

Infortar Group

Q1 2024

(unaudited)

Beginning of the financial year:	1. January 2024. a.
Reporting date:	31. March 2024. a.
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Management report 3 months 2024 of AS Infortar

AS Infortar along with its subsidiaries (hereinafter 'the group') is an Estonian investment company mainly active in the energy, shipping, and real estate sectors. In addition, the group has invested in domains that support its main areas of activity.

OVERVIEW OF THE GROUP as at 31 March 2024

Equity capital:	853 million euros
Volume of assets:	1 399 million euros
EBITDA:	74 million euros
Number of employees:	1 325 employees

OVERVIEW OF THE GROUP

In total, the group includes 103 companies – 48 members of the group, 5 affiliated undertakings, and 50 subsidiaries of affiliated undertakings. In 2024 first quarter the total investment amount of the Infortar Group was approximately 7 million euros.

ENERGY

AS Eesti Gaas – an energy group, operating in foreign markets under the name of Elenger.

Eesti Gaas acquired akciju sabiedrība "Gasol" (Gasol) in 2023

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 (42.3% share as of March 31, 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 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 that hold strong market positions.
- Our long-term goal is to achieve a stable increase in the company's value that surpasses average 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

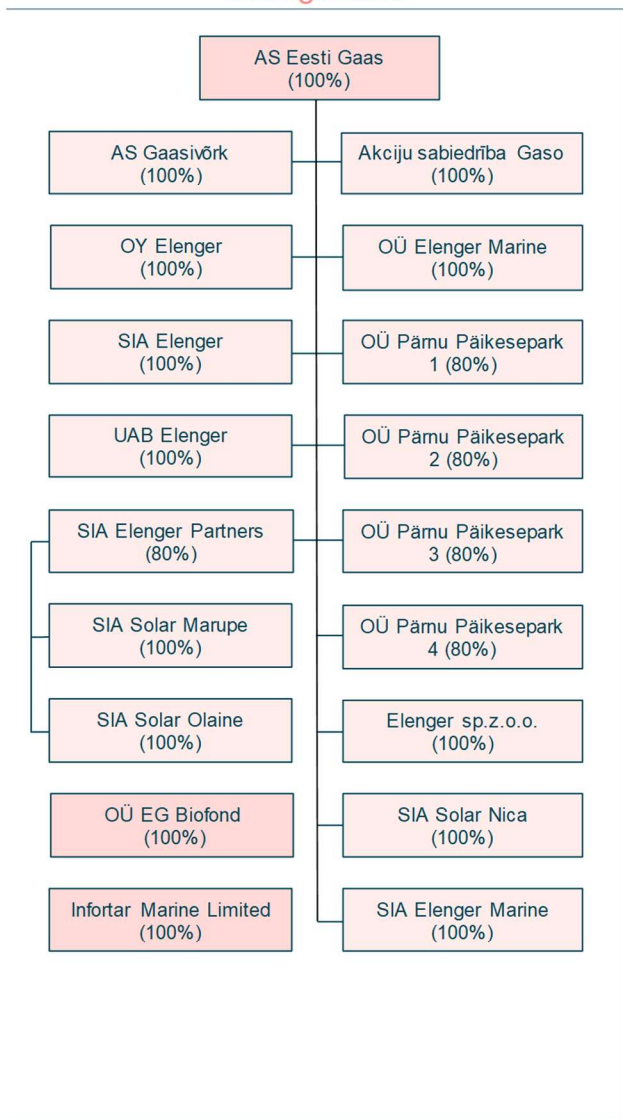
Smile and commit – a closer partnership begins with open communication. We keep an open mind to new ideas and everything unconventional. We value cooperation within our team and with our partners. Our team offers equal opportunities to everyone and fosters development, creativity, and self-actualisation.

• Determination

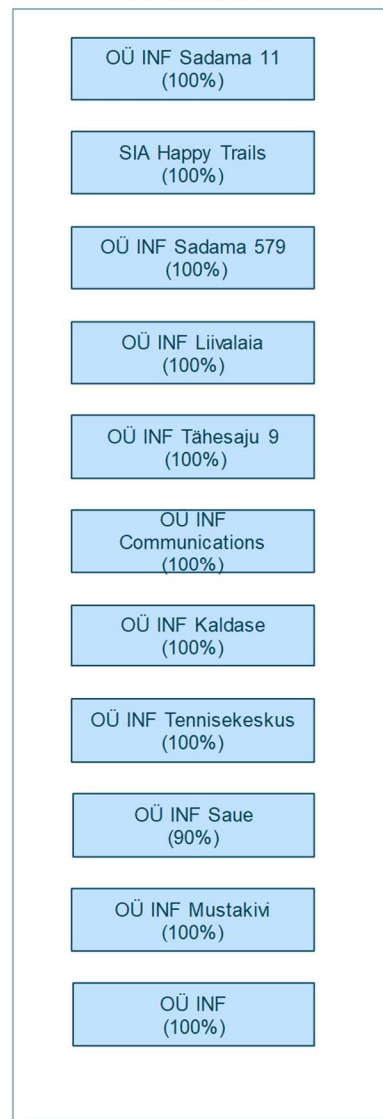
We are convinced that determination is the essential cornerstone of success.

AS INFORTAR

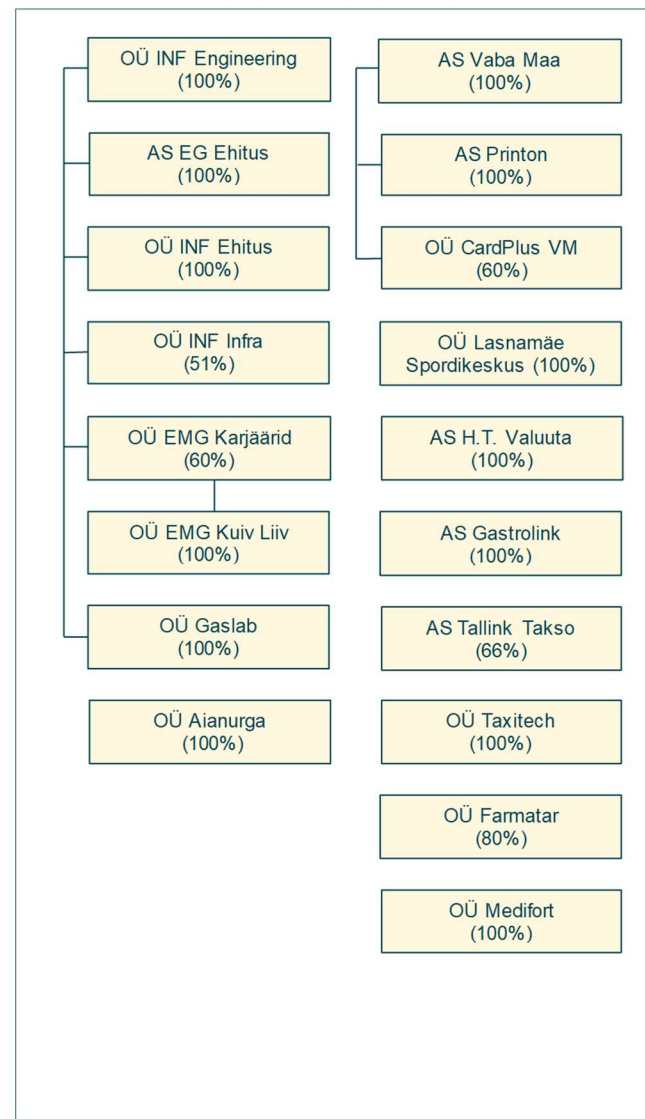
Energeetika



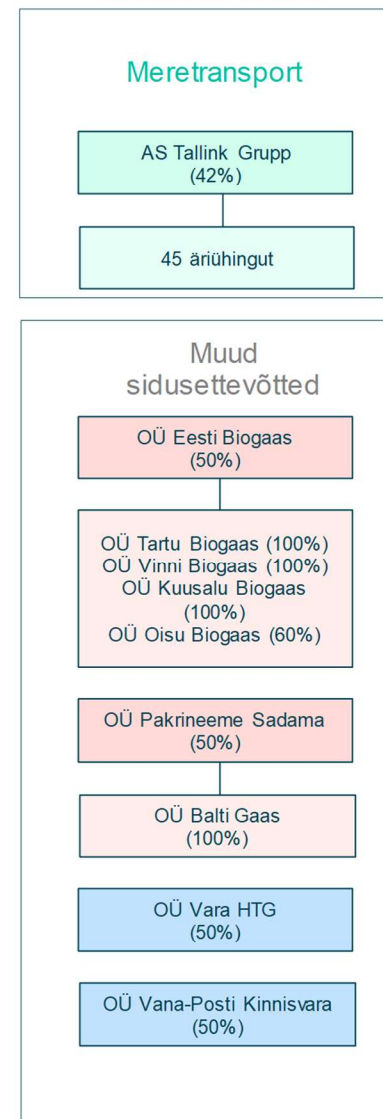
Kinnisvara



Toetavad ettevõtted



Sidusettevõtted



Letter from the CEO **AIN HANSCHMIDT**

It was only recently that we ceremoniously rang the stock market bell in the foyer of our new office building, marking the beginning of a new era in Infortar's development. Today, we clearly see that the decision, which caused much excitement in the business community, has fully justified itself. We managed to achieve strong results in a challenging environment, the stock price has risen, the company's quality and recognition have reached an entirely new level, and our international expansion continues.

Infortar is committed to the development of our group companies – Eesti Gaas has become the largest privately owned energy company in the Finnish and Baltic region, Tallink is the largest shipping company in the Baltic Sea, and in the real estate sector, we are one of the largest asset owners in the region. In the long run, we aim to offer continuous dividend flow to our investors. The board has proposed a dividend payment of 3 euros per share, which corresponds to an approximate dividend yield of 11 percent (calculated based on IPO price).

The group's results for 2023 were record-breaking in terms of volumes, turnover, profit, EBITDA, assets, investments, dividends, and market share. Success has been brought and secured by cross border growth and the agility of the companies within the group. We have hedged our risks across multiple segments and turned challenges arising from market changes into success. We have demonstrated our ability to increase volumes regardless of whether markets are growing or shrinking, or whether prices are rising or falling.

Presenting the economic results of the first quarter of this year, it is noteworthy that Elenger conducted its first gas transactions in Germany. The Baltic-connector is back in operation, which has reduced tensions in the energy market. The investment in the Latvian gas network Gaso is fully reflected for the first time in the Q1 figures. Tallink's first quarter ended in profit. The expansion of Tallink's logistics center is completed, and construction of the 25,000 square meter RIMI logistics center continues in Saue parish. The biogas plants in Oisu and Ilmatsalu are expanding, and the construction of the new bridge in Pärnu is progressing nicely on schedule. In the very same Pärnu County is located one of Estonia's largest dairy companies, Halinga OÜ. We recently acquired a majority stake in it, and we are excited to enter this new field.

As a responsible company, we consistently contribute to Estonian society, supporting culture, education, and nature conservation. In the realm of sports, Infortar's main partners are the Estonian Tennis Association and the Estonian Golf Association. Infortar's first sustainability report, which meets modern standards, has just been completed.

Our goal has been to create a crisisproof company, and the right decisions have laid the foundation for achieving sustainable and long-term success. Infortar's stock, with the trading symbol INF1T, is listed on the Tallinn Stock Exchange, our investment portfolio is diverse and cross-border, proven in crises, and has great growth potential. Infortar is a growth-focused company – we are constantly looking for new investment opportunities and aim to increase the value of investors' assets in the coming years.

ABOUT THE OPERATION OF THE GROUP

When reading the quarterly report of Infortar Group, it is essential to consider the seasonality of its business activities. The winter period represents the peak season in the energy sector; therefore, the EBITDA and operating profit for the first and fourth quarters are normally 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 first quarter of 2024 Eesti Gaas sold 6,1 TWh of energy (2023 first quarter 3,5 TWh). 21% of total energy sales in Q1 2024 was sold in Estonia. The regional market share of gas sales grew to 26%.

MARITIME TRANSPORT

Tallink Grupp is a Northern-European shipping company offering minicruise, 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. 4900 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 centers, 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 center in Lasnamäe, and a family doctor's center 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 March 31, 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.



Key Events in 2024 Q1

Gas Import

Eesti Gaas procures liquefied natural gas (hereinafter LNG) from various Western suppliers (e.g., Equinor ASA, Total Gas & Power Ltd, Vitol SA, Glencore International AG), with whom framework agreements are signed. The supplied gas is primarily sourced from American and Norwegian origins. In the first quarter of 2024, Eesti Gaas brought three LNG cargoes to the Inkoo terminal and one LNG cargo to the Klaipėda terminal. For the 2024 annual year, capacities at the Inkoo LNG terminal have been reserved for 12 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. Under suitable market conditions, Eesti Gaas utilizes the opportunity to store natural gas in gas storage facilities in Latvia, Poland, and Germany.

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.

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.

Supplying the Finnish Market with Natural Gas

Gas transmission network operators closed the Balticconnector gas pipeline between Estonia and Finland on October 8, 2023, due to a suspected leak and began investigations to detect the damage. Repairs were completed and gas flows were restored on April 22, 2024. Thus, during the winter of 2023/2024, the Finnish market was supplied with natural gas mainly through the Inkoo LNG terminals, and gas transmission between Estonia and Finland was not possible. Eesti Gaas adapted with the new situation, revised earlier plans, increased supplies, and ordered the highest ice-class gas vessels to secure Finland's winter gas supply. Despite the challenging situation, gas supplies to Finnish consumers and industrial enterprises were ensured smoothly and according to plan.

Expansion in Foreign Markets

In the first quarter of 2024, there was a higher-than-usual export and sale of natural gas to the Polish market. Total sales in Poland were almost 0.7 TWh, which accounted for 11% of the entire group's energy sales, the majority of which was wholesale. From April 1st, a new gas storage season began, and for the first time, Eesti Gaas has reserved storage capacity in addition to Latvia and Poland also in Germany and has begun filling the Rehden gas storage facility.

Natural Gas Consumption and the Continued Downward Trend in Prices in the First Quarter of 2024

Natural gas consumption reached 2.83 TWh in Estonia from October to March of this heating season, which is 30% more than the previous year (2.18 TWh), with the highest consumption in January (0.73 TWh). In the Finnish-Baltic region, gas consumption over the six months totalled 30.3 TWh, which is 42% more than the previous year (21.3 TWh), with consumption in January reaching 7.1 TWh. The downward price trend that began in the fall of 2023 continued in the first quarter of 2024. The nearest month futures of the TTF, which are the main reference indices for European gas prices, reached their lowest level since April 2021 on February 22, at 22.32 EUR/MWh. Gas prices declined in January and February, as the impact of geopolitical events from the previous quarter diminished and mild weather continued in Northwestern Europe. In March, there was the first monthly increase in gas prices since October, as Europe continued to compete with Asia for liquefied natural gas supplies and Norway experienced production issues. Overall, volatility in the first quarter of 2024 was lower compared to the last two years, and the market was relatively stable.

In the first quarter of 2024, the average price of the European natural gas benchmark, ICE Endex TTF for the month ahead, was 27.56 EUR/MWh. The ICE TTF future price for the nearest full month (May 2024) closed on March 28 at a price of 27.34 EUR/MWh. Forwardlooking prices for each subsequent month are higher than the previous month, extending into the next winter period.

Construction of Solar Power Plants

As a significant investment, the construction of a solar power plant with an approximate capacity of 4 MW is underway in Latvia. The total investment value is 2.7 million euros.

Increase of shareholding in Tallink Grupp AS

The Group has increased its investment in the affiliated company, Tallink. Infortar acquired an additional 1,154,705 Tallink shares in first quarter 2024, with a total transaction value of 796 590 euros.

Real Estate Developments

2024 I 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.

The construction of logistics centre for Rimi Eesti Food AS continued in Q1 2024. The building is constructed by INF Ehitus OÜ.

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

Entering a new line of business

In the first quarter of 2024, preparations began to enter a new line of business. On February 28, 2024, Infortar's subsidiary OÜ EG Biofond and Brorup OÜ signed an investment agreement and shareholder agreement, under which OÜ EG Biofond acquired a 51% stake in OÜ Halinga. As of April 2, 2024, the Competition Authority granted approval for the merger, and the remaining transaction-related actions were completed.

KEY FIGURES OF FINANCIAL YEAR

Infortar group	31.03.24	31.03.23	31.12.2023
Total assets (in thousands of EUR)	1 399 459	1 053 499	1 460 512
Interest-bearing liabilities (in thousands of EUR)	375 327	340 568	441 160
Total equity (in thousands of EUR)	852 690	566 482	820 210
Equity ratio (equity /assets) (%)	60,9%	53,8%	56,2%
Interest-bearing liabilities /equity (%)	44,0%	60,1%	53,8%
Current ratio	1,8	1,6	1,5
Net debt (in thousands of EUR)	195 799	140 723	354 045
Net debt/ EBITDA	1,2	1,0	2,5
Total equity attributable to equity holders of the Parent (in thousands of EUR)	851 961	565 934	819 376
Number of ordinary shares *	21 116 239	6 615 000	21 045 000
Earnings per share (EUR)**	3	2**	15**
Book value per share (EUR)	40	86	39
Number of group employees	1 325	467	1 308
Group labour expenses with taxes (in thousands of EUR)	14 262	5 610	40 722

	1 kv 2024	1 kv 2023	2023
Revenue (in thousands of EUR)	372 584	347 480	1 084 626
Gross profit (in thousands of EUR)	50 004	65 812	149 473
EBITDA (in thousands of EUR)	74 004	52 560	143 283
EBITDA margin	19,9%	15,1%	13,2%
Net profit (-loss) of the financial year	67 624	49 679	123 628
Total profit (in thousands of EUR)	62 062	46 777	293 830
Net profit (-loss) holders of the Parent (in thousands of EUR)	62 167	46 982	293 778
Return on turnover /operating income (%)	124,1%	71,1%	196,6%
ROA (%)			9,6%
ROE (%)			42,4%

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)

Accounting 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 inv. Property

EBITDA margin (%) = EBITDA / revenue

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

Net profit margin (%) = gross profit / revenue

ROA % = total profit / total assets

ROE % = total profit / equity



CONSOLIDATED INTERIM BALANCE SHEET

CONSOLIDATED REPORT OF FINANCIAL POSITION

In thousands of EUR				
ASSETS	31.03.24	31.03.23	31.12.2023	Note
Current assets				
Cash and cash equivalents	179 528	199 845	87 115	3.1
Short term financial investments	1	1	0	
Derivative financial assets	3 938	26 922	28 728	
Settled derivative receivables	5 050	24 198	5 958	
Other prepayments and receivables	121 920	93 549	162 575	
Prepayments for taxes	1 067	1 064	925	
Trade and other receivables	16 982	3 931	20 185	4.1
Prepayments for inventories	3 560	16 370	3 493	3.3
Inventories	61 839	38 360	146 884	3.2
Total current assets	393 885	404 240	455 863	
NON-CURRENT ASSETS				
Investments to associates	348 811	300 711	346 014	6.2
Derivative and other financial assets	395	6 508	1 125	
Long-term loans and other receivables	7 519	10 037	9 072	4.1
Investment property	179 655	163 144	176 024	5.1
Property, plant and equipment	443 872	149 928	446 748	5.2
Intangible assets	14 525	8 876	14 366	5.3
Right-of-use assets	10 797	10 055	11 300	5.5
Total non-current assets	1 005 574	649 259	1 004 649	
TOTAL ASSETS	1 399 459	1 053 499	1 460 512	

LIABILITIES AND EQUITY

in thousands of EUR

Interest-bearing loans and borrowings	31.03.24	31.03.23	31.12.2023	NOTE
Loan liabilities	120 733	149 249	184 259	7.1
Rental liabilities	1 470	1 452	1 766	7.1
Payables to suppliers	50 766	68 813	74 751	4.2
Tax obligations	23 050	21 792	32 822	4.2
Buyers' advances	2 422	4 666	3 099	4.2
Short term derivatives	1 879	2 842	1 463	4.2
Settled derivatives	13 557	4 364	10 851	4.2
Other current liabilities	4 017	590	3 659	
Total current liabilities	217 894	253 768	312 670	
Non-current liabilities				
Long-term provisions	11 209	680	8 399	4.5
Deferred taxes	33 684	25 051	33 233	4.2
Other long-term liabilities	29 990	17 651	30 679	
Long-term derivatives	868	0	186	
Loan-liabilities	244 334	181 918	246 410	4.2
Rental liabilities	8 790	7 949	8 725	7.1
Total non-current liabilities	328 875	233 249	327 632	7.1
TOTAL LIABILITIES	546 769	487 017	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	205	205	205	8.4
Option reserve	4 822	2 123	3 864	8.6
Risks hedging reserve *	-9 662	32 841	24 118	8.5
Unrealised currency translation differences	49	3	-39	
Employment benefit reserve	-44	0	-44	
Retained earnings	759 918	481 890	466 140	
Net profit of the financial year	62 167	46 982	293 778	
Total equity attributable to equity holders of the Parent	851 961	565 934	819 376	
Minority interests	729	548	834	
Total equity	852 690	566 482	820 210	
TOTAL LIABILITIES AND EQUITY	1 399 459	1 053 499	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

	Q 1 2024	Q 1 2023	2023	NOTE
Revenue	372 584	347 480	1 084 626	9.1
Cost of goods (goods and services) sold	-322 573	-281 478	-934 811	10.1
Write-down of receivables	-7	-190	-342	10.1
Gross profit	50 004	65 812	149 473	
Marketing expenses	-415	-346	-1 620	10.2
General administrative expenses	-7 238	-3 250	-22 085	10.3
Profit (loss) from the change in the fair value of the investment property	156	0	-4 074	5.1
Unsettled gain/loss on derivative financial instruments	24 659	0	1 969	
Other operating revenue	600	527	2 523	
Other operating expenses	-142	-13 064	-2 558	
Operating profit	67 624	49 679	123 628	
Profit (loss) from investments accounted for by equity method	2 000	723	39 639	6.2
<u>Financial income and expenses</u>				
Other financial investments	0	-24	-4	
Interest expense	-6 745	-3 955	-22 573	7.2
Interest income	1 244	645	2 765	
Profit (loss) from changes in exchange rates	-2	-129	-173	
Gain from discount purchase	4	0	159 158	
Total financial income and expenses	-5 499	-3 463	139 173	
Profit before tax	64 125	46 939	302 440	
Corporate income tax	-2 063	-162	-8 610	4.3
Profit for the financial year	62 062	46 777	293 830	
including:				
Profit attributable to the owners of the parent company	62 167	46 982	293 778	
Profit attributable to non-controlling interest	-105	-205	52	
Other comprehensive income				
Revaluation of post-employment benefit obligations			-44	
Revaluation of risk hedging instruments*			-58 189	
Exchange rate differences attributable to foreign subsidiaries			-42	
Other comprehensive income			-58 275	
including:				
Comprehensive profit attributable to the owners of the parent company			235 547	
Comprehensive profit attributable to non-controlling interest			52	
Ordinary and diluted earnings per share (in euros per share)			14,62	8.7
Diluted earnings per share (in euros per share)			14,15	8.7

CONSOLIDATED CASH FLOW STATEMENT

In thousands of EUR

	1 kv 2024	1kv 2023	2023	NOTE
Cash flows from operating activities				
Profit for the financial year	62 062	46 777	293 830	
Adjustments				
Depreciation, amortisation, and impairment of non-current assets	6 536	2 881	15 581	5
Change in the fair value of the investment property	-156	0	4 074	5
Equity profits/losses	-2 000	-723	-39 639	6
Change in the value of derivatives	25 520	50 544	54 122	
Other financial income/expenses	-1 161	-621	-161 965	
Calculated interest expenses	6 745	3 955	22 573	7
Profit/loss from non-current assets sold	-44	-30	-91	
Income from grants recognised as revenue	-42	-279	784	
Corporate income tax expense	2 063	162	8 610	
Income tax paid	-1 612	-1	-267	4
Change in receivables and prepayments related to operating activities	44 714	115 296	54 540	4
Change in inventories	84 979	31 603	-61 914	3
Change in payables and prepayments relating to operating activities	-60 965	-13 988	-406	
Total cash flows from operating activities	166 639	235 576	189 832	
Cash flows from investing activities				
Purchases of associates	-797	-3 927	-10 314	6
Purchases of subsidiaries	4	-4	-103 414	
Given loans	0	0	0	
Paybacks from given loans	1 807	5 700	6 652	
Interest gain	902	603	2 691	
Purchases Investment property	-3 474	-2 604	-18 304	
Purchases of property, plant and equipment	-2 977	-4 635	-18 143	
Proceeds from sale of property	66	32	-252	
Net cash used in investing activities	-4 469	-4 835	-141 084	
Cash flows from financing activities				
Received government grants	0	0	0	
Changes in overdraft	-30 528	-15 929	14 348	7
Proceeds from borrowings	59 926	900	287 606	
Repayments of borrowings	-95 001	-71 518	-312 846	
Repayment of finance lease liabilities	-593	-429	-2 233	7
Interest paid	-6 713	-3 922	-22 224	
Dividends paid	0	0	-15 750	
Gain from share emission	3 152	0	29 464	

Net cash used in financing activities	-69 757	-90 898	-21 635	
TOTAL NET CASH FLOW	92 413	139 843	27 113	
Cash at the beginning of the year	87 115	60 002	60 002	3
Cash at the end of the period	179 528	199 845	87 115	3
Net (decrease)/increase in cash	92 413	139 843	27 113	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	In thousands of EUR										
	Share capital	Share premium	Option reserve	Option reserve	Reserve capital	Risk hedging reserve	Exchange rate reserve	Employment benefits reserve	Retained earnings	Minority interests	Total
As of 01.01.23	1 985	0	-95	1 650	205	82 307	3	0	481 890	732	568 677
Stock options	0	0	0	473	0	0	0	0	0	0	473
Change in minority shares	0	0	0	0	0	0	0	0	0	21	21
Net profit	0	0	0	0	0	0	0	0	46 982	-205	46 777
Other comprehensive income	0	0	0	0	0	-49 466	0	0	0	0	-49 466
As of 31.03.23	1 985	0	-95	2 123	205	32 841	3	0	528 872	548	566 482
Share capital expansion	120	29 344	0	0	0	0	0	0	0	0	29 464
Stock options	0	0	0	1 741	0	0	0	0	0	0	1 741
Change in minority shares	0	0	0	0	0	0	0	0	0	29	29
Net profit	0	0	0	0	0	0	0	0	246 796	257	247 053
Other comprehensive income	0	0	0	0	0	-8 723	-42	-44	0	0	-8 809
Dividends paid	0	0	0	0	0	0	0	0	-15 750	0	-15 750
As of 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
Stock options	0	0	0	958	0	0	0	0	0	0	958
Change in minority shares	0	0	0	0	0	0	0	0	62 167	-105	62 062
Net profit	0	0	0	0	0	-33 780	88	0	0	0	-33 692
Saldo 31.03.24	2 117	32 484	-95	4 822	205	-9 662	49	-44	822 085	729	852 690

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 aforementioned 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.

Q1 2024	Energy	Real estate	Maritime transport	Other segments	Total
External sales revenue	357 663	3 906	150 606	11 015	523 190
Intersegment sales revenue	702	700	9 796	5 184	16 382
Total segment sales revenue	358 365	4 606	160 402	16 199	539 572
Profit/loss based on the equity method	226			150	376
Segment revenue	68 357	3 347	2 572	-4 080	70 196
Earnings before depreciation, amortisation, and revaluation of non-current assets (EBITDA)	73 876	2 934	34 476	-2 806	108 480

In the first quarter of 2024, the net operating income (NOI) in the real estate segment was 3,766 thousand euros (compared to 3,689 thousand euros in the first quarter of 2023). In 2023, INF Communications OÜ, INF Tähesaju 9 OÜ, and INF Liivalaia OÜ were included in the accounting.

Q1 2023	Energy	Real estate	Maritime transport	Other segments	Total
External sales revenue	334 697	3 590	165 741	9 193	513 221
Intersegment sales revenue	1 325	363	5 504	7 289	14 481
Total segment sales revenue	336 022	3 953	171 245	16 482	527 702
Profit/loss based on the equity method				396	396
Segment revenue	48 564	3 178	-5 350	-2 063	44 329
Earnings before depreciation, amortisation, and revaluation of non-current assets (EBITDA)	50 489	3 181	27 100	-1 109	79 661

Comparison of financial information with the consolidated report	Q1 2024		Q1 2023	
	Sales	Profit	Sales	Profit
Reported segments	523 373	74 276	511 220	46 392
Other segments	16 199	-4 080	16 482	-2 063
Elimination and adjustment in line-	-6 586	-7 562	-8 977	-3 625
Elimination of affiliated	-160 402	-572	-171 245	6 073
Total in group report	372 584	62 062	347 480	46 777

Note 3

Cash and inventories

In thousands of EUR

3.1 Cash and cash equivalents	31.03.24	31.03.23	31.12.23
Cash in hand	14	26	13
Cash at bank and short-term deposits	179 514	199 819	87 102
Total	179 528	199 845	87 115

3.2 Inventories	31.03.24	31.03.23	31.12.23
Natural gas inventory in storage	55 768	34 161	140 891
Inventories and production in progress	3 115	1 401	3 217
Unfinished goods	1 969	1 935	1 977
Finished goods	987	863	799
Total	61 839	38 360	146 884



Note 4

Receivables, liabilities and provisions

In thousands of EUR

4.1 SHORT-/LONG-TERM RECEIVABLES	31.03.24	31.03.23	31.12.23
Trade receivables			
With a remaining term of up to 12 months	121 920	93 596	162 576
With a remaining term between 1-5 years	259	20	5
Including receivables from related parties	2 305	4 763	2 370
Loans issued	7 258	10 017	9 065
Including loan receivables from related parties	7 258	10 017	9 056
Interest receivables	767	392	424
Including interest receivables from related parties	386	392	335
Accruals and deferred income		0	
With a remaining term of up to 12 months	1 785	871	2 039
With a remaining term between 1-5 years	2	0	2
Other liabilities and prepayments	14 430	2 621	17 721
Prepaid taxes	1 067	1 064	925
Realised derivative receivables	5 050	24 198	5 958
Total receivables	152 538	132 779	198 715
The base currency of receivables and prepayments is the euro.			

4.2 SHORT-/LONG-TERM LIABILITIES	31.03.24	31.03.23	31.12.23
<u>with a term up to one year</u>			
with a remaining term of up to 1 year	50 768	68 812	74 751
Trade payables	17	48	16
Incl. debts to related parties	23 050	21 792	32 822
Tax liability	1 879	2 842	1 463
Settled derivative liabilities	8 491	2 227	7 462
Employee-related liabilities	756	408	724
Interest liabilities	2 422	4 666	3 099
Incl. interest liabilities to related parties	4 017	590	3 659
Prepayments received	216	216	31
Derivatives	4 092	1 514	2 634
Short-term provisions			
Other liabilities			
with a remaining term between 1-5 years	5 620	4 599	5 662
Revenue from government grants in future periods	205	174	197
Other liabilities	11 004	680	8 202
Long-term provisions	868	0	186

with a remaining term more than 5 years

Deferred income tax liability	33 684	25 051	33 233
Revenue from connection fees in future periods	24 370	12 878	25 017
Total	171 442	146 449	199 142
incl. current liabilities	95 691	103 067	126 645
Deferred income tax liability	33 684	25 051	33 233
Other long-term liabilities	42 067	18 331	39 264

* The deferred income tax liability in the amount of 33,684 thousand euros has been accounted for as a portion of the income tax liability related to the Tallink investment.

4.3 Income tax

	3 months 2024	3 months 2023	2023
Income tax expense	-1 612	-1	-267
Deferred income tax	-451	-161	-8 343
Other long-term liabilities	-2 063	-162	-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 taken into account when evaluating the value of the investment in Tallink Grupp AS

4.4 Grants

In 2018, Infortar 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 December 31, 2023, additional provisions were recorded as follows: A pension provision for AS "Gasó" in the amount of 1.023 million euros. Post-employment benefits for members of the Infortar group's management board totalling 1.645 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 7.696 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 "Gasó" 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	3 475
Reclassification	0
Change in fair value	156
At 31.03.2024	179 655

	Q 1 2024	Q1 2023	2023
Lease and rental income earned	3 532	3 342	13 497
Direct administrative costs of investment property	-399	-180	-1 667

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.



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	45	1 441	542	214	2 242
Depreciation charge	-3 381	0	-1 238	-477	-5 096
Disposals	0	0	-12	-10	-22
Book value as of 31.03.24	359 225	22 460	56 529	5 658	443 872
Cost or valuation as of 31.03.24	425 152	22 460	80 484	7 675	535 771
Accumulated depreciation as 31.03.24	-65 927	0	-23 955	-2 017	-91 899

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	734	0	734
Calculated depreciation	-61	-505	-9	-575
Residual value on 31.03.24	2 517	9 150	2 858	14 525

5.4 Lease liabilities	in thousands of EUR	
	31.03.24	31.03.23
Lease liabilities	10 260	10 491
< 1 year	1 470	1 766
1 - 5 year	5 688	5 623
> 5 year	3 102	3 102
Book value of leased assets	10 797	11 300
Lease payments in the year	656	2 233
Interest payments on lease in the reporting year	105	368

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	
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The group leases office and storage spaces, means of transport, and other machinery and equipment, and it has concluded superficies agreements and personal right of use contracts for land use. The group has decided to forego recognising right-of-use assets and lease liabilities based on short-term lease contracts and/or if assets that are leased have low value.

	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	3 376
Calculated depreciation	-305	-1 820	-2 125
Revaluation and write-off of lease liabilities	0	-143	-143
Balance as at 31.12.23	624	10 676	11 300
New right-of-use assets	79	285	364
Calculated depreciation	-65	-800	-865
Revaluation and write-off of lease liabilities		-2	-2
Balance as at 31.03.2024	638	10 159	10 797

5.6 LEASED ASSETS (THE GROUP AS THE LESSOR)	in thousands of EUR	
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Assets leased under operating lease

	Q1 2024	Q1 2023	2023
Carrying amount of assets leased as the lessor	3 532	3 342	13 497
Investment property			31.03.24
Investment property			31.03.23
			140 246
			139 041

Note 6. SUBSIDIARIES AND AFFILIATED UNDERTAKINGS

6.1. INVESTMENTS IN SUBSIDIARIES					in thousands of EUR	
Subsidiaries of AS Infortar as at 31.03.24	established	Holding 31.03.24	Holding 31.03.23	Equity 31.03.24	Equity 31.03.23	
AS Gastrolink	07.10.05	100%	100%	582	618	
AS H.T.Valuuta	22.01.97	100%	100%	1 522	1 504	
OÜ INF Sadama 11	03.10.02	100%	100%	39 169	38 252	
OÜ INF Mustakivi	07.01.05	100%	100%	14 259	14 273	
OÜ INF Sadama 579	19.03.04	100%	100%	21 362	20 804	
OÜ INF Kaldase	11.01.05	100%	100%	12 648	12 523	
OÜ INF Tennisekeskus	11.01.05	100%	100%	1 271	1 260	
AS Tallink Takso	19.09.07	66%	66%	-61	-1	
OÜ Aianurga	26.05.10	100%	100%	28	31	
SIA Happy Trails	24.11.03	100%	100%	13 132	12 636	
OÜ Taxitech	19.12.18	100%	100%	-13	-9	
OÜ Lasnamäe Spordikeskus	18.07.16	100%	100%	100%	25	
AS Eesti Gaas Grupp	10.01.97	100%	100%	434 771	406 197	
AS Vaba Maa Grupp	07.01.98	100%	100%	-1 283	-492	
OÜ INF Liivalaia	28.03.02	100%	100%	-3 364	-3 371	
OÜ INF Communications	12.04.18	100%	100%	-228	-238	
OÜ EG Biofond	14.05.08	100%	100%	5 239	4 219	
OÜ Farmatar	21.02.20	80%	80%	-938	-874	
OÜ Medifort	15.06.20	100%	100%	0	0	
Infortar Marine Ltd	11.08.20	100%	100%	-505	-471	
OÜ INF Engineering Grupp	07.09.22	100%	100%	6 674	5 118	
OÜ INF Tähesaju 9	06.09.22	100%	100%	-186	-213	
INF Saue OÜ	23.08.21	90%	90%	1 312	1 516	
OÜ INF	06.03.23	100%	100%	-31	-41	

As of 2022, 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 solar 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 wholly-owned 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.

6.2. INVESTMENTS IN AFFILIATED UNDERTAKINGS

(in thousands of euros)

	31.03.2024	31.03.2023
Total investments	348 811	346 014
OÜ Vara HTG	50%	50%
value of holding	6 728	6 595
AS Tallink Grupp	42%	42%
value of holding	333 985	331 564
value in stock market price	218 838	216 467
OÜ Vana-Posti Kinnisvara	50%	50%
value of holding	37	20
OÜ Eesti Biogaas	50%	50%
value of holding	2 748	2 522
Pakrineeme Sadama OÜ	50%	50%
value of holding	5 313	5 313

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	31.03.2024	31.03.2023
Current liabilities	Under 1 year	122 203	186 025
Non-current liabilities	1 - 5 years	250 022	252 033
Non-current liabilities	over 5 year	3 102	3 102
Total		375 327	441 160
<u>The liabilities are divided by types and maturity dates:</u>			
<u>Short-term loan liabilities</u>		31.03.2024	31.03.2023
Overdraft		0	30 527
Short-term loans		91 800	123 050
Short-term portion of long term loan liabilities		28 933	30 682
Total		120 733	184 259
Long-term loan liabilities			
Investment loan		244 334	246 410
Total		244 334	246 410
Lease liabilities			
Short-term portion of lease liabilities		1 470	1 766
Long-term portion of lease liabilities		8 790	8 725
Total		10 260	10 491

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	1 kv 2024	1 kv 2023	2023
Interest paid	6 745	3 955	22 573

Note 8 SHARE CAPITAL, CONTINGENT LIABILITIES, AND RESERVES

8.1 Share capital

		31.03.23	31.03.24	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.

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

	31.03.23	31.03.24	31.12.23
Potential income tax liability	822 085	528 872	759 918
Retained earning	168 422	135 362	166 167
Including taxable profit	130 733	78 702	118 750
Maximum potential income tax liability	691 352	450 170	641 168
Amount of 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.

<u>As of 01.01.23</u>	82 307
Cash flow hedging instruments - change in fair value	127 570
Profit(-)/loss(+) from the realised cash flow hedging instruments	-32 798
<u>As of 31.12.23</u>	24 118
Cash flow hedging instruments - change in fair value	-130 186
Profit(-)/loss(+) from the realised cash flow hedging instruments	69 963
<u>As of 30.03.24</u>	-9 662

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 "	

The cost of share options in the financial year 2023 was 2,214,000 euros (compared to 1,425,000 euros in 2022), 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 31.03.24

Name	Position	Number of share	Stock options	Holding %
Ain Hanschmidt	Chairman of the Management Board	38 300	55 800	0,18%
Eve Pant	Member of the Management Board	142 300	55 800	0,67%
Enn Pant	Chairman of the Supervisory Board	674 500	55 800	3,19%
Kalev Järvelill	Member of the Supervisory Board	94 500	55 800	0,45%
Toivo Ninnas	Member of the Supervisory Board	1 275 625	55 800	6,03%
Mare Puusaag	Member of the Supervisory Board	1000	-	0,00%

8.7. EARNINGS PER SHARE

		Q 1 2024	Q 1 2023	2023
Profit attributable to the owners of the parent company	<i>Th. of EUR</i>	62 167	46 982	293 778
Weighted average number of ordinary shares	<i>Th. of EUR</i>	20 221 239	6 300 000	20 100 000
Ordinary earnings per share	<i>Th. of EUR</i>	3,07	7,46	14,62
Number of options issued	<i>Th. of EUR</i>	662 250		662 250
Purchase price in the options contract	<i>euro</i>	0,1		0,1
Average market price	<i>euro</i>	30		26
Number of shares that should have been issued at the market price	<i>Th. of EUR</i>			2547
Weighted average number of shares	<i>Th. of EUR</i>	20 881 281		20 759 703
Diluted earnings per share	<i>euro</i>	2,98		14,15

* As a result of the redistribution of shares, the profit per share ratio does not provide an accurate overview because of the share distribution. To obtain a comparable metric, the net profit per share in euros must be recalculated based on the number of issued shares as of December 31, 2023. In this case, the result for the first quarter of 2024 would be 2.49 euros per share.

Note 9. REVENUE

in thousands of EUR

9.1. Revenues by categories	Q1 2024	Q1 2023	2023
9.1 Revenues by categories	372 584	347 480	1 084 626
Profit/loss from hedging instruments	31 832	55 150	80 448
Revenue from customer agreements	340 752	292 330	1 004 178
Revenue from customer agreements is distributed:			
Lease and rental of real estate	3 802	3 608	13 497
Sale of natural gas	253 029	248 568	786 280
Sale of gas network service	41 690	8 140	48 816
Sales of electricity	20 282	16 218	66 910
Compressed gas (CNG) sales	5 032	1 733	16 434
Sale of other gas-related services and goods	1 013	1 476	4 739
Connection fees to the gas network	792	212	1 851
Gas and gas network services	2 266	1 446	9 190
Sales of construction and repair services	6 739	4 573	29 619
Printing of periodicals, forms etc.	1 771	1 659	6 928
Taxi operation	585	554	2 355
Sports facility usage fees	332	376	1 126
Sale of mineral resources and construction materials	684	1 276	5 710
Retail and wholesale trade	721	509	2 317
Income from services on ships	70	57	293
Income from vessels rent	1 675	0	6 556
Other income	269	1 925	1 557

9.2 CUSTOMER AGREEMENT BALANCES

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

	in thousands of EUR		
	31.03.24	31.03.23	2023
Trade receivables			
With a remaining term of up to 12 months	121 920	93 596	162 576
With a remaining term between 1-5 years	259	20	5
Prepayments received	2 422	4 666	3 099
Future income from connection fees	24 370	12 878	25 017

Note 10 OPERATING EXPENSES

10.1 COST OF SALES (GOODS, SERVICES)

(in thousands of euros)

	Q1 2024	Q1 2023	2023
Raw materials	-254 314	-248 768	-779 979
Write-down and write-off of inventories	-9 753	0	-19
Goods bought for reselling	-1 632	-2 413	-7 513
Services bought for reselling*	-30 112	-16 392	-57 958
Energy	-311	-131	-720
Fuel	-146	-274	-731
Subcontracting	-7 717	-6 872	-37 821
Transport expenses	-789	-438	-2 515
Leased land	-2	-2	-7
Lease and rent	-25	-30	-49
Miscellaneous office expenses	-994	-458	-3 227
Travel expenses	-23	-6	-58
Training costs	-35	-31	-112
National and local taxes	-90	-34	-213
Allowance for doubtful receivables	19	-7	-190
Labour costs	-8 591	-3 136	-23 874
Depreciation and amortisation	-5 949	-2 426	-14 348
Other	-2 090	-67	-5 667
Total	-322 580	-281 668	-935 153

10.2 MARKETING EXPENSES

(in thousands of euros)

	Q1 2024	Q1 2023	2023
Transport expenses	-59	-48	-235
Miscellaneous office expenses	0	0	-4
National and local taxes	-1	0	-4
Labour costs	-212	-209	-859
Depreciation and amortisation	-16	-17	-70
Other	-127	-72	-448
Total	-415	-346	-1 620

10.3 GENERAL ADMINISTRATIVE EXPENSES

(in thousands of euros)

	Q1 2024	Q1 2023	2023
Lease and rent	-8	-9	-36
Energy	-10	-35	-95
Fuel	-7	-4	-21
Transport expenses	-84	-97	-341
Miscellaneous office expenses	-475	483	-287
Travel expenses	-66	-10	-81
Training costs	-56	-34	-92
National and local taxes	-82	-162	-560
Labour costs	-5 459	-2 623	-17 598
Depreciation and amortisation	-571	-438	-1 163
Other	-420	-321	-1 811
Total	-7 238	-3 250	-22 085

10.4 LABOUR COSTS

(in thousands of euros)

	Q1 2024	Q1 2023	2023
Number of employees in the company	1 325	467	1 308
Persons employed under an employment contract	1 276	431	1 265
Members of management board or controlling body	49	36	43

	Q 1 2024	Q1 2023	2023
Total calculated remuneration	-11 479	-4 260	-31 294
Payroll taxes	-2 783	-1 350	-9 428
Total labour costs	-14 262	-5 610	-40 722

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

31.03.24 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	175	0	9 075
Affiliates	3 461	159	9 950	17
Total	3 461	334	9 950	9 092

31.03.23 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



Note 12. BALANCE SHEET OF THE PARENT

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

<u>ASSETS</u>	31.03.24	31.03.23	31.12.2023
CURRENT ASSETS			
Cash and cash equivalents	43 933	0	44 495
Short term financial investments	1	1	1
Trade and other receivables	1 693	784	5 186
Total current assets	45 627	785	49 682
NON-CURRENT ASSETS			
Investments to subsidiaries	28 838	23 520	28 413
Investments to associates	46 650	39 466	45 853
Derivative and other financial assets	23 272	44 646	25 241
Investment property	7 997	8 523	7 998
Property, plant and equipment	1 342	281	1 331
NON-CURRENT ASSETS	108 099	116 436	108 836
TOTAL ASSETS	153 726	117 221	158 518
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Current liabilities	26 465	34 404	32 471
Interest-bearing loans and borrowings	70	232	940
Payables to suppliers	15	3	15
Prepayments	1 602	808	1 704
Other current liabilities	28 152	35 447	35 130
NON-CURRENT LIABILITIES			
Long-term provisions	53 380	69 821	53 380
Interest-bearing loans and borrowings	53 380	69 821	53 380
Total non-current liabilities	81 532	105 268	88 510
<u>EQUITY</u>			
Share capital	2 117	1 985	2 105
Own shares	-95	-95	-95
Share Premium	32 484	0	29 344
Reserve capital	205	205	205
Option reserve	4 822	2 123	3 864
Retained earnings	34 585	8 479	-7 271
Net profit	-1 924	-744	41 856
Total equity	72 194	11 953	70 008
TOTAL LIABILITIES AND EQUITY	153 726	117 221	158 518

12.3. INCOME STATEMENT OF THE PARENT

In thousands of EUR

	Q 1 2024	Q 1 2023	2023
Revenue	1 378	551	5 761
Cost of sales	-17	-21	-71
Gross profit	1 361	530	5 690
-			
Administrative expenses	-3 018	-1 832	-10 592
Profit (-loss) from Investment property	0	0	-770
Other operating income	15	0	0
Other operating expenses	-9	-3	-6
Operating profit	-1 651	-1 305	-5 678
Profit (loss) from investments in the subsidiaries	-925	-265	45 332
<u>Financial income and expenses</u>			
Other financial income			
Interest gain	-1 045	-718	-3 801
Interest expense	1 697	1 544	6 013
Total financial income and expenses	-273	561	47 534
Net profit of the financial year	-1 924	-744	41 586

12.4. Cash-flow statement

in thousands of EUR

	Q1 2024	Q1 2023	2023
Cash flows from operating activities			
Net profit/-loss of the financial year	-1 924	-744	41 856
Adjustments:			
Financial income	925	-1 279	-51 335
Change in fair value of inv. property	0	0	770
Share profit of associates	78	19	94
Depreciation and amortization	-652	718	3 801
Interest expenses	-15	0	0
Proceeds from sale of property	3 988	1 630	-2 580
Changes in assets related to investments	-302	-1 210	2 116

Changes in liabilities related to investments	2 098	-866	-5 278
Cash flows from investing activities			
Purchases of associates	-797	-3 927	-10 314
Purchases of subsidiaries	-1 350	-11	-5 062
Dividends received	1 969	5 700	25 105
Given loans	0	0	45 812
Paybacks from given loans	1 202	1 559	5 769
Interest received	0	-561	-805
Purchases Investment property	-97	0	-1 126
Purchases of property, plant and equipment	24	0	0
Net cash used in investing activities	951	2 760	59 379
Cash flows from financing activities			
Gain from share emission	3 152	0	29 464
Changes in overdraft	-5 646	-1 860	-19 153
Proceeds from borrowings	0	900	900
Repayments of borrowings	-360	-360	-1 440
Interest paid	-757	-574	-3 627
Dividends paid	0	0	-15 750
Net cash used in financing activities	-3 611	-1 894	-9 606
TOTAL NET CASH FLOW	-562	0	44 495
Cash at the beginning of the year	44 495	0	0
Cash at the end of the period	43 933	0	44 495
Net (decrease)/increase in cash	-562	0	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 31.12.3	2 105	29 334	-95	1 650	205	34 585	70 008
Share capital expansion	12	3 140	0	0	0	0	3 152
Dividends paid	0	0	0	0	0	0	0
Stock options	0	0	0	958	0	0	958
Net profit	0	0	0	0	0	-1924	-1 924
As of 31.03.2024	2 117	32 484	-95	4 822	205	32 661	72 194

Calculation of equity by fair value at 31.03.2024

Unconsolidated equity	72 194
Carrying value of associates.	-75 488
Fair value of associates by equity method.	856 029
Unconsolidated equity by fair value	852 735