



AS Infortar

December 2023

1997

Founded

EUR 1 054 million

Revenue (2022)

EUR 96 million

Net profit (2022)

EUR 1 431 million

Total assets (30.09.2023)

EUR 772 miljonit

Book equity (30.09.2023)

1 333

Employees

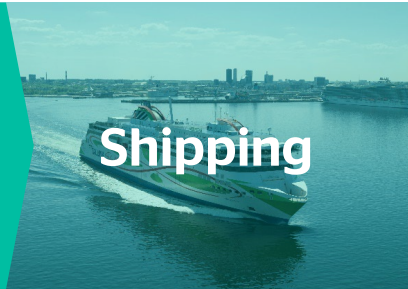
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Markets



Eesti Gaas (100%, since 2016)

- Energy sales
- Energy infrastructure
- Energy production



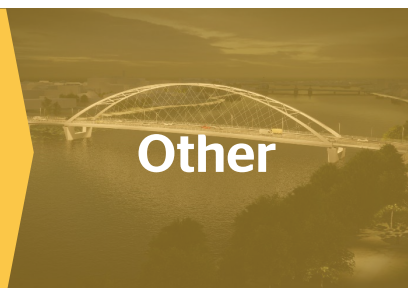
Tallink (~42% shareholding)

- Passenger and cargo transport
- 15 vessels
- 4 operating hotels

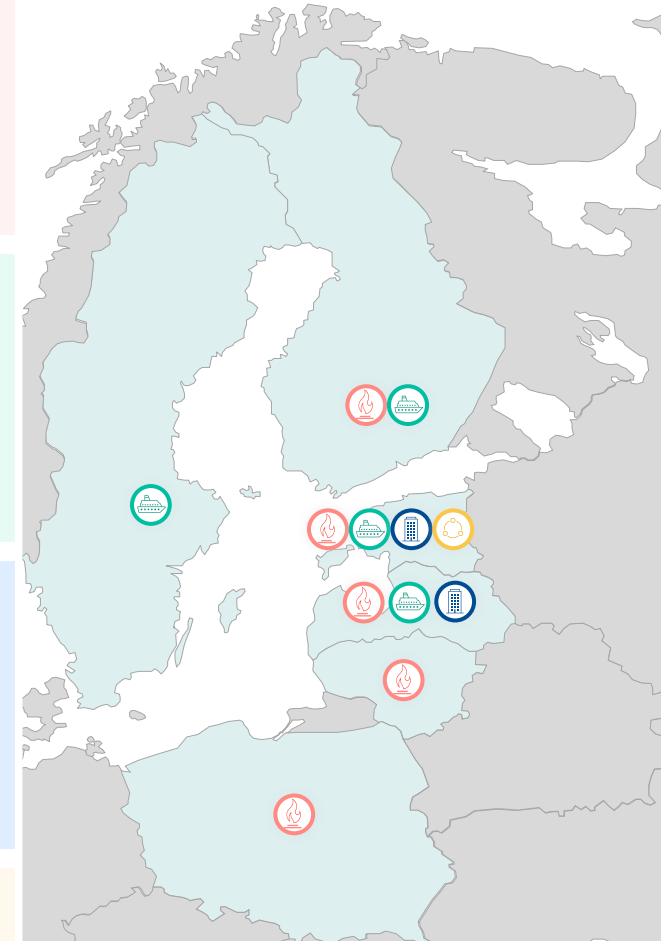


~100 000 m² real estate portfolio

- 4 hotels
- 5 office buildings
- Logistics centre and other



- Engineering & construction
- Mineral aggregates
- Other



Energy



Real estate



Shipping



Other

Infortar as an investment



Unique portfolio

Ability to **access** regional large-scale investment opportunities that are difficult to reach and offer unlocked value potential



Experienced leadership

Company is run by professional management team with **decades of experience**, exceptional track record and knowledge in finding investment opportunities, building companies and growing the portfolio



Prudent investor mindset

Long investment horizon and **actively managed portfolio** with the aim to acquire new assets at great value with substantial growth potential through a structured investment process




Shareholder value growth

Stable and **diversified cash flow** from **robust asset base** enables further growth and cash distribution to shareholders



Gradually growing diversified portfolio within core segments

	1. Building of Tallink Group ¹ 1997 - 2004	2. Expansion of Tallink Group ¹ 2005 - 2015	3. Expansion of Infortar ¹ 2016 - ...
Shipping 	<ul style="list-style-type: none"> • 1997: Infortar was founded by private investors as part of a capital raise for Tallink Grupp • 2 new vessels 	<ul style="list-style-type: none"> • 2005: AS Tallink Grupp IPO • 2006: Tallink acquires Silja Line • 8 new vessels 	<ul style="list-style-type: none"> • 2017: Launch of new flagship Megastar • 2022: Launch of new flagship MyStar
Real estate 	<ul style="list-style-type: none"> • 2004: First hotel 	<ul style="list-style-type: none"> • 3 hotels and 1 office building 	<ul style="list-style-type: none"> • 7 new buildings
Energy 			<ul style="list-style-type: none"> • 2016: Acquisition of Eesti Gaas • 2017: Launching international growth • 2019: First solar park • 2021: Optimus bunkering vessel • 2023: Acquisition of Gaso

Notes: 1) Years in the table describe the launch or opening of respective vessel, building or other business operations related activity

Investment strategy

Investment strategy

Selected investments



- ✓ **Long-term investment strategy focused on synergies**
- ✓ **Prudent and value-adding investment decisions**



Energy



Real estate



M&A

Balanced green energy transition and expansion of the natural gas business

Focus on sustainable real estate investments

Potential investment opportunities to complement the existing portfolio

Infortar's total investments between 2020-2023
~EUR 250 million

Planned expansion investments for 2023-2025
~EUR 110 million¹

INFORTAR

elenger

eesti gaas

ENERGY

Infortar's investment rationale



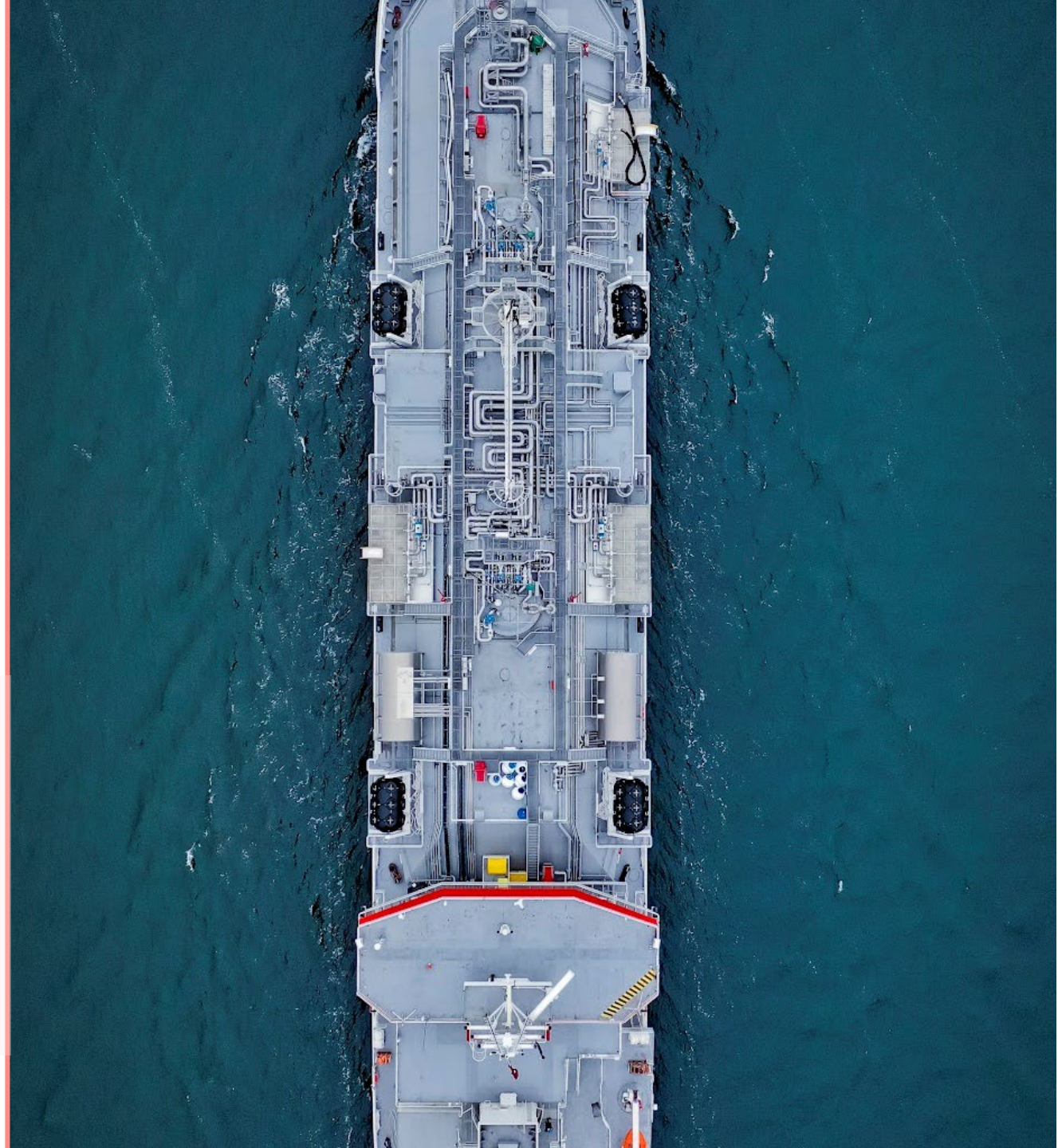
Geographic expansion of proven business models



Balanced investments between transitional and renewable energy



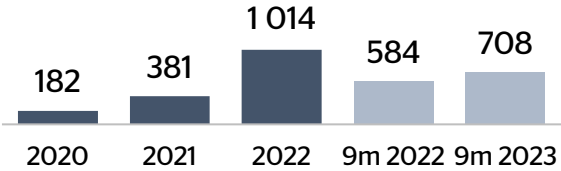
Strong synergies between existing and new businesses



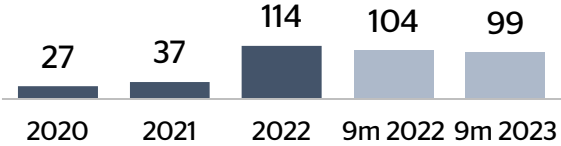
Key energy supplier in the Finnish-Baltic region

Financials below partly with Gaso (Q3 23)

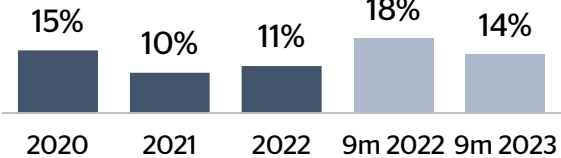
Revenue, EURm



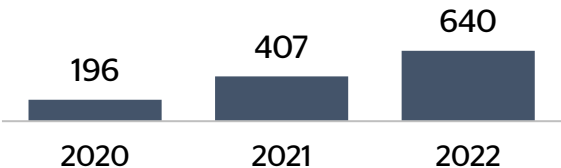
EBITDA, EURm¹



EBITDA margin, %



Total assets, EURm

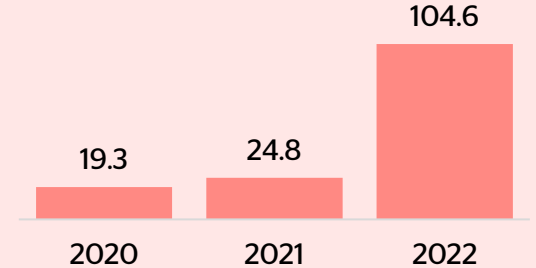


Energy sales



- One of the leading natural gas sellers in the Finnish-Baltic market
- Electricity sales in the Baltics

EBITDA, EURm¹



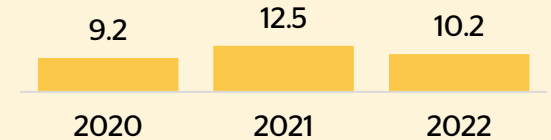
Energy infrastructure



- Largest gas distribution network operator in Estonia and Latvia
- Acquisition of Gaso in July 2023
- LNG bunkering and offgrid services
- 11 CNG filling stations in Estonia

EBITDA, EURm¹

Financials below w/o Gaso

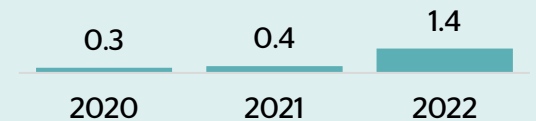


Energy production

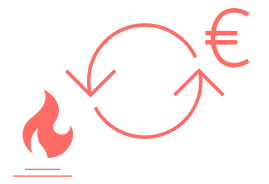


- Largest biomethane producer in Estonia with 3 plants (50% stake in joint venture with Alexela)
- 7.4 MW² solar parks in Estonia

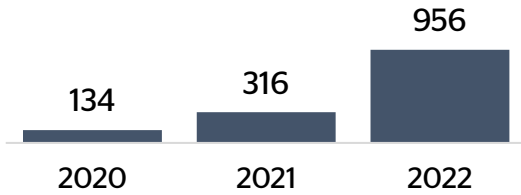
EBITDA, EURm¹



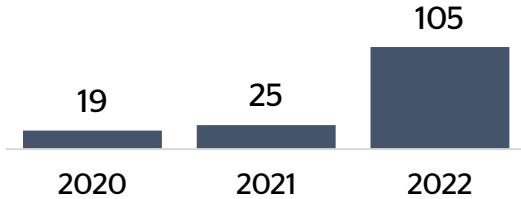
Energy sales



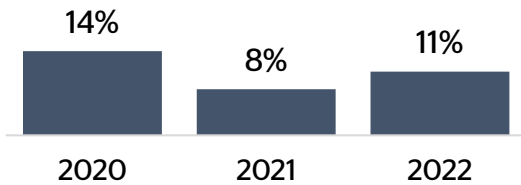
Revenue, EURm¹



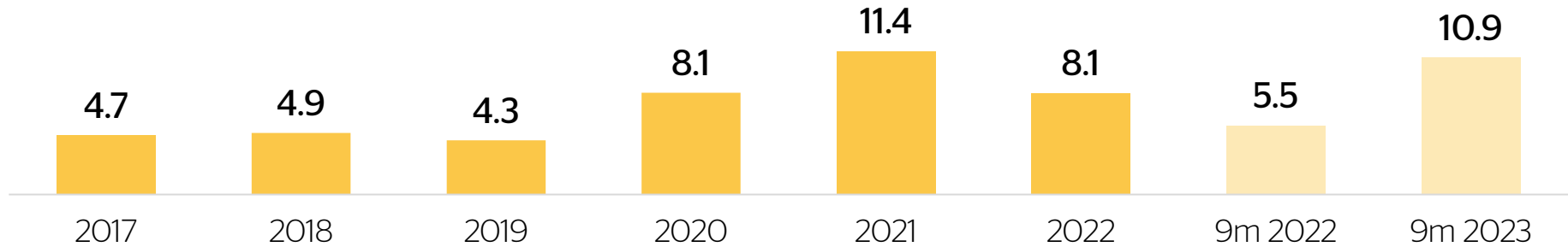
EBITDA, EURm²



EBITDA margin, %



Energy sales volumes, TWh¹



Natural gas sales



- One of the largest natural gas sellers in the Finnish-Baltic market
- Focus on large customers in all markets and households in Estonia and Latvia
- Ca 16% of volumes is sold in Estonia
- Over 38 000 customers

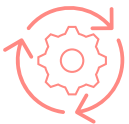


Electricity sales



- Electricity sales in the Baltics
- Over 12 000 customers

Regional gas market overview



Transformation of regional gas market

- Moving away from Russian gas
- New natural gas supply sources



Exploitation of market opportunities

- New environment has created opportunity to build up extensive sourcing capability
- Eesti Gaas has secured deliveries from 18 LNG carriers in 2023

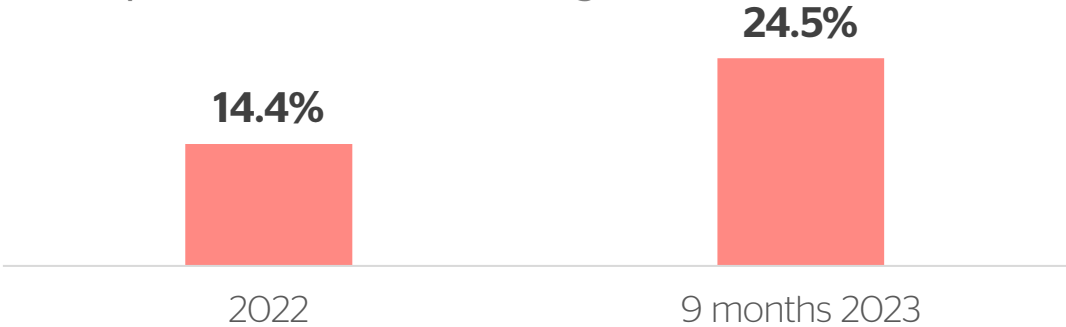


Favourable outlook

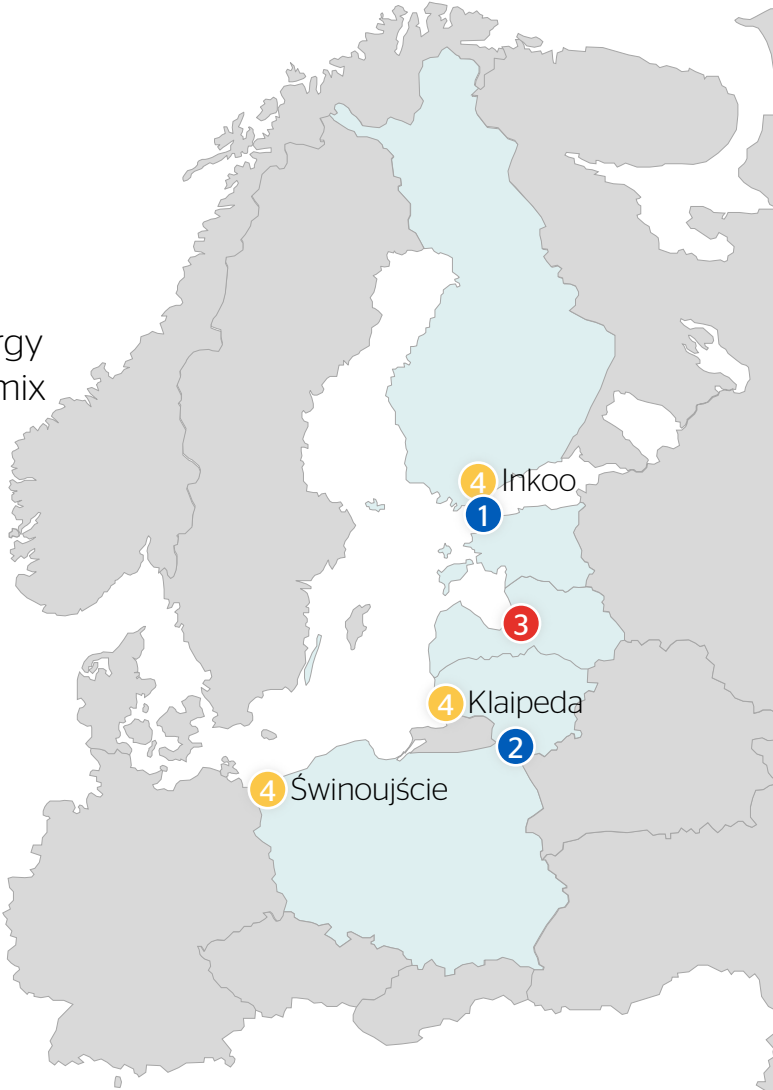
- Gas consumption expected to recover
- Natural gas is indispensable energy source for a sustainable energy mix

Infotar's market share has been in continuous uptrend

Infotar's sold energy volume from total consumption in the Finnish Baltic region¹

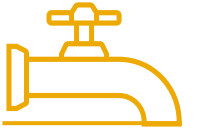


- 1 Balticconnector
- 2 GIPL pipeline
- 3 Inčukalns gas storage
- 4 LNG terminals²

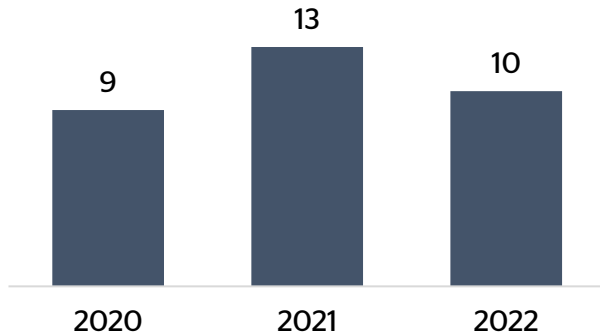


Source: Elering, Conexus, Amber Grid, Gasgrid
 Note: 1) Pipeline gas sold to end customers; 2) Terminals that are operating as at 30 September 2023

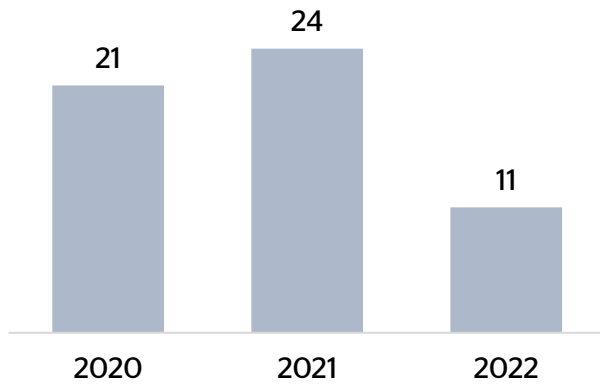
Energy infrastructure





Energy infrastructure EBITDA, EURm^{1,2}



Gas AS EBITDA, EURm



Natural gas distribution networks

	 Gaasivõrk	 Gasos
Network length, km	1 573	5 420
# of customers	ca 44 000	ca 376 000
RAB as of 31.12.2022, EURm	59	284
Regulated return (WACC)	6.29% (nominal)	2.65% (real)
Latest WACC update	July 2023	August 2020

WACC =
risk free rate + risk premium

LNG

LNG bunkering ship Optimus

- 1A ice class bunker vessel in the Baltic Sea region
- Construction finished in 2021
- Capacity: 6 000 m³

Other LNG solutions

- 9 LNG semi-trailers
- Setup and maintenance of custom LNG solutions at the customers' premises

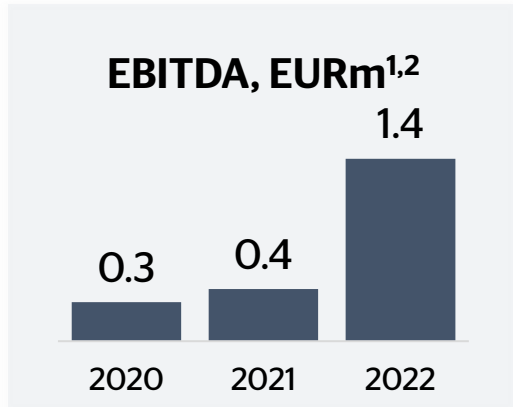
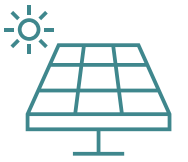


CNG stations

- One of the largest network of CNG stations in Estonia³
- 11 CNG stations connected to gas distribution network



Energy production – focus on renewables



Portfolio of existing and in development solar assets integrated with broad customer base

- Existing portfolio of ~7.4 MW solar parks in Estonia⁴:
- Development pipeline of ~43.5 MW solar parks in Estonia and Latvia^{3,4}
- ~4 MW of solar parks under construction in Latvia⁴
- Providing solar park construction services for business customers



3 biogas production facilities in Estonia

- All biogas investments are in joint venture with Alexela (both have 50% shareholding)¹
- 3 biomethane manufacturing facilities with total annual production capacity of 108 GWh
- Biogas assets are accounted as financial investment in Infortar’s financials

Facility	Latest conversion year	Production capacity (GWh)
Vinni	2020	36
Oisu	2021	36
Tartu	2020	36

SHIPPING

Infortar's investment rationale



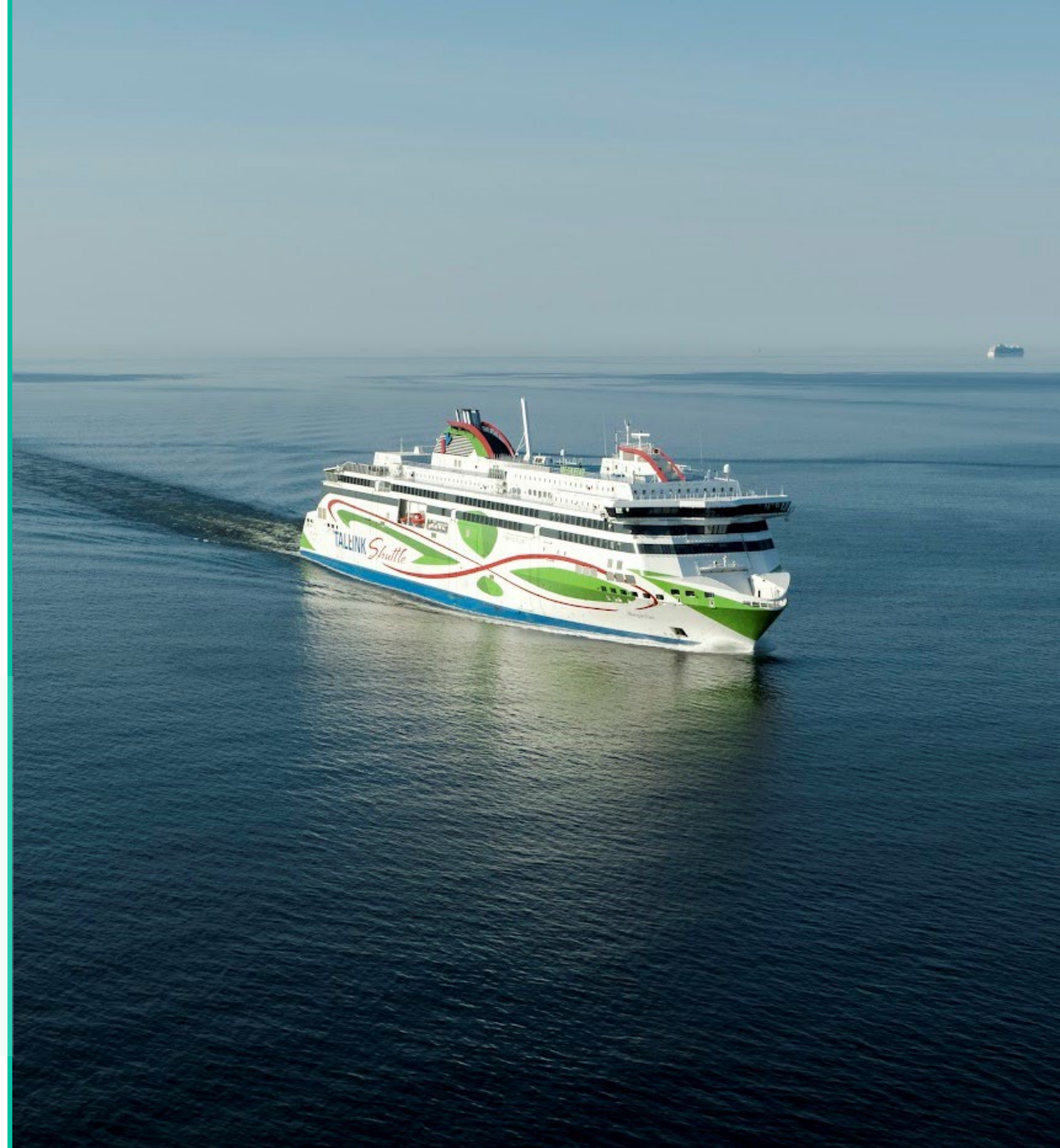
Strong market position in the Baltic Sea region creates attractive long-term investment thesis



Crisis forged agile business operations





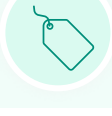


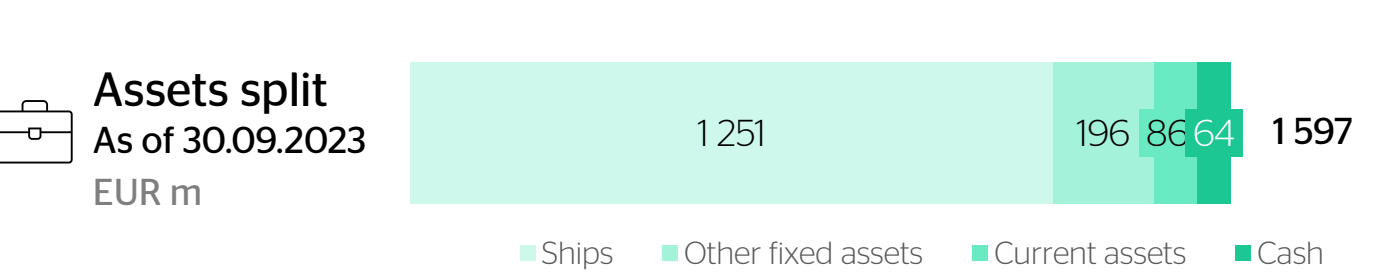
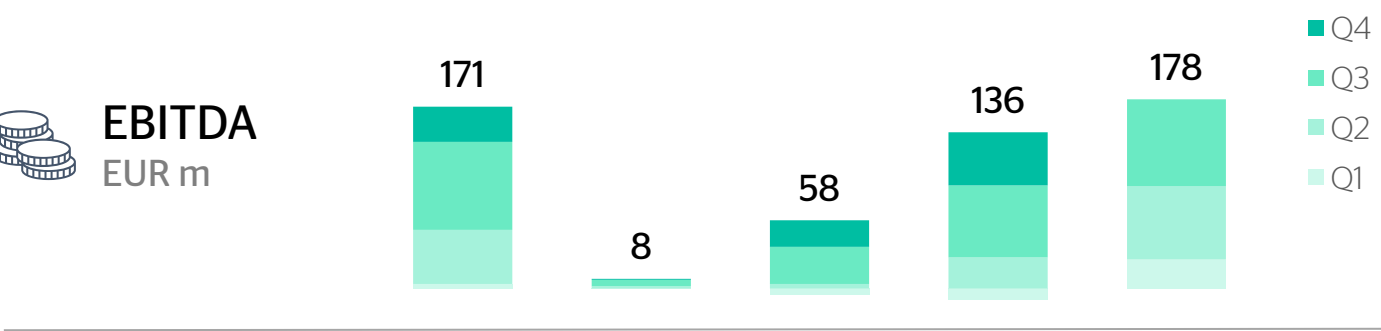
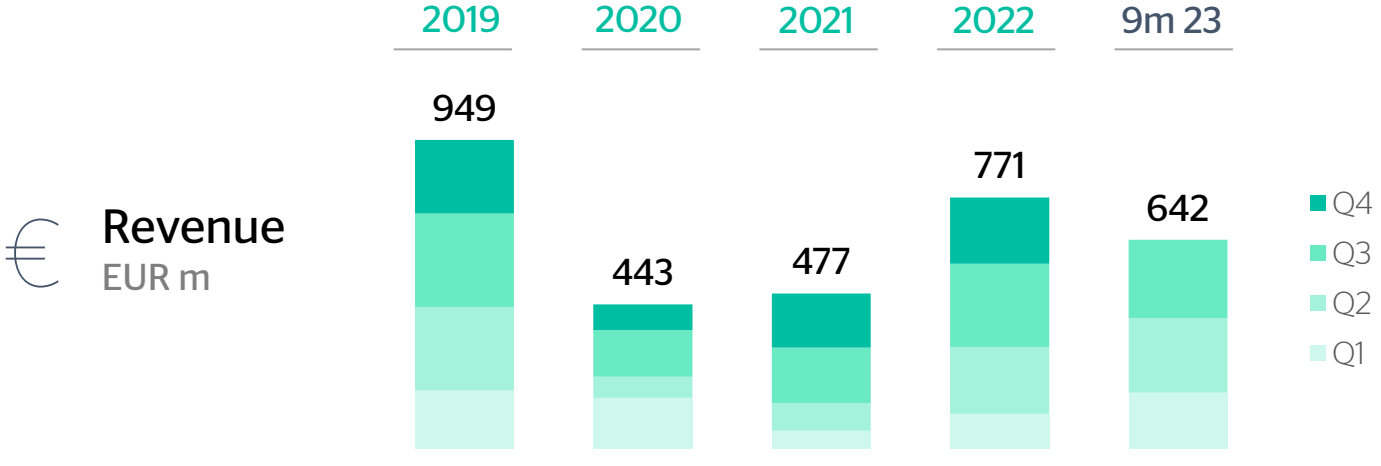
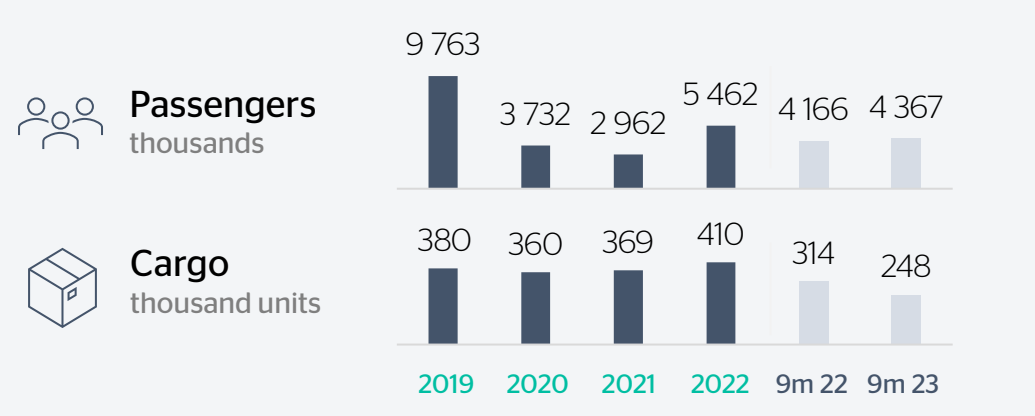
Significant synergies with other Group operations



Profile of Tallink



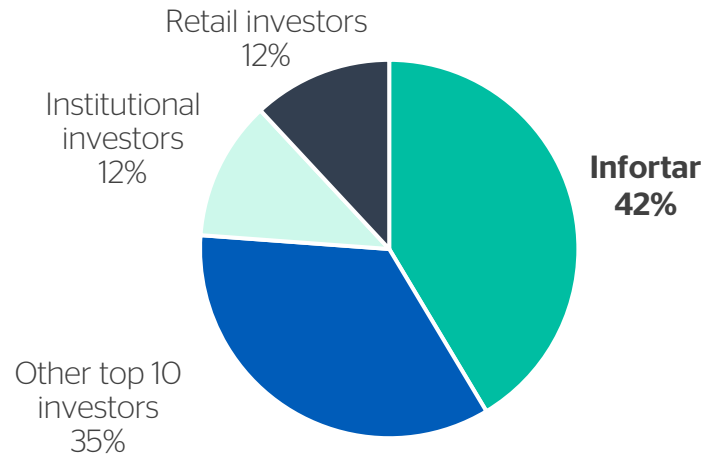
-  Fleet of 15 vessels (passenger and cargo transport)
-  6 ferry routes¹
-  Operating 4 hotels²
-  Operating 20 Burger King restaurants in the Baltics
-  On board, onshore and online retail



Source: Company's annual report
 Notes: 1) Five routes are active, one route is suspended as at 30.09.2023; 2) Owned by Infortar

Growing shareholding in Tallink Grupp

Shareholders of AS Tallink Grupp, as at 30.09.2023



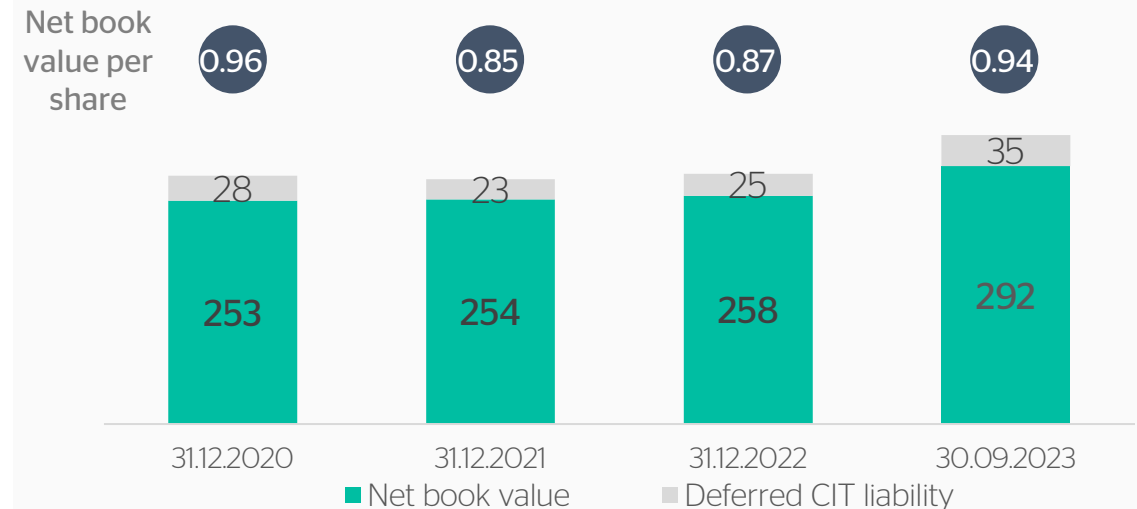
Development of Infortar's shareholding in the end of Q3 2023



Securing stable financial position

- In 2021, Tallink Grupp raised additional capital in the amount of EUR 35 million
- Infortar as the main shareholder of Tallink Grupp provided a subscription guarantee in the amount of EUR 15 million to support the offering
- With the additional equity raise and working capital financing received due to the COVID-19 crisis, Tallink has a robust liquidity buffer on its balance sheet
- Total liquidity buffer (cash and cash equivalents plus unused overdraft) amounted to EUR 199 million as at 30.09.2023

Book value of Infortar's investment in Tallink, EURm¹



REAL ESTATE

Infortar's investment rationale



Diversified and modern portfolio across various segments



Secure assets providing stable cash flow generation



Sustainable tenant base with long-term contracts



Real estate portfolio overview

Over 100 000 m²

Total area of operating assets



Offices

- 3 office buildings and 2 stock offices in Tallinn



Hotels

- 4 hotels: 3 in Tallinn and 1 in Riga



Logistics

- 1 logistics centre located in Maardu



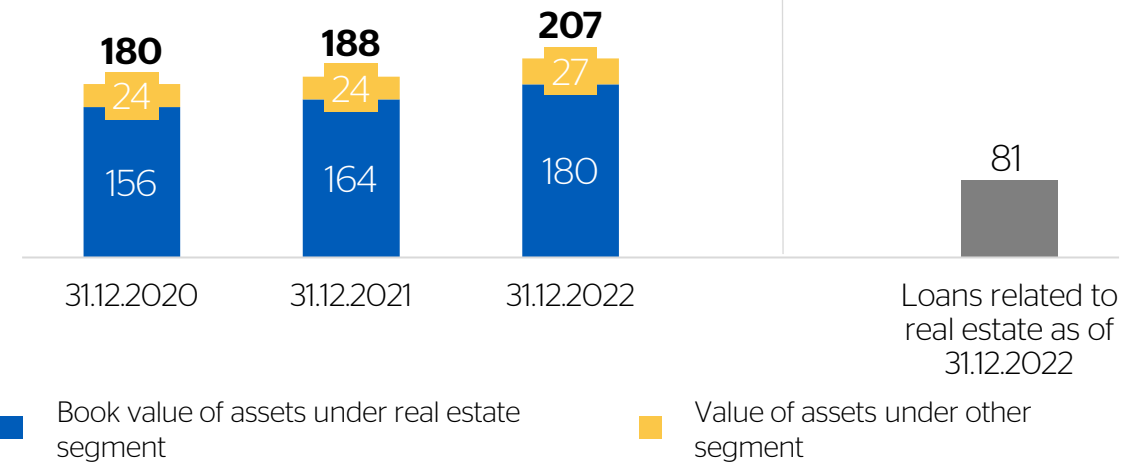
Other

- One of the largest tennis centres in Estonia and health campus both located in Tallinn

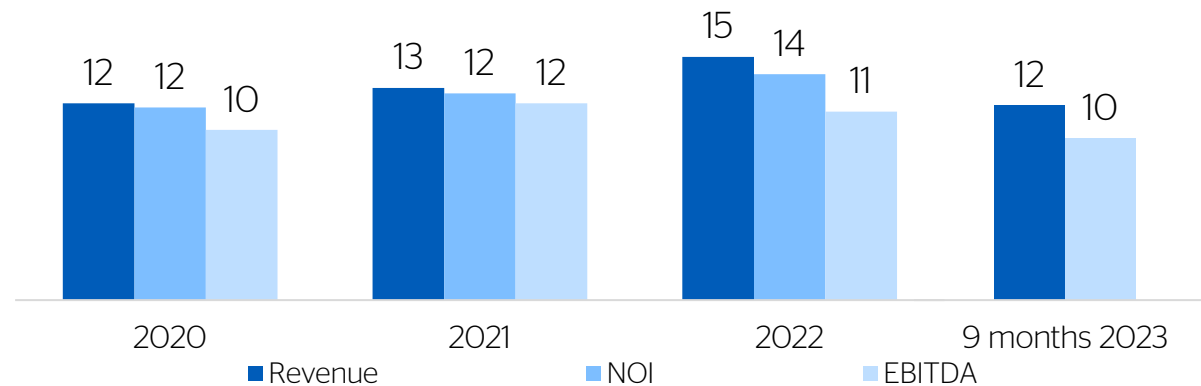


- ~66 000m² developments with building permits
- More than 150 000m² undeveloped land assets

Fair value of real estate portfolio, EURm^{1,2}



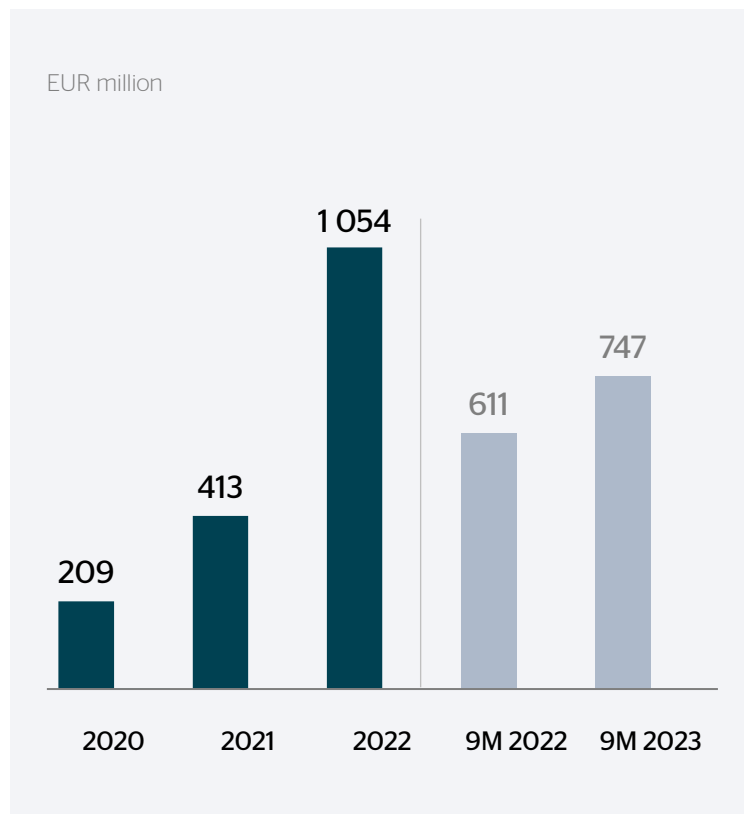
Revenue, NOI and EBITDA³, EURm



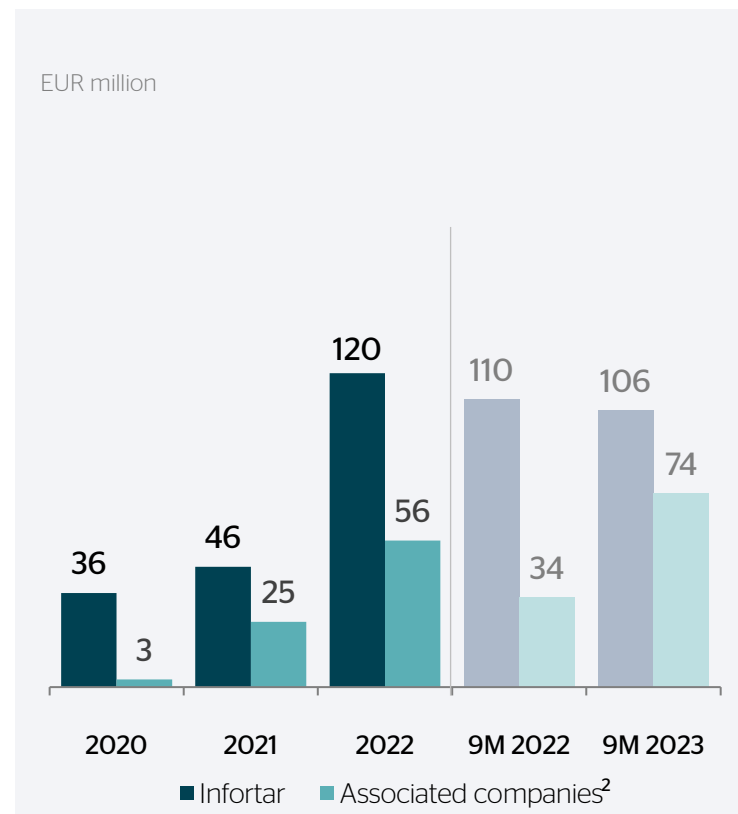
FINANCIAL OVERVIEW AND DIVIDEND POLICY

Stable and robust earnings profile

Revenue¹



EBITDA¹



Key financials

EUR 106 m EBITDA (9M 2023)

EUR 270 m Net profit, reported (9M 2023)
Includes badwill from Gaso transaction in the amount of EUR 159m

EUR 110 m Net profit, adjusted (9M 2023)
Excludes badwill from Gaso transaction in the amount of EUR 159m

EUR 287 m Long-term debt (30.09.2023)³
Includes debt related to Gaso acquisition in the amount of EUR 80m

EUR 1 431 m Total assets (30.09.2023)

EUR 772 m Book equity (30.09.2023)

EUR 90 m Cash and cash equivalents (30.09.2023)

Resilient business model supporting cash flow generation

Historical dividends and dividend policy

Number of shares before IPO	19 845 000
Shares issued during the IPO	1 360 000 (including 160 000 of overallotment shares)

Dividend policy



Paying at least EUR 1.0 per share per year¹



Dividends will be paid twice a year



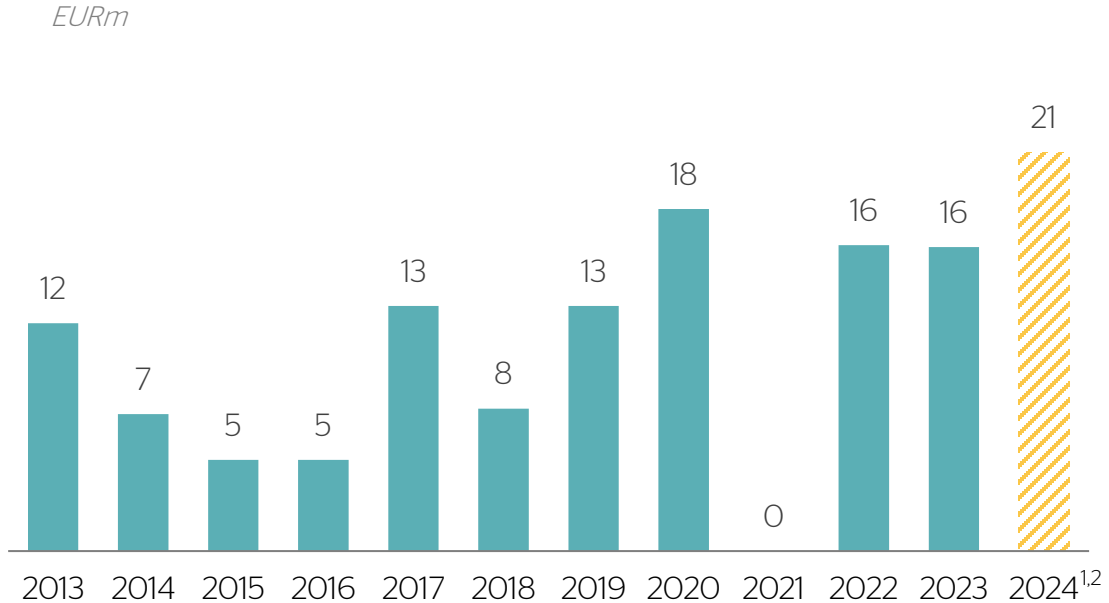
Intention to pass through dividends from Tallink³

Dividend of EUR 0.01 per share would increase total Infortar's dividend payout by EUR 3.1m^{3,4}

Historical dividends

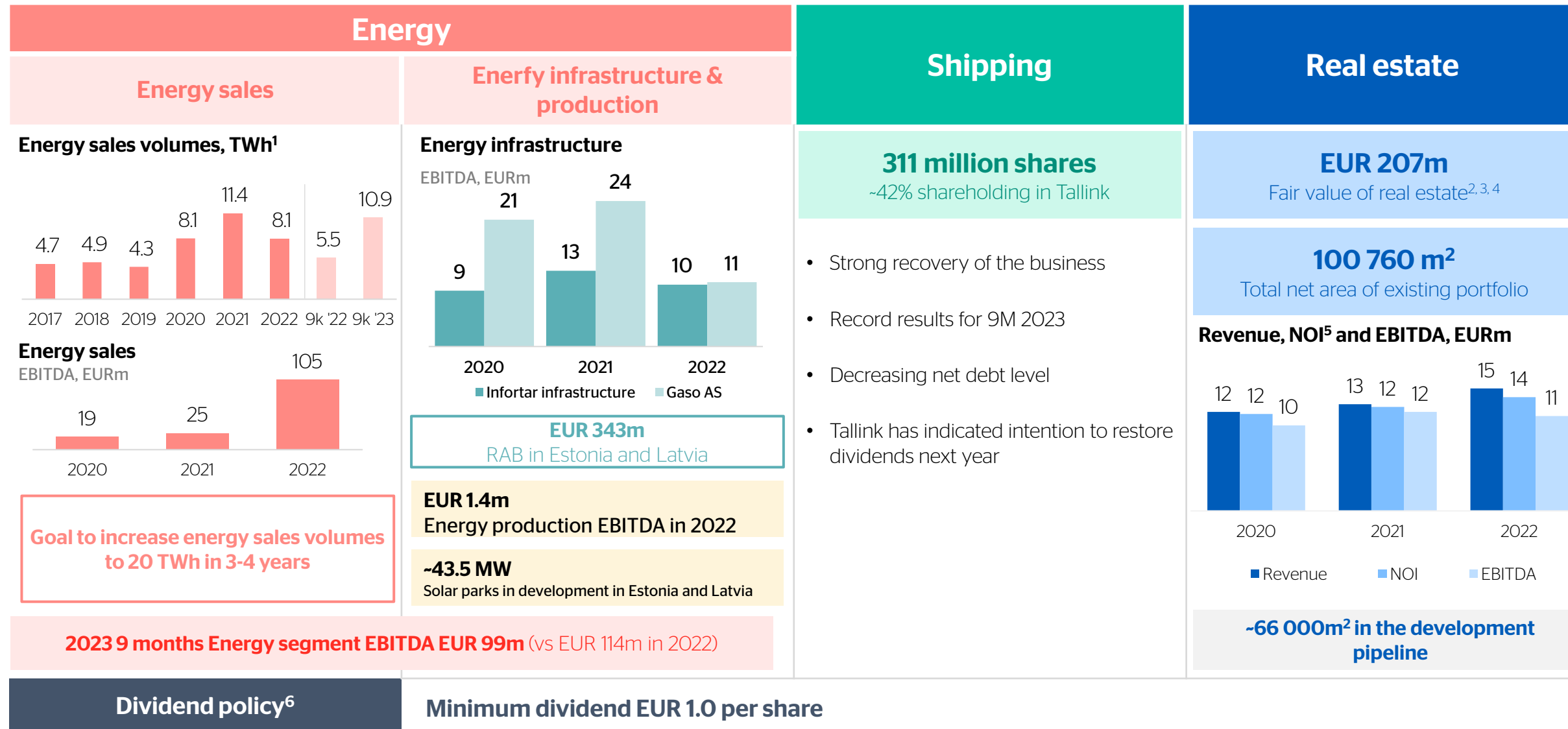
Infortar has paid steady dividends since 2013

Active decision not to distribute dividends in 2021 due to uncertain market conditions



Notes: 1) Dividend payments are subject to preconditions to ensure sufficient cash flow, liquidity and capital structure levels for the group's profitable growth and sustainable development 2) Illustrative dividend assuming base size of the IPO and dividend of EUR 1.0 per share. 3) Management intends to propose such approach; 4) Based on the assumption of Infortar holding 310 million shares of Tallink and 100% of dividends received will be passed on to Infortar's shareholders

Snapshot of key business drivers



Note: 1) Company also sells LNG and CNG, which are not accounted under energy sales; 2) Nõmme health centre and land are not included under real estate segment as the assets are on parent company level, and thus accounted under Other segment; 3) Value of real estate is based on fair value assessments conducted by third parties on yearly basis. Land plots and assets in development are accounted at cost. As at 31.12.2022, cost of assets in development and land amounted to EUR 34m; 4) Includes Nõmme Health Centre, land and investments in associated companies, representing Infortar's 50% shareholding in the fair value of the assets; 5) Adjusted NOI calculation includes assets that were fully operational in 2022 and excludes assets in associated companies and Other segment; 6) Assumes sufficient cash flow, liquidity and capital structure for sustainable development of the group

Key messages

1.



Diversified and expanding portfolio with strong asset base through prudent investments

2.



Further growth with focus on balanced green transition

3.



Agile business mindset targeting shared value creation and synergies across its investments

4.



Strong management and active owners with unique competence in large-scale investments

5.



Stable cash flow supporting regular dividend payments

