibrio knygos, Švenčionių str. 14-3, Vilnius, company code 305911565.
- Head of VšĮ Civic Initiatives, Švenčionių str. 14-3, Vilnius, company code 305072960.
- Member of the Council of the VšĮ Open Lithuania Foundation, Didžioji str. 5, Vilnius, company code 210063570.



IRMANTAS BERŽAUSKAS

Member of the Board delegated by the shareholder
In-office from 23 January 2023



ANDREJ KOSIAKOV

Member of the Board delegated by the shareholder
In-office from 23 January 2023 to 6 June 2025.

EDUCATION

- Rīgas Ekonomikas augstskola – Stockholm School of Economics in Riga, EMBA Master;
- „McKinsey & Company“ / „McKinsey“ academy, management programme;
- Baltic Institute of Corporate Governance, board member training;
- Harvard Kennedy School Executive Education, Leadership for the 21st Century Programme.

MAIN EMPLOYER, POSITION

- Director of Law and Governance, AB Lietuvos geležinkeliai, Geležinkelio str. 16, Vilnius, company code 110053842.

EDUCATION

- Vilnius University, Master's degree in Management and Business Administration;
- Fellow Chartered and Certified Accountant (UK).

MAIN EMPLOYER, POSITION

- Director of Finance (in-office until 6 June 2025), AB Lietuvos geležinkeliai, Geležinkelio str. 16, Vilnius, company code 110053842.

Changes in the composition of the Board during the reporting period

JUNE

During the reporting period, the composition of the Board changed. On 6 June 2025, Andrej Kosiakov resigned from his position as a Board member.

Information on the attendance of Board meetings in the first half of 2025

During the reporting period, a total of 12 (twelve) meetings of the Board were held, including 3 (three) meetings which took place in the form of a survey (in writing).

Name, surname of a member	Board meetings
Number of meetings in the first half of 2025 (including away meetings, voting in advance in writing)	12
Aurelija Kazlauskienė	12
Aistė Gasiūnienė	12
Viktoras Bachmetjevas	12
Irmantas Beržauskas	12
Andrej Kosiakov	8

Committees and their activities

The Nomination and Remuneration Committee and the Audit Committee of AB Lietuvos geležinkeliai Board were active at LTG Group level.

The main objective of the Audit Committee is to submit conclusions, proposals regarding functioning of external and internal audit, risk management and control systems in the LTG Group to the LTG Board.

The purpose of the Nomination and Remuneration Committee is to provide conclusions, opinions, recommendations and proposals to the LTG Board on the selection of the LTG Group's governing bodies and the LTG Group's remuneration policy.

Information on remuneration of Board members

Information on the principles for determining the remuneration of Board members is provided in the Company's Annual Management Report for 2024 [\(link\)](#) and in the Governance Report.

Remuneration paid to Board members during the first half of 2025*

Name, surname of a member	Remuneration for activity of a Board Member in the first half of 2025, EUR
Aistė Gasiūnienė	7,560
Andrej Kosiakov	7,560
Aurelija Kazlauskienė	20,160
Irmantas Beržauskas	7,560
Viktoras Bachmetjevas	15,120

* the stated remuneration is inclusive of all taxes and contributions payable.

Management

Head of the Company

The Chief Executive Officer is a single-person management body of the Company who organises and manages daily operation of the Company in accordance with his/her powers. The duties and competences of the CEO are defined in the Law on Companies, and the Articles of Association of the Company. The CEO is elected by the Company's Board for a 5-year term office and is accountable to the Board. The same person may be appointed as the CEO for no more than 2 consecutive terms of office.

The CEO's powers are in accordance with those established by the Republic of Lithuania Law on Companies and other applicable legislation.

The first five-year term of office of UAB LTG Link's CEO Kristina Meidė started on 1 February 2024.

Prior to taking the CEO position at the Company, Kristina Meidė had been the Head of the Lithuanian Red Cross So-

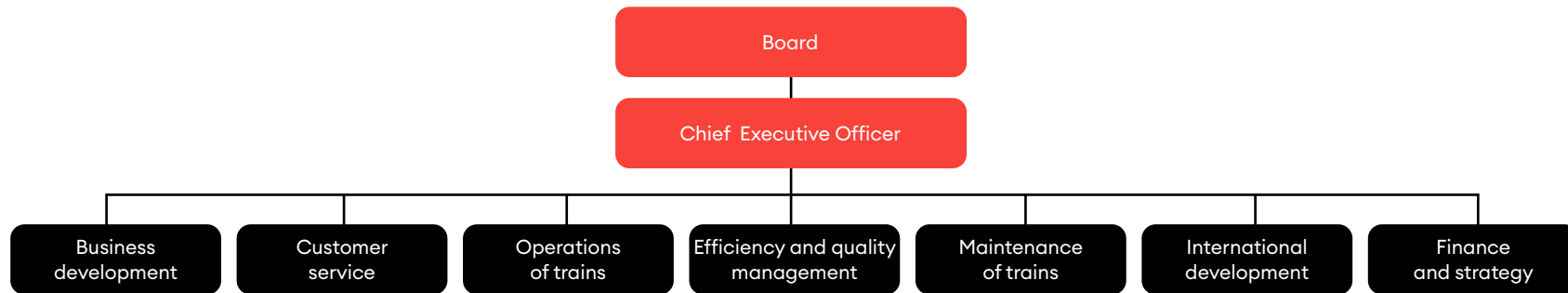
ciety since 2020. Kristina Meidė also holds the following additional executive positions:

- Board member of the Charitable Foundation Association of SOS Children's Villages Lithuania (Ozo str. 37, Vilnius, legal entity code 192014985) since 21 September 2024.

Information on the educational background of the Company's Chief Executive Officer:

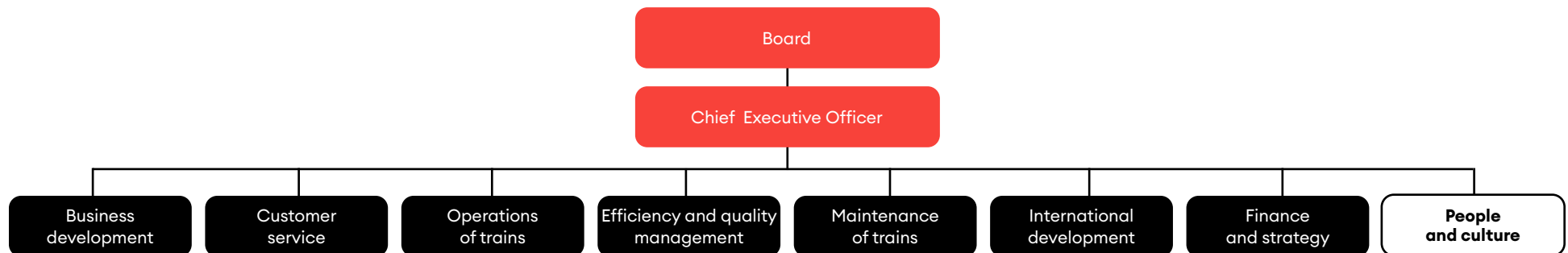
Vilnius University, Kaunas Faculty of Humanities, Bachelor's degree in Small Business and Trade Organisation and Management.

Governance and organisational structure of the Company until 31 January 2025



Governance and organisational structure of the Company from 1 February 2025

At its meeting dated 12/12/2024, the Board of the Company approved a new management structure of the Company which came into force on 1 February 2025 with the establishment of the function of **People and Culture Partner** reporting directly to the Company's CEO.



Management of the Company

KRISTINA MEIDĖ

Chief Executive Officer
In-office from 1 February 2024

KRISTINA NAVICKIENĖ

Head of Finance and Strategy
In-office from 7 May 2024

DOMANTAS GRIGAS

Head of Train Operations
In-office from 1 October 2022

ITA BRAŽINSKIENĖ

Head of Passenger Service
In-office from 1 December 2021

INDRĖ BIRGIOLĖ

Head of Train Maintenance
In-office from 2 October 2023 until 18 May 2025

AIVARAS STUNDŽIA

Head of Train Maintenance
In-office (temporarily) from 19 May 2025

MODESTA GUSAROVIEŅĖ

Head of Business Development
In-office from 5 April 2024

VIOLETA ŠIMELIONIENĖ

Head of International Development
In-office from 13 May 2024

ASTA MARTINIONĖ

Head of Efficiency and Quality Management
In-office from 1 November 2024

INGA RINKEVIČĖ

People and Culture Partner
In-office from 1 February 2025

Management of interests

During the reporting period, the Company's Board actively enforced compliance with national and Company's internal legislation on the prevention of conflicts of interest. Potential conflicts were reviewed at the start of each Board meeting, with no potential conflicts identified.

During the reporting period, all members of the Company's Board, the Company's Chief Executive Officer and executives submitted declarations of private interests to the Chief Official Ethics Commission, which can be found on the Commission's website <https://vtek.lt/en>.



Employees



The current People and Culture Policy, applicable to all LTG Group companies, is published alongside publicly available internal regulations on the LTG Group's website ([link](#)).

Information on the distribution of employees by age, gender, length of service, and education, as well as on remuneration management principles – including references to the applicable remuneration policy – is published in the Company's Annual Management Report for 2024 ([link](#)), in the Employees / Remuneration section.

Initiatives and important events in the first half of 2025

- In April, discussions were held with trade union representatives regarding the implementation results of the LTG branch collective agreement for 2024, with detailed presentations and discussions on topics such as remuneration, employee development, organisational culture, training, and workplace safety.
- From 1 April, an annual review of base salaries was implemented, which resulted in an increase of the monthly base salary fund by EUR 102 thousand or 7.5%, and the salary increase, based on unified review criteria, was implemented for 93% of employees.
- In April, by decision of the Company's Board, a bonus amounting to EUR 0.9 million was paid out to employees for the results reached in 2024.
- Based on the Employee Voice survey, conducted in the autumn of 2024, which received historically high employee engagement (85 percent) and revealed a significantly increased engagement indicator (81), directions to enhance engagement were refined after the discussions with employees at the beginning of the year: improvement of reputation, development of managers and strengthening of leadership, increase of efficiency, improvement of working conditions and employee well-being, talent management, and recognition. Despite the high overall engagement indicator, departments incorporated specific measures or initiatives into their plans where lower engagement was identified.
- In April, a recognition programme involving all LTG Group

employees was launched, aimed at increasing employee engagement, which significantly influences the organisation's success. This programme has combined new and existing measures to recognise, nominate, and thank colleagues who, beyond their direct functions, actively share and implement ideas; are seen as examples of value-driven behaviour; engage in activities that unite LTG Group colleagues, strengthen the dissemination of information about the group, and other organisation-promoted activities; are loyal and have steadfastly walked alongside the organisation for many years. Employees who win nominations are awarded ePoints, which they can use in the partner MELP online store to purchase LTG brand products or choose from a wide range of other goods and services. The MELP platform not only provides access to the online store but also offers a wide selection of various discounts and has become a tool to follow internal news and see all employee benefits in one place.

- In May, reinforcing the principles of equality, diversity, and inclusion, which are part of the strategic direction of an inclusive organisational culture, the concept of a close family member was expanded to include partners and non-biological children. In June, the Company participated for the first time in the LGBTQ+ march For Equality. A broad internal communication campaign was conducted regarding the Transparency Line. DUOday was organised independently and in collaboration with SOPA. When renewing the supplementary health insurance contract and inviting employees to choose their preferred option, employees on parental leave were included. As part of the diversity awareness project, lectures were organised for all employees and training sessions were held for targeted employee groups.
- In the first half, significant attention was paid to fostering a feedback culture, aiming to create an open, collaborative, and continuously improving organisational environ-

ment. Employees were actively encouraged to provide feedback to each other, thereby strengthening mutual trust and awareness in daily activities.

- Expanding measures to strengthen responsible leadership and sustainable human resource development, all managers were invited to conduct a 360-degree leadership competency assessment, and a significant portion of managers participated. The assessment was conducted using the internal SAP SF 360 feedback platform, and its goal was to provide quality and constructive feedback on leadership competencies, help identify strengths and behaviours to improve, and create individual development plans.
- To continue the improvement initiatives, in the first half of 2025, 17 remote lectures on topics such as mental health, sustainability, personal effectiveness, diversity and inclusion, and others were organised for employees, and employees actively took the opportunity to participate.
- *Leadership Days* were organised once per quarter, aimed at strengthening the leadership competencies of middle managers.
- Regular meetings were launched between the Company's CEO and newly onboarded colleagues, providing an opportunity for new employees to familiarise themselves with the Company's operations and plans, as well as to share their initial experiences and insights.
- Each month, the Link Breakfast was held, inviting all employees to meet informally, engage with colleagues, and interact with the Company's management team.
- Training sessions on the prevention of inappropriate behaviour and harassment were conducted under the theme *Creating a Safe and Respectful Workplace Culture*, attended by onboard attendants and train drivers.

Number of employees and remuneration

As at 30 June 2025, the **number of employees in the Company** was 652 (excluding those on parental leave, performing military service, or on long-term sick leave). Compared to 31 December 2024, the number of employees of the Company has increased by 19 employees or by 3%.

The **average monthly salary**, compared to the average in 2024, has increased from EUR 2,318 to EUR 2,486. The most significant impact on salary increases has been made by the remuneration review implemented across the LTG Group in April.

The **total remuneration fund** amounted to EUR 9.3 million. In addition, in April 2025, as in other LTG Group companies, the annual bonus for performance in the amount of EUR 0.9 million were paid to the Company's employees.

Position group	30/06/2025**						31/12/2024		31/12/2023	
	Number of employees			Average salary, EUR			Number of employees	Average salary, EUR	Number of employees	Average salary, EUR
	Total	Women	Men	Total	Women	Men				
Head of the Company*	1	1	-	11,700	11,700	-	1	10,500	1	5,400
Top-level managers*	6	5	1	7,886	7,800	-	6	7,300	6	6,387
Senior executives and specialists in exceptional fields	10	3	7	5,162	-	4,994	9	4,885	9	4,476
Middle-level managers and individual experts	60	35	25	3,551	3,464	3,665	51	3,412	40	3,124
Team leaders and experienced specialists	152	76	76	2,482	2,302	2,658	151	2,311	128	2,076
Specialists and experienced operational/service staff	396	162	234	2,197	1,822	2,433	397	2,099	388	1,956
Operational/service staff, qualified workers	27	4	23	1,768	-	1,811	18	1,603	21	1,500
Total	652	286	366	2,486	2,339	2,595	633	2,318	593	2,125

* Fixed remuneration as at the end of the period.

**For reasons of confidentiality, information on and difference in average salary is not disclosed if there are less than 5 employees of the same gender in the function group.

The components of the CEO's remuneration are disclosed in the Company's Annual Management Report for 2024 ([link](#)), in the Governance section. As at 30 June 2025, the established monthly salary for the Company's CEO was EUR 11,700. During the reporting period, the monthly base salary of the Company's CEO has increased by 11% or EUR 1,200. In 2025, the Company's CEO was paid a monthly (1/11) portion of the annual performance bonus for achieving the 2024 targets, which are disclosed in the Strategy section of the Company's Annual Management Report for 2024 ([link](#)). This payment amounted to EUR 2,474 (the total amount divided over 11 months – proportionally reflecting the CEO's appointment from 1 February 2024). The average actual salary, including the annual performance bonus, amounted to EUR 13,563.

The average monthly salary of top-level managers as established in their employment contracts as at 30 June 2025 amounted to EUR 7,886, and the average actual salary of this function group, taking into account the annual performance bonus, amounted to EUR 8,611.



Risks and risk management

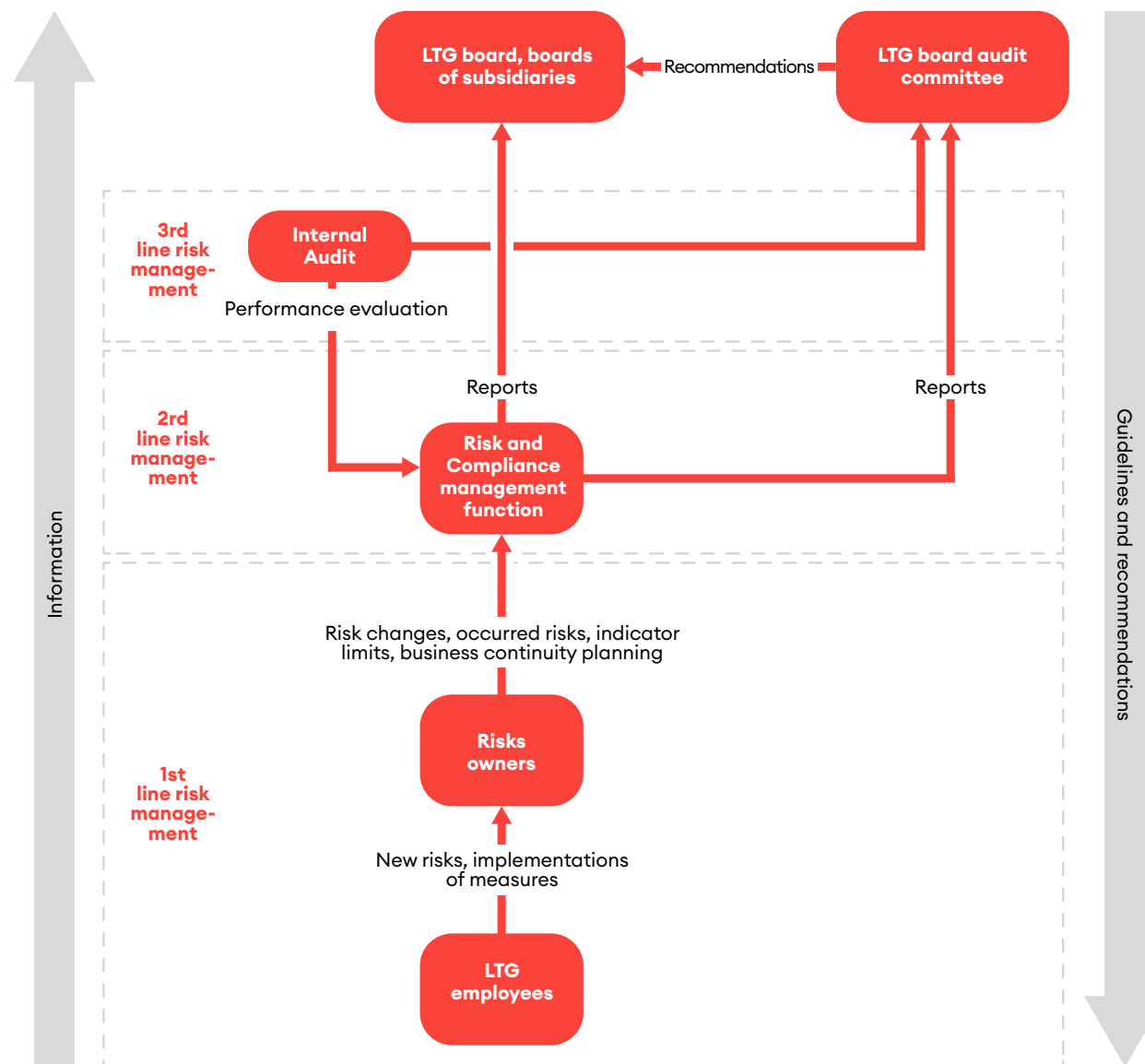


The **LTG Group's unified risk management system** is implemented and continuously improved in the Company. It is defined in the LTG Group's risk management policy, methodologies and process standards developed in accordance with the International Organisation of Standardisation (ISO 31000) and the Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management (COSO ERM).

The LTG Group allocates risk management responsibilities according to the **Three Lines Model**. According to it:

- 1st Line risk management activities are carried out by LTG Group companies and LTG corporate functions that identify, assess and manage risks, and ensure the development of business continuity plans.
- 2nd Line, risk management is carried out by LTG's Risk and Compliance Management function, which develops and refines the overall framework and carries out coordination and control activities, provides consultancy and education on methodological and expert risk management issues to the companies and business units operating in the 1st Line of risk management, and prepares reports on risk management to top-level managers.
- 3rd Line risk management is performed by the Internal Audit Division of LTG, which carries out an independent assessment of the effectiveness of risk management levels 1 and 2, and provides comments and recommendations.

The figure below reproduces the Risk Management Framework, detailing the information flow path and the distribution of responsibilities.



LTG Group risks are managed in phases. The overall periodic cycle consists of the following key steps:

1. Risk identification, analysis and assessment.
2. Preparation of risk management plans.
3. Implementation of risk management plans.
4. Monitoring risk management.
5. Reporting and communication.

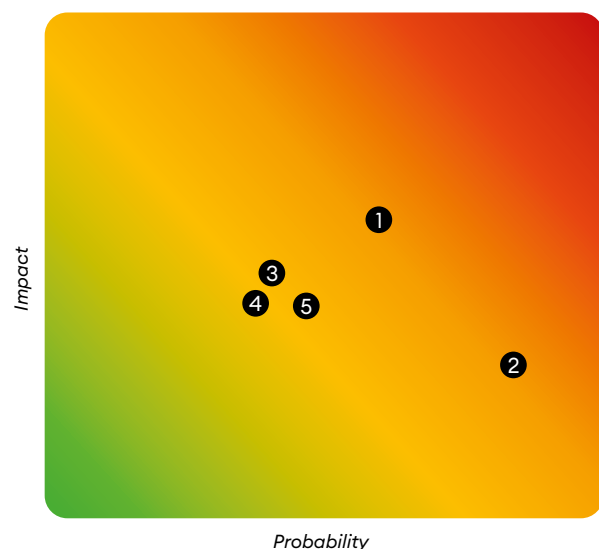
The level of identified risks is assessed by determining their likelihood and potential impact (assessing financial, legal and reputational impact, impact on activities as a going concern, on employee safety) and attributing them to one out of four risk categories (strategic, operational, financial, compliance risk). In this context, risk owners are selected for each of the risks and management/mitigation actions are required. The dynamics of risks and the progress in implementing the measures are monitored periodically on a quarterly basis.

The periodic and timely dissemination of risk-related information is ensured by a well-established reporting system. On a quarterly basis, the risk management status of each of the companies is reviewed in reports to the boards of the companies and the LTG Group. The LTG Group Board is informed monthly about risks that exceed the acceptable threshold. Such a cyclical system not only helps to monitor the status of identified risks, but also provides with an opportunity to discuss the occurrence of new ones.

In the LTG Group, strategic decisions are made taking into account the experience gained, the identified and managed risks and resilience of the activities carried out, as well as the context of the external environment and related global factors. Based on the nature of the Company's business, the main risks that were relevant in the first half of 2025 are presented below.

Main risks and their management measures

Risk map



1. Service disruptions caused by external unforeseen factors.
2. Risk of misalignment of stakeholder expectations.
3. Lack of human resources with specific expertise.
4. Supply chain and technological dependence on third parties.
5. Risk of safety incidents.

Risk	Main sources of risk	Potential impact	Basic risk management measures
Service disruptions caused by external unforeseen factors	- External factors - Factors beyond operational control	- Impact on service quality - Reputational damage - Financial impact	- Timely response and communication - Implementation of incident management and communication plans - Regular theoretical and practical staff training - Resolution of standards non-compliance
Risk of misalignment of stakeholder expectations	Infrastructure and rolling stock not fully adapted for persons with special needs	- Non-compliance with legal regulations regarding the rights of persons with disabilities and reduced mobility - Decline in customer satisfaction - Reputational damage	- Open, accurate, timely and proactive communication - Adaptation of existing trains and infrastructure for persons with special needs - Acquisition of new trains
Lack of human resources with specific expertise	- Labour market trends within the country - Long training time for specialists - Lack of occupational prestige of certain professions	Possible impact on the continuity of critical activities due to a shortage of human resources	- Improvement of working conditions - Increasing occupational prestige of the position - Automation of activities - Employer branding
Supply chain and technological dependence on third parties	- Increase in prices of materials and raw materials - Increased delivery times - Possible sanctions for suppliers	- Service disruptions due to rolling stock technical condition - Decline in customer satisfaction	- Advance planning - Search for alternative suppliers of spare parts - Rolling stock recovery programmes - Strengthening of employees' competences
Risk of safety incidents	- Failure to comply with work safety instructions - Unsafe behaviour of railway users <i>Inherent risk of the activity carried out. High focus is placed on management of this risk, continuous and systematic measures are applied</i>	- Financial losses due to damage to rolling stock or infrastructure - Damage to reputation due to failure to ensure traffic/worker safety - Disruption of operations due to traffic accidents	- Periodic training and coaching - Mobile app to help keep workers safe - Safety system inspections - Periodic monitoring of physical and technical security - Quality control inspections



Additional information



Information on compliance with the guidelines for ensuring transparency of state-owned enterprises

The Company complies with the requirements of the Guidelines for Transparency of the Activities of State-Owned Enterprises ([link](#)), approved by the Government of the Republic of Lithuania by Resolution No 1052 of 14 July 2010, by disclosing the required information in the Company's annual and interim management reports and by ensuring disclosure of the information on its website ([link](#)).

Structured information about compliance with Transparency Guidelines is provided in the Company's Annual Management Report for 2024 ([link](#)).

Definitions

Indicator	Definition of calculation
Revenue	Sales revenue + Subsidy revenue + Income from other activity, excluding Finance income
Sales revenue	Revenue, excluding Subsidy revenue, Income from other activity and Finance income
Subsidy revenue	State budget funds to finance operations of LTG Link
Costs	Costs, excluding Corporate income tax and Finance costs
Financial debt	Long-term loans + Long-term lease liabilities + Current portion of long-term loans + Short-term loans + Current portion of lease liabilities
Net debt	Financial debt - Cash and cash equivalent investments
Return On Equity (ROE)	Net profit (loss) for the last 12 months period / Average equity at the beginning and end of the reporting period
Return On Assets (ROA)	Net profit (loss) for the last 12 months period / Average assets at the beginning and end of the reporting period
Return On Investment (ROI)	Net profit (loss) for the last 12 months period / Average of assets at the beginning and end of the reporting period – Average of current liabilities at the beginning and end of the reporting period
EBIT	Profit (loss) before the corporate income tax – Financial activity results
EBITDA	Profit (loss) before the corporate income tax – Financial activity results + Depreciation and amortisation
Adjusted EBITDA	Profit (loss) before the corporate income tax + Interest expenses – Interest income + Depreciation and amortisation + (decrease) increase in the value of non-current assets, inventories and investments + (decrease) increase in the value of amounts receivable and contract assets + Costs of provisions not related to operating activities
EBIT margin*	EBIT / Sales revenue
EBITDA margin*	EBITDA / Sales revenue

Indicator	Definition of calculation
Adjusted EBITDA margin*	Adjusted EBITDA / Sales revenue
Net profit margin*	Net profit (loss) / Sales revenue
Equity ratio	Equity at the end of the reporting period / Assets at the end of the reporting period
Debt Service Coverage Ratio	Net profit/(loss) for the last 12 months + amortisation, depreciation and grant costs of the last 12 months + interest expenses of the last 12 months (adjusted considering the non-monetary items) / Amortisation of debt for interest + Interest payable for the last 12 months
Asset turnover ratio*	Sales revenue for the period of the last 12 months / Assets at the end of the reporting period
Financial debt / EBITDA	Financial debt / EBITDA of the last 12-month period
Financial debt / Equity (D/E)	Financial debt / Equity at the end of the reporting period
Net debt / EBITDA	Net debt / EBITDA of the last 12-month period
Quick ratio	Current assets at the end of the reporting period / current liabilities at the end of the reporting period / Current liabilities at the end of the reporting period
Current ratio	Current assets at the end of the reporting period / Current liabilities at the end of the reporting period
Passenger turnover (passenger kilometres)	Passenger carriage indicator, calculated by multiplying the trip of each carried passenger by the distance travelled
Number of employees	The number of listed active employees as at the end of the period (excluding the employees on parental leave, military service, long-term incapacity)
Average salary	Average gross salary per employee

* when calculating the profitability indicators of UAB LTG Link, Sales revenue is increased by Subsidy revenue.

Abbreviations

ESG	Environmental, Social and Corporate Governance
Company	UAB LTG Link
CER	Community of European Railway and Infrastructure Companies
CIT	International Rail Transport Committee
DUOday	Job shadowing initiative
EIB	European Investment Bank
EU	European Union
FTE	Forum Train Europe
RTC	Railway Transport Code of the Republic of Lithuania
GTT	Railway Transport Service
IT	Information Technology
KPI	Key performance indicators
LiMA	Lithuanian Marketing Association
LGBTQ+	Refers to a range of sexual orientations, gender identities, and the inclusion of other identities that do not fall within mainstream categories.
RoL	Republic of Lithuania
LTG Holding / LTG	Parent company AB Lietuvos geležinkeliai
LTG Cargo	AB LTG Cargo
LTG Group, Group	AB Lietuvos geležinkeliai and its subsidiaries
LTG Link	UAB LTG Link
NERC	National Energy Regulatory Council
NPS	Net Promoter Score

NIB	Nordic Investment Bank
OSJD	Organisation for Cooperation between Railways
PSO	Contract on the Provision of Public Passenger Transport Services by Rail and (or) Combined Carriage of Passengers on Domestic Routes (Public Service Obligation)
SAP	Enterprise management system
SOPA	Social recruitment agency
IASB	International Accounting Standards Board
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
UIC	International Union of Railways
AS	Average salary
GCC	VšĮ Governance Coordination Centre – an analytical and governance excellence centre established by the Lithuanian Government to ensure professional and consistent management of state-owned enterprises
SOE	State-owned enterprise



Financial statements

Interim financial statements (unaudited), prepared in accordance with IFRS Accounting Standards, as adopted by the European Union, for the six-month period ended 30 June 2025



Statement of financial position

	Notes	30/06/2025	31/12/2024
NON-CURRENT ASSETS			
Property, plant and equipment	5	155,924	151,631
Right-of-use assets	6	5,078	4,810
Non-current intangible assets	7	357	398
Other non-current assets		162	259
Total non-current assets		161,521	157,098
CURRENT ASSETS			
Inventories	8	596	522
Trade and other receivables	9	30,770	10,359
Loans to related entities	20	6,809	-
Prepayments	10	692	417
Cash and cash equivalents	11	2,546	27,175
Non-current assets held for sale	8	451	452
Total current assets		41,864	38,925
TOTAL ASSETS		203,385	196,023

	Notes	30/06/2025	31/12/2024
EQUITY			
Share capital	12	143,590	143,590
Legal reserve	14	2,165	1,209
Other reserves	14	14,331	8,595
Retained profit (loss)		9,150	19,119
Total equity		169,236	172,513
LIABILITIES			
Non-current liabilities			
Lease liabilities		4,591	4,348
Employee benefits	15	507	480
Deferred tax liabilities		2,184	1,401
Total non-current liabilities		7,282	6,229
Current liabilities			
Lease liabilities		576	529
Income tax liabilities		1,176	2,459
Employee benefits	15	3,111	3,099
Trade and other payables	16	21,970	11,151
Prepayments received	16	34	43
Total current liabilities		26,867	17,281
Total liabilities		34,149	23,510
TOTAL EQUITY AND LIABILITIES		203,385	196,023

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

The financial statements and the explanatory notes on pages 51-63 were approved and signed by:

MODESTA GUSAROVIEŅĒ

Head of Business Development, acting CEO, acting under Decision No SPR-HR(LINK)-4/2025 of 15 January 2025

KRISTINA NAVICKIENĒ

Head of Finance and Strategy

RAIMONDA DUOBUVIENĒ

UAB LTG Kompetenciju centras
Financial Controller, acting under Decision No SPR-LI(KC)-35/2025 of 12 August 2025

Statement of profit or loss and other comprehensive income

	Notes	06/2025	06/2024
Sales revenue	17	32,332	27,686
Subsidies	18	19,178	19,208
Other income		18	2
Total revenue		51,528	46,896
Expenses related to employee benefits		(9,967)	(8,772)
Depreciation and amortisation	5, 6, 7	(7,880)	(6,412)
Management and general administrative services		(4,089)	(3,645)
Infrastructure services		(5,334)	(4,133)
Traffic enforcement services of passenger trains		(3,580)	(5,327)
Fuel		(2,544)	(2,459)
Supplies		(874)	(1,636)
Services rendered by other foreign railway companies		(536)	(391)
Electricity		(927)	(874)
Repairs and maintenance		(1,476)	(1,677)

	Notes	06/2025	06/2024
Other costs		(3,326)	(2,916)
Total costs		(40,533)	(38,242)
Operating profit (loss)		10,995	8,654
Finance income		282	826
Finance costs		(184)	(228)
Net results of financial activity	19	98	598
Profit or loss before tax		11,093	9,252
Income tax		(1,943)	(1,482)
Net profit (loss)		9,150	7,770
Other comprehensive income (expenses)		-	-
Total comprehensive income (expenses)		9,150	7,770

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

Statement of changes in equity

	Share capital	Legal reserve	Other reserves	Retained profit (loss)	Total
Balance as at 31 December 2023	143,590	554	5,322	13,091	162,557
Net profit (loss)	-	-	-	7,770	7,770
Formation of reserves	-	655	3,273	(3,928)	-
Dividends	-	-	-	(9,163)	(9,163)
Balance as at 30 June 2024	143,590	1,209	8,595	7,770	161,164
Balance as at 31 December 2024	143,590	1,209	8,595	19,119	172,513
Net profit (loss)	-	-	-	9,150	9,150
Formation of reserves 14	-	956	5,736	(6,692)	-
Dividends 13	-	-	-	(12,427)	(12,427)
Balance as at 30 June 2025	143,590	2,165	14,331	9,150	169,236

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

Statement of cash flows

	Notes	06/2025	06/2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit (loss)		9,150	7,770
ADJUSTMENTS:			
Depreciation and amortisation	5, 6, 7	7,880	6,412
(Gain) loss from disposal / write-off of non-current assets		373	43
Write-down of inventories to net realisable value (reversal)		3	-
Write-down of non-current assets held for sale to net realisable value (reversal)		(18)	(101)
Increase (decrease) in the value of non-current assets		100	-
Increase (decrease) in receivables		-	9
Change in accrued income/expenses		(618)	(1,200)
Interest (income) expenses and other loan-related charges		(2)	(517)
Interest on lease liability		81	7
Effect of currency exchange fluctuations		-	(101)
Income tax expenses (income)		1,943	1,482
Cash flows from operating activities after adjustments		18,892	13,804
CHANGES IN WORKING CAPITAL			
Decrease (increase) in inventories		(2,420)	(1,109)
Decrease (increase) in trade and other receivables and prepayments		(45,326)	(28,214)
Increase (decrease) in current and non-current trade payables and received prepayments		2,378	(5,825)
Increase (decrease) in employment related liabilities		38	(40)
Increase (decrease) in other non-current and current payables		6,932	9,703
Income tax (paid)		(2,113)	(2,364)
Net cash from operating activities		(21,619)	(14,045)

	Notes	06/2025	06/2024
CASH FLOW FROM INVESTING ACTIVITIES			
(Acquisition) of non-current assets		(8,900)	(4,821)
Disposal of non-current assets		4	117
Change in prepayments for non-current assets		-	3
Interest received		157	637
Loans repaid (granted)		(6,809)	-
Net cash from investing activities		(15,548)	(4,064)
CASH FLOWS FROM FINANCING ACTIVITIES			
Grants received		25,419	3,057
Interest (paid)		-	(1)
Payment of lease liabilities		(273)	(221)
Interest on lease liability		(81)	(7)
Dividends (paid)		(12,427)	(9,163)
Other cash flows from financing activities		(100)	(119)
Net cash flows from financing activities		12,538	(6,454)
Net increase (decrease) in cash and cash equivalents		(24,629)	(24,563)
Cash and cash equivalents at the beginning of the period	11	27,175	52,823
Cash and cash equivalents at the end of the period	11	2,546	28,260

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

Explanatory notes

1. General information

UAB LTG Link, (hereinafter referred to as the Company) was registered in the Register of Legal Entities of the Republic of Lithuania on 28 February 2019.

The Company is a private legal entity of limited civil liability, independently organising economic, financial, organizational, and legal activities. UAB LTG Link is a company within the AB Lietuvos geležinkeliai Group (hereinafter – the Group). The Company's code: 305052228, VAT code: LT100012462811, legal (registration) address: Geležinkelio str. 16, LT-02100 Vilnius.

The main activities of the Company are passenger and luggage carriage by rail and provision of related services.

As at 31 December 2024 and 30 June 2025, the parent company AB Lietuvos geležinkeliai was the sole shareholder of the Company. The Ministry of Transport and Communications of the Republic of Lithuania holds 100% of AB Lietuvos geležinkeliai.

As at 31 December 2024 and 30 June 2025, the Company's authorised capital amounted to EUR 143,590 thousand. It consists of 156,237 ordinary registered shares with the nominal value of EUR 919.05 each. All the shares are fully paid.

The Company has no branches and representative offices.

As at 30 June 2025, the Company had 652 employees (compared to 633 as at 31 December 2024).

2. Basis of preparation

These condensed interim financial statements of the Company (hereinafter – interim financial statements) for the six-month period ended 30 June 2025 have been prepared in accordance with International Accounting Standard (hereinafter – the IAS) 34 *Interim Financial Reporting*.

The interim financial statements do not contain all the information required for annual financial statements and should therefore be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards (hereinafter – IFRS) approved by the International Accounting Standards Board (hereinafter – the IASB) and as adopted for use in the EU.

These interim financial statements of the Company have been prepared using the historical cost method.

The presentation currency is the euro. These financial statements are presented in thousands of euros, unless stated otherwise.

The statement of cash flows is prepared indirectly.

The Company's financial year coincides with the calendar year.

These financial statements for the period ended 30 June 2025 are unaudited. The annual financial statements for the year ended 31 December 2024 were audited by KPMG Baltics, UAB.

3. Material accounting policies

The accounting principles applied in the preparation of these interim financial statements are consistent with those applied in the Company's annual financial statements for the year ended 31 December 2024, except for the new standards that became effective as of 1 January 2025. In preparing these interim financial statements, the Company has not applied any new standards, amendments, or interpretations that have been issued but are not yet effective. Some of the adopted amendments are being applied for the first time in 2025 but do not have a material impact on the Company's financial statements.

4. Significant accounting estimates

The significant management judgement on the application of the accounting policy and the identification of the key accounting uncertainties in the preparation of these interim financial statements were the same as those applied in the preparation of the financial statements for the year ended 31 December 2024.

5. Property, plant and equipment

	Buildings and structures	Machinery and equipment	Vehicles	Other equipment, fittings and tools	Construction in progress and prepayments	Total
ACQUISITION COST						
31 December 2023	3,756	601	151,285	598	16,109	172,349
acquisitions	-	175	3,283	15	39,175	42,648
assets sold, written off, disposed	-	(6)	(48)	(5)	-	(59)
reclassification from (to) current assets	-	-	-	-	2,422	2,422
reclassifications	444	114	5,707	(365)	(5,900)	-
31 December 2024	4,200	884	160,227	243	51,806	217,360
acquisitions	-	-	-	-	10,038	10,038
assets sold, written off, disposed	-	-	(498)	(6)	-	(504)
reclassification from (to) current assets	(10)	-	46	-	2,342	2,378
reclassifications	-	509	8,710	55	(9,274)	-
30 June 2025	4,190	1,393	168,485	292	54,912	229,272
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
31 December 2023	(1,881)	(363)	(49,435)	(222)	(663)	(52,564)
depreciation	(378)	(97)	(12,675)	(50)	-	(13,200)
decrease in value	-	-	-	-	13	13
assets sold, written off, disposed	-	5	12	5	-	22
reclassifications	(190)	(9)	(6)	205	-	-
31 December 2024	(2,449)	(464)	(62,104)	(62)	(650)	(65,729)
depreciation	(198)	(115)	(7,288)	(27)	-	(7,628)
decrease in value	-	-	-	-	(100)	(100)
assets sold, written off, disposed	-	-	125	2	-	127
reclassification from (to) current assets	5	-	(23)	-	-	(18)
reclassifications	-	(94)	94	-	-	-
30 June 2025	(2,642)	(673)	(69,196)	(87)	(750)	(73,348)
CARRYING AMOUNT						
31 December 2023	1,875	238	101,850	376	15,446	119,785
31 December 2024	1,751	420	98,123	181	51,156	151,631
30 June 2025	1,548	720	99,289	205	54,162	155,924

The amount of depreciation costs of property, plant and equipment recognised in the statement of profit or loss and other comprehensive income totalled EUR 7,515 thousand (30 June 2024 – EUR 6,134 thousand). This amount includes EUR 7,628 thousand (30 June 2024 – EUR 6,183 thousand) in depreciation, reduced by capitalised depreciation costs of EUR 113 thousand (30 June 2024 – EUR 49 thousand).

The cost of the Company's fully depreciated property, plant and equipment still in use amounted to EUR 1,077 thousand (EUR 1,068 thousand as at 31 December 2024). The majority of fully depreciated property, plant and equipment consisted of transport vehicles (wagons).

6. Right-of-use assets

The Company's right-of-use assets consisted of:

	Land	Buildings and structures	Machinery and equipment	Vehicles	Total
ACQUISITION COST					
31 December 2023	295	3,842	-	94	4,231
acquisitions	1	943	640	43	1,627
assets disposed	(5)	(510)	-	(19)	(534)
31 December 2024	291	4,275	640	118	5,324
acquisitions	-	580	-	53	633
assets disposed	-	(65)	-	(13)	(78)
30 June 2025	291	4,790	640	158	5,879
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES					
31 December 2023	(20)	(344)	-	(28)	(392)
depreciation	(4)	(392)	(75)	(35)	(506)
depreciation reversal of disposed assets	5	363	-	16	384
31 December 2024	(19)	(373)	(75)	(47)	(514)
depreciation	(2)	(215)	(74)	(19)	(310)
depreciation reversal of disposed assets	-	12	-	11	23
30 June 2025	(21)	(576)	(149)	(55)	(801)
CARRYING AMOUNT					
31 December 2023	275	3,498	-	66	3,839
31 December 2024	272	3,902	565	71	4,810
30 June 2025	270	4,214	491	103	5,078

7. Non-current intangible assets

The Company's non-current intangible assets consisted of:

	Software	Other intangible assets	Prepayments and ongoing projects related to intangible assets	Total
ACQUISITION COST				
31 December 2023	543	-	69	612
acquisitions	-	-	4	4
31 December 2024	543	-	73	616
acquisitions	-	-	14	14
reclassifications	-	11	(11)	-
30 June 2025	543	11	76	630
ACCUMULATED AMORTISATION				
31 December 2023	(110)	-	-	(110)
amortisation	(108)	-	-	(108)
31 December 2024	(218)	-	-	(218)
amortisation	(54)	(1)	-	(55)
30 June 2025	(272)	(1)	-	(273)
CARRYING AMOUNT				
31 December 2023	433	-	69	502
31 December 2024	325	-	73	398
30 June 2025	271	10	76	357

The Company's fully amortised non-current intangible assets (software) that are still in use amounted to EUR 1 thousand (31 December 2024: EUR 1 thousand).

8. Inventories and non-current assets held for sale

The Company's inventories consisted of:

	30/06/2025	31/12/2024
Fuel	58	62
Supplies	254	232
Other	284	228
Total raw materials, supplies and components	596	522
Goods purchased for resale	-	-
Total	596	522

As at 30 June 2025, the carrying amount of the Company's inventories equal to EUR 1,827 thousand was reduced by EUR 1,231 thousand to net realisable value (as at 31 December 2024, the amount of EUR 1,750 thousand reduced by EUR 1,228 thousand to net realisable value).

The Company's non-current assets held for sale comprised a locomotive, diesel locomotives and passenger wagons.

	30/06/2025	31/12/2024
Non-current assets held for sale	451	452
Total assets held for sale	451	452

As at 30 June 2025, the carrying amount of the Company's non-current assets held for sale equal to EUR 3,117 thousand was reduced by EUR 2,666 thousand to net realisable value (as at 31 December 2024, the amount of EUR 3,136 thousand was reduced by EUR 2,684 thousand).

9. Trade and other receivables

The Company's trade and other receivables included:

	30/06/2025	31/12/2024
External trade receivables, gross value	220	98
Impairment (-)	(14)	(14)
Total external trade receivables	206	84
Receivables from related parties	23,449	483
Total receivables from related parties	23,449	483
VAT receivable	-	383
Other receivables from the budget	4,858	8,218
Accrued income from related parties	-	24
Accrued income	2,257	1,167
Total other receivables	7,115	9,792
Total	30,770	10,359

As at 30 June 2025, the Company's trade and other receivables had increased significantly compared to 31 December 2024, due to outstanding amounts related to resold services. The Company manages expected credit loss risk, as a portion of the payments was received after the reporting period.

Company's disclosure on credit risk and expected credit loss related to trade and other receivables:

	30/06/2025				31/12/2024			
	Expected credit losses, %	Gross carrying amount	Impairment	Net carrying amount	Expected credit losses, %	Gross carrying amount	Impairment	Net carrying amount
Not past due	0.00%	9,595	-	9,595	0.00%	1,708	-	1,708
1-30 days past due	0.00%	7,312	-	7,312	0.16%	12	-	12
31-60 days past due	0.00%	-	-	-	0.00%	37	-	37
61-120 days past due	0.00%	5,214	-	5,214	0.00%	-	-	-
More than 120 days past due	0.36%	3,805	(14)	3,791	96.06%	15	(14)	1
Total		25,926	(14)	25,912		1,772	(14)	1,758

10. Prepayments

The Company's prepayments consisted of:

	30/06/2025	31/12/2024
Prepayments to external suppliers	180	94
Guarantees paid to suppliers	6	4
Guarantees paid to related parties	84	71
Deferred expenses	422	248
Total	692	417

11. Cash and cash equivalents

The Company's cash and cash equivalents consisted of:

	30/06/2025	31/12/2024
Cash in bank	2,518	27,139
Cash in transit	16	12
Cash on hand	12	24
Total	2,546	27,175

As at 30 June 2025, the Company had no fixed-term deposits. Cash was not pledged.

12. Share capital

During the first half of 2025, the Company's Articles of Association were not amended in relation to increases or decreases of the authorised capital.

13. Dividends

Following the decision regarding approval of the financial statements for the year 2024 and distribution of profit adopted by AB Lietuvos geležinkeliai – the sole shareholder of UAB LTG Link – on 15 April 2025, the amount of EUR 12,427 thousand has been allocated to dividends.

14. Reserves

Legal reserve. Legal reserve is compulsory in accordance with the Lithuanian legislation. An annual transfer of 5% of net profit to the legal reserve is compulsory until the reserve reaches 10% of the share capital. The legal reserve cannot be used for payment of dividends but it can be used to cover future losses. As at 30 June 2025, the legal reserve of the Company amounted to EUR 2,165 thousand.

Other reserves. Following the decision regarding approval of the financial statements for the year 2024 and distribution of profit adopted by AB Lietuvos geležinkeliai – the sole shareholder of UAB LTG Link – on 15 April 2025, the amount of EUR 5,736 thousand has been allocated to other reserves for investments.

15. Employee benefits

Employee benefits and liabilities by type:

	30/06/2025	31/12/2024
NON-CURRENT LIABILITIES		
Provisions for pensions and similar liabilities	507	480
Total non-current liabilities:	507	480
CURRENT LIABILITIES		
Vacation accruals	997	774
Wages and salaries payable	908	815
Social security contributions payable	409	375
Personal income tax payable	317	262
Other employment-related liabilities	480	873
Total current liabilities:	3,111	3,099
Total	3,618	3,579

16. Prepayments received and trade and other payables

The prepayments received by the Company consisted of:

	30/06/2025	31/12/2024
Prepayments received	34	43
Total	34	43

The Company's trade and other payables consisted of:

	30/06/2025	31/12/2024
Trade payables	4,136	3,268
Trade accounts payable to related parties	4,711	3,192
Cash guarantees received	7	8
Cash guarantees received from related parties	5	5
Payable VAT	586	1
Other taxes payable to the budget	71	121
Accrued expenses	1,472	1,004
Accrued expenses from related parties	854	874
Deferred income	10,045	2,623
Other amounts payable and liabilities	83	55
Total	21,970	11,151

Deferred income (consisting of prepaid passenger tickets) increased due to higher passenger volumes and an increase in the price of transit ticket sales.

17. Sales revenue

The Company's sales revenue consisted of:

	06/2025	06/2024
Revenue from passenger carriage:	31,653	27,374
Revenue from domestic passenger carriage	13,418	12,395
Revenue from international passenger carriage	16,181	13,582
Revenue from services related to passenger carriage	2,054	1,397
Revenue from other additional services:	679	312
Leased assets	653	152
Other income	26	160
Total	32,332	27,686

The Company's passenger carriage revenue for the first half of 2025 includes EUR 2,928 thousand (first half of 2024 – EUR 2,295 thousand) in compensation for providing passenger carriage services at 80% and 50% discount rates for socially supported population groups, as determined by the state.

Revenue from international passenger carriage increased in the first half of 2025 compared to the same period in 2024 due to higher passenger volumes.

18. Subsidy

The subsidy for loss compensation related to passenger carriage on domestic rail routes amounted to EUR 19,178 thousand in the first half of 2025 (first half of 2024 – EUR 19,208 thousand).

19. Results of financial activities

The Company's results of financial activity comprised the following:

	06/2025	06/2024
Total finance income	282	826
Fines and late payment interest income	179	189
Interest	103	637
Total finance costs	(184)	(228)
Currency exchange loss	-	(101)
Interest and other loan-related charges	(181)	(127)
Fines and late payment interest expenses	(3)	-
Total	98	598

20. Related party transactions

The Company's transactions with related parties for the six-month period of 2025 and balances as at 30 June 2025 were as follows:

	Sales	Purchases	Receivables	Payables
AB Lietuvos geležinkeliai	41	4,914	30,188	1,373
AB LTG Cargo	287	4,147	36	1,708
AB LTG Infra	281	5,334	106	1,303
UAB LTG Kompetencijų centras	32	2,285	12	1,186
UAB Geležinkelio tiesimo centras	3	-	-	-
Total	644	16,680	30,342	5,570

Under the AB Lietuvos geležinkeliai Group cash pool agreement signed on 20 December 2024 and the intercompany lending and borrowing agreement signed between AB Lietuvos geležinkeliai and UAB LTG Link on 21 December 2024, the Company had lent EUR 6,809 thousand to AB Lietuvos geležinkeliai as at 30 June 2025.

The Company's transactions with related parties for the six-month period of 2024 and balances as at 31 December 2024 were as follows:

	Sales	Purchases	Receivables	Payables
AB Lietuvos geležinkeliai	146	6,418	458	2,063
AB LTG Cargo	184	6,117	33	788
AB LTG Infra	326	4,077	86	1,220
UAB Geležinkelio tiesimo centras	4	-	1	-
Total	660	16,612	578	4,071

Management remuneration and other benefits

As at 30 June 2025, the Company's Management consisted of the Chief Executive Officer and the heads of the following units: Business Development, Customer Service, Train Operations, Efficiency and Quality Management, Train Maintenance, Finance and Strategy, International Development, and People and Culture Partner.

	06/2025	06/2024
Management remuneration	434	393
Incentives*	119	62
Accrued long-term benefits**	4	1
Number of executives	9	7
Allowances for members of the Board	58	58
Number of Board members	5	5

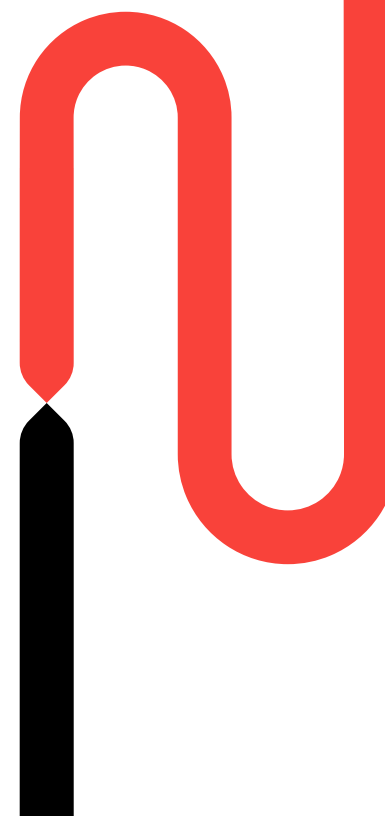
*Incentives are performance bonuses and lump sums.

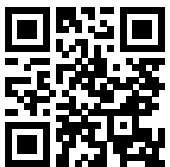
**Accrued long-term benefits are provisions for pensions and other similar liabilities, accrued as at the end of the reporting period.

In the first half of 2025, no loans, guarantees, or other paid or accrued benefits or disposals of assets were made to the Company's Management other than as set forth above.

21. Subsequent events

There were no significant events after the end of the reporting period, which have to be recognised or disclosed in the financial statements for the first half of 2025.





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