

# CONSOLIDATED ANNUAL REPORT

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# 1.1. ABOUT THE COMPANY

## Comments by the CEO



**Veiko Rääm**  
Board member and CEO of AVH Grupp

2024 will be remembered as a year of diversified challenges for AVH Grupp, while at the same time setting important cornerstones for the continuation of the growth story in the coming periods.

For Alexela, the energy group that makes up the largest part of AVH Grupp, 2024 was a year full of challenges - especially in the markets of liquid fuels and electricity. At the same time, the year has also brought significant progress: both market share and customer confidence have increased. Today, Alexela has achieved a market share of approximately 20% in the main sectors of liquid fuels, electricity and natural gas retail in Estonia. The company has also strengthened its position in Latvia, where it has strongly increased its market share in electricity and natural gas retail sales.

The positive attitude of customers is con-

firmed by Kantar Emor's survey, according to which Alexela is the most spontaneously recognized energy company in Estonia. Alexela has also been recognized as one of the most desirable employers in Estonia - a strong foundation for continuing to provide quality energy solutions. In addition, Alexela increased investments in renewable energy production and smart digital services to help customers better manage their energy consumption. Improving the customer experience by offering more personalized solutions and developing digital channels was also a key focus. These steps support Alexela's goal to be the energy company of choice for customers - reliable, innovative and sustainable.

For Bestnet, the second largest company in AVH Grupp, 2024 was a difficult year due to the economic downturn in Scandinavia, but the company has nevertheless managed to increase its market share in almost all target countries. In the surface coatings market, we are focused on efficiency and customer needs to ensure that we are in the best possible starting position at the beginning of the next growth cycle when demand recovers.

In 2024, Kerogen, a B2G subsidiary, in collaboration with TalTech, moved ahead with a Kerogen technology development project to produce valuable dicarboxylic acids from oil shale. The next phase of this project will start in 2025, when we plan to start upscaling the laboratory 10x into a near-industrial device.



In December 2024, B2G, a related undertaking of AVH Grupp, completed the acquisition of the Latvian company SIA Latvijas Propāna Gāze, the main value of which, in addition to the LPG terminal in Riga, is the network of over 40 filling stations in Latvia and around 90 000 retail customers. This important milestone made it possible to establish the first western LPG supply chain in the region as an alternative to the current eastern-sourced supply, and in the future, we see a great potential to address Latvijas Propāna Gāze retail customers in the Latvian market with electricity and natural gas products from Alexela.

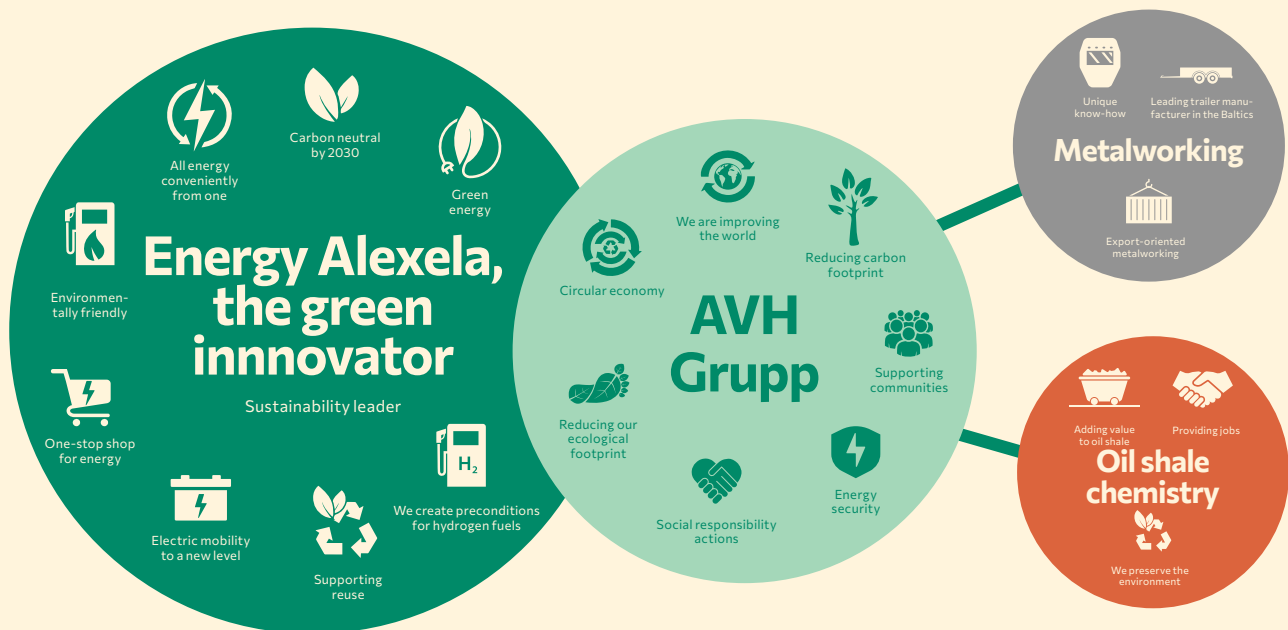
To sum up the year, from the perspective of AVH Grupp, our companies operate in a variety of competitive and cyclical markets, characterized by both reduced demand and a volatile regulatory environment. Nevertheless, we have managed to handle things and make important strategic investments in the past year to support the Group's long-term growth trend. We have set ourselves the goal of flexibly adapting our activities to the market situation and continuing in 2025 to build on our values, which are:

**I am forceful**  
**We have power**  
**We change the world**

**Veiko Räim**  
Board member and CEO of AVH Grupp



## 2024 of AVH Grupp in brief



### AVH Grupp AS is an Estonian holding company focused on three primary fields:

- Energy, the main activity of which is carried out through the subsidiary AS Alexela. Our group includes companies that produce biomethane, develop solar and wind farms, and provide electricity charging for both private and commercial customers.
- In the metals sector, the activities are mainly carried out through the Bestnet group. Their range includes TIKI and AKU branded trailers, as well as the largest selection of surface coatings in the region.
- B2G Group, a related undertaking of the AVH Group, combines the chemical industry, which aims to refine oil shale in an environmentally sustainable way and

using new technologies, and the fuel trading business, which focuses on the creation of Western LPG supply chains.

Alexela consistently contributes to reducing the environmental impact of its operations through innovation in business and development activities. The company's sustainable development focuses on developing environmentally sustainable refueling solutions, developing the circular economy, contributing to energy security, and supporting communities, culture, sports and charity. 125 refueling stations and 43 café shops across Estonia offer a wide range of energy products, including electricity, natural gas and various fuels. In addition, to support the transition to sustainable mobility, we are developing a network of electric vehicle charging stations and hydrogen and biomethane refueling stations.

Looking ahead, we also see it as important to participate in large-scale projects such as the Zero Terrain pumped-storage hydrotreater in Paldiski and the peak-load biogas power plant.

The AVH Group's metal companies (AS Bestnet, Paldiski Tsingipada AS, BNT Galva OÜ and Helon Kuumasinkitys OY) have a modern machine park and high-quality, automated technologies that enable them to carry out a wide range of metal processing. Specializing in trailer manufacturing, Bestnet has built

up a significant market share in all its main target markets in its more than 30 years of operation, with around 90% of its production being exported to nearly 10 different countries.

As part of the group's restructuring, AS Bestnet (as the merging company) and AS Kohimo signed a merger agreement in June 2024, and the merger was completed in September 2024.

In the process, the company, whose main activity had been the manufacture and



assembly of tanks and metal structures, was transformed into an engineering office providing engineering solutions to other metal companies in the group.

Through Kerogen OÜ, a subsidiary of AVH Grupp AS related undertaking B2G Grupp OÜ, we contribute to the environmentally friendly and sustainable refining of oil shale through science. In 2024, Kerogen successfully completed the Kerox III project, bringing the Kerox technology to laboratory prototype level and filing two patent applications. The Kerox technology enables the production of essential chemical precursors (more specifically dicarboxylic acids) from oil shale for the chemical, plastics and defense industries. The project was awarded the Tallinn University of Technology Development Work of the Year Award.

We are convinced that Estonia's largest and most valuable natural resource - oil shale - can be used in a way that preserves the surrounding environment. We also consider it important to contribute to energy security, which is why our related undertaking B2G Grupp OÜ owns Kiviõli Keemiatööstus, which has a history of more than 100 years. Our ambition is to transform Kiviõli Keemiatööstus

into a chemical company based on the principles of circular economy, refining oil shale using innovative technology and achieving carbon neutrality by 2025.

In December 2024, the fuels trading section of B2G Grupp OÜ was complemented by the acquisition of a 70% stake in SIA Latvijas Propāna Gāze. The company owns the LPG terminal in the port of Riga, where we will invest further in 2025 to be able to receive 22 000-tonne ships. In the future, the terminal could handle around 300 000 tons of LPG per year, which will allow it to supply a significant part of the Baltic and Polish markets with LPG of Western origin.

In 2024, the Board of AVH Grupp consisted of Hans Pajoma as Group CEO and Mikhail Kazarin as Group CFO.

In February 2025, there was a change in the management structure of AVH Grupp, as a result of which the current CEO Hans Pajoma left the organization and Veiko Räim was elected as a new member of the Management Board.

The consolidation group of AVH employed 718 people by the end of 2024.



## THE YEAR OF ALEXELA AS THE LARGEST GROUP COMPANY

2024 was a year of change and growth for Alexela. We continued to move from a product-based to a service-based business model, offering customers complete and smart energy solutions at home, on the road and at their destination. We grew the refueling network and expanded energy services and the electric vehicle charging network by making the Smart Electricity solution available free of charge. In addition, we contributed to renewable energy by developing solar and battery parks and hydrogen refueling solutions.

The general energy sector in the region was affected last year by the economic downturn, geopolitical changes and regulatory uncertainty. However, we were able to adapt, maintain a strong financial position and invest more than 10 million EUR in innovative energy solutions. Alexela's market share in electricity sales increased to 19.7%, which puts us in the second largest electricity seller position

in Estonia. We paid 182 million EUR in taxes and supported education, culture and sports with more than 500 thousand EUR.

We also expanded our operations in neighboring countries in 2024. Our subsidiaries Rohe Solutions OY in Finland and SIA Alexela in Latvia built new Western-based supply chains and provided sustainable energy solutions. The Hamina LNG terminal in Finland has become an important regional hub, ensuring independent gas supply for the whole Baltic region.

Estonia needs both now and, in the future, a balanced energy portfolio that includes renewable energy as well as managed generation, long-term storage and strong connections with neighboring countries. Alexela will continue to contribute to this by developing Estonia's first bio-LNG supply chain, by building Zero Terrain in Paldiski and by investing in infrastructure projects that reduce dependence on Russia.





## THE YEAR OF BESTNET GROUP AS THE SECOND LARGEST GROUP COMPANY

Bestnet's two main activities in 2024 were the manufacture and sale of trailers with a gross vehicle weight of up to 3,500 kg in various markets and the provision of coating services for metal structures.

As in 2023, the biggest driver of the 2024 trailer market was the economic downturn in Nordic countries. Despite the weak economic situation, active development and sales efforts have resulted in an increase in the market share of trailers produced by the Bestnet Group in all current markets.

Surface coating services have also been directly affected by the difficult situation in the Estonian and Scandinavian industries, which resulted in lower results than expected.

In 2024, a 350 kW solar plant was completed and commissioned. Increased deployment of solar energy will help to secure the Bestnet Group's renewable

energy supply.

The main area of activity of OmaKodu-Maja AS is the management and development of real estate owned by the group. There were no major events in this area in 2024, and the plan is to continue on a similar path in 2025.

### The following significant events occurred after the balance sheet date:

We consider it necessary to note that 2024 was also a significant year for Kiviõli Keemiatööstus, a subsidiary of the AVH Group's related undertaking B2G, due to long-lasting negotiations that led to an agreement with the Estonian state on environmental compliance. More specifically, a compromise was reached on 31.01.2025 on the limits for the emission of sulphur compounds into the air, deadlines for actions and specific requirements were agreed upon with the aim of reducing the environmental impacts of shale oil production.



## Values

Behind the formulation of AVH Grupp's values are our own people from different companies and positions within the group. These are the core values that we share as a group, as well as what we strive for. They are written down by our own people as a result of our teamwork, and we follow them every day, from recruiting people to achieving targets.

### The values of AVH Grupp

#### I am forceful

- I work proudly and well and celebrate success.
- I am honest, bold and forward-thinking.
- I share information thoughtfully, valuing the time of myself and others.
- The safety, well-being and success of us all depends on me.
- Every agreement must stand!

#### We have power

- We are powerful and take care of one another.
- We share experiences, involve each other and learn from one another.
- We notice and appreciate.
- We are open, listen and trust one another.
- Can't forget to have fun!

#### We change the world

- We are the trailblazers of our fields and promote implementing new solutions.
- We achieve our goals with responsible and environmentally friendly actions.
- We empower the development of Estonian life.
- We have a lot to offer - making life better for our employees, customers and partners.
- It can always be done!







## 1.2. SUSTAINABILITY AND MANAGEMENT

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## 1.2. SUSTAINABILITY AND MANAGEMENT

### Sustainability

The AVH Group has consistently contributed to reducing the environmental impact of its operations through innovation in its business and development activities. The results of the first ever carbon footprint measurement in 2020 showed us the most urgent areas for reducing our carbon footprint. We have developed a transition plan and identified areas that need to be both adapted and improved over time. Examples of activities through which we contribute to green transition include:

- We are developing refueling solutions with lower environmental impact — bio-methane filling stations and e-mobility.
- We produce biomethane from local raw materials in partnership with livestock farmers, grain growers and the food industry.
- Developing solar and wind farms.
- Developing renewable energy storage capacity at Zero Terrain battery in Paldiski.
- Launched a "green" electricity package Rohesärts.
- Engaging customers via community programs - tree-planting project.
- Promoting biodiversity — an insect drive-in project extended to the whole network of filling stations.
- Rewarding reuse in the trade - offering discounts on hot drinks with reusable cups and packaging Alexela water in recycled plastic bottles.
- We are aware of the Clean Industry Initiative and are involved and provide input.

### The focus issues of AVH Grupp

are set based on the areas of greatest impact for the company and taking into account input from key stakeholders. These are:





Within the focus themes, we monitor our activities with utmost care and through them we have the greatest impact on the eight UN Sustainable Development Goals (SDGs).

Based on today's knowledge, we continue connecting our sustainability strategy and day-to-day activities as well as improving it, which is essential to maintain market confidence and legitimacy. We take into

account stakeholders who may be affected by our activities and through continuous dialogue, business development is constantly changing.

Current sustainable operations are underpinned by a range of third-party-certified management systems, which are among the most important tools in our day-to-day work.

## Sustainability in ESG AVH Grupp

ESG is short for environmental, social and corporate governance, meaning a sustainable and responsible approach to business management.

ESG may also be treated as a purposeful, measurable and controllable sustainability. With enough data about the E, S and G aspects, the impact of the organisation is formed into a clearer picture, which in turn allows for making relevant changes in the business processes. Climate change caused by human activity has brought more attention to managing environmental impacts in particular, but addressing the aspects of social and governance aspects are, in fact, of equal importance for a sustainable and balanced development.



In AVH, the management of the holding company AVH Grupp is responsible for the ESG strategy. At the level of subsidiaries of AVH Grupp, the management and area managers are responsible for ESG. Each department manager is responsible for the coverage of necessary ESG topics in their area of responsibility at the level of each department.



## Environment

AVH Grupp is constantly adjusting its business and development practices to minimize the environmental impact of its activities and keep them at a legitimate level. Our environmental objectives overlap and are in line with national action plans. We focus on reducing our carbon footprint and give preference to suppliers whose environmental policies align with our own.

Alexela's main environmental impact comes from our energy portfolio, which is why we are focused on reducing emissions to achieve carbon neutrality by 2030.

The transition plan for climate change mitigation includes the following actions:

- We produce and buy renewable energy and offer it to our customers - reducing the share of fossil fuels in our product portfolio.
- We build renewable energy production units — both solar farms and, in the future, wind farms with storage.
- We develop electric car charging points - making the transport sector less polluting.
- We produce biomethane and hydrogen for the market - offering them as car fuel at our filling stations.





## Our people and community

The consolidation group of AVH Grupp employed 718 people by the end of 2024.

Number of employees across main activities	2022	2023	2024
Energy	439	529	546
Metal	112	256*	152**
Other activities	9	23*	20
<b>Total</b>	<b>560</b>	<b>808</b>	<b>718</b>

\* In 2023, Aktsiaselts Bestnet and OmaKoduMaja AS were added to the AVH consolidation group, having previously belonged to the consolidation group of the AVH related undertaking B2G Grupp OÜ.

\*\* The reduction in the number of employees in the metal sector in 2024 is due to the closure of the current activities of AS Kohimo.

AVH Grupp's greatest asset is its employees, and we work consistently to ensure that each and every one of our employees feels that a lot depends on them. We value both long-standing employees who share their experience and new employees who bring fresh knowledge to the company. For better talent management, there are annual "Let's empower!" events with existing staff. conversations with existing employees, and joint training sessions and events to support their development and vary daily routine. Based on corporate values, we regularly recognize and reward outstanding colleagues.

As we consider self-development and life-long learning to be of great importance, we offer our employees the opportunity to participate in both professional and vocational training to develop as professionals. We also encourage participation in training that supports personal development.

Employees are the face of a company and shape its reputation, which is why their well-being and health is important to us. We offer a range of benefits to our employees and their families, including sports subsidies and health insurance. A team-based mobility challenge involving the entire staff using the YuMuuv app has become a tradition by now. In addition, an annual staff tennis tournament is held in early summer.

# Management

## THE MANAGEMENT BOARD

In 2024, AVH Grupp AS was managed by a two-member Management Board in the following composition:



**HANS PAJOMA**



**MIKHAIL KAZARIN**

The Management Board makes all major decisions concerning the day-to-day business of AVH Grupp. The members of the Management Board

are represented as members of the Supervisory Board in the direction and control of the economic activities of all subsidiaries.

## THE SUPERVISORY BOARD

The Supervisory Board of AVH Grupp consists of six members: Heiti Hääl (Chairman of the Supervisory Board), Marti Hääl, Mati Sökk, Andreas Laane, Maria Helbling and Aarto Eipre.



**HEITI HÄÄL**  
Chairman of the  
Supervisory Board



**MARTI  
HÄÄL**



**MATI  
SÖKK**



**ANDREAS  
LAANE**



**MARIA  
HELBLING**



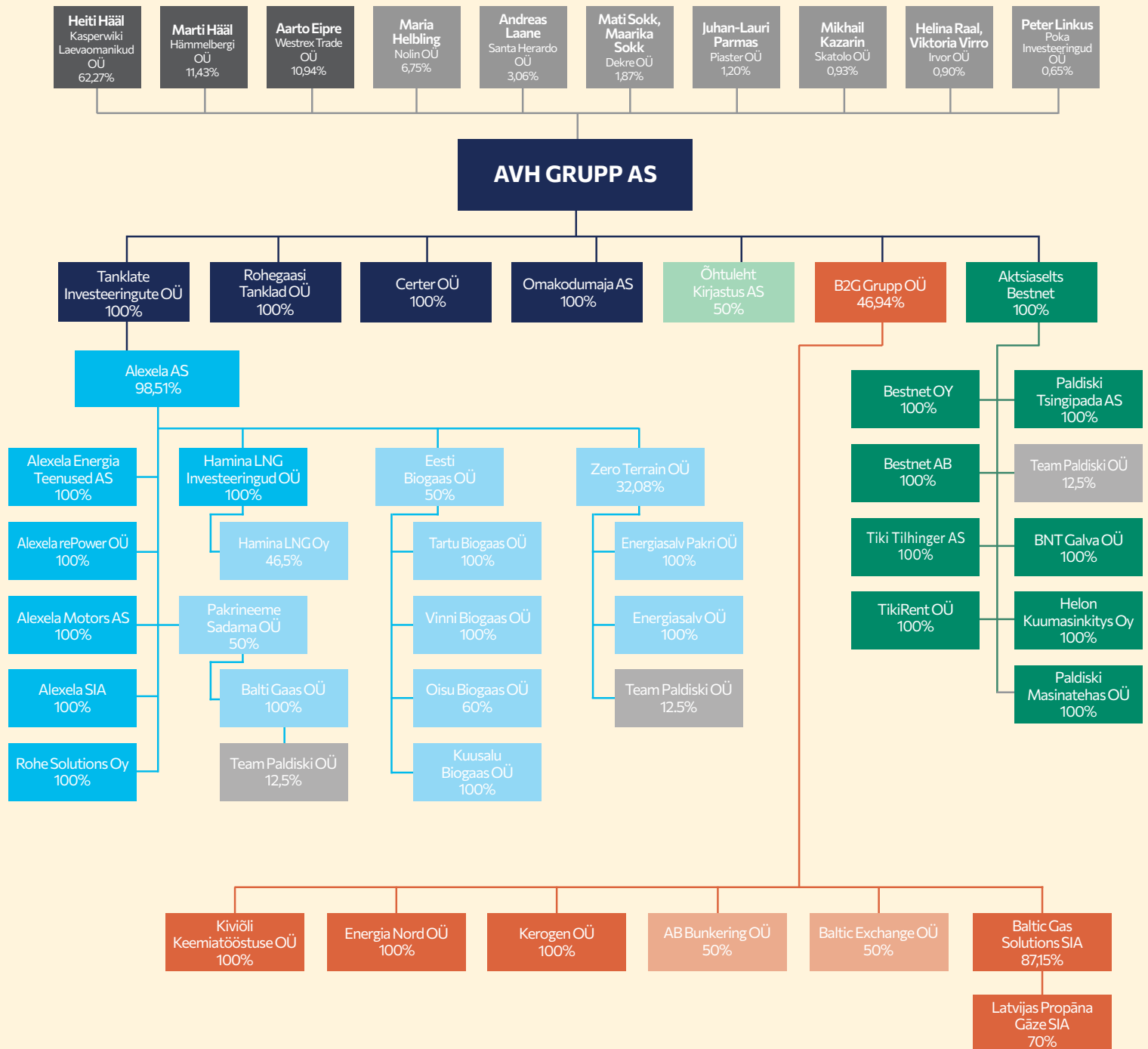
**AARTO  
EIPRE**

The Management Board is of the opinion that the company is able to continue as a going concern and that the risks of the company are sufficiently hedged.

It is important to note that as of February 2025, Management Board member Hans Pajoma has left the organization and his role has been taken over by the new Management Board member Veiko Räim.



## THE STRUCTURE





## 1.3. FINANCIAL RESULTS

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## 1.3. FINANCIAL RESULTS

### Corporate development

2024 can once again be characterized as a year of major challenges, influenced by a number of external factors such as the ongoing war in Ukraine, the collapse of EstLink2 and the changed market situation due to the sanctions on Russian goods. The uncertain regulatory environment and high Euribor rate added to the

complexity, and while we performed in line with expectations on key volume metrics, the financial performance remained below expectations.

The key indicators of the Group and its related undertakings are presented in the table below.

AVH Grupp AS	2019	2020	2021	2022	2023	2024
Fuel sold (B, D, LPG) thousands L	175 250	206 730	224 092	223 947	225 593	228 495
Number of filling stations	116	116	118	121	124	125
Number of stores	35	34	38	39	43	43
Electricity sold (MWh)	562 816	649 967	778 130	713 178	1 226 644	1 437 184
LPG sold (t)	9 080	8 200	7 800	10 300	15 026	13 560
Natural gas sold (MWh)	385 600	684 858	761 454	738 262	969 131	1 297 247
Export to Scandinavia, thousands EUR	10 704	11 383	16 680	12 066	8 816	10 826
Galvanized metal, thousands EUR	11 887	10 885	11 058	9 157	8 608	6 687

Consolidated numbers of AVH Grupp AS (tEUR)	2019	2020	2021	2022	2023	2024
Turnover	228 398	320 426	378 318	629 654	646 759	620 132
EBITDA = operating profit (loss), depreciation and impairment of fixed assets profit/loss from changes in currency exchange rates (purchasers, suppliers)	9 496	16 179	22 228	27 260	25 825	18 346
Net profit/loss	3 835	-3 071	14 545	5 404	6 581	-947
Investments	4 099	5 970	23 568	26 969	21 115	11 764
Balance sheet volume	165 654	246 497	318 570	394 115	375 860	389 833
Equity	51 660	83 142	99 039	118 560	126 461	119 786
Equity level (%)	31%	34%	31%	30%	34%	31%
EBITDA margin %	4%	5%	6%	4%	4%	3%
Average number of employees	161	431	502	560	808	749



# Overview of the primary AVH Group subsidiaries and related undertakings in 2024

## The energy portfolio

### AS ALEXELA

Alexela is Estonia's leading energy company, offering smart and environmentally friendly energy solutions at home, on the road and at your destination. We have resolved to invest in sustainable energy solutions based on local raw materials, such as bio-LNG, Zero Terrain and Alexela rePower, to strengthen our energy security and reduce dependence on external sources.

Our focus is on different energy offerings, such as Smart Electricity and Smart Cabinets, which help reduce energy costs and increase energy efficiency. In addition, we are developing environmentally friendly solutions to support the green transition, notably through the electric vehicle charging network and the VOOL project.

We are actively working to develop new supply chains for the region, to exclude Russian goods from our product portfolio and to ensure the reliability of energy supplies.

Standing for the interests of the Estonian people is one of Alexela's core values. We have consistently supported the suspension of the frequency reserve fee to keep electricity prices affordable, and have stood up for the interests of Estonian

consumers in the energy market.

We also actively contribute to local communities. Our community program connects people in different areas, while the implementation of food lockers helps reduce food waste. We also support Estonian nature, for example with tree planting projects, and help to promote Estonian culture and sports by contributing to the organizing of the Tallinn Black Nights Film Festival and Tallinn International Horse Show.

As Alexela is a company that has grown over the years from a petrol company to an extensive energy group, we provide an overview of its activities by business segment.

### LIQUID FUELS

2024 continued to bring major challenges to the liquid fuels market, confirming the need to be prepared for the unexpected and to react quickly to events affecting the market.

The liquid fuels market remained largely dependent on external factors. Russia's war of aggression against Ukraine and the political decisions made by neighboring countries, major powers and OPEC+ member states had the greatest impact. Overall, the European market has now adapted to the new supply chains.

Production cuts in OPEC+ countries and non-OPEC countries increasing their production had the biggest impact on the world market. The impact of the US presidential election put downward pressure on fuel prices. All in all, global fuel prices fell in 2024.

One of the most influential decisions came from Sweden, which lowered the bio-obligation requirement, leading to an increase in the supply of HVO and a fall in prices. However, its effect was largely short-term.

Alexela continues to buy liquid fuels from its European suppliers. Before the sanctions were implemented, we obtained diesel and petrol mainly from the Orlen refinery in Mažeikiai, Lithuania.

Domestically, the decline in consumer confidence was reflected in a slight decrease in consumption. The retail market for liquid fuels grew by 1.6%, while the wholesale market fell by 1.1%. The Estonian fuel market is closely tied to world market prices, which also had an impact on filling stations, reducing the growth in consumption.

Market uncertainty and minimal growth increased competition in the local market. Market participants focused on short-term offers to attract customers. Alexela focused on providing its customers with comprehensive energy solutions that combined fuel and electricity offers. Through hybrid offers and cross-selling, we managed to increase the share of customers using energy solutions to 27%.

### **GASEOUS FUELS**

Record gas prices in 2022 continued to have an impact in 2024, particularly in the form of conservative choices made

by business customers considering a fleet switch to more environmentally friendly fuels. The decision of car manufacturers to stop production of CNG vehicles in 2024 will have an impact on CNG consumption in the private customer segment in the coming years.

LNG market volumes continued to grow in 2024, as the switch to this fuel requires little investment and is the cheapest fuel in terms of mileage. Compared to 2023, the LNG market grew by 7%.

Natural gas and LPG are continually used for heating industries and buildings. Alexela offers its customers hybrid solutions that depend on the movement of world market prices for natural gas and LPG. In 2024, investments in LPG equipment continued, mainly to replace fuel oil systems.

Although natural gas sales volumes in Estonia increased by 8.8% in 2024 compared to 2023, they have not yet reached pre-war levels. The introduction of LPG has partly replaced natural gas. LPG market volumes also fell in 2024, due to dry weather during the harvest season, reducing LPG demand in the agricultural sector.

In the future, the market for gaseous fuels will be affected by excise duties and taxes. For example, biomethane used as CNG continues to be the most environmentally friendly transport fuel. Increasing excise duty on diesel in the coming years and the CO<sub>2</sub> tax on transport fuels in 2027 will increase the competitiveness of biomethane.

On 20 December, the European Union imposed sanctions on Russian propane. Alexela had already started to develop al-





ternative supply channels and the first vessel carrying fully European-produced LPG arrived in November 2024. Opening new supply channels is an important part of ensuring security of supply for customers.

**ELECTRICITY**

2024 began with high tensions for the Estonian electricity market, as cold January weather led to extremely high electricity prices. In addition, Estlink 2, the largest electricity connection with Finland, was unexpectedly cut in the early morning of 26 January. This affected Estonian consumers of electricity for eight more months and led to higher electricity prices.

The distrust of stock market packages during the energy crisis persisted in 2024, as customers put most trust in fixed-price packages. For example, Alexela's Pingevara package, which offers a one-month fixed price, continued to be popular. Despite difficult market conditions, Alexela managed to provide competitive electricity packages and maintain its market share, being the second largest electricity seller in Estonia. In 2024, Alexela's market share of electricity sales increased to 19.7%.

As an energy company with an extensive product portfolio, Alexela offers a range of permanent and fixed-term discounts, providing more value to customers who consume several services at the same time. From autumn onwards, Alexela's electricity customers received a discount offer of 15 cents per liter on fuel at petrol stations.

Alexela has concluded several long-term electricity purchase agreements with renewable energy producers to bring renewable electricity to the market that can

be offered to customers at fixed prices.

**E-MOBILITY**

In e-mobility, 2024 saw significant developments in both public charging infrastructure and the products and services offered to customers. Years of experience and taking action have allowed us to further fine-tune our development and offer our customers the best value by providing charging services at home, on the road and at the destination.

The number of Alexela's public charging nozzles increased 1.5 times in 2024 compared to 2023, reaching more than 300 nozzles in nearly 200 different locations across Estonia.

We continued to replace the Elmo network chargers with new fast chargers at Alexela stations. In addition, we installed charging points near hotels, spas, sports centers, shopping malls and other places of entertainment. Also, in densely populated residential areas where it is difficult to create private charging spaces - these are public charging points for all residents in the surrounding area, which can be quick and conveniently added as needed.

We focused more on service development and quality improvement. In 2024, we introduced a dynamic pricing model for public chargers, allowing for more flexible charging, considering the specificities of the charging point and the consumption habits of users.

In the field of private charging services, we launched a partnership with domestic charger manufacturer VOOL, offering more powerful and better designed chargers. Customers can benefit from smart charging, where the charger is scheduled



according to the electricity price. In addition, we created a guide for apartment associations on how to build and use charging infrastructure and expanded our cooperation with real estate developers.

TRADE

The role of commerce in petrol stations has been growing by the year, providing customers with convenient service and excellent customer care, while adhering to the principles of sustainability. By the end of 2024, the Alexela retail network had 43 café-stores offering delicious food and a selection of essentials in addition to refueling and charging.

The increase in the number of electric cars will lead to an increased demand for filling stations offering additional services. We started developing a new interior design for our café-stores to provide better service and keep customer loyalty. The business process in the café-stores is constantly evolving to meet our economic objectives and the needs of our customers.

We continuously invest in product development and service skills to increase the number of new customers and build loyalty. In 2024, the fast food category grew rapidly and we will continue with distinctive concepts in 2025.

Caring for the environment is an important priority for us. We continue promoting reusable coffee cups, whose share in the hot beverage category increased to 14%, a four percent increase compared to 2023. We also focus on improving the quality of coffee, using Arabica coffee beans roasted specifically for Alexela.

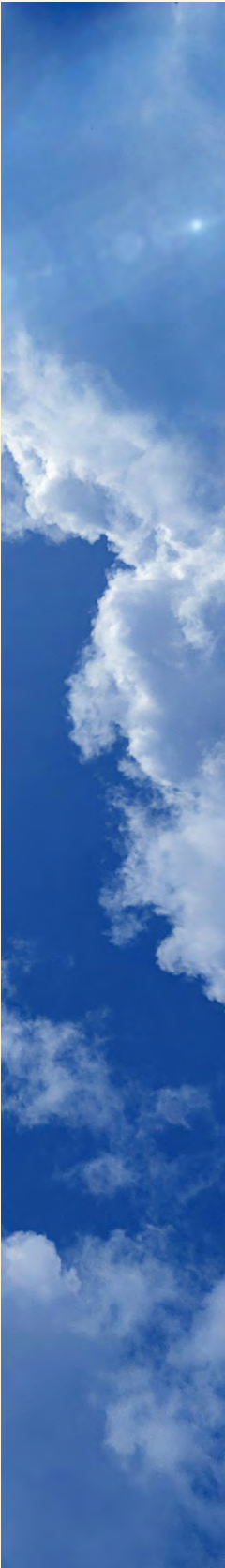
ALEXELA REPOWER OÜ

OÜ Alexela rePower, formerly known as OÜ Alexela Solar, combines all future technology development projects into one company. The restructuring in 2024 aimed to simplify the management of developments and support their further growth.

Solar park production volume increased by 151.7% in 2024, a significant step towards the company's goal of more sustainable and environmentally friendly energy use.

	2023	2024	Change
The solar farm of Saku beer brewery	1077 MWh	1062 MWh	-1,4%
The solar farm of Kiviõli Keemiatööstus	0	1611 MWh	-
Paldiski solar farm	302 MWh	791 MWh	161,9%
Direct line farms	40 MWh	108 MWh	170,0%
Total	1419 MWh	3572 MWh	151,7%

Solar farm production volumes in 2023 compared to 2024.



Alexela and Alexela rePower are also developing a number of energy management solutions, such as VPP (virtual power plant) and Smart Electricity, which optimize the operational processes of renewable energy infrastructures. These solutions will help customers to increase revenue and improve the efficiency of solar parks, ensuring a more affordable price for the electricity sold.

Image 289, PictureWith the aim of participating in the mFRR market, we began to integrate the Kiviõli solar park into the battery project. In autumn, we signed contracts for acquiring 4.6 MWh batteries, which are scheduled to be launched in 2025.

Future projects include the construction of hydrogen refueling stations and the development of methanol bunkering and truck-to-ship bunkering solutions.

## ALEXELA MOTORS AS

The subsidiary Alexela Motors AS provides logistics and transport services for liquid fuels, including LPG, LNG and cylinder gas. The main transport directions involve the servicing of Estonian domestic refueling stations and the delivery of products, as well as LPG and LNG supplies from Finland and Latvia.

In 2024, the lorries of Alexela Motors covered 2.35 million kilometers, which is 300 000 kilometers more than the year before. Liquid fuel volumes increased from 209.6 million liters to 214.7 million liters. In the balloon gas area, the focus was on servicing Alexela smart cabinets. Alexela Motors employs a total of 46 people, most of them lorry drivers.

## ROHE SOLUTIONS OY

Rohe Solutions OY is a subsidiary of Alexela, which operates in the Finnish market as a seller of natural gas and LNG. As at 2024, the company's main focus is on providing LNG solutions to industrial customers and bunkering LNG vessels. During the financial year 2024, 165 GWh of natural gas and 120 GWh of LNG were sold in Finland.

Last year, Rohe Solutions became the first in the region to offer bio-LNG, where the output of biomethane producers connected to the gas grid can be withdrawn as bio-LNG. Refining biomethane into bio-LNG will provide an opportunity for industrial companies and the transport sector to make progress towards their sustainability goals by supporting the transition to more environmentally friendly energy production options.

## HAMINA LNG OY (RELATED UNDERTAKING)

The Hamina terminal delivered 23 ships with LNG during 2024, all from outside of Russia. A total of 300 GWh of re-gasified gas was transferred to the Finnish transmission grid and the Hamina region distribution grid from the terminal. At the same time, LNG was loaded into 1,866 tanker trailers, 53% more than last year. The largest customer and user of Hamina LNG is AS Alexela.

In 2024, two important activities were launched at the terminal with a view to the future, initiated by Rohe Solutions OY. A vessel bunkering service was launched, with five vessels using LNG as fuel being bunkered at the terminal. The bio-LNG project was also launched, allowing the output from the connected biogas plants to be taken out of the terminal as bio-LNG.





## SIA ALEXELA

SIA Alexela is a subsidiary which operates in sales of electricity and natural gas to commercial and residential customers in the Latvian market. In 2024, the natural gas portfolio was 139 GWh and the electricity portfolio 162 GWh.

In 2024, we significantly increased our private customer base, ending the year with 30% more customers than in the previous year. We also invested in upgrading our IT and accounting systems, creating a solid platform for launching new services and continuing to grow our customer base.

## EESTI BIOGAAS OÜ (RELATED UNDERTAKING)

In 2024, the production volume of Eesti Biogaas, a related undertaking of Alexela with a 50% stake, increased by 17.7% to 126,131 GWh, accounting for about half of all biomethane produced in Estonia.

	2023	2024	Change
Tartu Biogaas	36 119 GWh	41 660 GWh	15,3%
Vinni Biogaas	37 701 GWh	43 359 GWh	15,0%
Oisu Biogaas	33 305 GWh	41 112 GWh	23,4%
<b>Total EBG group</b>	<b>107 125 GWh</b>	<b>126 131 GWh</b>	<b>17,7%</b>

Biomethane production volumes in 2023 compared to 2024

In 2024, additional secondary digesters were completed at the Oisu and Tartu stations, increasing biomethane production by around 20 percent. Most of the biomethane produced is used as transport fuel. In 2025, the plan is to continue biomethane production in three existing production plants - Tartu, Vinni and Oisu.

## ZERO TERRAIN OÜ (RELATED UNDERTAKING)

Zero Terrain, formerly known as Energiasalv, is developing a 500 MW battery in Paldiski, the only energy storage project in the Northern Baltic region to be included in the European Union's Projects of Common Interest.

In 2024, KPMG carried out an analysis of the socioeconomic benefits of the Paldiski battery, which showed that the economic impact of the project on the Estonian economy would be 54 million EUR per year during the construction period and 255 million EUR per year on average during the operational period.

Large energy projects need a collaborative model, with the state as a key player. Agreement on this model has unfortunately been delayed, but is expected to be reached in 2025.

## Metal portfolio

### AS BESTNET

The main activity of AS Bestnet is the production and sale of trailers with a gross vehicle weight of up to 3500 kg for various markets. Besides Estonia, the three primary export markets are Finland, Sweden and Norway.

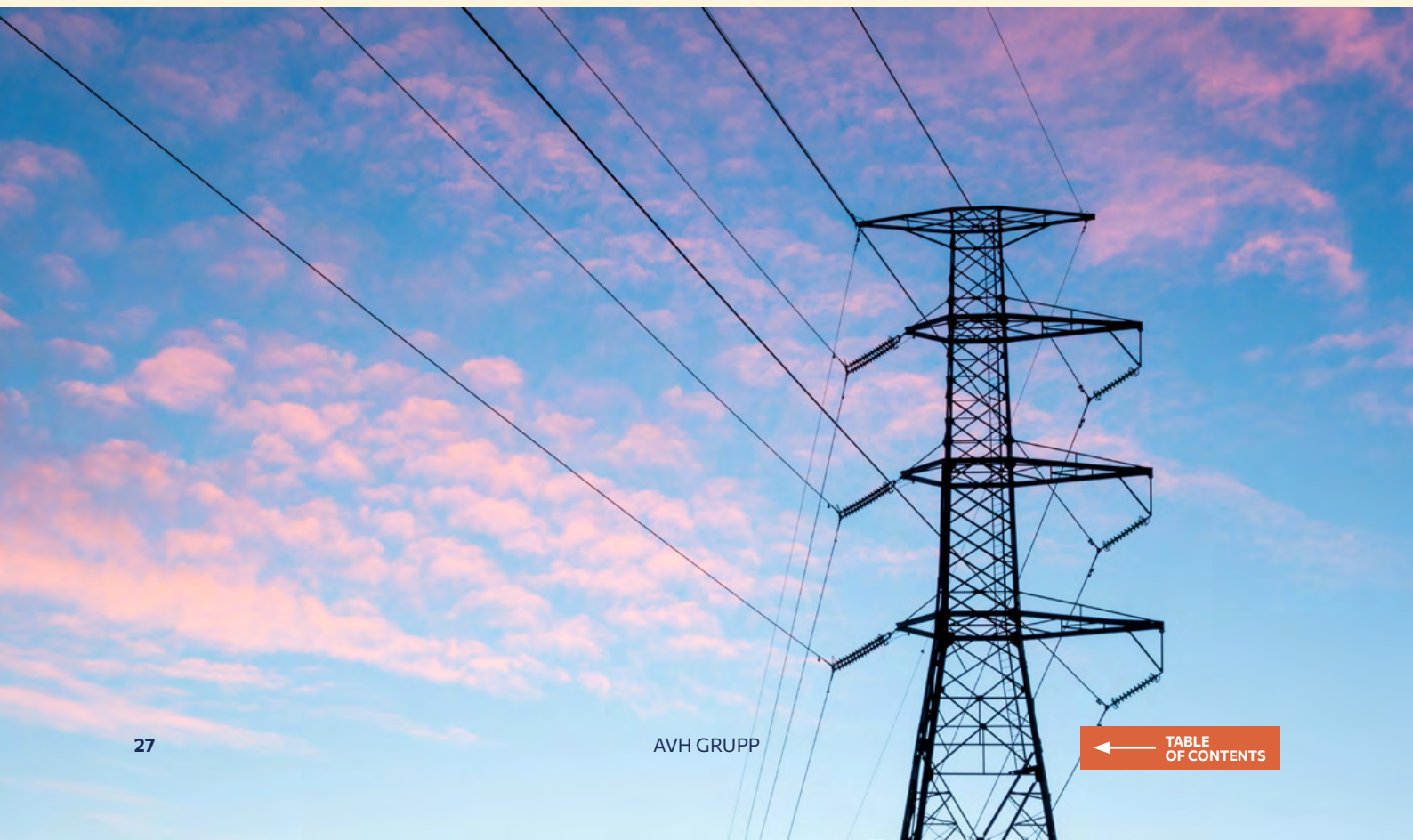
As in 2023, the biggest driver of the 2024 trailer market was the economic downturn in Nordic countries. Despite the weak economic situation, active development and sales efforts have resulted in increased market share for TIKI trailers in all primary markets. We also expanded to two new markets - Belgium and Holland.

A number of new products such as aluminium lids and sledge and boat trailers have created a lot of excitement in the market and set a great backdrop for sales in 2024. Another positive note is that raw material prices have also stabilized.

AS Kohimo, whose main activity was the manufacture and assembly of tanks and metal structures, was also dissolved and merged with AS Bestnet. In the process, the company was transformed into an engineering office providing engineering solutions to other metal companies in the group. Legally, Bestnet took over the ongoing projects and liabilities of AS Kohimo, which had a negative impact on the financial performance of AS Bestnet (-100 TEUR EBITDA).

### BNT GALVA OÜ

BNT Galva OÜ is Estonia's largest service provider in the field of galvanic/ electrochemical coatings, covering a wide range of different coatings including zinc plating, nickel plating, chrome plating, tin plating, etc. Based on the needs of customers, galvanic processes are continuously modernized and new processes are introduced. But at the same time, we make sure that our footprint remains as





small as possible.

In 2024, the automation of the water treatment plant and its control and process monitoring via a mobile application was launched. As a result, chemical consumption was optimized, process speed increased and environmental safety improved.

The economic slowdown in Estonia and the overall Scandinavian and European economies also affected BNT Galva's customer order volumes, which decreased by 10% compared to 2023. This led to more modest sales results and reduced profitability. However, despite decreased turnover, all intended investments were completed.

The goals for 2025 include the following development projects:

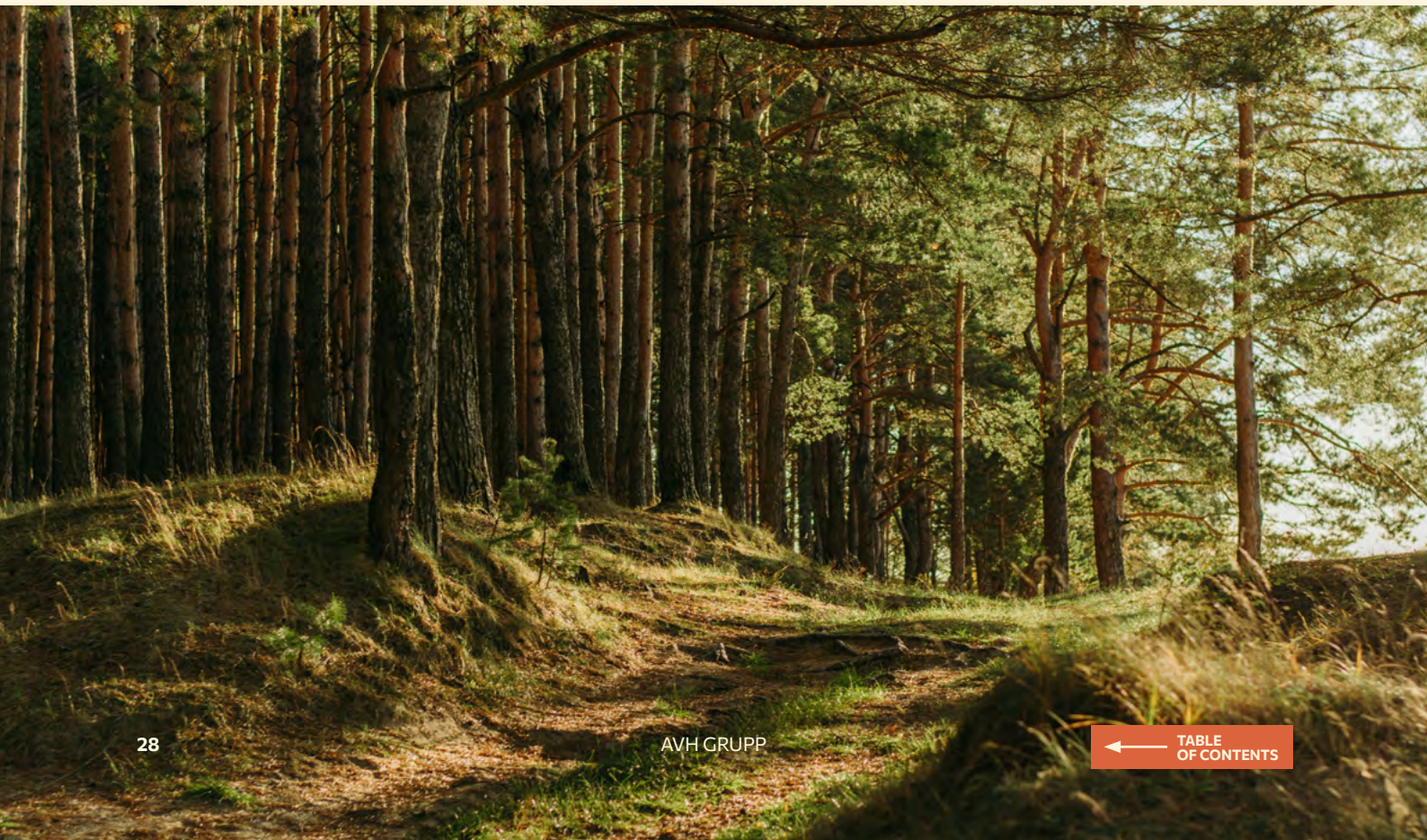
- Replacement of the underlays of production line 2 to increase reliability.
- Acquisition of an adjustable speed drum for production line 4.

- Renovation of the lamellar tanks and reservoirs at the water treatment plant to meet stricter environmental requirements.

Sustainability has become an increasingly important operating principle. The company has been awarded international quality and environmental certificates ISO 9001 and ISO 14001.

## **PALDISKI TSINGIPADA OÜ**

The biggest indirect driver of performance in recent years has been the Russian- Ukrainian war. Prices of many raw materials have continued to drop, but the price of zinc remained around 25-30% higher in 2024 than the year before. Due to the difficult market situation, Paldiski Tsingipada fell short of its 2024 budget targets. Nevertheless, the cash flows from the day-to-day operations of the company cover current expenses and, in addition, both the cash flows from operating activities and the operating result were positive during the reporting period.





A 300 kW solar power plant was completed in the second half of 2024, which will significantly reduce the amount of electricity purchased during the sunny months and have a positive impact on results. Adopting solar power will also help reduce the company's carbon footprint.

The main development projects implemented during 2024 relate to the modernization of chemical pre-treatment processes. A number of new chemical solutions were introduced, resulting in lower energy demand and less waste in the processes. Thanks to these changes, the rate of waste has also been significantly reduced. In addition, a range of equipment was introduced, resulting in improved traceability of pre-treatment data, as well as faster response times to keep solutions in optimal condition.

As the holder of a complex environmental permit, a 'green mindset' is important to the company. Paldiski Tsingipada is the only hot dip galvanizing plant with closed pre-treatment in the region. Production is not connected to the outside environment and sewage systems, and care is taken to minimize the company's ecological footprint.

The biggest challenge for 2025 will be to find ways to reduce the amount of removable waste generated in processes and to reuse the waste generated.

## HELON KUUMASINKITYS OY

In 2024, Helon Kuumasinkitys OY sold more trailers than ever before, but failed to meet its targets in the area of surface coatings. The achievements of the past year include the fact that the money and time invested in the repair of the equipment has finally resulted in a positive feeling - the cabling of the taps in the acid room has been renewed and the ventilation is finally in order. A new tent for storing galvanized goods has also been completed and preparations are underway to replace the tank in 2025.

On the negative side, the bankruptcy of the largest zinc plating customer and the new competitor Aurajoki plant near Turku should have a clear impact in the near future.

In addition, the Bestnet group includes TikiRent OÜ, a developer of trailer rental software, and Paldiski Masinatehas OÜ, which is currently looking for a more specific business direction.



## Other activities

### OMAKODUMAJA AS

The main activity of OmaKoduMaja AS in 2024 was the development, management and sale of existing real estate projects. The company plans to continue in this direction, as well as leasing out residential and commercial property owned by the company.

In 2024, the company continued to actively plan and develop its properties in the vicinity of Tallinn and to build communications. In the near future, the company hopes to either sell or lease some of its properties east of Tallinn in Harju County.

In the course of reorganization, the following changes took place among the real estate companies in August 2024: first, Paldiski Rendipinnad OÜ merged with its

subsidiary Novaatori Maja OÜ and then OmaKoduMaja AS merged with Paldiski Rendipinnad OÜ.

### AS ÕHTULEHT KIRJASTUS (RELATED UNDERTAKING)

Õhtuleht Kirjastus's portfolio includes Õhtuleht, the daily newspaper with the largest circulation in Estonia, the third largest online portal with 412 thousand monthly users (average 2024, Gemius, real users), including the largest recipe web toidutare.ee, and several magazines in print and online that are valued by readers, such as Naisteleht (and its publications), Tiiu, Kalale! Looduses, Teleleht, Eesti Mets and a portfolio of ten cross-word puzzle magazines.

## Areas of activity of B2G Grupp OÜ, a related undertaking of the AVH Group consolidation group

The AVH Grupp AS consolidation group holds a 46.94% stake in B2G Grupp OÜ, which combines the production of oil shale chemicals, the development of new oil shale technologies and the trading of various fuels.

As oil shale chemistry has historically formed an important part of the development of AVH Grupp AS, in 2024 the main focus of B2G Grupp OÜ became the improvement of the production potential of oil shale chemistry and the development

of new technologies through both Kiviõli Keemiatööstuse OÜ and Kerogen OÜ.

In order to expand activities in the field of fuel trading and with the aim of building the first western LPG supply chain in the region, B2G Grupp OÜ's subsidiary Baltic Gas Solutions OÜ acquired in 2024 a 70% stake in Latvijas Propāna Gāze SIA, a Latvian company that owns an LPG terminal in the port of Riga.

## Oil shale chemistry and the fuel trade

### KIVIÕLI KEEMIATÖÖSTUSE OSAÜHING

From the perspective of Kiviõli Keemiatööstus (KKT), last year was an excellent year, with more shale oil produced than ever before. Only once in its history have production figures risen above 100 000 tons, and in 2024 it was done again.

The majority of revenue of KKT is directly dependent on world market oil prices. In 2024, sales revenue amounted to 49.4 million EUR and the net result was 2.8 million EUR. Economic activity figures were affected by slightly higher oil prices compared to 2023, overhaul repairs, wage growth and the purchase of additional chemicals. In total, Kiviõli Keemiatööstus invested 4.0 million EUR in production and extraction equipment in 2024.

### KEROGEN OÜ

Kerogen's vision is to transform Estonia's oil shale industry into a high value-added chemical sector, moving from low-efficiency energy production towards a more sustainable and economically viable chemical industry. By implementing new technologies, the company aims to create a competitive supply chain for strategic chemical products that is in

line with the European Union's security of supply objectives.

In 2024, Kerogen successfully completed the Kerox III project, bringing the Kerox technology to laboratory prototype level and filing two patent applications. The Kerox technology enables the production of essential chemical precursors (more specifically dicarboxylic acids) from oil shale for the chemical, plastics and defense industries. The project was awarded the Tallinn University of Technology Development Work of the Year Award.

Kerogen plans to further develop the Kerox technology as well as explore alternative processes and local precursors. The company's long-term goal is to become a leading chemical producer that develops technologies and produces high value-added chemical products from local resources.

### BALTIC GAS SOLUTIONS SIA

In December 2024, B2G Group, a related undertaking of AVH Grupp, completed the acquisition of the Latvian company SIA Latvijas Propāna Gāze. Baltic Gas Solutions SIA is a holding company set up to finance the purchase of 70% of the shares in SIA Latvijas Propāna Gāze.





## SIA LATVIJAS PROPĀNA GĀZE

The acquisition of SIA Latvijas Propāna Gāze has two strategic objectives. Firstly, the company owns the LPG terminal in Riga, where we will make additional investments in 2025 to be able to receive 22 000-tonne vessels. This will allow building the region's first western LPG supply chain as an alternative to the current eastern-sourced supply. In the future, the terminal could handle around 300 000 tons of LPG per year, which will allow it to supply a significant part of the Baltic and Polish markets with LPG of Western origin.

Secondly, SIA Latvijas Propāna Gāze operates a network of more than 40 refueling stations in Latvia, serving around 90 000 retail customers. In this sales channel and customer base, we see great potential in the future to increase Alexela's market share in the Latvian electricity and natural gas retail markets.

## ENERGIA NORD OÜ

The main activity of Energia Nord OÜ is the sale of various liquid fuels in excise and customs warehouses. In 2024, 110 486 tons of various liquid fuels were sold for a total value of 45.6 million EUR.

Due to the nature of the company's activities, it does not require a significant amount of fixed assets, all its main services (road and maritime transport, terminal services, etc.) are outsourced either from group companies or third parties.

## AB BUNKERING OÜ

A related undertaking of the Group, which we do not consolidate and in whose day-to-day management we are not actively involved. AB Bunkering OÜ's main activity is the sale of various fuels and the provision of bunkering services. In 2025, the company will continue to operate in the bunkering market as its primary business, but will also look for opportunities to offer additional services.





## Investing

In 2024, the volume of investments in the AVH group decreased significantly compared to 2023. In 2023, the group's companies invested a total of 21.2 million EUR, while in 2024 the investment volume remained at 11.8 million EUR.

The decrease in investments was due to the fact that there was no comparable large investment in the Group in 2024, such as the Alexela Täkupoiss refueling station developed and built in 2023 or other

similar investments in traditional assets.

Nevertheless, the volume of investments remained sufficient compared to previous years, and we mainly invested in IT development, as well as in the development of a hydrogen refueling station in Jüri. In addition, investments were made in solar and battery parks, in charging equipment under the e-mobility project, in more environmentally friendly means of transport, and in the metals sector, as well as in production processes.



## Financing

AVH Grupp companies are all active in sectors with high capital requirements, and therefore the availability of good financial partners is very important to us. We are glad to state that our cooperation with banks has been very constructive, and we have been able to implement a large number of important projects.

In January 2024, Swedbank's loans to metal companies were refinanced with Coop Bank. With this, AVH Grupp has four largest financing partners: Swedbank and LHV syndicate finances Alexela's business. Coop Bank is a financial partner of Bestnet Group and at the level of AVH Grupp AS our partner is the Enterprise and Innovation Foundation (formerly Kredex).

We also use the services of other banks and leasing companies to finance smaller projects and leasing

The availability and cost of financing is a significant risk for the group, given its high financing needs. Indeed, 2024 turned out to be the year in which our financial costs increased from 11.9 million EUR to 13.8 million EUR due to the high Euribor.

However, as our primary business and strategy has proven itself in the market, the cash flow from operations has not been a problem for us due to increased costs, but we see the group's profitability improving in 2025 and in the future as Euribor falls.

## Risks

### CURRENCY RISK

The currency risk is the risk that the fair value or cash flows of financial instruments will fluctuate in the future due to changes in exchange rates. Financial assets and liabilities denominated in Euros are considered to be foreign currency risk-free. To hedge the company's currency risk, most contracts are based on the Euro. All loan agreements are also denominated in euros, so they are treated as currency risk-free liabilities.

The company's currency risk was low in 2024. Hedging instruments have been used in the past to hedge the risks arising from USD transactions and are also planned to be used in the future when necessary.

### INTEREST RISK

Interest rate risk is the risk that an increase in the interest payable to a liability as a result of an increase in interest rates will have a significant impact on the performance of the entity. The company's interest rate risk arises mainly from non-current debt obligations. The company's loans and leases from financial institutions are linked to the Euribor rate and have variable interest rates, which are fixed every six months or three months. The company has not used a fixed Euribor for a long period. Overdrafts from financial institutions and loans from other corporations are at fixed or variable rates linked to the Euribor.

In 2024, the six-month Euribor fell from 3.861% at the start of the year to 2.562% at the end. According to economic analysts, the Euribor is expected to fall further to around 2.0% in 2025, which could have a slightly positive impact on corporate results. The rise in Euribor in

2023 was a challenge in a higher interest rate environment and the company maintained its positive result. In 2024, conditions were more difficult, but the falling Euribor started to provide relief in the form of interest rate liabilities. Looking ahead to 2025, the company maintains a similar level of debt to 2023 and 2024, so interest liabilities do not threaten the sustainability of the company.

### PRICE RISK HEDGING IN ELECTRICITY AND NATURAL GAS MARKETS

Alexela sells electricity and natural gas to its customers in the retail market. Some of the customer contracts are concluded at fixed prices. Alexela uses derivative instruments (futures, forwards and long-term power purchase contracts) to hedge the risk of fluctuations in electricity and gas prices. TTF forwards are used to hedge natural gas price risk; Nord Pool system price and EPAD futures, the Estonian, Latvian and Lithuanian base electricity and fixed price power purchase agreements with manufacturers are used to hedge electricity price risk.

The company also concludes fixed sales contracts for the sale of natural gas and hedges the risk that market prices will rise above the fixed sales contracts. In addition, natural gas held in storage is hedged at a fixed price. Argus TTF Month Ahead futures are used to hedge transactions.

As of 31.12.2024, the volume of natural gas sales hedged for 2025-2026 is 139.5 GWh at a weighted average price of 38.1 EUR/MWh and the volume of hedged stock is 74.5 GWh at a weighted average price of 43.2 EUR/MWh.

## CREDIT RISK

Credit risk is the risk that the company will suffer a financial loss caused by the failure of other parties to a financial instrument to meet their obligations. Around 30% of settlements with customers are made immediately in cash, by bank payment card or by prepayment. The company's main credit risk arises from credit sales receivables from buyers. The company does not consider credit risk to be very high, as the selection of customers for credit is based on an analysis of the customer's credit risk. In addition, the number of customers is high and the credits granted to customers are low. The credit risk on cash and cash equivalents is low because current accounts are held with domestic banks that are legally authorised and have a high international credit rating.

## LIQUIDITY RISK

As at 31 December 2024, the Group's working capital is negative in the amount of 28,698 thousand EUR (31.12.2023:

positive in the amount of 6,323 thousand EUR) and the parent company's working capital is also negative in the amount of 32,190 thousand EUR (31.12.2023: -300 thousand EUR). The Group analyses the financial performance and cash flows of the whole Group on a monthly basis and has an approved budget for 2025, which includes a cash flow budget. According to the group's management, the negative working capital will not cause economic difficulties for the group in 2025 as the group will be able to cover all current liabilities according to the cash flow forecast and by raising additional funds.

The big decrease in working capital was caused by the Kredex loan becoming current. The company plans on refinancing the Kredex loan from long-term loan capital sources through a combination of the regional bond market and new long-term loan agreements. As a stand-alone source of funding, the company is also considering the sale of assets, which may be done in addition to raising loan capital.







## **2. part ANNUAL ACCOUNTS**

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**CONSOLIDATED BALANCE SHEET (in thousands EUR)**

	31.12.2024	31.12.2023	Note nr
Assets			
Current assets			
Cash	2 332	7 038	
Receivables and prepayments	100 393	80 843	2, 13
Inventories	45 007	28 352	3
<b>Total current assets</b>	<b>147 732</b>	<b>116 233</b>	
Fixed assets			
Investments in subsidiaries and related undertakings	78 055	75 868	4, 5, 6
Financial investments	4	4	
Receivables and prepayments	23 875	46 115	2
Real estate investments	14 835	14 481	7
Tangible fixed assets	119 004	118 918	8
Intangible fixed assets	6 328	4 241	9
<b>Total fixed assets</b>	<b>242 101</b>	<b>259 627</b>	
<b>Total assets</b>	<b>389 833</b>	<b>375 860</b>	
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liabilities	110 446	52 786	11
Payables and prepayments	65 514	56 000	12, 13
Appropriations	275	929	
Targeted financing	195	195	15
<b>Total current liabilities</b>	<b>176 430</b>	<b>109 910</b>	
Non-current liabilities			
Loan liabilities	91 714	135 072	11
Payables and prepayments	104	2 936	12
Appropriations	5	6	
Targeted financing	1 794	1 475	15
<b>Total non-current liabilities</b>	<b>93 617</b>	<b>139 489</b>	
<b>Total liabilities</b>	<b>270 047</b>	<b>249 399</b>	
Equity			
Equity attributable to shareholders of parent company			
Share capital in nominal value	442	442	16
Legal reserve	80	80	
Other reserves	7 266	13 160	17
Unrealized exchange differences	-68	-40	
Retained profit from previous periods	110 251	103 848	
Profit for the financial year	-869	6 402	
<b>Total equity attributable to shareholders of parent company</b>	<b>117 102</b>	<b>123 892</b>	
Minority shareholding	2 684	2 569	
<b>Total equity</b>	<b>119 786</b>	<b>126 461</b>	
<b>Total liabilities and equity</b>	<b>389 833</b>	<b>375 860</b>	

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS (in thousands EUR)

	2024	2023	Note nr
Sales revenue	620 132	646 759	18
Other operating income	1 373	1 421	19
Change in leftover complete and incomplete production stock	555	-451	
Capitalized expenses in creating fixed assets for own use	465	885	
Goods, raw goods, materials and services	-566 917	-585 070	20
Various operating costs	-9 842	-9 738	21
Labour costs	-26 435	-26 911	22
Depreciation and impairment of fixed assets	-9 703	-14 278	8, 9
Other operating expenses	-1 079	-1 160	
<b>Operating profit (loss)</b>	<b>8 549</b>	<b>11 457</b>	
Profit (loss) from related undertakings	2 362	4 708	6
Interest income	2 850	3 203	
Interest expenses	-13 824	-11 914	
Other financial expenses and income	-865	-846	
<b>Profit before income tax</b>	<b>-928</b>	<b>6 608</b>	
Income tax	-19	-27	
<b>Profit for the financial year</b>	<b>-947</b>	<b>6 581</b>	
Share of shareholder of parent company in profit	-869	6 402	
Share of minority shareholding in profit	-78	179	

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in thousands EUR)

	2024	2023
Profit for the financial year	-947	6 581
Other comprehensive income (loss)		
Unrealized exchange differences	-68	-40
<b>Total other comprehensive income (loss)</b>	<b>-68</b>	<b>-40</b>
<b>Comprehensive income for the financial year</b>	<b>-1 015</b>	<b>6 541</b>
incl. share of shareholder of parent company in comprehensive income	-937	6 362
incl. share of minority shareholding in comprehensive income	-78	179



## CONSOLIDATED CASH FLOW STATEMENT (in thousands EUR)

	2024	2023	Note nr
Cash flow from business activities			
Operating profit (loss)	8 549	11 457	
Adjustments			
Depreciation and impairment of fixed assets	9 703	14 278	8, 9
Profit (loss) from sale of fixed assets	-248	-266	19
Other adjustments	-2 123	4 920	
<b>Total adjustments</b>	<b>7 332</b>	<b>18 932</b>	
Change in receivables and prepayments related to business operations	-1 459	19 563	
Change in inventories	-16 655	18 178	3
Change in liabilities and prepayments related to business operations	7 294	-26 920	
Interest received	0	1	
<b>Total cash flow from business activities</b>	<b>5 061</b>	<b>41 211</b>	
Cash flow from investing activities			
Paid upon acquisition of tangible and intangible fixed assets	-9 362	-21 294	
Received from sale of tangible and intangible fixed assets	764	810	
Paid upon acquisition of real estate investments	-538	-171	7
Net cash flow upon acquisition of subsidiaries and business operations	0	3 693	
Net cash flow from sale of subsidiaries and business operations	0	-47	
Paid upon acquisition of other financial investments	0	-81	
Received from sale of other financial investments	0	81	
Paid upon acquisition of subsidiaries	0	-1 489	5
Received from sale of subsidiaries	0	5 299	
Received from sale of related undertakings	0	5	
Paid upon acquisition of related undertakings	0	-1 651	
Loans granted	-12 670	-9 508	
Repayments of loans granted	13 455	22 001	
Interest received	1 855	2 572	
Dividends received	175	275	
Other distributions from investment activities	0	5	
<b>Total cash flow from investment activities</b>	<b>-6 321</b>	<b>500</b>	
Cash flow from financing activities			
Loans received	224 196	194 818	
Repayments of loans received	-210 699	-218 076	
Change in balance of banking credit	-2 615	984	
Repayments of principal part of financial lease	-1 726	-2 328	
Interest paid	-12 951	-12 297	
Received from targeted financing	614	1 140	
Corporate income tax paid	-44	-51	
Other distributions from financing activities	-221	-110	
<b>Total cash flow from financing activities</b>	<b>-3 446</b>	<b>-35 920</b>	
<b>Total cash flow</b>	<b>-4 706</b>	<b>5 791</b>	
Cash and cash equivalents at the beginning of the period	7 038	1 255	
<b>Change in cash and cash equivalents</b>	<b>-4 706</b>	<b>5 791</b>	
Impact of changes in currency exchange rates	0	-8	
Cash and cash equivalents at the end of the period	2 332	7 038	

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in thousands EUR)**

	Equity attributable to shareholders of parent company					Minority shareholding	Total
	Share capital in nominal value	Legal reserve	Other reserves	Unrealized exchange differences	Retained profit		
<b>31.12.2022</b>	<b>442</b>	<b>80</b>	<b>13974</b>	<b>0</b>	<b>101 674</b>	<b>2 390</b>	<b>118 560</b>
Profit for the financial year	0	0	0	-40	6 402	179	6 541
Other reserves	0	0	-814	0	12	-12	-814
Other changes in equity	0	0	0	0	2 174	0	2 174
<b>31.12.2023</b>	<b>442</b>	<b>80</b>	<b>13 160</b>	<b>-40</b>	<b>110 262</b>	<b>2 557</b>	<b>126 461</b>
Profit (loss) for the financial year	0	0	0	-28	-869	-78	-975
Other reserves	0	0	-5 894	0	0	-88	-5 982
Other changes in equity	0	0	0	0	0	282	282
<b>31.12.2024</b>	<b>442</b>	<b>80</b>	<b>7 266</b>	<b>-68</b>	<b>109 393</b>	<b>2 673</b>	<b>119 786</b>

The equity item "Other reserves" includes hedging reserves for natural gas and electricity.

In 2024, the line "Other changes in equity" includes the effect of related undertakings on minority shareholders.

In 2023, the line "Other changes in equity" includes the following amounts:

- Kerogen OÜ Change in profit/loss from previous periods 1 465 thousand EUR
- Merger impact of Alexela AS and Alexela Tanklate OÜ 231 thousand EUR
- Impact of the acquisition of minority interest in Rohe Solutions Oy 360 thousand EUR
- Impact of change in accounting policy of Novaatori Maja OÜ -85 thousand EUR
- changes in minority shareholding 197 thousand EUR
- other changes 6 thousand EUR

More information on hedging reserves in Note 17. The item "Other changes in equity" includes changes due to the impact of minority shareholding.



# Notes to annual accounts

## NOTE 1 ACCOUNTING PRINCIPLES GENERAL INFORMATION

The annual accounts of AVH Grupp AS have been prepared in accordance with the Estonian financial reporting standards. The basic requirements of the Estonian financial reporting standards are laid down in the Accounting Act of the Republic of Estonia, which is supplemented by guidance issued by the Accounting Standards Board.

The financial statements have been prepared using the principle of acquisition cost, except as described in the accounting policies below.

The annual accounts are presented in thousands of euros.

## PREPARING THE CONSOLIDATED REPORT

The financial indicators of the parent and subsidiaries are consolidated in the group's annual accounts on a line-by-line basis. Receivables, liabilities, income, expenses and unrealised profits and losses arising from transactions between the parent company and subsidiaries have been eliminated.

Minority shareholding in the profit or loss and equity of entities controlled by the parent company are presented as a separate item in the consolidated financial statements.

The consolidated financial statements for 2024 include the financial performance of AVH Grupp AS (parent company) and the financial performance of its subsidiaries. (Note 29)

Where necessary, the accounting policies of subsidiaries have been changed to comply with those of the group. Foreign entities' statements of profit and loss and cash flows are translated into euros using the average annual foreign exchange rate.

Assets and liabilities denominated in foreign currencies are translated into Euros at the official rates of the European Central Bank as at 31 December. Exchange differences arising on the translation of the financial

statements are recognized in equity. In the accounts of the parent company, investments in subsidiaries are stated using the cost method and investments in related undertakings at fair value.

## SUBSIDIARIES

A subsidiary is an undertaking over which the parent company has control. A subsidiary is considered to be controlled by its parent when the parent owns, directly or indirectly, more than 50% of the voting shares or otherwise has the power to govern the operating and financial policies of the subsidiary.

The activities of subsidiaries are reflected in the annual accounts from the time control is established until the time control ceases.

Acquisitions of subsidiaries are stated using the purchase method (except for business combinations under common control). In accordance with the purchase method, the assets and liabilities of the acquired subsidiary are initially stated at fair value and the difference between the cost of the interest acquired and the fair value of the net assets acquired is stated as goodwill.

## RELATED UNDERTAKINGS

A related undertaking is an entity over which the group has significant influence but not control. Significant influence is generally presumed where a group owns between 20% and 50% of the voting shares or interests in an undertaking.

Investments in related undertakings are stated in the balance sheet using the fair value method.

Under the fair value method, an investment is initially stated at acquisition cost (except for transaction costs, which are recognized immediately in profit or loss) and subsequently measured at fair value through profit or loss. Under the fair value method, all investment items in the same class are stated at fair value, except for those for which fair value cannot be measured reliably at a reasonable cost and effort. Such investments are stated using the acquisition cost method.

## CASH

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, fixed-term deposits with a maturity of up to 3 months and money market fund shares.

## FOREIGN CURRENCY TRANSACTIONS AND FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

Transactions denominated in a foreign currency are translated at the official exchange rates of the European Central Bank on the date of the transaction. Monetary financial assets and liabilities denominated in foreign currencies and non-monetary financial assets and liabilities carried at fair value are translated at the balance sheet date into euros using the official exchange rates of the European Central Bank. Profits and losses on foreign currency transactions are stated in the statement of profit and loss as income and expenses for the period.

## FINANCIAL INVESTMENTS

Securities held for short-term trading and securities with a fixed maturity maturing within 12 months of the balance sheet date are classified as short-term shares and other securities. Other long-term shares and securities include securities that are unlikely to be sold within the next 12 months (except for investments in subsidiaries and related undertakings that are accounted for using the consolidation or equity method) and securities with a fixed maturity that mature later than 12 months after the balance sheet date.

Current and non-current financial investments in shares and other equity instruments are carried at fair value if this can be reliably measured. Shares and other equity instruments whose fair value cannot be reliably measured are carried at adjusted cost (i.e. original cost less any impairment losses, if the recoverable amount of the investment has fallen below its carrying amount).

Held-to-maturity bonds are stated using the adjusted cost method using the effective interest rate. Bonds acquired for trading purposes are stated at fair value.

## RECEIVABLES AND PREPAYMENTS

### RECEIVABLES FROM BUYERS

Receivables from customers are current receivables arising in the ordinary course of business, except for receivables from other group companies and related undertakings. Receivables from customers are stated at adjusted cost (i.e. nominal value less any write-downs).

The probability of recovery is assessed on a purchaser-by-purchaser basis where possible. Where individual assessment of claims is not possible due to the number of claims, only significant claims are assessed individually. The remaining receivables are assessed on a collective basis, taking into account the experience of previous years in the area of uncollected receivables. The recovery of previously written-down doubtful receivables is stated as a reduction of the expenses for doubtful receivables.

### OTHER RECEIVABLES

All other receivables (accruals, loans granted and other current and non-current receivables), except those acquired for resale, are stated at adjusted cost.

The adjusted cost of current receivables is generally equal to their nominal value (less any write-downs), so current receivables are stated in the balance sheet at the amount expected to be recovered. For the purpose of calculating the adjusted cost of non-current receivables, they are initially recognized at the fair value of the consideration receivable, taking into account interest income on receivables in subsequent periods, using the method of effective interest rate. Receivables acquired for resale are carried at fair value.

### FACTORING

Factoring is the sale of receivables where, depending on the type of factoring contract, the buyer has the right to sell the receivable back to the seller within a certain period of time (factoring with right of recourse), or there is no right of resale and all risks and rewards associated with the receivable are essentially transferred from the seller to the buyer (factoring without right of recourse).

Factoring with a right of recourse is stated as a financing transaction (i.e. a loan secured with a claim) and the claim is recognized in the balance sheet until the claim is collected or the right of recourse expires.

A factoring liability arising from a factoring transaction is stated the same way as other debt liabilities.

Factoring without right of recourse is stated for as a sale of a receivable. The cost of the sale of receivables is stated either as a financial cost or as an expense for write-down of receivables, depending on whether the transaction was undertaken to manage cash flow or to hedge bad debt risk.

## INVENTORIES

Inventories are initially recorded at cost, which consists of the purchase costs, production costs and other costs necessary to bring the inventories to their present location and condition.

In addition to the purchase price, the cost of purchasing inventories includes customs duties, other non-refundable taxes and transport costs directly linked to the purchase of stocks, minus discounts and rebates. The production costs of inventories include both the direct costs of products (cost of raw materials and packing materials, unavoidable costs of storing work in progress, wages and salaries of workers) and a proportionate share of production overheads (depreciation of production buildings and equipment, repair costs, wages and salaries of production managers).

The acquisition cost of inventories is calculated using the weighted average cost method.

Inventories are assessed in the balance sheet on the basis of the lower of cost or net realisable value.

## INVESTMENT PROPERTIES

Investment property is property (land, buildings) held by a company (either as owner-occupied or leased out under a financial lease) to earn rent or for capital appreciation and not used in the company's own operating activities.

Investment property is initially recognized in the balance sheet at cost, which includes transaction costs directly linked to the acquisition (i.e. notary fees,

state fees, fees paid to advisers and other costs without which the purchase transaction would not have taken place).

Investment property is subsequently carried at fair value, based on an annual market price determined by an independent appraiser. Changes in fair value are recognized in the statement of profit or loss under a separate line item "Profit/loss on revaluation of investment property" and, depending on the result, either "Other operating expenses" or "Other operating income". Investment property whose fair value cannot be reliably measured is accounted for in the same way as tangible fixed assets (at cost less accumulated depreciation and any impairment losses).

## TANGIBLE AND INTANGIBLE FIXED ASSETS

Tangible fixed assets are assets used by the company for its own economic activity with a useful life of more than one year and a cost of EUR 1,000 or more.

Tangible fixed assets are initially recognized at cost, which comprises the purchase price (including customs duties and other non-refundable taxes) and the costs directly attributable to their acquisition, necessary to bring them to their working condition and location. Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation and any impairment losses.

Capital expenditure on improvements to fixed assets that increase the working capital of fixed assets beyond the level originally budgeted and are likely to contribute to the generation of incremental revenue in the future are capitalised as fixed assets in the balance sheet. Expenses made to secure and retain future economic benefits embodied in an item of property is recognized as an expense in the period in which it is incurred.

Depreciation is calculated on a straight-line basis over the following estimated useful lives.

## MINIMUM THRESHOLD FOR THE INCLUSION OF FIXED ASSETS EUR 1000

Where a tangible fixed asset is made up of identifiable components with different useful lives, these components are accounted for as separate assets, with separate depreciation rates based on their useful lives.



**USEFUL LIFE BY FIXED ASSET GROUP (IN YEARS)**

Name of fixed asset group	Useful life
Buildings and facilities	10-25 years
Machinery and equipment	5-10 years
Other tangible fixed assets	3-10 years
Goodwill	10 years
Other intangible fixed assets	3-5 years

If the recoverable amount (i.e. the higher of an asset's net selling price or its value in use) is less than its carrying amount, tangible fixed assets are written down to their recoverable amount.

**INTANGIBLE FIXED ASSETS**

Intangible fixed assets are divided into assets with finite useful lives and assets with indefinite useful lives. Intangible assets with an indefinite useful life (goodwill arising from business combinations) are generally depreciated over 10 years and tested for impairment if there is any doubt about their value, and if their recoverable amount is found to be less than their carrying amount, the asset is written down to its recoverable amount.

Intangible assets with finite useful lives are amortised using the straight-line method over their estimated useful lives. At each balance sheet date, an assessment is made of the reasonableness of the depreciation periods and the method used.

The ranges of depreciation rates for groups of intangible fixed assets are as follows:

- goodwill 10 years;
- other intangible fixed assets 3-5 years.

In the case of assets with an indefinite useful life, an asset is assessed for impairment whenever there is an indication that the asset may be impaired. Purchased computer software that is not an integral part of the related hardware is recognized as an intangible asset.

Computer software development costs are stated as intangible assets if they are directly attributable to the development of software objects that are identifiable, controllable by the entity and will generate future economic benefits from their use within a period of more than one year.

Goodwill is the positive difference between the cost of an interest acquired in a business combination and the fair value of the net assets acquired, reflecting the portion of the cost paid for assets of the acquired company that cannot be separated and accounted for separately. At the date of acquisition, goodwill is recognized in the balance sheet at cost as an intangible asset.

Goodwill is subsequently measured at cost less any impairment losses and depreciation. Goodwill is generally amortised over a 10-year period and in case of doubts, the value of goodwill is tested for impairment using a recoverable amount test. If, as a result of the test, the residual value of goodwill is higher than the test result, the difference is stated as expenses.

**LEASES  
FINANCIAL AND OPERATING LEASES**

A financial lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the company. Other leases are stated as operating leases.

**COMPANY AS A LESSEE**

Financial leases are stated in the balance sheet as assets and liabilities at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are allocated between financial charges (interest expense) and the reduction of the residual value of the liability. Financial expenses are allocated over the lease period on the basis that the interest rate at each point in time is the same as the residual value of the obligation.

Assets leased under financial lease are depreciated in the same way as fixed assets acquired, the depreciation period being the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**COMPANY AS A LESSOR**

Assets leased out under a financial lease are stated as receivables in the balance sheet for the net investment in the financial lease (equal to the present value of the

lease payments receivable plus the unsecured residual value of the leased asset at the end of the lease term). Rent payments receivable from the lessee are divided into repayments of the principal of the financial lease and financial income. The financial income is allocated over the lease term on the basis that the rate of return to the lessor is constant at any point in time in relation to the net investment balance of the financial lease.

Assets leased out under operating leases are accounted for in the balance sheet in the same way as fixed assets. Assets to be leased out are depreciated in accordance with the depreciation principles applied by the company to assets of the same type. Operating lease payments are recognized as income on a straight-line basis over the lease term.

## FINANCIAL LIABILITIES

All financial liabilities (payables to suppliers, borrowings, accrued income, bonds issued and other current and non-current liabilities) are initially recognized at cost, which includes all costs directly linked to the acquisition. Subsequent recognition is by the adjusted cost method.

The adjusted cost of current financial liabilities is generally equal to their nominal value, and therefore current financial liabilities are carried in the balance sheet at the amount payable. The adjusted cost of non-current financial liabilities is accounted for using the method of effective interest rate.

## DERIVATIVES AS HEDGING INSTRUMENTS

Derivatives arising from agreements for hedging purposes that reflect future settlements (forwards, futures, swaps, options) are recognized in the balance sheet at their fair value from the date of the contract. The Group has adopted derivatives designated as cash flow hedging instruments to hedge its exposure to changes in the price of natural gas and electricity. The Group documents the economic relationship between the hedging instruments and the hedged items, the hedging objectives and the strategy for entering into the transaction when entering into the transaction. Changes in the cash flows of hedged items are also documented. Where a derivative is designated as a cash flow hedge, the effective portion of the change

in its fair value is recognized in other comprehensive income through the hedging reserve.

The fair values of hedging instruments are classified as non-current assets or liabilities if the remaining maturity of the hedged item is longer than 12 months and as current assets or liabilities if the remaining maturity is shorter than 12 months. The fair values and changes in the hedging reserve of such derivatives are disclosed in note 17. Amounts recognized in the equity hedging reserve are reclassified to profit or loss in the period in which the cash flows of the hedged item affect profit or loss. If the hedging instrument expires or is sold, or if the hedge no longer qualifies for hedge accounting, the cumulative profit or loss included in equity remains in equity and is recognized in the statement of profit or loss when the expected future event is ultimately recognized. If the forecast transaction is no longer expected to occur, the profit or loss on the hedging instrument included in equity is recognized immediately in the statement of profit or loss as other operating income or other operating expense, net. Derivative financial instruments for which an effectiveness analysis has not been performed are classified as ineffective. Profits and losses arising from the effects of ineffective hedging instruments are recognized in the statement of profit or loss under the item "Goods, raw materials, material and services" in the case of agreements to hedge price risk, and under financial income and/or expenses in other cases. IFRS 9 is also allowed to be reflected in RTJ reports.

## REVENUE

Revenue from the sale of goods is recognized when substantially all the risks and rewards of ownership have been transferred to the buyer, the revenue and costs of the transaction can be measured reliably and it is probable that the consideration will be received. Revenue from the sale of a service is recognized when the service is rendered or, if the service is rendered over a longer period of time, using the percentage of completion method.

Interest and dividend income are recognized when it is probable that the income will be received and the amount can be estimated reliably. Interest income is recognized using the asset's effective interest rate, except in cases where the collection of interest is uncertain. In such cases, interest income is calculated on a cash basis.

## TAXATION

According to the Income Tax Act in force in Estonia, no tax is levied in Estonia on a company's profit for the financial year. Income tax is payable on dividends, fringe benefits, gifts, donations, entertainment expenses, non-business payments and transfer pricing adjustments. The amount of tax payable on profits distributed as dividends depends on whether and when the company pays dividends.

The tax rate on profits distributed as dividends in Estonia is 22/78 on the net amount distributed. In Latvia, profits are taxed at a rate of 20/80 on the distribution of profits. Income tax is withheld at a rate of 5% on dividends paid from a subsidiary in Finland to an Estonian resident company, provided that the shareholding is at least 10% and proof of residence and an application for a tax treaty are submitted.

Under certain conditions, it is possible to redistribute dividends received without incurring additional income tax charges. Corporate income tax relating to the payment of dividends is recognized as a liability and as income tax expense in the income statement in the same period in which the dividends are declared, regardless of the period for which they are declared or when they are actually paid. The income

tax liability arises on the 10th day of the month following the month in which the dividends are paid out.

### Deferred income tax

Due to the nature of the taxation system, companies registered in Estonia do not have differences between the residual values of assets for tax purposes and their carrying amounts in the balance sheet, and consequently no deferred tax assets or liabilities. The statement of financial position does not recognise a contingent income tax liability that would arise from the parent company's retained earnings on the payment of dividends. The maximum income tax liability that would arise on the distribution of the undistributed profits in the form of dividends is set out in the notes to the annual accounts.

The Group has subsidiaries in Estonia, Latvia, Finland, Norway and Denmark. In accordance with the interpretation of IAS 12, deferred tax expense and liability arising from the payment of dividends, if any, on the retained earnings of subsidiaries and related undertakings at the reporting date is recognized. A deferred tax liability should not be recognized if the profits of a subsidiary or related undertaking are not expected to be distributed in the foreseeable future and the distribution is controlled by the parent.

## RELATED PARTIES

Related parties for the preparation of the consolidated annual report of AVH Grupp AS are:

- owners (persons who control or have significant influence over the parent company);
- a subsidiary not consolidated on a line-by-line basis;
- affiliates;
- executive and higher management;
- close family members of the above persons and companies controlled by them or under their significant influence.





**NOTE 2 RECEIVABLES AND PREPAYMENTS (in thousands EUR)**

	31.12.2024	Distribution by remaining term	
		In 12 months	In 1-5 years
Receivables from buyers	58 127	58 127	0
Invoices not received from buyers	58 264	58 264	0
Unlikely receivables	-137	-137	0
Tax prepayments and recalls	235	235	0
Loan receivables	42 555	22 664	19 891
Other receivables	1 829	1 575	254
Interest receivables	1 897	1 575	322
Discounted interest receivables	-68	0	-68
Prepayments	2 841	2 824	17
Other paid prepayments	2 841	2 824	17
Collateral and warranty deposits	1 604	1 604	0
Derivative instruments	11 626	7 944	3 682
Other receivables	5 451	5 420	31
<b>Total receivables and prepayments</b>	<b>124 268</b>	<b>100 393</b>	<b>23 875</b>

	31.12.2023	Distribution by remaining term	
		In 12 months	In 1-5 years
Receivables from buyers	58 761	58 761	0
Invoices not received from buyers	58 867	58 867	0
Unlikely receivables	-106	-106	0
Tax prepayments and recalls	90	90	0
Loan receivables	43 107	8 818	34 289
Other receivables	1 136	911	225
Interest receivables	1 136	911	225
Prepayments	1 778	1 761	17
Other paid prepayments	1 778	1 761	17
Collateral and warranty deposits	2 943	2 943	0
Derivative instruments	15 915	4 737	11 178
Other receivables	3 228	2 822	406
<b>Total receivables and prepayments</b>	<b>126 958</b>	<b>80 843</b>	<b>46 115</b>

Non-current loan receivable amounting to 39 310 thousand EUR (2023: 42 745 thousand EUR) includes receivables from related undertakings (Note 23). Non-current loan receivables have interest rates of 2-7%, 6-month EUR +3.5% with maturities up to 2037 (2023: 2-7%, 6-month EUR +3.5% and 12-month EUR +2%).

Current loan receivables have an interest rate of 11.5-15% (2023: 6%) and mature in 2025. In most cases, the base currency for loan claims is EUR and in some cases USD.

Information on derivatives is in note 17.

Information on tax prepayments and recalls is in note 13.

## NOTE 3 INVENTORIES (in thousands EUR)

	31.12.2024	31.12.2023
Raw goods and materials	3 807	3 259
Incomplete production	1 028	674
Completed production	2 121	1 950
Goods purchased for sale	33 015	21 665
Prepayments for stock	5 041	804
Stock write-downs	-5	0
<b>Total stock</b>	<b>45 007</b>	<b>28 352</b>

During the reporting period, inventories have been written down by 44 thousand EUR (2023: 63 thousand EUR). Inventories are pledged as collateral for financial liabilities under a receivables pledge and a commercial pledge (Note 11).

## NOTE 4 INVESTMENTS IN SUBSIDIARIES AND RELATED UNDERTAKINGS (in thousands EUR)

	31.12.2024	31.12.2023	Note no.
Shares of related undertakings	78 055	75 868	6
<b>Total investments in subsidiaries and related undertakings</b>	<b>78 055</b>	<b>75 868</b>	

Detailed information about subsidiaries consolidated on a line-by-line basis is provided in note 5.



## NOTE 5 SHARES OF SUBSIDIARIES (in thousands EUR)

### Shares of subsidiaries, general information:

Registry code of subsidiary	Name of subsidiary	Country of location	Main activity	Shareholding (%)	
				31.12.2023	31.12.2024
Subsidiaries of AVH Grupp AS					
14874731	Tanklate Investeeringud OÜ	Estonia	Managing filling stations	100	100
10843432	Omakodumaja AS	Estonia	Real estate develop-ment	100	100
12504651	Paldiski Rendipinnad OÜ	Estonia	Real estate	100	0*
10261109	Bestnet AS	Estonia	Manufacture	100	100
10048137	Kohimo AS	Estonia	Manufacture	100	0*
14793665	Certer OÜ	Estonia	Manufacture	100	100
14779277	Rohegaasi Tanklad OÜ	Estonia	Managing filling stations	100	100
Subsidiary of Tanklate Investeeringud OÜ					
10015238	Alexela AS	Estonia	Managing filling stations	98,51	98,51
Subsidiaries of Alexela AS					
14185894	Alexela Energia Teenused OÜ	Estonia	The energy sector	100	100
12817083	Alexela rePower OÜ	Estonia	The energy sector	100	100
14387534	Hamina LNG Investeeringud OÜ	Estonia	Investments	100	100
14128985	Alexela Motors AS	Estonia	Transport	100	100
FI-2948219-7	Rohe Solutions Oy	Finland	Wholesale of liquid and gaseous fuels	100	100
LV-40103752971	Alexela SIA	Latvia	The energy sector	100	100
12271081	220 Energia OÜ	Estonia	Sale of electricity and natural gas	100	0*
Subsidiaries of Bestnet AS					
11309048	Paldiski Tsingipada AS	Estonia	Galvanizing	100	100
11882925	Paldiski Masinatehas OÜ	Estonia	Manufacture	100	100
10570129	BNT Galva OÜ	Estonia	Coating metal surfaces	100	100
14597220	Tiki Rent OÜ	Estonia	Operating lease of trailers	100	100
FI-15142159	Bestnet OY	Finland	Sale of trailers	100	100
FI-05934400	Helon Kuumasinkitys OY	Finland	Galvanizing	100	100
NO-988848492	Tiki Tilhenger AS	Norway	Sale of trailers	100	100
SE-556582-4439	Bestnet AB	Sweden	Sale of trailers	100	100

The shares in the subsidiary Tanklate Investeeringud OÜ, Alexela AS, Alexela Motors AS, Alexela rePower OÜ and Hamina LNG Investeeringud OÜ have been pledged (Annex 11).



### Transactions with subsidiaries in 2024\*:

- In the course of the group's restructuring, Bestnet AS was merged as the acquiring company and Kohimo AS as the company to be merged. The merger was announced in September 2024, but the date of the merger balance sheet was 01.01.2024. Bestnet AS took over the ongoing projects and liabilities of Kohimo AS.
- A bundle merger during the restructuring of the group. First, Paldiski Rendipinnad OÜ merged with its subsidiary Novaatori Maja OÜ and then Omakodumaja AS merged with Paldiski Rendipinnad OÜ. These operations were entered in the commercial register in August 2024.
- There were no acquisitions or sales of subsidiaries in 2024.
- In 2024, Alexela Solar OÜ was renamed Alexela re-Power OÜ.
- 220 Energia OÜ merged with its parent company Alexela AS as of 01.01.2024.

### Transactions with subsidiaries in 2023\*:

- In the course of the group's restructuring, a 100% shareholding in Bestnet AS was acquired from a related party, together with its subsidiaries.
- In the course of the group's restructuring, 100% of the shares in Omakodumaja AS were purchased from a related party.
- In the course of the group's restructuring, 100% of the shares in Kerogen OÜ were sold to a related party.
- In 2023, 50% of the shares in Rohe Solutions Oy were acquired, making the holding in Rohe Solutions OY 100% and the holding has been accounted for as a subsidiary since 31.08.23.



## NOTE 6 SHARES OF RELATED UNDERTAKINGS (in thousands EUR)

### Shares of related undertakings, general information :

Registry code of related undertaking	Name of related undertaking	Country of location	Main activity	Shareholding (%)	
				31.12.2023	31.12.2024
12332902	B2G Grupp OÜ	Estonia	Holding company	46,94	46,94
10678223	Õhtuleht Kirjastus AS	Estonia	Media	50	50
14754903	Eesti Biogaas OÜ (related undertaking of Alexela AS)	Estonia	The energy sector	50	50
14010321	Zero Terrain OÜ * (related undertaking of Alexela AS)	Estonia	The energy sector	32,082	32,082
2696139-5	Hamina LNG Oy (related undertaking of Hamina LNG Investeeringud OÜ, a subsidiary of Alexela AS)	Finland	The energy sector	46,50	46,50
11162912	Pakrineeme Sadama OÜ (related undertaking of Alexela AS)	Estonia	Purchase of real estate	50	50

\* Name change, previously named Energiasalv Valdus OÜ

### Shares of related undertakings, detailed information :

Name of related undertaking	31.12.2023	Sale/reclassification	Other changes	31.12.2024
B2G Grupp OÜ	28 872	0	5 174	34 046
Õhtuleht Kirjastus AS	2 694	-175	-984	1 535
Eesti Biogaas OÜ (related undertaking of Alexela AS)	11 580	0	-1 623	9 957
Zero Terrain OÜ (related undertaking of Alexela AS)	13 370	0	0	13 370
Hamina LNG Oy (related undertaking of Hamina LNG Investeeringud OÜ, a subsidiary of Alexela AS)	15 192	0	-233	14 959
Pakrineeme Sadama OÜ (related undertaking of Alexela AS)	4 160	0	28	4 188
<b>Total shares of related undertakings, end of previous period</b>	<b>75 868</b>	<b>-175</b>	<b>2 362</b>	<b>78 055</b>

The shares in the related undertaking B2G Grupp OÜ are pledged (Note 11).

Other changes include changes in fair value estimates. Valuations have been based, with some exceptions, on a discounted cash flow model, whereby the management of the company being valued has prepared cash flow projections for future periods, which have been critically assessed and, in some cases, conservatively adjusted. The WACC of projects has been based on market practice and normal risk-based assumptions for valuing companies/projects with similar characteristics, and ranges from 7.74 to 15% for our valuations. (2023: 7.5 – 15%)

For the purpose of testing the recoverable amount of the investment in Zero Terrain OÜ in 2024, the value at which it is proposed to raise new funds in the ongoing additional capital raising was used as the basis and the 2024 shareholding was not written down. The fair value has been recorded at net amount, i.e. the value of the holding has been reduced by the value of the loans granted by Alexela AS

In 2023, the fair value of the investment in Zero Terrain OÜ (formerly known as Energiasalv Valdus OÜ) was

estimated based on the ratio of the capital to the shareholding contributed by non-related parties in the additional capital injection by the existing owners and AVH Grupp's shareholding in the equity after the expansion. The fair value has been recorded at net amount, i.e. the value of the holding has been reduced by the value of the loans granted by Alexela AS.

The fair value of Hamina LNG OY as at 31.12.24 has been determined on the basis of the FCFF principle and based on future cash flows over 12 years together with the amount of continuing cash flows. The valuation was based on a discount rate of 8.66% and an annual growth rate of 1%. As a result of the valuation, the investment in the related undertaking Hamina LNG OY was revalued upwards by EUR 1 080 thousand. The loss for 2024 under the equity method was 1 313 thousand EUR.

The fair value of Hamina LNG OY as at 31.12.23 has been determined on the basis of the FCFF principle and based on future cash flows over 12 years together with the amount of continuing cash flows. The valuation was based on a discount rate of 8.45% and an annual growth rate of 1%. In determining the fair value of Hamina LNG OY.

The fair value of the B2G Group for both 2024 and 2023 has been determined based on a 5- year forecast prepared by management. The model is based on the FCFF principle, a WACC of 10.71% (2023: 10.42% ) and

a long-term growth rate of 2% (2023: 2%).

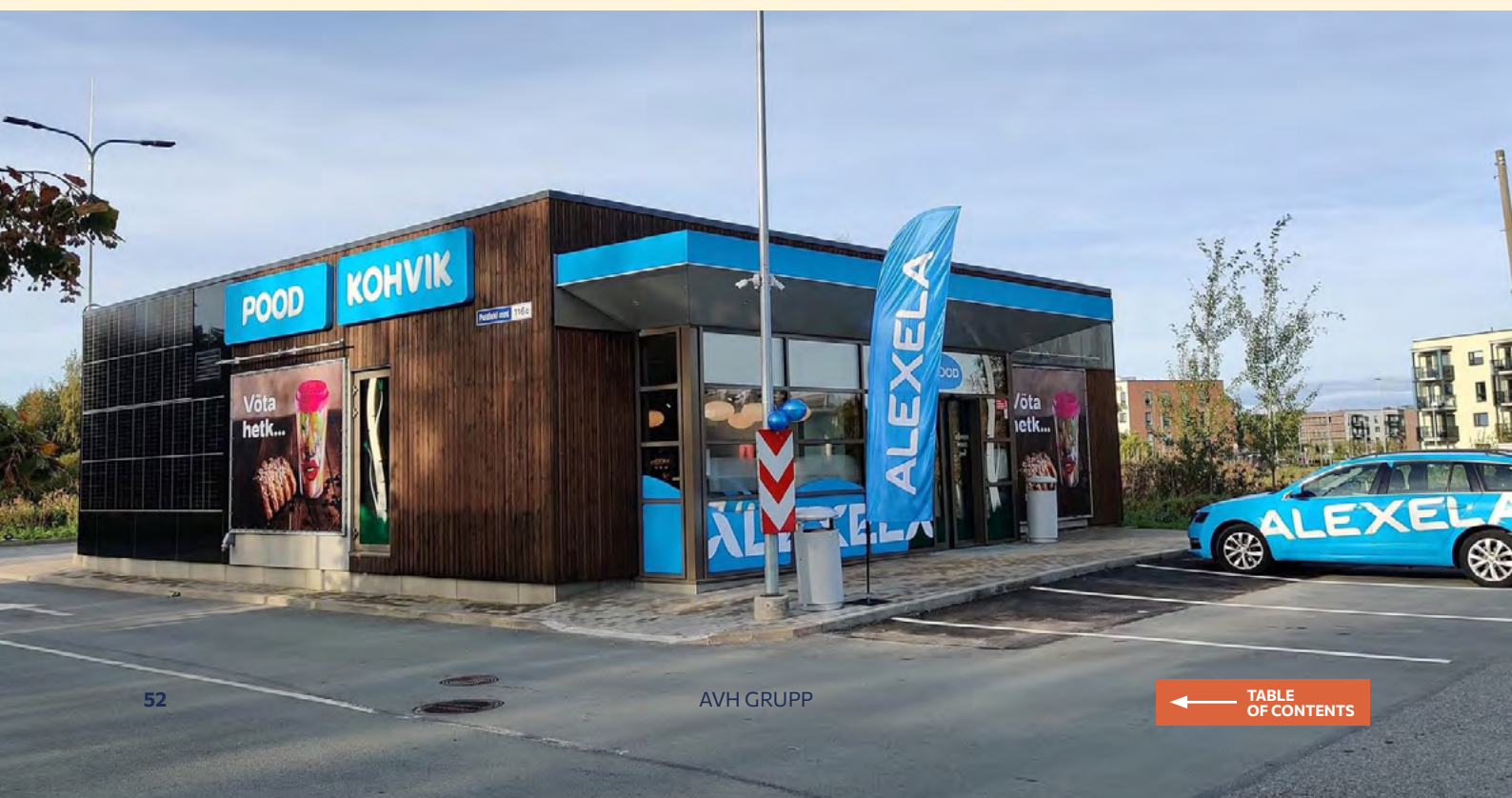
The valuation of SL Õhtuleht OÜ is based on a 5-year forecast prepared by the company's management. The model is based on the FCFF principle, a WACC of 15% (2023: 15% ) and a long-term growth rate of 0% (2023: 2%).

After the sale of the hauling quay, Pakrineeme Sadama OÜ became a real estate development company with assets at fair value and has therefore been valued using the net asset method.

The valuation of the holding in Eesti Biogaas as at 31.12.2024 has been based on the FCFF principle, assuming a forecast of financial performance for the following years at a discount rate of 8.74% per year and a growth rate of -2% per year. As a result of the valuation, the investment was written down by 1 919 thousand EUR and profit from equity was 296 thousand EUR.

The valuation of the holding in Eesti Biogaas as at 31.12.2023 has been based on the FCFF principle, assuming a forecast of financial performance for the following years at a discount rate of 9.84% per year and a growth rate of -1% per year.

Until January 2024, the biomethane plants operated by Eesti Biogaas are entitled to participate in the distribution of the biomethane subsidy managed by Elering. Valuation of shareholding in Eesti Biogaas.





## NOTE 7 REAL ESTATE INVESTMENTS (in thousands EUR)

### Fair value method

<b>31.12.2023</b>	<b>14 481</b>
Purchases and improvements	588
Profit (loss) from changes in fair value	-178
Sales	-33
Other changes	-23
<b>31.12.2024</b>	<b>14 835</b>

	<b>2024</b>	<b>2023</b>
Lease revenue from real estate investments	501	264
Direct administration costs of real estate investments	-42	-68
Sale of real estate investments in offer price	40	0

Real estate is carried at fair value, determined using the income and comparison method. The fair value has been determined on the basis of an expert appraisal carried out by an accredited appraiser at the end of 2024 as a range of values (+/-10%-20%). Real estate is stated at fair value, which is within the range indicated in the valuation report. The valuation is based on a discount rate of 8- 11.6% and a capitalisation rate of 6-9.6%.

In 2023, the valuation had been carried out by an in-house specialist and the comparison method had also been used. The management of the company decided not to change the value of investment properties as there have been no changes in the market in this segment

For information on the status of collateral, see note 11. The book value of investment property pledged as collateral is 14 481 thousand EUR.



## NOTE 8 TANGIBLE FIXED ASSETS (in thousands EUR)

	Land	Buildings	Means of transport	Other machinery and equipment	Machinery and equipment	Other tangible fixed assets	Uncompleted projects	Prepayments	Incomplete projects and prepayments	Total
<b>31.12.2023</b>										
Acquisition cost	42 366	55 433	7 546	39 225	46 771	10 998	2 602	1 319	3 921	159 489
Accumulated depreciation	0	-10 789	-3 254	-21 751	-25 005	-4 777	0	0	0	-40 571
<b>Carrying amount</b>	<b>42 366</b>	<b>44 644</b>	<b>4 292</b>	<b>17 474</b>	<b>21 766</b>	<b>6 221</b>	<b>2 602</b>	<b>1 319</b>	<b>3 921</b>	<b>118 918</b>
Purchases and improvements	157	739	2 208	1 103	3 311	496	3 030	926	3 956	8 659
Purchase of land and previously used buildings	157	0	0	0	0	0	0	0	0	157
Purchase of new buildings, new development, improvements	0	739	0	0	0	0	3 030	738	3 768	4 507
Other purchases and improvements	0	0	2 208	1 103	3 311	496	0	188	188	3 995
Write-downs due to impairment	0	-5 279	-1 077	-2 831	-3 908	-1 175	0	0	0	-10 362
Allahindlused väärtuse languse tõttu	-454	-819	0	0	0	0	0	0	0	-1 273
Cancellations of previous write-downs	856	2 378	0	0	0	0	0	0	0	3 234
Sales (in carrying amount)	0	13	-68	-252	-320	0	-11	0	-11	-318
Reclassifications	0	1 429	231	1 245	1 476	757	-3 045	-474	-3 519	143
Reclassifications from prepayments	0	0	329	130	459	8	7	-474	-467	0
Reclassifications from incomplete projects	0	1 032	0	1 399	1 399	749	-3 277	0	-3 277	-97
Reclassifications with inventories	0	0	0	0	0	0	258	0	258	258
Other reclassifications	0	396	-98	-285	-383	0	-31	0	-31	-18
<b>31.12.2024</b>										
Acquisition cost	42 926	55 104	9 065	40 474	49 539	12 162	2 577	1 772	4 349	164 080
Accumulated depreciation	0	-12 001	-3 479	-23 733	-27 212	-5 863	0	0	0	-45 076
<b>Carrying amount</b>	<b>42 926</b>	<b>43 103</b>	<b>5 586</b>	<b>16 741</b>	<b>22 327</b>	<b>6 299</b>	<b>2 577</b>	<b>1 772</b>	<b>4 349</b>	<b>119 004</b>

## TANGIBLE FIXED ASSETS SOLD, IN SALES PRICE

	2024
Land	0
Machinery and equipment	750
Means of transport	142
Other machinery and equipment	608
Other tangible fixed assets	16
Incomplete projects and prepayments	0
Incomplete projects	0
<b>Total</b>	<b>766</b>

Fixed assets in refueling stations were assessed at the end of 2024 and reassessed to fair value.

The discount rate used for the valuation is 8.54% (2023: 10.39%) and the growth rates are shown in the table below.

	2025	2026	2027	2028	2029	2030 +
Increase in volume of filling station fuel	2%	2%	3%	2%	0%	-2%
Increase in sales turnover of goods	5%	3%	3%	3%	3%	1%
Increase in margin on goods	1%	1%	0%	0%	0%	0%

## NOTE 9 INTANGIBLE FIXED ASSETS (in thousands EUR)

	Goodwill	Other intangible fixed assets	Incomplete projects and prepayments	Total
<b>31.12.2023</b>				
Acquisition cost	1 921	6 763	167	8 851
Accumulated depreciation	-1 215	-3 395	0	-4 610
<b>Carrying amount</b>	<b>706</b>	<b>3 368</b>	<b>167</b>	<b>4 241</b>
Purchases and improvements	0	2 630	182	2 812
Impairment costs	-179	-1 205	0	-1 384
Write-offs	0	-27	0	-27
Reclassifications	0	307	378	685
<b>31.12.2024</b>				
Acquisition cost	1 921	9 620	727	12 268
Accumulated depreciation	-1 394	-4 547	0	-5 941
<b>Carrying amount</b>	<b>527</b>	<b>5 073</b>	<b>727</b>	<b>6 327</b>

Reclassifications also include 455 thousand EUR of capitalised staff and project management costs for the creation of new programmes and working environments in 2024. In 2023, labour costs were not capitalised.

As a result of the test carried out as of 31.12.2024 and 31.12.2023, the goodwill in 220 Energia OÜ was not impaired.

### Main inputs used in the test:

	31.12.2024	31.12.2023
Profit margin in the next 5 years	4,53%	1,58%
Discount rate	8,54%	10,39%
Sales growth in the next 5 years	1,12%	-5,8 %
Future growth rate	1,00%	0,00%



## NOTE 10 FINANCIAL LEASE (in thousands EUR)

### REPORTING PARTY AS A LESSOR

	Total	Distribution by remaining term		Interest rate	Base currency	Maturity
		In 12 months	In 1-5 years			
Equipment to companies 31.12.2024	25	13	12	5%-15%	EUR	2025-2027
Equipment to companies 31.12.2023	42	16	26	5%-15%	EUR	2024-2027

The Group leases gas equipment under financial lease. There are no significant additional conditions in the agreements.

### REPORTING PARTY AS A LESSEE

	Total	Distribution by remaining term			Interest rate	Base currency	Maturity
		In 12 months	In 1-5 years	Over 5 years			
Financial leases 31.12.2024	4 170	1 172	2 862	136	5,5–7,5% + 1,45–5,5% + 3&6EUR	EUR	2025-2031
Financial leases 31.12.2023	4 230	1 391	2 721	118	7,5% + 1,45–5,5% + 3&6EUR	EUR	2024-2029

The Group has acquired transport vehicles, equipment and passenger cars under financial leases. Costs related to improvements to leased assets are added to the cost of the leased assets or charged to the expense for the period and are not reimbursed by the lessor.

### CARRYING AMOUNT OF LEASED ASSETS

	31.12.2024	31.12.2023
Machinery and equipment	6 151	6 237
<b>Total</b>	<b>6 151</b>	<b>6 237</b>



## NOTE 11 LOAN LIABILITIES (in thousands EUR)

	31.12.2024	Distribution by remaining term			Interest rate	Base currency	Maturity	Note nr
		In 12 months	In 1-5 years	Over 5 years				
Current loans								
Banking credit	945	945	0	0	3-3,25% + 6 EUR	EUR	2025	
Bank loans	42 724	42 724	0	0	3,75% + 6 EUR	EUR	2025	
Loans from private persons	4 800	4 800	0	0	10-14%	EUR	2025	
Total current loans	48 469	48 469	0	0				
Non-current loans								
Bank loans	79 923	8 506	71 392	25	1,25-4% + 3-6 EUR	EUR	2025-2029	
Loans from private persons	10 245	6 317	3 928	0	8,5-12%	EUR	2025-2027	
Owner loans	13 371	0	13 371	0	6%	EUR	2026	
SA Kredex	45 982	45 982	0	0	2% + 12 EUR	EUR	2025	
Total non-current loans	149 521	60 805	88 691	25				
Total financial lease liabilities	4 170	1 172	2 862	136				10
Total loan liabilities	202 160	110 446	91 553	161				

	31.12.2023	Distribution by remaining term			Interest rate	Base currency	Maturity	Note nr
		In 12 months	In 1–5 years	Over 5 years				
Current loans								
Banking credit	1 769	1 769	0	0	3,25% + 6 EUR	EUR	2024	
Bank loans	29 180	29 180	0	0	3,25% + 6 EUR	EUR	2024	
Loans from private persons	9 491	9 491	0	0	7-12%	EUR	2024	
<b>Total current loans</b>	<b>40 440</b>	<b>40 440</b>	<b>0</b>	<b>0</b>				
Non-current loans								
Bank loans	79 790	7 055	72 735	0	3,25-4,95% + 6 EUR	EUR	2024-2028	
Loans from private persons	5 524	1 900	3 624	0	7,25-12%	EUR	2024-2026	
Owner loans	9 880	0	9 880	0	6%	EUR	2025	
SA Kredex	47 994	2 000	45 994	0	2% + 12 EUR	EUR	2025	
<b>Total non-current loans</b>	<b>143 188</b>	<b>10 955</b>	<b>132 233</b>	<b>0</b>				
<b>Total financial lease liabilities</b>	<b>4 230</b>	<b>1 391</b>	<b>2 721</b>	<b>118</b>				<b>10</b>
<b>Total loan liabilities</b>	<b>187 858</b>	<b>52 786</b>	<b>134 954</b>	<b>118</b>				



## (CARRYING) AMOUNT OF ASSETS PLEDGED AS COLLATERAL (IN THOUSANDS EUR)

	31.12.2024	31.12.2023
Land	43 921	42 366
Buildings	42 108	44 643
Machinery and equipment	22 325	21 766
Other tangible fixed assets	6 299	6 221
Other assets	68 352	57 576

The company's entire portfolio of investment properties amounting to 14,835 thousand EUR (2023: 14,481 thousand EUR) (Note 7) and the group's inventories amounting to 33,015 thousand EUR (2023: 21,665 thousand EUR) (Note 3) have also been pledged as collateral for the loans. The shares of subsidiaries have also been pledged (Note 5). In addition, the bank loan is secured by shares in the financial asset held by the related undertaking (Note 6). The first ranking pledge is set for at least 40% of the shares in AVH Grupp AS. Loans are also secured by management guarantees (note 23) and commercial guarantees.

Type of pledge	Value in EUR
Mortgages for the benefit of Swedbank AS	102 500
Mortgages for the benefit of Kredex	15 000
Mortgages for the benefit of Coop Pank AS	20 605
Commercial pledges for the benefit of Swedbank AS	55 454
Kommertspandid Coop Pank AS-i kasuks	10 700
Guarantee for the benefit of Kredex	37 000
Guarantees to banks	16 676





**NOTE 12 PAYABLES AND PREPAYMENTS (in thousands EUR)**

	31.12.2024	Distribution by remaining term	
		During 12 months	Within 1-5 years
Payables to suppliers	45 884	45 884	0
Payables to contractors	1 794	1 794	0
Tax payables	12 364	12 364	0
<b>Other payables</b>	<b>2 697</b>	<b>2 697</b>	<b>0</b>
Interest payables	798	798	0
Other accruals	1 899	1 899	0
Prepayments received	1 236	1 132	104
Collateral	153	153	0
Derivative instruments	1 314	1 314	0
Other liabilities	176	176	0
<b>Total payables and prepayments</b>	<b>65 618</b>	<b>65 514</b>	<b>104</b>

	31.12.2023	Distribution by remaining term	
		In 12 months	Within 1-5 years
Payables to suppliers	38 398	38 398	0
Payables to contractors	1 826	1 826	0
Tax payables	10 660	10 660	0
<b>Other payables</b>	<b>5 162</b>	<b>2 439</b>	<b>2 723</b>
Interest payables	3 417	694	2 723
Other accruals	1 745	1 745	0
Prepayments received	1 688	1 665	23
Collateral	268	174	94
Derivative instruments	96	0	96
Total payables and prepayments	838	838	0
<b>Total payables and prepayments</b>	<b>58 936</b>	<b>56 000</b>	<b>2 936</b>

Information on tax payables is in note 13.

**NOTE 13 TAX PREPAYMENTS AND PAYABLES (in thousands EUR)**

	31.12.2024		31.12.2023	
	Prepayment	Tax payable	Prepayment	Tax payable
Corporate income tax	47	0	3	1
VAT	60	9 075	29	7 187
Foreign VAT	12	1 235	14	1 443
Personal income tax	0	546	0	585
Income tax for fringe benefits	0	10	0	23
Social security contribution	0	958	0	1 055
Mandatory funded pension	0	52	0	51
Unemployment insurance premium	0	64	0	68
Excise tax	0	184	0	186
Other tax prepayments and payables	0	1	0	1
Other tax prepayments and payables abroad	0	240	0	61
Balance of prepayment account	116	0	45	0
<b>Total tax prepayments and payables</b>	<b>235</b>	<b>12 364</b>	<b>90</b>	<b>10 660</b>

Tax prepayments are stated in note 2 and tax payables in note 12.

## NOTE 14 CONDITIONAL LIABILITIES AND ASSETS (in thousands EUR)

	31.12.2024	31.12.2023
Conditional liabilities		
Possible dividends	87 506	88 200
Income tax liability from possible dividends	21 876	22 050
<b>Total conditional liabilities</b>	<b>109 382</b>	<b>110 250</b>

On 12 January 2024, the syndicated loan taken out in 2014 was refinanced with Coop Bank and the following pledges and guarantees became effective:

AS Paldiski Tsingipada, BNT Galva OÜ, B2G Grupp OÜ and Kiviõli Keemiatööstuse osaühing provide a joint and several guarantee for a loan taken by Bestnet. The amount of the joint and several guarantee is 15 850 000 EUR. The guarantee is set for a specified term until 20.01.2030.

Bestnet's agreement is secured by a mortgage on the group's properties in Paldiski and Vana Narva mnt in Tallinn for 20 605 000 EUR; a commercial pledge in the name of BNT Galva OÜ for 1 800 000 EUR; a commercial pledge in the name of AS Paldiski Tsingipada for 2 200 000 EUR; and a commercial pledge in the name of Bestnet for EUR 6 700 000.

## NOTE 15 TARGETED FINANCING (in thousands EUR)

	31.12.2022 Liabilities	Received	Sale of business combinations	Stated in statement of profit or loss	31.12.2023 Liabilities
Targeted financing for acquisition of fixed assets					
For acquisition of fixed assets	1 131	796	0	-257	1 670
Development expenses	1 465	344	-344	-1 465	0
<b>Total targeted financing for acquisition of fixed assets</b>	<b>2 596</b>	<b>1 140</b>	<b>-344</b>	<b>-1 722</b>	<b>1 670</b>
<b>Total targeted financing</b>	<b>2 596</b>	<b>1 140</b>	<b>-344</b>	<b>-1 722</b>	<b>1 670</b>

	31.12.2023 Liabilities	Received	Sale of business combinations	Stated in statement of profit or loss	31.12.2024 Liabilities
Targeted financing for acquisition of fixed assets					
For acquisition of fixed assets	1 670	614	0	-295	1 989
<b>Total targeted financing for acquisition of fixed assets</b>	<b>1 670</b>	<b>614</b>	<b>0</b>	<b>-295</b>	<b>1 989</b>
<b>Total targeted financing</b>	<b>1 670</b>	<b>614</b>	<b>0</b>	<b>-295</b>	<b>1 989</b>

The targeted grants received for the acquisition of fixed assets from the Environmental Investment Centre and Klaipedos Nafta AB, from the European Commission's executive agencies CINEA and EISMEA, and for development expenditure from the SA Enterprise and Innovation are included as targeted financing.

Assets acquired with a targeted grant are stated at cost.

Important terms and conditions of targeted financing agreements.

- A co-financing is required to receive the grant.
- The beneficiary of the grant must ensure that the assets necessary to achieve the objective of the project are maintained and used for the intended purpose for at least 5 years after the final payment.
- The beneficiary of the grant must provide the capacity to supply the biomethane established with the grant, using biomethane for sale to the public for at least five years from the date of the final payment of the grant. Where the beneficiary is not in a position to offer biomethane for sale, it must provide access to the refueling site on a uniform and fair basis to the person offering biomethane for sale.

## NOTE 16 SHARE CAPITAL (in thousands EUR)

	31.12.2024	31.12.2023
Share capital	442	442
Number of shares (thousand pc)	442	442
Nominal value of shares	1	1

## NOTE 17. DERIVATIVE INSTRUMENTS (in thousands EUR)

The company has concluded long-term purchase contracts with energy producers for physical natural gas (bio-methane) and electricity to secure the necessary volume and balance the risk, and to sell the purchased natural gas and electricity to its own retail customers. The entity estimates that some of these contracts (depending on the length of the contract, termination terms and pricing arrangements) do not meet the conditions of a standard purchase agreement and therefore these contracts are accounted for as derivatives measured at fair value through profit or loss in accordance with IFRS 9. On the value date, the company settles such contracts by taking delivery of the energy and selling it to its own retail customers or, where appropriate, to the relevant stock exchange.

The company has signed long-term, cash-settled electricity purchase agreements with energy producers. On the value date, the derivative is settled on the basis of the difference between the fixed price and the agreed market price. The company recognises such contracts as derivatives measured at fair value through profit or loss in accordance with IFRS 9 or as cash flow hedging instruments if the particular contract is designated and qualifies as a hedging instrument.

### Fair values of derivatives designated as hedging instruments (in thousands of euros):

	31.12.2024		31.12.2023	
	Receivables	Liabilities	Receivables	Liabilities
Forwards of purchase and sale of electricity	10 691	0	12 760	0
Forwards of purchase and sale of natural gas	936	1 314	3 155	96
<b>Total receivables and liabilities of forwards</b>	<b>11 627</b>	<b>1 314</b>	<b>15 915</b>	<b>96</b>
Including:				
<b>Current</b>				
Forwards of purchase and sale of electricity	7 148	0	2 980	0
Forwards of purchase and sale of natural gas	796	1 314	1 757	0
<b>Non-current</b>				
Forwards of purchase and sale of electricity	3 543	0	9 780	0
Forwards of purchase and sale of natural gas	140	0	1 398	96

### Reserve of hedging instruments in equity is divided as follows (in thousands EUR):

Reserve of hedging instruments	31.12.2023	Change in reserve	31.12.2024
Hedging instruments of electricity	10 101	-2 457	7 644
Hedging instruments of natural gas	3 059	-3 437	-378
<b>Total</b>	<b>13 160</b>	<b>-5 894</b>	<b>7 266</b>
Share of shareholder of parent company	12 964	-5 806	7 158
Share of minority shareholding	196	-88	108



**NOTE 18 SALES REVENUE (in thousands EUR)**

	2024	2023
Sales revenue by geographic area		
Sale to EU countries		
Estonia	528 311	533 245
Sale to EU countries, other	87 994	99 638
<b>Sale to EU countries, total</b>	<b>616 305</b>	<b>632 883</b>
Sale to countries outside of the EU		
Sale to countries outside of the EU, other	3 827	13 876
<b>Sale to countries outside of the EU, total</b>	<b>3 827</b>	<b>13 876</b>
<b>Total sales revenue</b>	<b>620 132</b>	<b>646 759</b>
Sales revenue by areas of activity		
Retail and wholesale of motor fuel	257 455	284 340
Sale of LNG	112 148	151 682
Sale of electric and heating energy	184 260	148 553
Trade	27 469	25 042
Sale of trailers	16 411	10 704
Sale of coating service	7 726	8 597
Manufacture and sale of metal structures	796	8 508
Other sales revenue	12 697	6 290
Lease revenue	450	1 485
Business and management consulting	720	1 558
<b>Total sales revenue</b>	<b>620 132</b>	<b>646 759</b>

**NOTE 19 OTHER OPERATING INCOME (in thousands EUR)**

	2024	2023
Profit from sale of tangible fixed assets	248	266
Fines, penalties and compensation	465	479
Revenue from targeted financing	295	257
Other	365	419
<b>Total other operating income</b>	<b>1 373</b>	<b>1 421</b>

**NOTE 20 GOODS, RAW GOODS, MATERIALS AND SERVICES (thousands EUR)**

	2024	2023
Goods purchased for sale	532 052	547 187
Services purchased for sale	10 731	7 460
Rent	2 421	2 307
Stock losses	1 381	1 502
Transportation costs	710	552
Taxes	7	4
Other	19 615	26 058
<b>Total goods, raw goods, materials and services</b>	<b>566 917</b>	<b>585 070</b>

**NOTE 21 VARIOUS OPERATING COSTS (in thousands EUR)**

	2024	2023
Rent	460	510
Lease of labour	145	99
Electricity	70	183
Various office costs	3 060	2 711
Business trip costs	161	158
Training costs	157	117
National and local taxes	196	255
Costs of unlikely receivables	313	183
Consultation costs	723	1 553
Advertising costs	2 512	2 195
Legal matters	236	279
Insurance	221	293
Transport	686	652
Other	902	550
<b>Total various operating costs</b>	<b>9 842</b>	<b>9 738</b>

**NOTE 22 LABOUR COSTS (in thousands EUR)**

	2024	2023
Wage costs	20 356	20 705
Social security contributions	6 079	6 206
<b>Total labour costs</b>	<b>26 435</b>	<b>26 911</b>
Average number of full-time equivalent employees	681	726
Average number of employees by types of employment:		
Person employed with an employment contract	720	772
Member of managing or controlling body of legal person	24	28
Any person other than a self-employed person providing a service under a contract other than a contract of obligations	5	8

Labour costs also include a reserve for holiday and bonus payments which has been set up in the financial year but not yet used.

The bonus reserve is set up each month and its use is decided by the Management Board and the Supervisory Board.



**NOTE 23 RELATED PARTIES (in thousands EUR)**

Name of parent company of reporting party	Kasperwiki Laevaomanikud OÜ
Country of registration of parent company required to report	Estonia

**BALANCES WITH RELATED PARTIES BY GROUPS (in thousands EUR)**

CURRENT	31.12.2024	31.12.2023
Receivables and prepayments		
Related undertakings	27 268	13 841
Executive and senior management and private owners with significant holdings and undertakings under their control or significant influence	265	446
Corporate owners with significant holdings and undertakings under their control or significant influence	4 617	111
<b>Total receivables and prepayments</b>	<b>32 150</b>	<b>14 398</b>
<b>Loan liabilities</b>		
Related undertakings	0	1 791
Executive and senior management and private owners with significant holdings and undertakings under their control or significant influence	4 241	7 500
<b>Total loan liabilities</b>	<b>4 241</b>	<b>9 291</b>
<b>Payables and prepayments</b>		
Related undertakings	901	649
Executive and senior management and private owners with significant holdings and undertakings under their control or significant influence	17	67
Corporate owners with significant holdings and undertakings under their control or significant influence	7	10
<b>Total payables and prepayments</b>	<b>925</b>	<b>726</b>
NON-CURRENT	31.12.2024	31.12.2023
<b>Receivables and prepayments</b>		
Related undertakings	20 223	34 488
<b>Total receivables and prepayments</b>	<b>20 223</b>	<b>34 488</b>
<b>Loan liabilities</b>		
Parent company	9 184	7 094
Corporate owners with significant holdings and undertakings under their control or significant influence	4 187	2 786
<b>Total loan liabilities</b>	<b>13 371</b>	<b>9 880</b>
<b>Payables and prepayments</b>		
Parent company	0	1 562
Related undertakings		
Corporate owners with significant holdings and undertakings under their control or significant influence	0	1 160
<b>Total payables and prepayments</b>	<b>0</b>	<b>2 722</b>



## MOVEMENT OF LOANS (in thousands EUR)

LOANS GRANTED	31.12.2022	Loans granted	Repayments of loans granted	31.12.2023	Interest calculated for the period
Related undertakings	62 644	9 188	29 088	42 744	3 167
<b>Total loans granted</b>	<b>62 644</b>	<b>9 188</b>	<b>29 088</b>	<b>42 744</b>	<b>3 167</b>

LOANS GRANTED	31.12.2023	Loans granted	Repayments of loans granted	31.12.2024	Interest calculated for the period
Related undertakings	42 744	10 021	13 455	39 310	2 536
<b>Total loans granted</b>	<b>42 744</b>	<b>10 021</b>	<b>13 455</b>	<b>39 310</b>	<b>2 536</b>

LOAN LIABILITIES	31.12.2022	Loans received	Repayments of loans received	31.12.2023	Interest calculated for the period
Parent company	7 094	0	0	7 094	432
Related undertakings	0	9 162	7 371	1 791	310
Executive and senior management and private owners with significant holdings and undertakings under their control or significant influence	2 000	5 900	400	7 500	893
Corporate owners with significant holdings and undertakings under their control or significant influence	2 786	0	0	2 786	169
<b>Total loan liabilities</b>	<b>11 880</b>	<b>15 062</b>	<b>7 771</b>	<b>19 171</b>	<b>1 804</b>

LOAN LIABILITIES	31.12.2023	Loans received	Repayments of loans received	31.12.2024	Interest calculated for the period
Parent company	7 094	2 090	0	9 184	528
Related undertakings	1 791	0	1 791	0	35
Executive and senior management and private owners with significant holdings and undertakings under their control or significant influence	7 500	3 775	7 034	4 241	824
Corporate owners with significant holdings and undertakings under their control or significant influence	2 786	1 401	0	4 187	241
<b>Total loan liabilities</b>	<b>19 171</b>	<b>7 266</b>	<b>8 825</b>	<b>17 612</b>	<b>1 628</b>

## PURCHASES AND SALES OF GOODS AND SERVICES (in thousands EUR)

SOLD	2024		2023	
	Goods	Services	Goods	Services
Parent company	12	0	0	0
Related undertakings	10 788	5 411	32 255	1 865
Executive and senior management and private owners with significant holdings and undertakings under their control or significant influence	2 188	134	2 789	781
Corporate owners with significant holdings and undertakings under their control or significant influence	885	0	6 196	0
<b>Total sold</b>	<b>13 863</b>	<b>5 545</b>	<b>41 240</b>	<b>2 646</b>

PURCHASED	2024		2023	
	Goods	Services	Goods	Services
Parent company	0	3	0	0
Related undertakings	8 724	1 656	15 946	713
Executive and senior management and private owners with significant holdings and undertakings under their control or significant influence	0	338	0	2 410
Corporate owners with significant holdings and undertakings under their control or significant influence	0	0	146	3
<b>Total purchased</b>	<b>8 724</b>	<b>1 997</b>	<b>16 092</b>	<b>3 126</b>

GUARANTEES/COLLATERAL GRANTED			
	31.12.2024	31.12.2023	Maturity
Subsidiaries	15 515	12 638	2025-2031
Related undertakings	15 269	6 248	2025-2029
<b>Total guarantees/collateral granted</b>	<b>30 784</b>	<b>18 886</b>	

GUARANTEES/COLLATERAL RECEIVED			
	31.12.2024	31.12.2023	Maturity
Related undertakings	26 304	23 068	2026-2029
<b>Total guarantees/collateral received</b>	<b>26 304</b>	<b>23 068</b>	

## FEES AND OTHER SIGNIFICANT BENEFITS CALCULATED FOR EXECUTIVE AND HIGHER MANAGEMENT (in thousands EUR):

	2024	2023
Fee calculated for the group	1 509	1 622
Fee calculated in the parent company	540	385

## NOTE 24 EVENTS AFTER THE BALANCE SHEET DATE

Member of the Management Board of AVH Grupp AS Hans Pajoma left as at 13.02.2025. Veiko Räim was elected as a new member of the Management Board as at the same date.

**NOTE 25 UNCONSOLIDATED BALANCE SHEET (in thousands EUR)**

	31.12.2024	31.12.2023
Assets		
Current assets		
Cash	259	109
Receivables and prepayments	25 797	11 781
<b>Total current assets</b>	<b>26 056</b>	<b>11 890</b>
Fixed assets		
Investments in subsidiaries and related undertakings	55 676	51 660
Receivables and prepayments	42 226	52 649
Tangible fixed assets	236	428
<b>Total fixed assets</b>	<b>98 138</b>	<b>104 737</b>
<b>Total assets</b>	<b>124 194</b>	<b>116 627</b>
Liabilities and equity		
Liabilities		
Current liabilities		
Loan liabilities	57 668	11 737
Payables and prepayments	496	412
Appropriations	82	41
<b>Total current liabilities</b>	<b>58 246</b>	<b>12 190</b>
Non-current liabilities		
Loan liabilities	17 395	60 250
Payables and prepayments	22	2 744
<b>Total non-current liabilities</b>	<b>17 417</b>	<b>62 994</b>
<b>Total liabilities</b>	<b>75 663</b>	<b>75 184</b>
Equity		
Share capital in nominal value	442	442
Legal reserve	80	80
Retained profit from previous periods	40 921	40 412
Profit (loss) for the financial year	7 088	509
<b>Total equity</b>	<b>48 531</b>	<b>41 443</b>
<b>Total liabilities and equity</b>	<b>124 194</b>	<b>116 627</b>



## NOTE 26 UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (in thousands EUR)

	2024	2023
Sales revenue	1 562	1 411
Other operating income	33	7
Goods, raw goods, materials and services	0	-173
Various operating costs	-434	-173
Labour costs	-1 089	-708
Depreciation and impairment of fixed assets	-77	-40
<b>Total operating profit (loss)</b>	<b>-5</b>	<b>324</b>
Profit (loss) from subsidiaries	0	646
Profit (loss) from related undertakings	4 191	2 584
Profit (loss) from financial investments	3 254	0
Interest income	4 540	4 680
Interest expenses	-5 065	-4 189
Other financial expenses and income	173	-3 536
<b>Profit (loss) before income tax</b>	<b>7 088</b>	<b>509</b>
<b>Profit (loss) for the financial year</b>	<b>7 088</b>	<b>509</b>



**NOTE 27 UNCONSOLIDATED CASH FLOW STATEMENT (in thousands EUR)**

	2024	2023
Cash flow from business activities		
Operating profit (loss)	-5	324
Adjustments		
Depreciation and impairment of fixed assets	77	40
Profit (loss) from sale of fixed assets	-6	-7
Other adjustments	4	24
<b>Total adjustments</b>	<b>75</b>	<b>57</b>
Change in receivables and prepayments related to business operations	1 353	-8
Change in liabilities and prepayments related to business operations	62	148
<b>Total cash flow from business activities</b>	<b>1 485</b>	<b>521</b>
Cash flow from investing activities		
Paid upon acquisition of tangible and intangible fixed assets	0	-7
Received from sale of tangible and intangible fixed assets	27	7
Received from sale of subsidiaries	0	29
Received from sale of related undertakings	0	5
Paid upon acquisition of other financial investments	0	-81
Received from sale of other financial investments	0	81
Loans granted	-16 028	-11 605
Repayments of loans granted	18 207	14 150
Interest received	984	1 664
Dividends received	175	275
Other distributions from investment activities	0	5
<b>Total cash flow from investment activities</b>	<b>3 365</b>	<b>4 523</b>
Cash flow from financing activities		
Loans received	9 675	10 069
Repayments of loans received	-9 866	-10 169
Repayments of principal part of financial lease	-103	-102
Interest paid	-4 248	-4 668
Other distributions from financing activities	-158	-110
<b>Total cash flow from financing activities</b>	<b>-4 700</b>	<b>-4 980</b>
<b>Total cash flow</b>	<b>150</b>	<b>64</b>
Cash and cash equivalents at the beginning of the period	109	45
<b>Change in cash and cash equivalents</b>	<b>150</b>	<b>64</b>
Cash and cash equivalents at the end of the period	259	109



## NOTE 28 UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in thousands EUR)

	Share capital in nominal value	Legal reserve	Other reserves	Retained profit (loss)	Total
<b>31.12.2022</b>	<b>442</b>	<b>80</b>	<b>0</b>	<b>40 412</b>	<b>40 934</b>
Profit (loss) for the financial year	0	0	0	509	509
<b>31.12.2023</b>	<b>442</b>	<b>80</b>	<b>0</b>	<b>40 921</b>	<b>41 443</b>
Carrying amount of controlling and significant shareholding	0	0	0	-20 094	-20 094
Value of controlling and significant shareholding calculated using the equity method	0	0	13 120	89 423	102 543
<b>Adjusted unconsolidated equity 31.12.2023</b>	<b>442</b>	<b>80</b>	<b>13 120</b>	<b>110 250</b>	<b>123 892</b>
Profit (loss) for the financial year	0	0	0	7 088	7 088
<b>31.12.2024</b>	<b>442</b>	<b>80</b>	<b>0</b>	<b>48 009</b>	<b>48 531</b>
Carrying amount of controlling and significant shareholding	0	0	0	-20 094	-20 094
Value of controlling and significant shareholding calculated using the equity method	0	0	7 198	81 467	88 665
<b>Adjusted unconsolidated equity 31.12.2024</b>	<b>442</b>	<b>80</b>	<b>7 198</b>	<b>109 382</b>	<b>117 102</b>





## NOTE 29 STRUCTURE OF THE AVH GRUPP AS CONSOLIDATION GROUP

Shareholding in AVH Grupp AS Estonia					
100%	Tanklate Investeeringud OÜ				Estonia
	98,51%	Alexela AS			Estonia
		100%	Alexela Energia Teenused AS		Estonia
		100%	Alexela SIA		Latvia
		100%	Hamina LNG Investeeringud OÜ		Estonia
			46,50%	Hamina LNG OY	Finland
		100%	Alexela rePower OÜ		Estonia
		100%	Alexela Motors AS		Estonia
		100%	Rohe Solutions OY		Finland
		50%	Pakrineeme Sadama OÜ		Estonia
			100%	Balti Gaas OÜ	Estonia
				12,5% Team Paldiski OÜ	Estonia
		50%	Eesti Biogaas OÜ		Estonia
			100%	Tartu Biogaas OÜ	Estonia
			100%	Kuusalu Biogaas OÜ	Estonia
			100%	Vinni Biogaas OÜ	Estonia
			60%	Õisu Biogaas OÜ	Estonia
		32,08%	Zero Terrain OÜ		Estonia
			100%	Energiasalv OÜ	Estonia
			100%	Energiasalv Pakri OÜ	Estonia
			12,5%	Team Paldiski OÜ	Estonia
100%	Bestnet AS				Estonia
	100%	Paldiski Tsingipada AS			Estonia
		12,5%	Team Paldiski OÜ		Estonia
	100%	BNT Galva OÜ			Estonia
	100%	Tiki Rent OÜ			Estonia
	100%	Paldiski Masinatehas OÜ			Estonia
	100%	Bestnet OY			Finland
	100%	Bestnet AB			Sweden
	100%	Helon Kuumasinkitys OY			Finland
	100%	Tiki Tilhenger AS			Norway
100%	Certer OÜ				Estonia
100%	Omakodumaja AS				Estonia
100%	Rohegaasi Tanklad OÜ				Estonia
50%	Õhtuleht Kirjastus AS				Estonia
46,94%	B2G Grupp OÜ				Estonia
	100%	Kiviõli Keemiatööstuse OÜ			Estonia
	100%	Energia Nord OÜ			Estonia
	100%	Kerogen OÜ			Estonia
	87,15%	Baltic Gas Solutions SIA			Latvia
		70%	Latvijas Propana Gaze SIA		Latvia
	50%	AB Bunkering OÜ			Estonia
	50%	Baltic Exchange OÜ			Estonia

NOTE 30 GOING CONCERN

As at 31 December 2024, the Group's working capital is negative in the amount of 28,698 thousand EUR (31.12.2023: positive in the amount of 6,323 thousand EUR) and the parent company's working capital is also negative in the amount of 32,190 thousand EUR (31.12.2023: -300 thousand EUR). The Group analyses the financial performance and cash flows of the whole Group on a monthly basis and has an approved budget for 2025, which includes a cash flow budget. According to the group's management, the negative working capital will not cause economic difficulties for the group in 2025 as the group will be able to cover all current liabilities according to the cash flow forecast and by raising additional funds.

The big decrease in working capital was caused by the Kredex loan becoming current. The company plans on refinancing the Kredex loan from long-term loan capital sources through a combination of the regional bond market and new long-term loan agreements. As a stand-alone source of funding, the company is also considering the sale of assets, which may be done in addition to raising loan capital.

In 2024, the Group has repaid non-current loans in the amount of 13 809 thousand EUR and signed new non-current loan agreements in the amount of 23 394 thousand EUR.

