

Infortar Group

Q2 2024 consolidated unaudited report

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Management report of 6 months 2024

AS Infortar along with its subsidiaries (hereinafter 'the group') is an Estonian investment company primarily active in the energy, shipping, and real estate sectors. Additionally, the group has invested areas that support its main activities.

OVERVIEW OF THE GROUP as of 30 June 2024

Equity:	840 million euros
Total of assets:	1 495 million euros
EBITDA:	76 million euros
Number of employees:	1344 employees

OVERVIEW OF THE GROUP

The Infortar group includes 103 companies: 48 subsidiaries, 5 affiliated companies, and 50 additional subsidiaries of those affiliates. In 2024 second quarter the total investment amount of the Infortar Group was approximately 34 million euros.

ENERGY

AS Eesti Gaas – an energy group, operating in foreign markets under the name of Elenger. Under energy segment are operating gas distribution network companies Gaasivõrk in Estonia and Gaso in Latvia.

Infortar Marine Ltd. (LNG bunkering vessel Optimus).

OÜ EG Biofond – production of bioenergy in three biomethane production units of Eesti Biogaas in Vinni, Ilmatsalu and Oisu.

MARITIME TRANSPORT

AS Tallink Grupp (46,76% share as of June 30, 2024) is a leading maritime transport company in Northern Europe. Tallink's fleet consists of 14 vessels, operating under strong brands Tallink and Silja Line on five routes (one additional route currently suspended).

REAL ESTATE

Real estate portfolio: four hotels (three in Tallinn and one in Riga), six office buildings in Tallinn, a logistics centre in Maardu etc.

OTHER SECTORS

Construction, Agriculture, Printing sector; retail and wholesale trade; services; etc

MISSION

- The mission of Infortar is to develop well-functioning companies with strong market positions.
- Our long-term goal is to achieve a stable increase in the company's value that surpasses average economic growth.
- The group's strategy is to follow the long-term socio-economic trends and to make investments and management decisions that help create synergies among the companies belonging to Infortar's portfolio.

Investment principles

Investing in enterprises that support the synergy creation in the group.

Being an active investor, participating in decision-making processes, taking responsibility.

Maintaining and continually enhancing our unique competency in managing large investments.

CORE VALUES

Innovation

We believe that outstanding business results are largely achieved through constant technological innovation and an innovative approach to management.

Reliability

Successful business can only be built on trust, respect, and mutual understanding both on an individual and an organisational level.

Openness

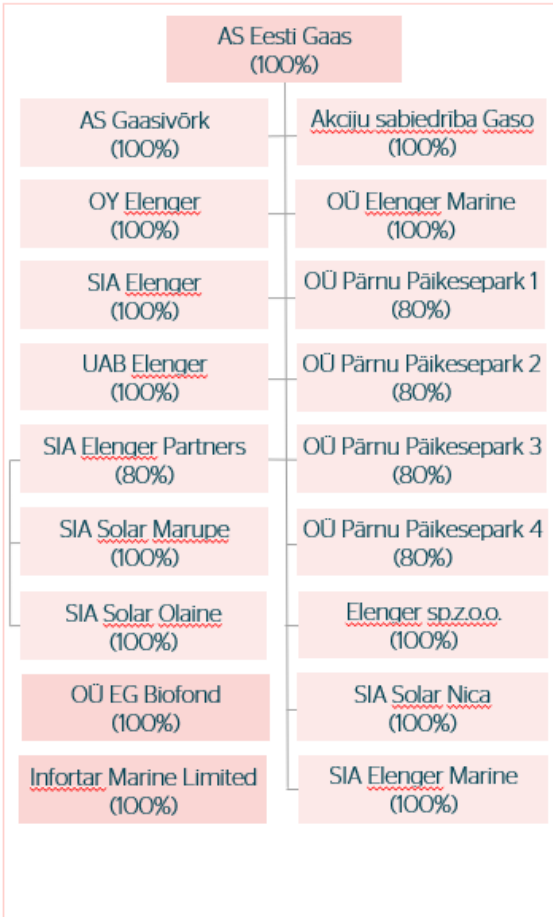
Smile and commit – a closer partnership begins with open communication. We keep an open mind to new ideas and everything unconventional. We value cooperation within our team and with our partners. Our team offers equal opportunities to everyone and fosters development, creativity, and self-actualisation.

Determination

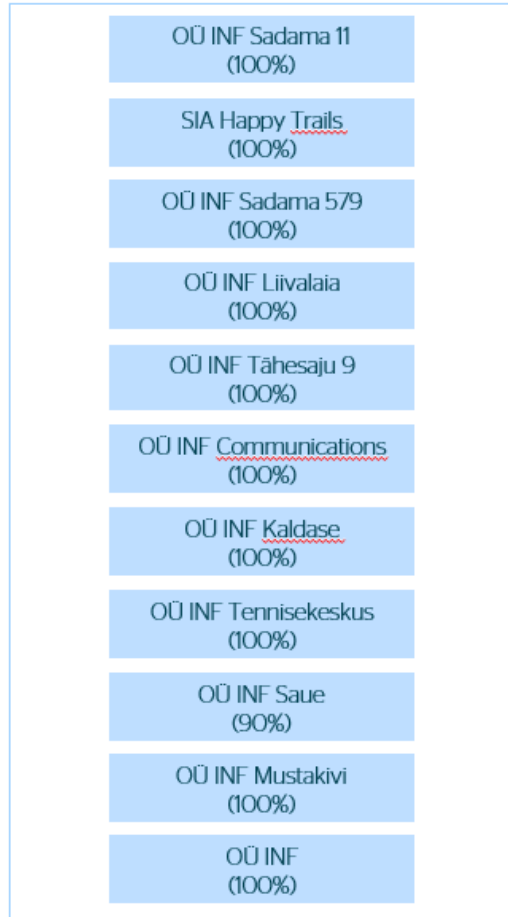
We are convinced that determination is the essential cornerstone of success.

Organization chart

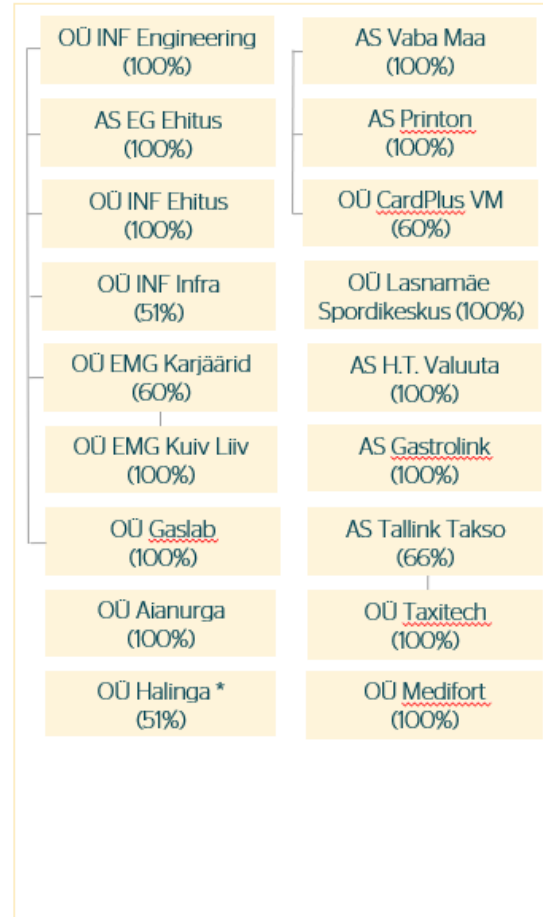
Energy



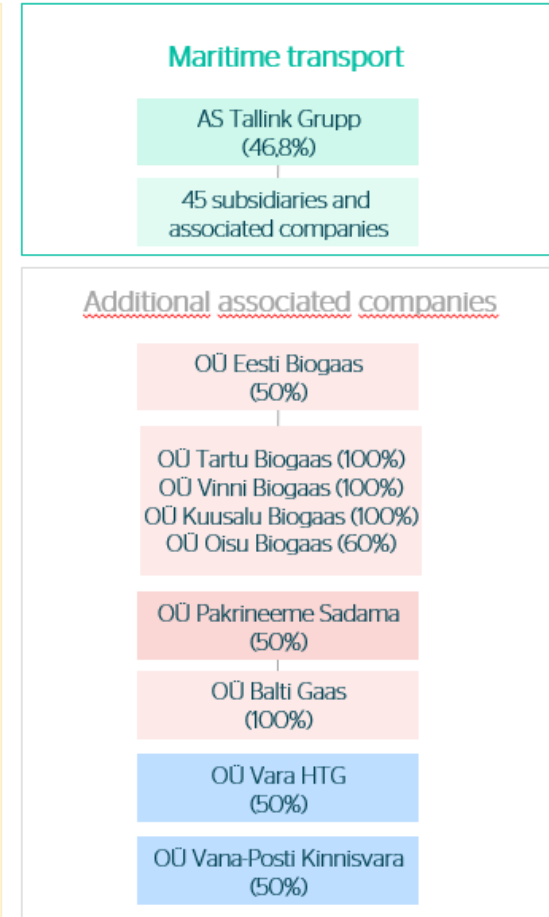
Real estate



Other



Associated companies



Letter from the CEO

AIN HANSCHMIDT

The results of Infortar's main investments are strongly influenced by seasonality. The energy sector shows high numbers during the cold period, while maritime passengers number peak in summer. The ancient wisdom of keeping eggs in different baskets is highly relevant even in the economic reality of the twenty-first century.

The key events of the first half of 2024 included increasing our stake in Tallink Grupp by 4.5% to 46.8%, acquiring a majority shareholding in Halinga dairy farm, and commissioning of the Nica solar park in Latvia. The focus is on expanding operations in Poland and Germany and gaining access to the wholesale gas market in the Netherlands and Belgium. The construction of the RIMI logistics centre and the new bridge in Pärnu are progressing according to schedule. The banks of the Pärnu River set to be connected using entirely new technology by the end of the summer.

The turbulent times in the energy segment, when successful risk management was of utmost importance, have been replaced by a more normalized situation. Sales volumes grew by nearly 40% compared to the first six months of the previous year, revenues have stabilized, and gas infrastructure assets in Estonia and Latvia served customers by handling expected volumes.

The number of Tallink passengers on Tallink-Helsinki route has increased compared to last year, while travelling between Finland and Sweden has decreased somewhat over the same period last year. Reading Tallink's report, it is particularly notable that two ships have returned from charter agreements, and this year's Easter holidays fell into the first quarter.

In mid-June, we announced a voluntary takeover offer for Tallink shareholders. As expected, the news immediately generated considerable controversy. Although the offer is directed to all shareholders, it might be more attractive to those shareholders who have doubts about the economic outlook of our region, providing them with an opportunity to consider exiting. In addition to geopolitical risks, we must consider that the Estonian economy has been in decline for ten consecutive quarters and the country's credit rating has been reviewed downward compared to earlier levels.

Infortar is the largest investment company in Estonia; we receive a lot of new investment offers every day and are constantly looking for opportunities ourselves. Our solid liquidity position supports our aspiration to grow.

Overall, our core indicators have stabilized, our liquidity position is strong, and we have increased our investments by a total of 41 million euros in the first half of the year.

We believe in the efficacy of the market and the capital markets - both Infortar and Tallink have greatly benefited from being publicly listed companies. Infortar's investors have also enjoyed the benefits, having received the first half of a 3-euro dividend per share and witnessing a substantial increase in the company's stock value.

I wholeheartedly wish continuous success to you and to us.

About the operations of the Group

When reviewing Infortar Group's quarterly report, it is crucial to consider the seasonal nature of its business activities. The winter period represents the peak season in the energy sector; therefore, EBITDA and operating profit for the first and fourth quarters are typically stronger. The lower season-driven profitability during the summer period in energy segment is balanced by the profitability of the maritime transport segment, as the high season in maritime transport coincides with the summer period.

ENERGY

AS Eesti Gaas (hereinafter referred to as Eesti Gaas) is the largest privately-owned energy company in the Finland-Baltic region, with a history dating back to 1864. Eesti Gaas activities can be divided into three business segments: energy sales (trading and sales of natural gas and electricity), energy infrastructure (natural gas distribution service, sale and bunkering of liquefied natural gas, compressed gas sales), and energy production (mainly solar electricity generation). The company complies with ISO 9001 and ISO 14001 quality standards. In foreign markets, Eesti Gaas operates under the brand name Elenger. In Finland, Lithuania, and Poland, energy is mainly sold to energy traders, corporate and commercial customers, in Latvia and in Estonia additionally to the household consumers.

In the second quarter of 2024 Eesti Gaas sold 4 TWh of energy (2023 second quarter 3,8 TWh). 13% of total energy sales in Q2 2024 was sold in Estonia. The regional market share of gas sales is 25,4%. Eesti Gaas imports about one-third of the gas arriving in the entire region.

MARITIME TRANSPORT

Tallink Grupp is a Northern-European shipping company offering mini cruise, passenger transport, and ro-ro freight services in the northern part of the Baltic Sea. Services are provided under the Tallink and Silja Line brands on ferry routes between Estonia, Finland, and Sweden. Tallink Grupp's fleet comprises 14 vessels, including cruise ships, ropax-type passenger ferries, and roro-type freight vessels. Additionally, the group operates three quality hotels in downtown Tallinn and one in Riga, as well as 21 Burger King restaurants in Estonia, Latvia, and Lithuania as the franchise owner for the Baltic region. The group's subsidiary, Tallink Duty Free, is an international travel retail company with numerous shops on ships and on land, a rapidly expanding e-shop in the group's home markets, and an extensive logistics center serving the entire group. Tallink Grupp's offices are located in Estonia, Finland, Sweden, Latvia, and Germany. With approx. 5000 employees, Tallink Grupp serves millions of customers worldwide annually, and its customer loyalty program, Club One, boasts over three million members. Tallink Grupp is listed on the Nasdaq Tallinn and Nasdaq Helsinki stock exchanges.

As Infortar holds a minority stake in Tallink, Infortar does not exercise control over the company, and the ownership in Tallink is accounted for using the equity method. This means that Tallink's financial results are not consolidated into Infortar's financial statements.

REAL ESTATE

The real estate segment comprises of a portfolio of 17 properties divided into four sub-categories: hotels, office buildings, a logistics centre, and other real estate. The operational real estate includes three hotels in Tallinn and one in Riga, six office buildings in Tallinn, a logistics center in Maardu, a tennis centre in Lasnamäe, and a family doctor's centre in Nõmme. The total net area of the properties in the portfolio is approx. 113,000 square meters.

Supporting Businesses

The supporting businesses segment includes activities that support other segments of the Group, primarily in engineering, wholesale of pharmaceuticals and pharmacy goods, construction materials, provision of printing services, taxi services, operation of a tennis center, and sales of tableware and kitchenware through subsidiary companies. As of June 30, 2024, assets in the other business segment accounted for 5% of the total Group assets. OÜ INF Engineering encompasses subsidiaries operating in the construction sector, including AS EG Ehitus, OÜ INF Ehitus with its subsidiaries. INF Infra OÜ, OÜ EMG Karjäärid, and a measurement and calibration business, OÜ Gaslab.

In the second quarter of 2024, Infortar Group acquired OÜ Halinga, the largest dairy producer in Estonia.



New bridge in Pärnu, photo: Arbo Rae

Key Events in 2024 Q2

Seasonality in the Energy Business

Seasonality and weather changes affect the demand for energy and the working capital needs of the energy segment. The primary focus of the energy segment is natural gas. Eesti Gaas is additionally engaged in the sale of electricity and provides natural gas distribution services in Estonia and Latvia. In the markets where Eesti Gaas operates, the demand for energy is higher during the winter heating period (in the first and last quarters of the year) and lower in the second and third quarters when the weather is warmer. Higher-than-usual temperatures during the winter heating period reduce the demand for the gas and distribution services in the energy business segment. Seasonality and weather changes also affect the output volume of solar power plants.

Gas Import

Eesti Gaas procures liquefied natural gas (hereinafter LNG) from various Western suppliers. The supplied gas is primarily sourced from American and Norwegian origins. In the second quarter of 2024, Eesti Gaas brought six LNG cargoes to the Inkoo terminal. For the 2024 annual year, capacities at the Inkoo LNG terminal have been reserved for 15 gas vessels and at the Klaipėda LNG terminal for 3 gas vessels. Eesti Gaas has acquired capacity at the Klaipėda LNG terminal for the period 2025–2032 to bring in 3 TWh or three gas vessels annually, and for the period 2033–2044 to bring in 4 TWh or four gas vessels annually.

Hedging Price Risk

Due to recent years' changes in supply chains, the prices of energy carriers (including natural gas) have been extremely volatile. To hedge against price risk associated with the world market, Eesti Gaas uses necessary derivative instruments (mainly swaps) and stores natural gas in underground storage facilities. Due to the use of derivative instruments, the market values of future derivative transactions change in Eesti Gaas's and Infortar's consolidated balance sheets. These changes are reflected in other comprehensive income. Those non-cash revaluations of derivative instruments in comprehensive income do not affect the profitability of Eesti Gaas's or Infortar's core business operations nor their cash flow generating capacity.

Gas Storage Filling Operations

Eesti Gaas takes the opportunity to store natural gas in various storage facilities when market conditions are favourable. The new gas storage season began on April 1st, and the company is engaged in filling the storage tanks. For the first time, Eesti Gaas has reserved storage capacity not only in Latvia and Poland but also in Rehden, Germany. On April 22, 2024, the Balticconnector transmission pipeline between Estonia and Finland was reopened, allowing the Incukalns storage facility in Latvia to be filled at a regular pace.

Natural gas consumption increased, and the price trend has shifted upward

In the second quarter, natural gas consumption in Estonia reached 0.64 TWh, which is a 14% increase compared to the previous year (0.57 TWh). In the Finland and Baltic region, gas consumption grew to 7.87 TWh in the second quarter, a 7% increase from the previous year (7.36 TWh).

While gas prices fell from October 2023 to the end of the first quarter of 2024, prices began to rise in April and May. Since the beginning of June, the TTF month-ahead prices have traded within a relatively stable range. The reversal of the downward trend was driven by dominant pessimistic news in the market, including supply issues, geopolitical tensions, and intense maintenance schedules. In the second quarter of 2024, the average price of the European natural gas benchmark, ICE Endex TTF month-ahead, was 31.76 EUR/MWh. The future prices for TTF for the upcoming winter are near 40 EUR/MWh.

Commissioning of Latvia's First Solar Power Plant

On June 27, 2024, Eesti Gaas commissioned its first solar power plant near Liepaja in Nica, with a capacity of 4 megawatts. The solar park, which covers 5.3 hectares and includes nearly 7,000 panels, will produce 4.5 GWh of energy annually. The solar power plant was built in collaboration with SIA "OMS," one of the largest electrical installation companies in the Kurzeme region. The project was completed based on market conditions without state support, with Eesti Gaas investing 2.5 million euros in its construction.

Increase of shareholding in Tallink Grupp AS

The Group has increased its investment in the affiliated company, Tallink. Infortar acquired an additional 32,941,621 Tallink shares in second quarter 2024, with a total transaction value of 21'092'237,44 euros.

Real Estate Developments

Tallink logistic centre expansion was finalized in Q1 2024 and additional 3 800 square meters of real estate area was added to the portfolio.

2024 II quarter construction companies owned by Infortar INF Ehitus and INF Infra continued to build the new bridge in Pärnu, construction is in line with the planned schedule.

2024 II quarter the construction of logistics centre for Rimi Eesti Food AS continued. Construction is in line with the planned schedule The building is constructed by INF Ehitus OÜ.

Changes in Infortar's areas of activity

In the second quarter of 2024, the acquisition of Halinga OÜ was finalized, resulting in Infortar's subsidiary, OÜ EG Biofond acquiring 51% shareholding in OÜ Halinga. For Infortar this acquisition marks an entry into a new field of business activity. Halinga dairy herd size reaches 3,000 cows and heifers and the area of cultivated land is 3,700 hectares. OÜ Halinga will continue its current activities as a member of Aktsiaselts Infortar group.

In the second quarter of 2024 Infortar and Apteegikaubanduse Hulgimüük OÜ signed a share purchase agreement sell 80% shareholding in the subsidiary Farmatar OÜ. This transaction marks Infortar's exit from the wholesale of pharmaceuticals and pharmacy goods business segment.

Key Figures of H1 2024

Infortar group	30.06.24	30.06.23	31.12.23
Total assets (in thousands of EUR)	1 495 142	1 026 007	1 460 512
Interest-bearing liabilities (in thousands of EUR)	448 387	300 217	441 160
Total equity (in thousands of EUR)	840 216	575 783	820 210
Equity ratio (equity /assets) (%)	56,2%	56,1%	56,2%
Interest-bearing liabilities /equity (%)	53,4%	52,1%	53,8%
Current ratio	1,6	1,8	1,5
Net debt (in thousands of EUR)	263 144	164 191	354 045
Net debt/ EBITDA	1,8	1,1	2,5
Total equity attributable to equity holders of the Parent (in thousands of EUR)	832 942	575 236	819 376
Number of ordinary shares *	21 166 239	6 615 000	21 045 000
Earnings per share (EUR)	3,6	4,1**	-
Book value per share (EUR)	39	87	39
Share market value (EUR)	39,3	-	26,02
Number of group employees	1344	472	1308
Group labour expenses with taxes (in thousands of EUR)	14 029	11 524	40 722

	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Revenue (in thousands of EUR)	203 555	212 872	576 139	560 352
Gross profit (in thousands of EUR)	3 085	22 346	53 089	88 351
EBITDA (in thousands of EUR)	1 506	34 011	75 510	86 571
EBITDA margin	0,7%	16,0%	13,1%	15,4%
Operating profit (-loss) of the financial year	-4 229	30 748	63 395	80 427
Net profit (in thousands of EUR)	10 955	36 906	73 017	83 683
Net profit (-loss) holders of the Parent	10 921	36 906	72 983	83 888
ROA (%)			4,9%	8,2%
ROE (%)			8,7%	14,5%

Equity ratio (%) = total equity/ total assets

Interest-bearing liabilities /equity (%) = (loan liabilities+ rent liabilities) / equity

Current ratio = current assets / total current liabilities

Net debt (in thousands of EUR) = loan liabilities + rent liabilities - cash)

Net debt/ EBITDA = net debt / 12-month EBITDA

Earnings per share (EUR) = net profit holders of the parent / number of ordinary shares (appendix 8.7)

Book value per share (EUR) = total equity attributable to equity holders of the parent / number of shares

EBITDA (in thousands of EUR) = net profit + depreciation and amortization + change in fair value of investment property

EBITDA margin (%) = EBITDA / revenue

Net profit (-loss) of the financial year (in thousands of EUR)

ROA % = net profit (6 months) / total assets

ROE % = net profit (6 months) / equity

*As of 31.12.2022, the number of Infortar shares was 6,615,000, with a nominal value of 0.3 euros per share. On 07.11.2023, due to split, the nominal value of the shares was changed, resulting in a total of 21,045,000 shares, including options issued to employees, with a nominal value of 0.1 euros per share. ** Earnings per share for all presented periods are calculated using the following formula: profit attributable to owners for the reporting year divided by the number of shares issued as of 30.06.2024, minus treasury shares (6 months 2024 = $(72,983 * 1,000) / (21,166,239 - 945,000) = 3.56$ euros per share). In 2023 and 2024, there was a share split and the issuance of new shares; for the sake of comparability, the formula always uses the current number of shares.



MyStar arrives to Tallinn, photo: Raul Mee

CONSOLIDATED INTERIM BALANCE SHEET

CONSOLIDATED REPORT OF FINANCIAL POSITION

	In thousands of EUR			
ASSETS	30.06.24	30.06.23	31.12.2023	Note
Current assets				
Cash and cash equivalents	185 243	136 026	87 115	3.1
Short term financial investments	1	1	0	
Derivative financial assets	2 511	12 618	28 728	
Settled derivative receivables	1 316	365	5 958	
Other prepayments and receivables	84 856	72 006	162 575	
Prepayments for taxes	1 014	951	925	
Trade and other receivables	11 285	13 066	20 185	4.1
Prepayments for inventories	4 288	1 238	3 493	3.3
Inventories	137 177	124 418	146 884	3.2
Biological assets	425	0	0	
Total current assets	428 116	360 689	455 863	
NON-CURRENT ASSETS				
Investments to associates	386 702	315 434	346 014	6.2
Derivative and other financial assets	2 172	3 959	1 125	
Long-term loans and other receivables	7 418	9 892	9 072	4.1
Investment property	184 476	165 815	176 024	5.1
Property, plant and equipment	456 339	151 780	446 748	5.2
Intangible assets	14 624	9 054	14 366	5.3
Right-of-use assets	12 498	9 384	11 300	5.5
Biological assets	2 797	0	0	
Total non-current assets	1 067 026	665 318	1 004 649	
TOTAL ASSETS	1 495 142	1 026 007	1 460 512	

LIABILITIES AND EQUITY

	in thousands of EUR			
Interest-bearing loans and borrowings	30.06.24	30.06.23	31.12.23	NOTE
Loan liabilities	129 674	107 937	184 259	7.1
Rental liabilities	1 734	1 136	1 766	7.1
Payables to suppliers	88 009	67 704	74 751	4.2
Tax obligations	12 193	14 955	32 822	4.2
Buyers' advances	479	1 037	3 099	4.2
Settled derivatives	7 081	6 200	1 463	4.2
Other current liabilities	11 367	4 783	10 851	4.2
Short term derivatives	14 065	44	3 659	
Total current liabilities	264 602	203 796	312 670	
Non-current liabilities				
Long-term provisions	10 371	7 492	8 399	4.5
Deferred taxes	33 435	30 268	33 233	4.2
Other long-term liabilities	29 302	17 524	30 679	
Long-term derivatives	237	0	186	
Loan-liabilities	306 571	183 082	246 410	7.1
Rental liabilities	10 408	8 062	8 725	7.1
Total non-current liabilities	390 324	246 428	327 632	
TOTAL LIABILITIES	654 926	450 224	640 302	
Equity				
Share capital	2 117	1 985	2 105	8.1
Own shares	-95	-95	-95	8.2
Share premium	32 484	0	29 344	8.
Other reserves	212	205	205	8.4
Option reserve	5 781	2 595	3 864	8.6
Risks hedging reserve *	-9 103	12 623	24 118	8.5
Unrealised currency translation differences	48	20	-39	
Employment benefit reserve	-44	0	-44	
Retained earnings	728 559	474 015	466 140	
Net profit of the financial year	72 983	83 888	293 778	
Total equity attributable to equity holders of the Parent	832 942	575 236	819 376	
Minority interests	7 274	547	834	
Total equity	840 216	575 783	820 210	
TOTAL LIABILITIES AND EQUITY	1 495 142	1 026 007	1 460 512	

* The revaluations of non-monetary derivative instruments in consolidated profits do not affect the profitability or cash flow generation ability of Eesti Gaas or Infortar's main business activities.

CONSOLIDATED INCOME STATEMENT OF COMPREHENSIVE INCOME

	In thousands of EUR				
	Q1 2024	Q1 2023	6 months 2024	6 months 2023	NOTE
Revenue	203 555	212 872	576 139	560 352	9.1
Cost of goods (goods and services) sold	-200 420	-183 766	-522 993	-465 051	10.1
Write-down of receivables	-50	-6 760	-57	-6 950	10.1
Gross profit	3 085	22 346	53 089	88 351	
Marketing expenses	-423	-369	-838	-715	10.2
General administrative expenses	-7 018	-5 145	-14 256	-8 588	10.3
Profit (loss) from biological assets	-27	0	-27	0	
Profit (loss) from the change in the fair value of the investment property	0	0	156	0	
Unsettled gain/loss on derivative financial instruments	-137	13 717	24 522	687	5.1
Other operating revenue	481	230	1 081	757	
Other operating expenses	-190	-31	-332	-65	
Operating profit	-4 229	30 748	63 395	80 427	
Profit (loss) from investments accounted for by equity method	16 885	14 724	18 885	15 447	6.2
Financial income and expenses					
Other financial investments	2 738	0	2 738	-24	
Interest expense	-6 381	-4 529	-13 126	-8 484	7.2
Interest income	1 760	1 188	3 004	1 833	
Profit (loss) from changes in exchange rates	-2	-8	-4	-137	
Other financial income and expenses	-6	0	-2	0	
Total financial income and expenses	-1 891	-3 349	-7 390	-6 812	
Profit before tax	10 765	42 123	74 890	89 062	
Corporate income tax	190	-5 217	-1 873	-5 379	4.3
Profit for the financial year	10 955	36 906	73 017	83 683	
including:					
Profit attributable to the owners of the parent company	10 921	36 906	72 983	83 888	
Profit attributable to non-controlling interest	34	0	34	-205	
Other comprehensive income					
Revaluation of risk hedging instruments*			-33 221	-69 684	
Exchange rate differences attributable to foreign subsidiaries			87	17	
Other comprehensive income			-33 134	-69 667	
Total income, including:			39 883	14 016	
Comprehensive profit attributable to the owners of the parent company			38 849	14 221	
Comprehensive profit attributable to non-controlling interest			34	-205	
Ordinary and diluted earnings per share (in euros per share)			3,61	13,32	8.7
Diluted earnings per share (in euros per share)			3,48	13,17	8.7

CONSOLIDATED CASH FLOW STATEMENT

	In thousands of EUR			
	H1 2024	H1 2023	2023	NOTE
Cash flows from operating activities				
Profit for the financial year	73 017	83 683	293 830	
Adjustments				
Depreciation, amortisation, and impairment of non-current assets	12 271	6 144	15 581	5
Change in the fair value of the investment property	-156	0	4 074	5
Equity profits/losses	-18 885	-15 447	-39 639	6
Change in the value of derivatives	25 168	67 397	54 122	
Other financial income/expenses	83	-1 792	-161 965	
Calculated interest expenses	13 126	8 484	22 573	7
Profit/loss from non-current assets sold	-173	-31	-91	
Income from grants recognised as revenue	-84	-313	784	
Corporate income tax expense	1 873	5 379	8 610	
Income tax paid	-1 672	-1	-267	4
Change in receivables and prepayments related to operating activities	91 407	151 608	54 540	4
Change in inventories	9 606	-39 323	-61 914	3
Change in payables and prepayments relating to operating activities	-27 452	-35 529	-406	
Change in biological assets	149	0	0	
Total cash flows from operating activities	178 278	230 259	189 832	
Cash flows from investing activities				
Purchases of associates	-21 822	-3 927	-10 314	6
Purchases of subsidiaries	-5 401	-4	-103 414	
Given loans	1 932	5 844	6 652	
Interest gain	2 686	1 834	2 691	
Purchases Investment property	-8 296	-5 275	-18 304	
Purchases of property, plant and equipment	-8 213	-8 968	-18 143	
Proceeds from sale of property	282	33	-252	
Net cash used in investing activities	-38 814	-10 463	-141 084	
Changes in overdraft	-15 513	7 499	14 348	7
Proceeds from borrowings	107 712	900	287 606	
Repayments of borrowings	-92 357	-135 094	-312 846	
Repayment of finance lease liabilities	-928	-922	-2 233	7
Interest paid	-13 070	-8 280	-22 224	
Dividends paid	-30 332	-7 875	-15 750	
Gain from share emission	3 152	0	29 464	
Net cash used in financing activities	-41 336	-143 772	-21 635	
TOTAL NET CASH FLOW	98 128	76 024	27 113	
Cash at the beginning of the year	87 115	60 002	60 002	3
Cash at the end of the period	185 243	136 026	87 115	3
Net (decrease)/increase in cash	98 128	76 024	27 113	

* The revaluations of non-monetary derivative instruments in consolidated profits do not affect the profitability or cash flow generation ability of Eesti Gaas or Infortar's main business activities.

CONSOLIDATED CHANGE OF EQUITY

	In thousands of EUR										
	Share capital	Share premium	Own shares	Option reserve	Reserve capital	Risk hedging reserve	Unrealised currency	Post employment benefit obligations	Retained earnings	Minority interest	Total
Balance as at 01.01.23	1 985	0	-95	1 650	205	82 307	3	0	481 890	732	568 677
Dividend paid	0	0	0	0	0	0	0	0	-7 875	0	-7 875
Stock options	0	0	0	945	0	0	0	0	0	0	945
Change in minority shareholding	0	0	0	0	0	0	0	0	0	20	20
Profit for the financial year	0	0	0	0	0	0	0	0	83 888	-205	83 683
Other comprehensive income	0	0	0	0	0	-69 684	17	0	0	0	-69 667
Balance as at 30.06.23	1 985	0	-95	2 595	205	12 623	20	0	557 903	547	575 783
Share capital expansion	120	29 344	0	0	0	0	0	0	0	0	29 464
Stock options	0	0	0	1 269	0	0	0	0	0	0	1 269
Change in minority shareholding	0	0	0	0	0	0	0	0	0	30	30
Profit for the financial year	0	0	0	0	0	0	0	0	209 890	257	210 147
Other comprehensive income	0	0	0	0	0	11 495	-59	-44	0	0	-11 392
Dividends paid	0	0	0	0	0	0	0	0	-7 875	0	-7 875
Balance as at 31.12.23	2 105	29 344	-95	3 864	205	24 118	-39	-44	759 918	834	820 210
Share capital expansion	12	3 140	0	0	0	0	0	0	0	0	3 152
Dividends paid	0	0	0	0	0	0	0	0	-30 332	0	-30 332
Share capital expansion	0	0	0	0	7	0	0	0	-7	0	0
Stock options	0	0	0	1 917	0	0	0	0	0	0	1 917
Change in minority shareholding	0	0	0	0	0	0	0	0	-1 020	6 406	5 386
Profit for the financial year	0	0	0	0	0	0	0	0	72 983	34	73 017
Other comprehensive income	0	0	0	0	0	-33 221	87	0	0	0	-33 134
Balance as at 30.06.24	2 117	32 484	-95	5 781	212	-9 103	48	-44	801 542	7 274	840 216

Note 1 Basis of Preparation

1.1 Statement of compliance

"These condensed consolidated interim financial statements (interim financial statements) have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting and they do not include all the notes normally included in the annual financial statements. Thus, they should be read in conjunction with the group's annual financial statements as at and for the year ended 31 December 2023, which have been prepared in accordance with IFRS as adopted by the European Union. These interim financial statements have been prepared using the same accounting policies as those applied in the preparation of the group's annual financial statements as at and for the year ended 31 December 2023. The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expenses. Actual results may differ from those estimates. Significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were mainly the same as those described in the group's annual financial statements as at and for the year ended 31 December 2023. These interim financial statements have not been audited or otherwise checked by auditors."

1.2 Bases of preparation

The cost method was used for preparing the consolidated annual accounts, except in the case of the following items in the statement of financial position:

- affiliated undertakings
- financial instruments
- investment property

1.3 Functional currency and presentation currency

The presentation currency of the consolidated annual accounts is the euro, which is also the functional currency of the parent company and its subsidiaries. The numeric indicators in main statements and notes are presented in thousands of euros rounded to the nearest thousand (unless stated otherwise).

1.4 Basis of consolidation

"Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. "

Note 2 Segment Reporting

"The management uses segment reporting for assessing the economic results of the group and making management decisions. The reports present the consolidated segment-based information of the companies in the group, which, in turn, are based on the

reports of the companies, divided by the main areas of activity of the group. The group distinguishes between three main areas of activity, which are presented as segments to be disclosed individually, and minor areas of activity, presented collectively as 'Other':"

1. Energy (includes biogas production, resale and distribution of natural gas, sale of electricity);
2. Real estate (includes all companies in the group that lease or develop investment property);
3. Maritime transport (includes Tallink Grupp (an affiliated undertaking of the group) and its subsidiaries);
4. Other (smaller companies that provide services to the segments and other smaller enterprises).

The 'Other' segment also includes areas of activity with an insignificant individual contribution to the sales revenue or EBITDA of the group. None of the areas of activity exceed quantitative criteria where disclosure of information is required individually.

The management assesses the results of the segments mostly based on EBITDA, but also monitors business profit. Financial income and expenditure and income tax expenditure is not divided between the segments. The assets and liabilities of the group are divided between the segments based on their purpose.

"The sales revenue of the companies in the energy segment is mainly earned from the sale of gas and other energy products. The result of the business operations of Eesti Gaas is seasonally dependent on the weather, as market demand for natural gas and electricity is higher in the first and fourth quarters of the year, i.e. during the winter heating period, and lower in the second and third quarters, when the weather is warmer.

The sales revenue of the companies in the real estate segment derives mainly from the lease of real estate to the companies of Tallink Grupp.

The maritime transport segment is monitored for decision-making purposes on the group level by relying on the financial statements of Tallink Grupp, and therefore, segment reporting includes the financial data of Tallink Grupp.

The companies in the group are managed, its assets are located, and its economic activity takes place mainly in Estonia.

In addition, SIA Happy Trails, a company in the real estate segment, operates on the Latvian market, and Eesti Gaas, a company in the energy segment, operates on the Latvian, Lithuanian, and Finnish markets. The revenue of the group on different geographical markets.

Q2 2024	Energy	Real estate	Maritime transport	Other segments	Total
External sales revenue	178 796	3 771	199 514	20 988	403 069
Intersegment sales revenue	736	690	10 533	6 890	18 849
Total segment sales revenue	179 532	4 461	210 047	27 878	421 918
Profit/loss based on the equity method	0	0	0	136	136
Segment revenue	-6 557	3 353	6 106	-1 025	1 877
Earnings before depreciation, amortisation, and revaluation of non-current assets (EBITDA)	-845	2 828	46 624	-477	48 130

In the second quarter of 2024, the net operating income (NOI) in the real estate segment was 3,938 thousand euros (compared to 3,306 thousand euros in the second quarter of 2023).

Q2 2023	Energy	Real estate	Maritime transport	Other segments	Total
External sales revenue	200 521	3 526	220 905	8 825	433 777
Intersegment sales revenue	1 284	332	8 770	8 752	19 138
Total segment sales revenue	201 805	3 858	229 675	17 577	452 915
Profit/loss based on the equity method	0	0	0	-658	-658
Segment revenue	29 423	3 290	33 449	-1 965	64 197
Earnings before depreciation, amortisation, and revaluation of non-current assets (EBITDA)	31 851	3 293	68 500	-1 134	102 510

Comparison of financial information with the consolidated report	Q2 2024		Q2 2023	
	Sales	Profit	Sales	Profit
Reported segments	394 040	2 902	435 338	66 162
Other segments	27 878	-1 025	17 577	-1 965
Elimination and adjustment in line-by-line consolidation	-8 316	-1 701	-10 368	-8 566
Elimination of affiliated undertakings	-210 047	10 779	-229 675	-18 725
Total in group report	576 139	10 955	212 872	36 906

H1 2024	Energy	Real estate	Maritime transport	Other segments	Total
External sales revenue	536 459	7 677	350 120	32 003	926 259
Intersegment sales revenue	1 438	1 390	20 329	12 074	35 231
Total segment sales revenue	537 897	9 067	370 449	44 077	961 490
Profit/loss based on the equity method	226	0	0	286	512
Segment revenue	61 800	6 700	8 678	-5 105	72 073
Earnings before depreciation, amortisation, and revaluation of non-current assets (EBITDA)	73 031	5 762	81 100	-3 283	156 610

In the six month of 2024, the net operating income (NOI) in the real estate segment was 7,351 thousand euros (compared to 6,611 thousand euros in the six month of 2023). In 2023, INF Communications OÜ, INF Tähesaju 9 OÜ, and INF Liivalaia OÜ were included in the accounting.

H1 2023	Energy	Real estate	Maritime transport	Other segments	Total
External sales revenue	535 218	7 116	386 646	18 018	946 998
Intersegment sales revenue	2 609	695	14 274	16 041	33 619
Total segment sales revenue	537 827	7 811	400 920	34 059	980 617
Profit/loss based on the equity method	0	0	0	-262	-262
Segment revenue	77 987	6 468	28 025	-4 028	108 452
Earnings before depreciation, amortisation, and revaluation of non-current assets (EBITDA)	82 340	6 474	95 600	-2 243	182 171

Comparison of financial information with the consolidated report	H1 2024		H1 2023	
	Sales	Profit	Sales	Profit
Reported segments	917 413	77 178	946 558	112 480
Other segments	44 077	-5 105	34 059	-4 028
Elimination and adjustment in line-by-line consolidation	-14 902	-9 263	-19 345	-12 191
Elimination of affiliated undertakings	-370 449	10 207	-400 920	-12 578
Total in group report	576 139	73 017	560 352	83 683

Note 3

Cash and inventories

In thousands of EUR

3.1 Cash and cash equivalents	30.06.24	30.06.23	31.12.23
Cash in hand	17	20	13
Cash at bank and short-term deposits	185 226	136 006	87 102
Total	185 243	136 026	87 115

3.2 Inventories	30.06.24	30.06.23	31.12.23
Natural gas inventory in storage	129 517	119 219	140 891
Inventories and production in progress	3 953	2 346	3 217
Unfinished goods	3 435	1 986	1 977
Finished goods	272	867	799
Total	137 177	124 418	146 884



Construction of RIMI logistics centre in Saue, photo: Margus Kana

Note 4

Receivables, liabilities, and provisions

In thousands of EUR

4.1 SHORT-/LONG-TERM RECEIVABLES	30.06.24	30.06.23	31.12.23
Trade receivables			
With a remaining term of up to 12 months	84 856	72 062	162 576
With a remaining term between 1–5 years	283	20	5
Including receivables from related parties	2 913	5 040	2 370
Loans issued	7 133	9 872	9 065
Including loan receivables from related parties	7 133	9 872	9 056
Interest receivables	742	350	424
Including interest receivables from related parties	469	350	335
Accruals and deferred income			
With a remaining term of up to 12 months	1 510	1 101	2 039
With a remaining term between 1–5 years	2	0	2
Other liabilities and prepayments	9 033	11 557	17 721
Prepaid taxes	1 014	953	925
Realised derivative receivables	1 316	365	5 958
Total receivables	105 889	96 280	198 715
The base currency of receivables and prepayments is the euro.			
4.2 SHORT-/LONG-TERM LIABILITIES	30.06.24	30.06.23	31.12.23
with a term up to one year			
Trade payables	88 009	67 704	74 751
Incl. debts to related parties	13	48	16
Tax liability	12 193	14 955	32 822
Settled derivative liabilities	7 081	6 200	1 463
Employee-related liabilities	7 086	2 472	7 462
Interest liabilities	780	578	724
Prepayments received	479	1 037	3 099
Derivatives	14 065	44	3 659
Short-term provisions	216	216	31
Other liabilities	3 285	1 517	2 634
with a remaining term between 1–5 years			
Revenue from government grants in future periods	5 578	4 565	5 662
Other liabilities	192	174	197
Long-term provisions	10 179	7 492	8 202
Derivatives	237	0	186

with a remaining term more than 5 years			
Deferred income tax liability*	33 435	30 268	33 233
Revenue from connection fees in future periods	23 724	12 785	25 017
Total	206 539	150 007	199 142
incl. current liabilities	133 194	94 723	126 645
Deferred income tax liability	33 435	30 268	33 233
Other long-term liabilities	39 910	25 016	39 264

* The deferred income tax liability in the amount of 31,203 thousand euros has been accounted for as a portion of the income tax liability related to the Tallink investment.

4.3 Income tax

	6 months 2024	6 months 2023	12 months 2023
Income tax expense	-1 672	-1	-267
Deferred income tax	-201	-5 378	-8 343
Other long-term liabilities	-1 873	-5 379	-8 610

Income tax expense consists of payable income tax and deferred income tax. Income tax expense is recognised in profit or loss, except for the part that is recognised in entries in other comprehensive income or loss. In the latter case, income tax liability is also recognised in other comprehensive income or loss.

The income tax liability that arises when dividends are distributed from retained earnings of the group.

* The deferred income tax expense should be considered when evaluating the value of the investment in Tallink Grupp AS

4.4 Grants

In 2018, Infotar received a grant from the public sector through the Connecting Europe Facility (CEF) and concluded a support contract with the Innovation and Networks Executive Agency (INEA), which coordinates the implementation of the CEF programme of the European Union, to construct a bunkering vessel called Optimus for liquefied natural gas (LNG). The maximum amount of the grant was 5,423 thousand euros, part of which was received as a prepayment and the rest after the project was completed in 2022. A condition for concluding the support contract was completing the LNG bunkering vessel Optimus by 2021 and commissioning it for at least five years. The LNG bunkering vessel Optimus was completed and acquired as a fixed asset in 2021 and it is still in use. The compensation from the grant was paid to the recipient after INEA validated the eligible costs in 2022. The received grant is recognised as income of the period when the ship is depreciated.

4.5 Provisions

As of June 30, 2024 additional provisions were recorded as follows: A pension provision for AS "Gasol" in the amount of 1.015 million euros. Post-employment benefits for members of the Infotar group's management board totalling 1.939 million euros. Additionally, a provision was added for AS Eesti Gaas related to detrimental contracts associated with long-term electricity purchase agreements in the amount of 6,366 million euros. The provision was based on the amount by which the unavoidable costs associated with fulfilling the contracts exceed the expected economic benefit from the contracts. Environmental provisions for AS "Gasol" were also added in the amount of 0.892 million euros.

Note 5 Fixed assets

Note 5.1 INVESTMENT PROPERTY	In thousands of EUR
At 31.12.2022	160 540
Purchases investment property	18 304
Reclassification	1 254
Change in fair value	-4 074
At 31.12.2023	176 024
Purchases investment property	8 296
Reclassification	0
Change in fair value	156
At 30.06.2024	184 476

	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Lease and rental income earned	3 603	2 904	7 134	6 685
Direct administrative costs of investment property	-444	-91	-843	-199

The fair value of the investment property is based on the market price set by an independent real estate appraiser. The appraisal principles of investment property are based on the discounted cash flow and the comparison method. If the discounted cash flow cannot be used, the appraisal of premises under development relies on the market price calculated based on purchase transactions of similar properties, adjusted according to the changes in the real estate market.



Tallink hotel in Riga, photo Jörg Nicht

5.2 Property, Plant, and equipment

in thousands of EUR

	Land and buildings	Assets under construction	Plant and equipment	Other	TOTAL
Book value as of 01.01.23	90 643	9 789	46 231	1 061	147 724
Cost or valuation as of 01.01.23	147 097	9 789	66 011	2 477	225 374
Accumulated depreciation as 01.01.23	-56 454	0	-19 780	-1 416	-77 650
Additions	359	11 955	616	2 261	15 191
Additions due to acquisitions of subsidiaries	276 957	3 567	12 995	2 919	296 438
Depreciation charge	-7 482	0	-3 500	-712	-11 694
Reclassification	1 530	-4 279	923	572	-1 254
Disposals	554	-13	-28	-170	343
Book value as of 31.12.23	362 561	21 019	57 237	5 931	446 748
Cost or valuation as of 01.01.24	425 133	21 019	80 236	7 781	534 169
Accumulated depreciation as 01.01.24	-62 572	0	-22 999	-1 850	-87 421
Additions	3 572	556	2 046	380	6 554
Depreciation charge	-6 644	0	-2 347	-874	-9 865
Additions due to acquisitions of subsidiaries	10 989	464	1 663	9	13 125
Disposals	0	0	-99	-124	-223
Book value as of 31.03.24	370 478	22 039	58 500	5 322	456 339
Cost or valuation as of 31.03.24	443 009	22 039	85 981	7 755	558 784
Accumulated depreciation as 31.03.24	-72 531	0	-27 481	-2 433	-102 445

5.3 Intangible assets

in thousands of EUR

	Value of contracts	Computer software	Mining rights	Total
Residual value on 01.01.23	2 884	3 000	2 969	8 853
Acquisition of intangible assets	0	2 952	0	2 952
Additions after acquisitions of companies	0	4 323	0	4 323
Calculated depreciation	-306	-1 354	-102	-1 762
Residual value on 31.12.23	2 578	8 921	2 867	14 366
Acquisition of intangible assets	0	1 444	0	1 444
Calculated depreciation	-122	-1 027	-20	-1 169
Residual value on 30.06.24	2 456	9 321	2 847	14 624

5.4 Lease liabilities	in thousands of EUR	
	30.06.24	30.06.23
Lease liabilities	12 143	9 198
< 1 year	1 734	1 136
1 - 5 year	7 307	6 492
> 5 years	3 102	1 570
Book value of leased assets	12 498	9 384
Lease payments in the year	928	922
Interest payments on lease in the reporting year	174	151

Lease contracts are concluded with maturities of up to 2033 with the base currency being euro. Liabilities incurred are secured by leased assets. During the financial year, the lease interest remained between 1–5%

5.5 Right-of-use assets	in thousands of EUR		
	Land and buildings	Plant and equipment	Total
Balance as at 01.01.23	679	9 513	10 192
New right-of-use assets	250	3 126	250
Calculated depreciation	-305	-1 820	-305
Revaluation and write-off of lease liabilities	0	-143	0
Balance as at 31.12.23	624	10 676	11 300
New right-of-use assets	79	285	235
Calculated depreciation	-65	-800	-74
Revaluation and write-off of lease liabilities		-2	0
Balance as at 31.03.2024	785	11 713	12 498

5.6 LEASED ASSETS (THE GROUP AS THE LESSOR)	in thousands of EUR			
Assets leased under operating lease	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Carrying amount of assets leased as the lessor	3 819	3 678	7 621	7 132
Investment property			30.06.24	30.06.23
Investment property			141 331	137 464

Note 6. Subsidiaries and Affiliated Undertakings

Note 6. Subsidiaries, affiliates and Associated companies

In thousands of EUR

AS Infortar subsidiaries as of 30.06.24	established	holding 30.06.24	holding 30.06.23	equity 30.06.24	equity 30.06.23
AS Gastrolink	07.10.05	100%	100%	668	605
AS H.T.Valuuta	22.01.97	100%	100%	1 568	1 479
OÜ INF Sadama 11	03.10.02	100%	100%	40 084	38 931
OÜ INF Mustakivi	07.01.05	100%	100%	14 204	14 333
OÜ INF Sadama 579	19.03.04	100%	100%	21 910	23 045
OÜ INF Kaldase	11.01.05	100%	100%	12 845	12 068
OÜ INF Tennisekeskus	11.01.05	100%	100%	1 284	3 564
AS Tallink Takso	19.09.07	66%	66%	-103	100
OÜ Aianurga	26.05.10	100%	100%	25	36
SIA Happy Trails	24.11.03	100%	100%	13 631	10 993
OÜ Taxitech	19.12.18	100%	100%	-15	-10
OÜ Lasnamäe Spordikeskus	18.07.16	100%	100%	-25	-43
AS Eesti Gaas Grupp	10.01.97	100%	100%	425 032	235 309
AS Vaba Maa Grupp	07.01.98	100%	100%	-283	-179
OÜ INF Liivalaia	28.03.02	100%	100%	1 675	-615
OÜ INF Communications	12.04.18	100%	100%	95	219
OÜ EG Biofond	14.05.08	100%	100%	5 253	4 136
OÜ Farmatar	21.02.20	80%	80%	0	-716
OÜ Medifort	15.06.20	100%	100%	0	-33
Infortar Marine Ltd	11.08.20	100%	100%	-541	919
OÜ INF Engineering Grupp	07.09.22	100%	100%	7 480	4 922
OÜ INF Tähesaju 9	06.09.22	100%	100%	136	-76
INF Saue OÜ	23.08.21	90%	90%	1 065	1 765
OÜ INF	06.03.23	100%	100%	-18	10

Infortar's subsidiary SIA Happy Trails is located in the Republic of Latvia; Infortar Marine Ltd is located in the Republic of Cyprus, while the other subsidiaries are located in the Republic of Estonia.

Eesti Gaas operates in Latvia through SIA Elenger, in Lithuania through UAB Elenger, in Finland through OY Elenger, and in Poland under the name Sp.z.o.o. Elenger. In 2022, preparations for 270laar energy production began in Latvia through subsidiaries SIA Solar Nica (100% ownership), SIA Elenger Partners (80% ownership), SIA Solar Marupe (80% indirect ownership), and SIA Solar Olaine (80% indirect Ownership).

In the first quarter of 2024, the Infortar Group initiated a reorganization, resulting in its subsidiary AS Gastrolink transferring its operations related to the sale of tableware and kitchenware to AS Tallink Grupp. The reorganization was prompted by the fact that a significant portion of AS Gastrolink's sales Revenue came from sales to AS Tallink Grupp.

Infortar's subsidiary OÜ EG Biofond and Brorup OÜ entered into an investment agreement and shareholder agreement, under which OÜ EG Biofond acquired a 51% stake in OÜ Halinga. As of April 2, 2024, approval for the merger was obtained from the Competition Authority, and the remaining

transaction-related procedures were completed.

In the second quarter of 2024, Infortar Group sold its 80% stake in Farmatar OÜ, marking an exit from the pharmaceuticals and pharmacy products business segment. The sale of Farmatar OÜ did not impact the Group's results because the company was sold at its equity value as reflected in the consolidated financial statements.

6.2. INVESTMENTS IN AFFILIATED UNDERTAKINGS

(in thousands of EUR)

	30.06.2024	30.06.2023
Total investments	386 702	315 434
OÜ Vara HTG	50%	50%
value of holding	6 853	6 878
AS Tallink Grupp	47%	41%
value of holding	371 740	301 056
value in stock market price	223 221	180 856
OÜ Vana-Posti Kinnisvara	50%	50%
value of holding	59	87
OÜ Eesti Biogaas	50%	50%
value of holding	2 748	2 073
Pakrineeme Sadama OÜ	50%	50%
value of holding	5 301	5 340

Affiliated undertakings are located in Estonia.

6.3. Group structure

The structure reflecting the Infortar Group is presented in the composition of the activity report.

Note 7. Financial liabilities

7.1. LOAN AND LEASE LIABILITIES		in thousands of EUR	
	Maturity date	30.06.24	30.06.23
Current liabilities	Under 1 year	131 408	109 073
Non-current liabilities	1 - 5 years	313 877	189 574
Non-current liabilities	over 5 years	3 102	1 570
Total		448 387	300 217
The liabilities are divided by types and maturity dates:			
Short-term loan liabilities		30.06.24	30.06.23
	Overdraft	15 015	23 678
	Short-term loans	100 000	77 000
Short-term portion of long-term loan liabilities		14 659	7 259
Total		129 674	107 937
Long-term loan liabilities			
Investment loan		306 570	183 082
Total		306 570	183 082
Lease liabilities			
Short-term portion of lease liabilities		1 734	1 136
Long-term portion of lease liabilities		10 409	8 062
Total		12 143	9 198

7.2 Interest in thousands of EUR

The loans were issued with an interest rate of the 3-month and 6-month EURIBOR + 0,1-4%.
Currency is EUR

Interest expense	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Interest paid	6 381	4 529	13 126	8 848

Note 8 Share Capital, Contingent Liabilities and Reserves

8.1 Share capital

		30.06.23	30.06.24	31.12.23
Total number of ordinary shares issued		21 166 239	6 615 000	21 045 000
incl. fully paid		20 221 239	6 300 000	20 100 000
nominal value	EUR	0,1	0,3	0,1
Share capital	in thousands of euros	2 117	1 985	2 105
Own shares	in thousands of euros	-95	-95	-95

The share capital of 2,116,624 euros is divided into 21,166,239 ordinary shares with a nominal value of 0.10 euros per share (as of 31.12.23, there were 21,045,000 ordinary shares with a nominal value of 0.10 euros per share). The company's minimum share capital is one million (1,000,000) euros, and the maximum share capital is four million (4,000,000) euros. Within the limits of the minimum and maximum share capital, the share capital of the company may be increased or decreased without amending the articles of association. In 2024, 121,239 shares were issued at a premium of 25.90 euros per share.

8.2 OWN SHARES

Infortar owns 945,000 own shares, which constitute 4.5% of the share capital and were acquired for the implementation of the option program.

8.3 CONTINGENT LIABILITIES

	30.06.24	30.06.23	31.12.23
Potential income tax liability	801 542	557 903	759 918
Retained earning	167 174	150 449	166 167
Including taxable profit	126 874	81 499	118 750
Maximum potential income tax liability	674 668	476 404	641 168
Dividends paid if all retained earnings are distributed			

The calculation is based on the tax rate (20/80) which applies to dividends paid from the beginning of the coming financial year and the prerequisite that the dividends that are going to be distributed and the income tax paid on them would not exceed the balance of retained earnings on the reporting date.

8.4 LEGAL RESERVE

Legal reserve is formed with annual provisions made from net profits as well as other provisions which are added to the legal reserve pursuant to law or the articles of association. The amount of legal reserve is determined by the articles of association, and it cannot be smaller than 1/10 of the share capital. At least 1/20 of the net profit must be transferred to the legal reserve in each financial year. When the legal reserve reaches the amount provided for in the articles of association, it will no longer be increased on account of net profits. The legal reserve may be used for covering losses with the decision of a general meeting if it cannot be covered from the available equity of the public limited company; it may also be used for increasing share capital. Legal reserve cannot be used for payments to shareholders.

8.5 HEDGING RESERVE

In thousands of EUR

The hedging reserve comprises the effective portion of the change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss if the hedged cash flows affect profit or loss.

As of 01.01.23	82 307
Cash flow hedging instruments – change in fair value	6 596
Profit (-)/loss (+) from the realised cash flow hedging instruments	-64 785
As of 31.12.23	24 118
Cash flow hedging instruments – change in fair value	-59 830
Profit (-)/loss (+) from the realised cash flow hedging instruments	26 609
As of 30.06.24	-9 103

8.6 SHARE OPTIONS PROGRAMME

In 2021, the basic terms and conditions of the share options programme were established to motivate the staff and members of the management. The objective of the programme is to motivate the management and the staff by encouraging them to become shareholders so that persons who have received share options would be able to benefit from the increase in the share value as a result of their work.

The main conditions of the share options programme are the following:

The date of issue of options	The condition for earning the right for receiving options	Exercise period of options
September 2021	a) Three years have passed	"Starts when three years have passed from the date of issue of the options and ends when the subsequent 12-month period passes"
November 2021	from the issue of options	
June 2022	b) The option has not expired	
November 2023	when it is exercised "	
June 2024		

The cost of share options in the financial year 2024 was 1 916 thousand euros and it is reflected in the income statement under the "General administrative expenses" in the line item "Personnel expenses."

Calculation of fair value

The fair value of share options of employees was measured by the Black-Scholes-Merton model. Pursuant to IFRS 2, the option conditions based on service and the operating result were not taken into consideration when measuring fair value.

The life of the option (in months)	36
Volatility	-13,4%
Risk-free interest rate	1,0%
"Weighted average fair value per share	26

8.7. Shares belonging to the members of the management and supervisory board as at 30.06.2024

Name	Position	Number of shares	Stock options	Holding %
Ain Hanschmidt	Chairman of the Management Board	38 300	61 800	0,18%
Eve Pant	Member of the Management Board	142 300	61 800	0,67%
Enn Pant	Chairman of the Supervisory Board	674 500	61 800	3,19%
Kalev Järvelill	Member of the Supervisory Board	94 500	61 800	0,45%
Toivo Ninnas	Member of the Supervisory Board	1 275 625	61 800	6,03%
Mare Puusaag	Member of the Supervisory Board	1 000	6000	0%

8.7. EARNINGS PER SHARE

		6 months 2024	6 months 2023
Profit attributable to the owners of the parent company	<i>Th. of EUR</i>	72 983	83 888
Weighted average number of ordinary shares	<i>Th. of EUR</i>	20 221 239	*6 300 000
Ordinary earnings per share	<i>Th. of EUR</i>	3,61	4,14*
Number of options issued	<i>Th. of EUR</i>	757 950	145 950
Purchase price in the options contract	<i>euro</i>	0,1	0,3
Average market price	<i>euro</i>	33	39
Number of shares that should have been issued at the market price		2 297	552
Weighted average number of shares	<i>Th. of EUR</i>	20 976 892	6 371 268
Diluted earnings per share	<i>euro</i>	3,48	4,13*

*As of 31.12.2022, the number of Infortar shares was 6,615,000, with a nominal value of 0.3 euros per share. On 07.11.2023, the nominal value of the shares was changed, resulting in a total of 21,045,000. shares, including options issued to employees, with a nominal value of 0.1 euros per share.

Note 9. Revenue

in thousands of EUR

9.1. Revenues by categories	Q2 2024	Q2 2023	6 months 2024	6 months 2023
9.1 Revenues by categories	203 555	212 872	576 139	560 352
Profit/loss from hedging instruments	-5 223	15 587	549 530	70 737
Revenue from customer agreements	208 778	197 285	549 530	489 615
Revenue from customer agreements is distributed:				
Lease and rental of real estate	3 819	3 678	7 621	7 132
Agricultural sales	2 353	0	2 353	0
Energy sales	177 070	181 018	498 116	457 153
Sale of other gas-related services and goods	4 536	2 262	9 158	3 920
Sale of mineral resources and construction materials	15 556	3706	22 295	8 393
Other supporting services	5 319	4 942	9 482	9 373
Other income	125	1 679	394	3 644

9.2 CUSTOMER AGREEMENT BALANCES

The following table provides an overview of contractual assets and contractual obligations to customers.
in thousands of EUR

	30.06.24	30.06.23	30.06.24
Trade receivables			
With a remaining term of up to 12 months	84 856	72 062	162 576
With a remaining term between 1–5 years	283	20	5
Prepayments received	479	1 037	3 099
Future income from connection fees	23 724	12 785	20 017

Note 10 Operating Expenses

10.1 COST OF SALES (GOODS, SERVICES)

(in thousands of euros)

	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Raw materials	-147 908	-160 750	-402 222	-409 518
Goods bought for reselling	-5 554	-1 136	-7 186	-3 549
Services bought for reselling	-16 297	-6 630	-46 409	-23 022
Subcontracting	-13 884	-7 389	-21 601	-14 261
Transport expenses	-1 191	-599	-1 980	-1 033
Miscellaneous office expenses	-1 160	-569	-2 154	-1 020
Labor costs	-9 191	-3 326	-17 782	-6 286
Depreciation and amortisation	-5 408	-2 983	-11 357	-5 404
Other	123	-7 144	-12 359	-7 908
Total	-200 470	-190 526	-523 050	-472 001

10.2 MARKETING EXPENSES

(in thousands of euros)

	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Transport expenses	-67	-60	-126	-108
Labour costs	-224	-201	-436	-410
Other	-118	-90	-246	-162
Total	-423	-369	-838	-715

10.3 GENERAL ADMINISTRATIVE EXPENSES

(in thousands of euros)

	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Transportation	-97	-104	-181	-205
Office expenses	-1 250	-1 601	-1 725	-1 124
Labour costs	-4 614	-2 722	-10 073	-5 521
Amortisation cost	-313	-262	-884	-705
Other	-744	-456	-1 393	-1 033
Total	-7 018	-5 145	-14 256	-8 588

10.4 LABOUR COSTS

(in thousands of euros)

	30.06.24	30.06.23
Number of employees in the company	1 344	472
Persons employed under an employment contract	1 295	435
Members of management board or controlling body	49	37

	Q2 2024	Q2 2023	6 months 2024	6 months 2023
Total calculated remuneration	-11 048	-4 504	-22 527	-8 762
Payroll taxes	-2 981	-1 410	-5 764	-2 762
Total labour costs	-14 029	-5 914	-28 291	-11 524

Note 11 Transactions with Related Parties

The group has made transactions with related parties, and the group's balances with related parties are

in thousands of euros

30.06.24 period end	sales to related parties	purchases from related parties	receivables to related parties	payables from related parties
Members of the management and supervisory boards and companies associated with them	0	350	0	9 250
Affiliates	6 964	159	10 516	13
Total	6 964	509	10 516	9 263

30.06.23 period end	sales to related parties	purchases from related parties	receivables to related parties	payables from related parties
Members of the management and supervisory boards and companies associated with them	0	646	0	8 900
Affiliates	24 622	627	11 761	16
Total	24 622	1 273	11 761	8 916



Nica solar park in Latvia, photo: Colortime

Note 12. BALANCE SHEET OF THE PARENT COMPANY

12.1. Accounting principles

According to the Estonian Accounting Act, the consolidated financial statements must include separate unconsolidated primary statements (balance sheet, income statement, cash flow statement, and statement of changes in equity) of the consolidating entity (parent company). When preparing the primary statements of the parent company, the same accounting principles applied in preparing the consolidated financial statements are followed, except for investments in subsidiaries and associated companies, which are reflected in the unconsolidated statement at cost (minus impairments).

12.2. Statement of financial position

In thousands of EUR

ASSETS	30.06.24	30.06.23	31.12.2023
CURRENT ASSETS			
Cash and cash equivalents	64 013	214	44 495
Short term financial investments	1	1	1
Trade and other receivables	1 226	782	5 186
Total current assets	65 240	997	49 682
NON-CURRENT ASSETS			
Investments to subsidiaries	31 552	28 344	28 413
Investments to associates	67 743	39 466	45 853
Derivative and other financial assets	23 147	41 284	25 241
Investment property	8 019	8 643	7 998
Property, plant and equipment	1 268	284	1 331
NON-CURRENT ASSETS	131 729	118 021	108 836
TOTAL ASSETS	196 969	119 018	158 518
LIABILITIES			
CURRENT LIABILITIES			
Loan and leasing obligations	89 808	33 641	32 471
Payables to suppliers	87	206	940
Prepayments	15	3	15
Other current liabilities	1 866	1 371	1 704
Total current liabilities	91 776	35 221	35 130
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	68 380	69 820	53 380
Total non-current liabilities	68 380	69 820	53 380
TOTAL LIABILITIES	160 156	105 041	88 510
EQUITY			
Share capital	2 117	1 985	2 105
Own shares	-95	-95	-95
Share Premium	32 484	0	29 344
Reserve capital	212	205	205
Option reserve	5 781	2 595	3 864
Retained earnings	4 246	604	-7 271
Net profit	-7 932	8 683	41 856
Total equity	36 813	13 977	70 008
TOTAL LIABILITIES AND EQUITY	196 969	119 018	158 518

12.3. INCOME STATEMENT OF THE PARENT

In thousands of EUR

	Q2 2024	Q2 2023	6 months 24	6 months 23
Revenue	1 364	535	2 742	1 086
Cost of sales	-18	-15	-35	-36
Gross profit	1 346	520	2 707	1 050
Administrative expenses	-2 974	-1 909	-5 992	-3 741
Other operating profit	6	0	21	0
Other operating costs	-15	-1	-24	-4
Operating profit	-1 637	-1 390	-3 288	-2 695
Profit (loss) from investments in the subsidiaries	-3 934	-176	-4 859	-441
Financial income and expenses				
Interest gain	-1 040	-912	-2 085	-1 630
Interest expense	1 809	1 905	3 506	3 449
Other financial income and expenses	-1 206	0	-1 206	0
Dividends	0	10 000	0	10 000
Total financial income and expenses	-4 371	10 817	-4 644	11 378
Net profit of the financial year	-6 008	9 427	-7 932	8 683

12.4. Cash-flow statement

in thousands of EUR

	6 months 2024	6 months 2023	12 months 2023
Cash flows from operating activities			
Net profit/-loss of the financial year	-7 932	8 683	41 856
Adjustments:			
Financial income	6 065	-13 008	-51 335
Change in fair value of inv. property	0	0	770
Share profit of associates	160	38	94
Depreciation and amortization	-1 421	1 630	3 801
Interest expenses	-21	0	0
Proceeds from sale of property	4 068	1 668	-2 580
Changes in assets related to investments	740	-641	2 116
Changes in liabilities related to investments	1 659	-1 630	-5 278
Cash flows from investing activities			
Purchases of associates	-21 890	-3 927	-10 314
Purchases of subsidiaries	-7 995	-5 011	-5 062
Dividends received	2 094	9 062	0
Given loans	-1 206	10 000	25 105
Paybacks from given loans	3 397	3 428	45 812
Interest received	-22	-681	5 769
Purchases Investment property	-106	-22	-805
Purchases of property, plant and equipment	30	0	-1 126
Net cash used in investing activities	-25 698	12 849	59 379
Cash flows from financing activities			
Gain from share emission	3 152	0	29 464
Changes in overdraft	73 057	-2 264	-19 153
Proceeds from borrowings	0	900	900
Repayments of borrowings	-720	-720	-1 440
Interest paid	-1 600	-1 046	-3 627
Dividends paid	-30 332	-7 875	-15 750
Net cash used in financing activities	43 557	-11 005	-9 606
TOTAL NET CASH FLOW	19 518	214	44 495
Cash at the beginning of the year	44 495	0	0
Cash at the end of the period	64 013	214	44 495
Net (decrease)/increase in cash	19 518	214	44 495

12.5. PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

In thousands of EUR

	Share capital	Share premium	Qwn shares	Option reserve	Reserve capital	Retained earnings	Total
As of 01.01.23	1 985	0	-95	1 650	205	8 479	12 224
Share capital expansion	120	29 344		0		0	29 464
Dividends paid	0	0	0	0	0	-15 750	-15 750
Stock options	0	0	0	2 214	0	0	2 214
Net profit	0	0	0	0	0	41 856	41 856
As of 31.12.23	2 105	29 334	-95	3 864	205	34 585	70 008
Share capital expansion	12	3 140	0	0	0	0	3 152
Share premium expansion	0	0	0	0	7	-7	0
Dividends paid	0	0	0	0	0	-30 332	-32 332
Stock options	0	0	0	1 917	0	0	1 917
Net profit	0	0	0	0	0	-7 932	-7 932
As of 30.06.24	2 117	32 484	-95	5 781	212	-3 686	36 813

Calculation of equity by fair value at 31.03.2024

Unconsolidated equity	36 813
Carrying value of associates.	-99 295
Fair value of associates by equity method.	894 186
Unconsolidated equity by fair value	831 704