STATE JOINT STOCK COMPANY "RIGA INTERNATIONAL AIRPORT"

Unaudited Condensed Interim Statement

for a period of 6 months until 30 June 2024

Drawn up in accordance with International Accounting Standard No. 34 "Interim Financial Reporting" as adopted by the European Union

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General information

Name of the company	Riga International Airport
Legal status	State Joint Stock Company
Uniform registration number, place and date	40003028055 Riga, 30 September 1991
Re-registration in the Commercial Register, place and date	Riga, 10 September 2004
Legal address	Mārupe Municipality, Riga Airport 10/1 Latvia, LV-1053
Main scope	Aircraft, passenger and cargo servicing, aerodrome maintenance and other services
Shareholder	Ministry of Transport of the Republic of Latvia (100%) Gogoļa iela 3, Riga, Latvia, LV-1743
Company administration	Shareholders' meeting, Supervisory Board and Board
Supervisory Board of the company	Juris Kanels – Chairman of the Supervisory Board Elīna Salava – Member of the Supervisory Board Eduards Toms – Member of the Supervisory Board until 23.05.2024
Board of the company	Laila Odiņa – Chairperson of the Board Normunds Feierbergs – Member of the Board Artūrs Saveļjevs – Member of the Board
Financial year	1 January 2024 – 30 June 2024

Management report

Scope of services provided

In the first half of 2024, SJSC Riga International Airport (hereinafter – the Airport) continued its steady growth in passenger traffic as compared to the corresponding period of the previous year. In the period from 1 January 2024 to 30 June 2024, the Airport has served 3 159 thousand passengers. This represents an increase of 3.7% as compared to the first half of 2023. 79.5% of all passengers were direct passengers.

In the first half of the year, 29,475 flights were handled, which is 1.7% more than in the first half of the previous year. Air cargo volumes reached 8 424 tonnes, which is 10.1% less than in the first six months of 2023. In recent months, there have been indications of a resumption of air cargo growth, driven by both military flights and the launch of Lufthansa Cargo flights.

The war in Ukraine, the military conflicts in the Middle East and the related sanctions and airspace closures continue to have a major impact on service volumes, in particular air cargo transport and transit passenger traffic.

Results of economic activity

The Airport's turnover in the first half of 2024 was EUR 35.9 million, representing an increase of 4% as compared to the first half of 2023. Revenue from aviation services was EUR 20.7 million, representing an increase of 1% compared to the corresponding period of the previous year. Non-aviation services increased by 9% compared to the corresponding period of 2023.

In the first half of 2024, grants of EUR 2.6 million were recognised as revenue, including a state grant for aviation security of EUR 20.7 thousand, a grant from the Cohesion Fund of EUR 2.5 million, from ERDF funding and other grants EUR 122 thousand.

Economic activity costs in the first six months of 2024 were EUR 36 million, an increase of 3% as compared to the first half of 2023 of which labour costs increased by 7% as compared to the first half of 2023.

The airport's EBITDA indicator (earnings before interest payments, taxes, depreciation and amortization deductions) reached EUR 8.7 million, which is 8% more than a year before. The Airport closed the first half of 2024 with a profit of EUR 2 111.

Investment projects

In the first half of 2024, work continued on the priority project "Reconstruction of the Technical Services Building", with investments of EUR 882 thousand. The Aircraft Bridge Replacement Project was completed, and two more aircraft bridges were put into operation for a total amount of EUR 896 thousand. Work was continued on the projects "Reconstruction of engineering networks of Tehnikas Street", "Reconstruction of feeder points FP-3 and FP-4" and "Reconstruction of boarding sectors B8/B9 and B1". Significant investments were also made in the passenger and aircraft service infrastructure, completing the projects "Air handling equipment for sector E" and "Replacement of the hydraulic elevator of terminal F".

EUR 743 000 was invested in the development of the electricity supply infrastructure in one of the projects of the EAIR initiative "Optimization and switching of part of the 10kV network to the 20kV network"; work was launched for the construction of infrastructure related to electric car charging.

In total, in the first half of 2024, the Airport has made investments in the amount of EUR 4.4 million.

On 17 June 2024, the Airport concluded an agreement with the European Union's European Executive Agency for Climate, Infrastructure and Environment (CINEA) on the allocation of funding for the project "SJSC “Riga International Airport" reconstruction of apron to provide a dual-use TEN-T infrastructure for civil and military purposes", which provides for rebuilding the hard surface of apron 4 in an area of more than 80 000 square metres, creating ten A-E class aircraft stands, taxiways and service lanes in different configurations.

As part of the project, a power supply substation with two independent inputs will also be built to ensure power supply for apron 4 lighting and aircraft stands in accordance with the latest EU requirements, storage areas for equipment necessary for servicing aircraft will be arranged in adjacent areas of the apron, an aerodrome lighting system will be built, lighting masts and floodlights will be rebuilt, a new video surveillance system will be installed and the construction of related electrical networks, as well as a rainwater drainage system will be performed. The Airport has received an advance payment of EUR 6.9 million for the implementation of the project.

Sustainability and environmental aspects

Since 2015, Riga Airport has been participating in the Airport Carbon Accreditation programme to achieve its climate goals. At the beginning of 2024, Riga Airport made the necessary preparations to become certified for the programme's Level 3 in 2024 – it developed and approved a Stakeholder Involvement Plan to reduce CO2 emissions.

The Airport is committed to achieving level 7 of Airport Carbon Accreditation and the goal of climate neutrality in 2035. For this purpose, the Net Zero 2035 roadmap has been developed, which provides for the following key actions to achieve the goals:

- purchase of renewable energy resources;
- renewable energy production;
- replacement of heating equipment;
- increasing energy efficiency;
- replacement of internal combustion engine equipment (electrification);
- purchase of credits in CO2 sequestration projects.

On 1 July 2024, the Airport started purchasing electricity produced from renewable energy sources. Together with the electricity produced by the solar panel park, the share of green energy in the total energy consumption in 2024 will reach 18%.

Work also continued in the first half of 2024 on a number of infrastructure projects to reduce Scope 1 and Scope 2 CO2 emissions:

- Riga Airport and Lithuanian airports company "Lietuvos oro uostai", in a joint project "Establishment of Electricity Supply and Charging Infrastructure in the Baltic States' Airports in North Sea-Baltic CNC/TEN-T Corridor for the Transition to Environmentally Friendly Operations", are modernising the aerodrome electricity supply systems attracting EU funding. In the first quarter of 2024, an electricity supply substation was constructed, while in the second quarter, the construction of electrical outlets was started.
- The 2nd procurement stage for the project "Solar panel park design, supervision and construction in the north of the aerodrome" is underway. It is planned to attract an ALTUM energy efficiency loan with a capital discount for the implementation of the project.
- In the first quarter of 2024, Riga Airport commissioned its first solar panel park with a capacity of 701 kW. In the first quarter of 2024, it produced 51 044 kWh of electricity; in the 2nd quarter a total of 310 842 kWh of electricity was produced. The share of renewable electricity in June reached 6.39% of the total consumption of the Airport.

In the first half of 2024, work continued on the preparation of the new Noise Action Plan for Riga Airport, involving a wide range of stakeholders.

To contribute to the achievement of sustainability objectives, which are closely linked to innovation and new technologies, Riga Airport is involved in international research and innovation projects:

- To promote emission reductions, the fulfillment of European climate goals, and preparation for the implementation of hydrogen technologies in aviation, Riga Airport made amendments in the second quarter of 2024 to the previously developed preliminary study on the legal framework for hydrogen implementation in airport operations, as part of the core project “BSR HyAirport” under the “Interreg” Baltic Sea Region transnational cooperation programme. The Airport also initiated an analysis of the possibilities for introducing hydrogen-powered equipment and provided comments for the improvement of joint procurement documentation, which will be used to attract consultants – experts in hydrogen implementation.
- In the “Horizon Europe” project "Integration and Digital Demonstration of Low-mission Aircraft Technologies and Airport Operations", Riga Airport continued the implementation of activities, collecting data and preparing information on the location of residents, aircraft flight paths and other information in accordance with the requests of project partners.

The airport has also promoted social sustainability by offering job opportunities to such social risk groups as persons with disabilities, young people without previous work experience, people of pre-retirement age, long-term unemployed and new mothers, by participating in the May 24 Job Opportunities Festival "Visiem" in Vērmanes Garden, Riga.

In April 2024, Riga Airport was accepted to the Business Sustainability Council, which has already brought together 15 companies with the aim of sharing knowledge, deepening understanding of sustainability practices and jointly creating a more sustainable business environment in Latvia.

Risk management

The Airport continues to monitor the following risks to ensure that the Airport's service volumes return to pre-pandemic levels and that strategic objectives are met:

- geopolitical instability, including, in addition to the war in Ukraine started by Russia and the related closure of airspace and restrictive measures adopted by the European Union, the military conflict in the Gaza Strip and the related decrease of flights to Israel and the Middle East, and its direct and indirect effects;
- price fluctuations/changes in services, products and commodities (e.g. more expensive construction projects) may be unfavourable to the Airport.

State aid

In 2023, the Airport has started obtaining the necessary approvals to ensure the termination of the State aid participation, which was received in June 2021 in accordance with the European Commission Decision of 8 March 2021 in State aid case SA.57756 (2021/N) – Latvia COVID-19: Recapitalisation of Riga International Airport.

In accordance with Paragraph 64a of the Communication C(2020)1863 "Temporary Framework for State aid measures supporting the economy in the current context of the outbreak of Covid-19" adopted by the EC on 19 March 2020 (hereinafter – Temporary Framework), the termination of the State's investment participation requires a reassessment of the market value of the State aid beneficiary by an entity independent of the State using the same methodology according to which the market value of the Airport was determined on 30 April 2020.

According to Paragraph 64a, sub-paragraph b of the Temporary Framework, a state investment is deemed to be terminated if the independent valuation establishes a positive market value - i.e. the market value of the State beneficiary has increased compared to the average market valuation of the investee's shares as of 30 April 2020.

For the Airport to be able to implement the termination of the investment participation of the state aid instrument, in accordance with the strategy of the Airport for the termination of the participation in the state aid investment instrument, which was considered at the Cabinet meeting on 22 June 2022, an independent audit firm was engaged to perform an assessment of the market value of the recipient of the state aid as of 31 December 2023.

The independent assessment concluded that as compared to the estimated average market value of the Airport's shares (equity) determined on 30 April 2020, the average market value of the Airport's shares (equity) on 31 December 2023 has increased, with which it is considered that the Airport has implemented the termination of participation in the state aid investment instrument as of 31 December 2023.

On 20 August 2024, the Cabinet took note of the informative report prepared by the Ministry of Transport on the termination of the participation in the state aid investment instrument (for covering the losses caused by the crisis caused by Covid-19, overcoming the economic crisis and stabilizing the industry) instrument granted to "SJSC “Riga International Airport" to 31 December 2023". 31 December 2023 is considered the completion of the state aid instrument.

Key financial and performance indicators

Performance indicators	2024 6 months	2023 6 months
Number of passengers	3 158 823	3 045 300
Cargo handled, tonnes	8 424	9 370
Departure punctuality, %	98.85%	99.36%
Net turnover, EUR	35 888 586	34 424 717
EBITDA*, EUR	8 731 406	8 107 477
Profit (loss), EUR	2 110 980	2 191 710
Equity capital, EUR	88 117 373	86 585 963
Net operating cash flow, EUR	10 928 988	2 658 105
Investments, EUR	4 404 325	4 708 763
Total liquidity indicator**	1.0	1.8
Equity capital in the balance sheet, %	49.4%	50.8%
Liabilities to equity capital**, %	54%	49%
* EBITDA – profit before interest, tax, depreciation and amortisation		
** Liabilities are adjusted for the revenue for future periods		

Statement of the management’s responsibility

The Airport management is responsible for the preparation of the Airport's financial statements.

The unaudited financial statements of the Airport for the period until 30 June 2024, which comprise the management report, have been prepared on the basis of the accounting records and supporting documents and give a true and fair view of the financial performance of the Airport as of 30 June 2024, its results of operations and cash flows for the six months.

The above financial statements have been prepared in accordance with International Accounting Standard No. 34 "Interim Financial Reporting" as adopted by the European Union, on the going concern basis. Appropriate accounting methods have been consistently used during the reporting period. The decisions and estimates made by management during the preparation of the financial statements have been prudent and justified.

The management of the Airport is responsible for ensuring an adequate accounting system, the preservation of assets and the detection and prevention of fraud and other irregularities committed at the Airport. The management is responsible for fulfilling the legislative requirements of the Republic of Latvia.

Laila Odiņa	**Normunds Feierbergs**	**Artūrs Saveļjevs**
Chairperson of the Board	Member of the Board	Member of the Board

31 August 2024

This document has been signed electronically with a secure electronic signature and contains a timestamp.

Statement of profit or loss and statement of comprehensive income

EUR

	Annex	2024 6 months	2023 6 months
Net turnover	1	35 888 586	34 424 717
State and EU grants recognized in revenue		2 608 124	2 605 450
Personnel costs		(20 446 858)	(19 155 730)
Depreciation and amortization of fixed assets and investment properties		(6 368 329)	(5 679 622)
Other external costs	2	(9 221 466)	(10 061 047)
Other economic activity revenue	3	343 664	534 503
Other economic activity costs	4	(440 644)	(240 416)
Profit/(losses) from economic activity before financial items		**2 363 077**	**2 427 855**
Financial income	5	47 731	53 510
Financial expenses	6	(299 828)	(289 655)
Profit before corporate income tax		**2 110 980**	**2 191 710**
Corporate income tax		-	-
Profit/(loss) for the reporting year		**2 110 980**	**2 191 710**
The total amount of consolidated income for the reporting year		**2 110 980**	**2 191 710**

Statement of financial position

Assets, EUR

	Annex	30.06.2024	31.12.2023
Non-current assets			
Intangible assets	7	1 520 259	1 484 712
Fixed assets	8	144 448 865	145 880 077
The right to use the asset	9	28 813	69 977
Investment properties		1 040 491	1 040 491
Total non-current assets		**147 038 428**	**148 475 257**
Current assets			
Stocks		1 278 559	1 304 176
Trade receivables		11 038 770	10 493 945
Other debtors and prepaid expenses	10	5 001 123	6 463 358
Cash and cash equivalents	11	13 882 140	8 340 061
Total current assets		**31 200 592**	**26 601 540**
Total assets		**178 239 020**	**175 076 797**

Statement on financial position

Liabilities and shareholder’s equity, EUR

	Annex	30.06.2024	31.12.2023
Equity capital			
Share capital		68 347 231	68 347 231
Reserves:			
other reserves		25 183 928	25 183 928
Retained earnings:			
accumulated losses of previous years		(7 524 766)	(9 136 906)
retained earnings/accumulated losses for the reporting year		2 110 980	1 612 140
Total equity capital		**85 466 833**	**88 117 373**
Liabilities			
Non-current liabilities			
Loans from credit institutions and other loans	12	17 529 910	17 686 641
Deferred revenue	13	37 057 761	38 426 906
Total non-current liabilities		**54 587 671**	**56 113 547**
Current liabilities			
Loans from credit institutions and other loans	12	8 068 774	11 092 959
Debts to suppliers and contractors		2 650 411	4 450 718
Other liabilities		15 687 229	7 752 101
Deferred revenue	13	5 166 910	5 700 426
Accrued costs		3 960 652	3 960 652
Total current liabilities		**35 533 976**	**32 956 856**
Total liabilities		**90 121 647**	**89 070 403**
Total liabilities and shareholder’s equity		**178 239 020**	**175 076 797**

Statement of cash flows

EUR

	Annex	2024 6 months	2023 6 months
Cash flow from economic activity			
Profit before corporate income tax		2 110 980	2 191 710
Corrections for:			
Depreciation and amortization of fixed assets and investment properties	7, 8	6 368 431	5 680 772
State grant for Airport infrastructure development, amount included in profit for the reporting year		(2 645 657)	(2 642 984)
Accumulated cost (reduction)		(37 639)	(1 433 766)
Interest expenses, net	6	252 097	236 145
(Increase)/reduction of inventories		25 617	(192 320)
Reduction of trade receivables		(2 931 203)	(1 519 596)
Advance payment CINEA project		6 884 655	-
Increase in trade payables		1 177 151	585 988
Net operating cash flow		**11 204 432**	**2 905 949**
Interest paid	6	(323 175)	(310 354)
Interest received	5	47 731	53 510
Net cash flow from economic activity		**10 928 988**	**2 658 105**
Cash flow from investing activities			
EU CF funding		3 321 338	690 124
State grant funds for aviation security		502 283	412 218
Acquisition of fixed assets	7,8	(4 404 325)	(4 716 956)
Net cash flow from investing activities		**(580 705)**	**(3 614 614)**
Cash flow from financing activities			
Loan received		-	82 400
Repayment of borrowings	12	(4 744 766)	(1 560 100)
Payment of finance lease obligations		(61 438)	(67 463)
Net cash flow from financing activities		**(4 806 204)**	**(1 545 163)**
Net cash and cash equivalents increase/(reduction)		**5 542 079**	**(2 501 672)**
Cash and cash equivalents at the beginning of the year		**8 340 061**	**21 021 576**
Cash and cash equivalents at the end of the year		**13 882 140**	**18 519 905**

Statement of changes in shareholder’s equity

EUR

	Share capital	Other reserves	Retained earnings	Total
On 31 December 2022	**68 347 231**	**25 188 002**	**(9 136 906)**	**84 398 327**
Excluded from reserves	-	(4 074)	-	(4 074)
Consolidated income for the reporting year	-	-	2 191 710	2 191 710
On 30 June 2023	**68 347 231**	**25 183 928**	**(6 945 196)**	**86 585 963**
Accumulated losses for the reporting year	-	-	(579 570)	(579 570)
On 31 December 2023	**68 347 231**	**25 183 928**	**(7 524 766)**	**86 006 394**
Consolidated income for the reporting year	-	-	2 110 980	2 110 980
On 30 June 2024	**68 347 231**	**25 183 928**	**(5 413 786)**	**88 117 373**

Annex to the financial statement

General information

State Joint Stock Company Riga International Airport (hereinafter – the Company) was established in 1997 by transforming the state airport company "Riga", which was registered in the Register of Enterprises of the Republic of Latvia in 1991. The Company is registered in the Commercial Register of the Republic of Latvia as a state joint stock company. The Company's legal address is Lidosta Rīga 10/1", Lidosta Rīga 10/1", Lidosta Rīga, Mārupes nov., LV-1053, Latvia. The Company is fully owned by the Republic of Latvia.

The main directions of the Company's activity:

- Aviation operations, including:
  - servicing aircraft, passengers and cargo;
  - airport terminal services;
  - aircraft maintenance, airfield technical maintenance;
- Non-aviation operations, including:
  - rent of real estate;
  - providing of public utility services;
  - car park services;
  - concession services;
  - servicing business passengers;
  - advertising services.
- Ensuring civil aviation safety, rescue and medical assistance function at the Riga International Airport.

Guidelines for preparation of financial statements and application of IFRS

The financial statements of SJSC Riga International Airport (hereinafter – the Company) are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and effective at the reporting date.

The unaudited interim financial statements have been prepared for the 6-month period that ended on 30 June 2024 based on the going concern assumption.

The same accounting and valuation policies have been applied in the preparation of the unaudited interim financial statements as have been applied in the preparation of the Company's accounts for the full financial year.

Profit or loss account items are classified based on the period cost method.

The cash flow statement is prepared using the indirect method of measuring cash flows from operating activities.

The monetary unit used in the financial statements is the euro (EUR), the monetary unit of the Republic of Latvia.

Components of asset and liability items are evaluated separately. Compared to the previous reporting year, the accounting and evaluation methods used by the Company have not changed.

1. Net turnover

EUR

	2024 6 months	2023 6 months
Aviation revenue, total	**20 679 778**	**20 465 553**
Security and rescue measures fee	7 200 717	6 496 643
Take-off/landing fee	2 645 198	1 936 277
Ground handling	4 683 668	5 347 854
Passenger service fee	3 893 261	3 993 290
Revenue from other aviation services	1 563 451	1 515 800
incl. fee for providing services to passengers with special needs	*597 836*	*575 594*
Revenue from centralized infrastructure services	693 483	1 175 689
Non-aviation revenue, total	**15 208 808**	**13 959 164**
Lease of premises in the terminal	7 440 172	6 397 258
Revenue from parking services	2 811 931	2 747 721
Lease in the rest of the airport territory	1 639 723	1 354 635
Revenue from utility services	1 749 187	1 975 178
Revenue from business passenger services	624 773	647 929
Revenue from advertising services	304 309	244 554
Revenue from concessions	133 866	131 625
Revenue from other non-aviation services	504 847	460 264
Total	**35 888 586**	**34 424 717**

EUR

	2024 6 months	2023 6 months
Revenue from contracts with customers recognized over time (in accordance with IFRS 15)	**23 558 585**	**23 548 924**
Security and rescue measures fee	7 200 717	6 496 643
Take-off/landing fee	2 645 198	1 936 277
Ground handling	4 683 668	5 347 854
Passenger service fee	3 893 261	3 993 290
Revenue from other aviation services	1 563 451	1 515 800
Revenue from centralized infrastructure services	693 483	1 175 689
Revenue from utility services	1 749 187	1 975 178
Revenue from business passenger services	624 773	647 929
Revenue from other non-aviation services	504 847	460 264
Other revenue IFRS 16 and other standards)	**12 330 001**	**10 875 793**
Lease of premises in the terminal	7 440 172	6 397 258
Revenue from parking services	2 811 931	2 747 721
Lease in the rest of the airport territory	1 639 723	1 354 635
Revenue from advertising services	304 309	244 554
Revenue from concessions	133 866	131 625
Total	**35 888 586**	**34 424 717**

EUR

	2024 6 months	2023 6 months
EU statistical classification of economic activities according to NACE codes:		
Aviation revenue (52.23)	20 679 778	20 465 553
Non-aviation revenue (68.20)	14 265 786	13 122 721
Non-aviation revenue (73.12)	304 309	244 554
Non-aviation revenue (79.90)	638 713	591 889
Total	**35 888 586**	**34 424 717**

2. Other external costs

EUR

	2024 6 months	2023 6 months
Materials	937 089	1 144 159
Movable and immovable property insurance	210 652	158 900
Maintenance of the territory	101 613	98 259
Ongoing infrastructure repairs	1 197 794	596 504
Utilities	3 287 542	4 319 711
Business trips	91 782	61 123
Communication costs	678 652	666 251
Road transport costs	778 559	679 464
Management costs	423 810	409 394
Lease costs	338 108	299 110
Improvement of personnel qualifications	202 852	151 538
Marketing and advertising	173 715	127 791
Safety measures	287 680	271 148
Other external costs	511 618	1 077 695
Total	**9 221 466**	**10 061 047**

3. Other economic activity revenue

EUR

	2024 6 months	2023 6 months
Penalty fees	182 480	128 158
Previous years' revenue and recovered debts	14 445	54 687
State and EU grants recognized in revenue	16 902	1 765
Other economic activity revenue	129 837	349 893
Total	**343 664**	**534 503**

4. Other economic activity costs

EUR

	2024 6 months	2023 6 months
Expenses not directly related to the main activity, mainly trade union events	162 488	23 059
Property tax	173 304	171 476
Other economic activity costs	104 852	45 881
Total	**440 644**	**240 416**

5. Financial income

EUR

	2024 6 months	2023 6 months
Interest received	47 731	53 510

6. Financial expenses

EUR

	2024 6 months	2023 6 months
Interest on long-term loans	291 252	280 854
Interest on finance lease	8 576	8045
Interest expense from sublease	-	756
Total	**299 828**	**289 655**

7. Intangible assets

EUR

	Software licenses
Initial value on 31.12.2022	**3 117 115**
Purchase	406 018
Initial value on 31.12.2023	**3 523 133**
Accumulated depreciation 31.12.2022	**1 625 912**
Amortization	412 509
Accumulated depreciation 31.12.2023	**2 038 421**
Remaining value on 31.12.2022	**1 491 203**
Remaining value on 31.12.2023	**1 484 712**
Initial value on 31.12.2023	**3 523 133**
Purchase	112 195
Reclassified	158 057
Disposals	(131 313)
Initial value on 30.06.2024	**3 662 072**
Accumulated depreciation 31.12.2023	**2 038 421**
Amortization	234 705
Amortization of liquidated assets	(131 313)
Accumulated depreciation 30.06.2024	**2 141 813**
Remaining value on 31.12.2023	**1 484 712**
Remaining value on 30.06.2024	**1 520 259**

8. Fixed assets

EUR

	Land, buildings and engineering structures	Machines and devices	Other fixed assets and inventory	Creation of fixed assets and costs of unfinished construction objects	Total
Initial value on 31.12.2022	**216 384 618**	**57 891 568**	**28 274 475**	**11 266 348**	**313 817 009**
Purchase	468 293	12 482 222	4 071 515	8 155 980	**25 178 010**
Reclassified	4 525 941	2 273 797	-	(6 799 738)	**-**
Reclassified from right-to-use assets	-	184 500	-	-	**184 500**
Reclassified from/to investment properties	52 837	-	-	-	**52 837**
Disposals	(58 020)	(2 686 001)	(49 553)	(527 031)	**(3 320 605)**
Disposals to be sold	-	(344 751)	-	-	**(344 751)**
Substitute part of fixed assets	(98 926)	(68 207)	(119 686)	-	**(286 819)**
Initial value on 31.12.2023	**221 274 743**	**69 733 128**	**32 176 751**	**12 095 559**	**335 280 181**
Accumulated depreciation on 31.12.2022	**113 649 252**	**47 905 031**	**19 887 568**	**-**	**181 441 851**
Depreciation	7 007 794	2 704 110	1 517 214	-	**11 229 118**
Depreciation of liquidated assets	(58 020)	(2 685 579)	(49 372)	-	**(2 792 971)**
Depreciation of sold assets	-	(344 751)	-	-	**(344 751)**
Reclassified from right-to-use assets	-	153 676	-	-	**153 676**
Replaceable part of fixed assets	(98 926)	(68 207)	(119 686)	-	**(286 819)**
Accumulated depreciation on 31.12.2023	**120 500 100**	**47 664 280**	**21 235 724**	**-**	**189 400 104**
Remaining value on 31.12.2022	**102 735 366**	**9 986 537**	**8 386 907**	**11 266 348**	**132 375 158**
Remaining value on 31.12.2023	**100 774 643**	**22 068 848**	**10 941 027**	**12 095 559**	**145 880 077**

Initial value on 31.12.2023	**221 274 743**	**69 733 128**	**32 176 751**	**12 095 559**	**335 280 181**
Purchase	35 384	1 512 631	243 638	2 367 160	**4 158 813**
Reclassified	470 498	1 357 742	-	(1 325 673)	**502 567**
Reclassified from right-to-use assets	-	-	-	-	**-**
Reclassified from/to investment properties	-	-	163 380	-	**163 380**
Disposal	(195 314)	(706 076)	(197 763)	-	**(1 099 153)**
Disposals to be sold	-	-	-	-	**-**
Substitute part of fixed assets	-	-	-	-	**-**
Initial value on 30.06.2024	**221 585 311**	**71 924 810**	**32 376 826**	**13 137 046**	**339 005 788**
Accumulated depreciation on 31.12.2023	**120 500 100**	**47 664 280**	**21 235 724**	**-**	**189 400 104**
Depreciation	3 571 477	1 753 114	797 334	-	**6 121 925**
Depreciation of liquidated assets	(195 314)	(706 076)	(197 733)	-	**(1 099 123)**
Depreciation of sold assets	-	-	-	-	**-**
Reclassified from right-to-use assets	-	-	134 017	-	**134 017**
Replaceable part of fixed assets	-	-	-	-	**-**
Accumulated depreciation on 30.06.2024	**123 876 263**	**48 711 318**	**21 969 342**	**-**	**194 556 923**
Remaining value on 31.12.2023	**100 774 643**	**22 068 848**	**10 941 027**	**12 095 559**	**145 880 077**
Remaining value on 30.06.2024	**97 709 048**	**23 213 492**	**10 407 484**	**13 137 046**	**144 448 865**

9. Right to use assets

EUR

	The right to use assets buildings and engineering structures	The right to use assets devices and machines	The right to use assets other fixed assets and inventory	Total
Initial value on 31.12.2022	**61 016**	**184 500**	**163 380**	**408 896**
Reclassified to fixed assets	-	(184 500)	-	**(184 500)**
Initial value on 31.12.2023	**61 016**	**-**	**163 380**	**224 396**
Accumulated depreciation on 31.12.2022	**1 695**	**144 257**	**122 598**	**268 550**
Depreciation	20 339	9 419	9 787	**39 545**
Reclassified to fixed assets	-	(153 676)	-	**(153 676)**
Accumulated depreciation on 31.12.2023	**22 034**	**-**	**132 385**	**154 419**
Remaining value on 31.12.2022	**59 321**	**40 243**	**40 782**	**140 346**
Remaining value on 31.12.2023	**38 982**	**-**	**30 995**	**69 977**
Initial value on 31.12.2023	**61 016**	**-**	**163 380**	**224 396**
Reclassified to fixed assets	-	-	(163 380)	**(163 380)**
Initial value on 30.06.2024	**61 016**	**-**	**-**	**61 016**
Accumulated depreciation on 31.12.2023	**22 034**	**-**	**132 385**	**154 419**
Depreciation	11 801	-	-	**11 801**
Reclassified to fixed assets	(1632)	-	(132 385)	**(134 017)**
Accumulated depreciation on 30.06.2024	**32 203**	**-**	**-**	**32 203**
Remaining value on 31.12.2023	**38 982**	**-**	**30 995**	**69 977**
Accumulated depreciation 30.06.2024	**28 813**	**-**	**-**	**28 813**

10. Other debtors and prepaid expenses

EUR

	30.06.2024	31.12.2023
Financial assets		
Other debtors	1 925 166	2 924 544
Non-financial assets		
Insurance	286 542	225 690
Advance payments for services	124 447	24 588
Advance payments for fixed assets	2 309 035	2 836 312
Other deferred costs	355 933	452 224
Total non-financial assets	**3 075 957**	**3 538 814**
Total	**5 001 123**	**6 463 358**

11. Cash and cash equivalents

EUR

	30.06.2024	31.12.2023
Cash in the bank	13 823 375	8 294 406
Cash in the exchange machine and cash in transit	56 516	43 406
Cash on hand	2 249	2 249
Total	**6 499 210**	**8 340 061**

12. Borrowings from credit institutions and other loans

EUR

	30.06.2024	31.12.2023
Long-term borrowings from credit institutions		
State Treasury (payable no later than 5 years after the balance sheet date)	16 258 238	17 109 346
Swedbank AS (repayable later than 1 year after the balance sheet date)	248 000	289 333
Long-term lease liabilities (repayable within 1 - 5 years after the balance sheet date)	1 023 672	287 962
Total long-term part of loans	**17 529 910**	**17 686 641**

	30.06.2024	31.12.2023
Short-term borrowings from credit institutions		
State Treasury	1 749 579	1 752 193
Swedbank AS	5 351 574	5 838 403
SEB Bank	-	3 382 976
Lease liabilities	967 621	119 387
Total short-term part of loans	**8 068 774**	**11 092 959**
Total	**25 598 684**	**28 779 600**

On 12 April 2012, the **Treasury of the Republic of Latvia** granted the Company a loan in the amount of EUR 43 483 793, which was reduced to EUR 33 663 759.46 by decision No. 12-33/9 of the Ministry of Finance dated 2 April 2015. The purpose of the loan – implementation of Cohesion Fund project No. 2010LV161PR001 "Infrastructure Development of Riga International Airport". The loan must be repaid by 20 February 2035. The Company has established a mortgage in favour of the Treasury of the Republic of Latvia on 6 immovable properties owned by the Company.

On 20 December 2018, the Company and the Treasury of the Republic of Latvia signed a loan agreement in the amount of EUR 208 978 on the basis of Decision No. 12-6/12 of the Minister of Finance of 9 August 2018. The purpose of the loan – implementation of the CF project No. 6.1.2.0/16/I/001 "Development of Safe and Environmentally Friendly Infrastructure at Riga International Airport". The loan must be repaid by 20 July 2026.

On 7 January 2020**, Swedbank AS** and the Company concluded a loan agreement in the amount of EUR 9 500 000. The purpose of the loan – to refinance the borrower's obligations to OP Corporate Bank plc. The loan must be repaid by 23 December 2024. The Company plans to refinance the outstanding portion of the loan in 2024 with a maturity of 5-10 years.

On 15 June 2023**, Swedbank AS** and the Company concluded a loan agreement in the amount of EUR 372 000. The purpose of the loan – implementation of the project "Establishment of Electricity Supply and Charging Infrastructure in the Baltic States’ Airports in North Sea-Baltic CNC / TEN-T Corridor for the Transition to Environmentally Friendly Operations". The loan must be repaid by 25 June 2028.

On 19 April 2021, **SEB Bank** and the Company concluded a loan agreement in the amount of EUR 4 600 000. Purpose of the loan – the loan is for repayment of the debt obligation to OP Corporate bank plc in full amount. The loan has been repaid in full on 18 April 2024.

Statement of loan movements, EUR

	30.06.2024	31.12.2023
Balance at the beginning of the reporting period	**28 779 600**	**31 597 952**
Loans received	-	454 400
Lease liability received	1 747 026	-
Repayment of loans	(4 744 767)	(3 120 199)
Repayment of lease liabilities	(162 946)	(156 785)
Calculated interest	321 156	652 872
Paid interest	(340 347)	(648 640)
Balance at the end of the reporting period	**25 599 722**	**28 779 600**

13. Deferred revenue

EUR

	30.06.2024	31.12.2023
Long-term part		
Extending the runway (part of the Cohesion Fund project)	1 954 150	2 247 320
Payments for infrastructure under long-term lease contracts	1 693 249	1 647 898
State grants for infrastructure development	121 104	128 595
Aviation security grant funds to be used for the acquisition and establishment of long-term investment items	1 023 990	549 110
Infrastructure development (Cohesion Fund Project No. 3DP/3.3.1.4.0/10/IPIA/SM/001)	24 116 086	25 176 087
Fixed assets acquired free of charge (building, heating systems, etc.)	111 393	125 125
EU project "Development of safe and environmentally friendly infrastructure"	7 674 271	8 135 042
Budget programme of the Ministry of Defence of the Republic of Latvia for the improvement of Airport infrastructure	329 348	354 415
ERDF funding, Project No. 4.4.1.0/16/I/001	5 458	5 889
A-CDM Riga project No. 2015-LV-TM-0094-W	28 712	57 425
The long-term part of total deferred revenue	**37 057 761**	**38 426 906**

	30.06.2024	31.12.2023
Short-term part		
Extending the runway (part of the Cohesion Fund project)	586 340	586 340
Payments for infrastructure under long-term lease contracts	630 075	458 090
State grants for infrastructure development	14 982	14 982
Aviation security grant funds to be used for the acquisition and establishment of long-term investment items	45 931	39 276
Infrastructure development (Cohesion Fund Project No. 3DP/3.3.1.4.0/10/IPIA/SM/001)	2 808 995	3 497 987
Fixed assets acquired free of charge (heating systems)	27 885	28 309
EU project "Development of safe and environmentally friendly infrastructure"	921 542	921 542
Budget programme of the Ministry of Defence of the Republic of Latvia for the improvement of Airport infrastructure	50 134	50 134
ERDF funding, Project No. 4.4.1.0/16/I/001	862	862
A-CDM Riga project No. 2015-LV-TM-0094-W	80 164	102 904
The short-term part of total deferred revenue	**5 166 910**	**5 700 426**
Total	**42 224 671**	**44 127 332**

14. Related party transactions

The largest transactions are with JSC "Air Baltic Corporation" and SJSC "Air Transport of Latvia", State Agency "Civil Aviation Agency", SJSC "Latvijas pasts". Mutual transactions are related to the main activities of the respective parties.

EUR

	30.06.2024	31.12.2023
Balance due to related parties		
Liability to VA "Civil Aviation Agency", part of the security and rescue fee	354 242	242 576
Balance due from related parties		
SJSC "Air Transport of Latvia" for the provided lease and utility services	45 608	52 910
SJSC "Latvijas pasts" for the provided lease and utility services	15 869	8 886

AS "Air Baltic Corporation" for the provided aviation and lease services	4 481 426	4 173 463

	30.06.2024	30.06.2023
Revenue for providing services to related parties		
SJSC "Air Transport of Latvia" for the provided lease and utility services	391 618	454 400
SJSC "Latvijas pasts" for the provided lease and utility services	98 290	96 462
For AS "Air Baltic Corporation" provided aviation and lease services	12 266 884	11 836 247
Expenses for the purchase of goods and services from related parties		
For SJSC "Air Transport of Latvia" provided lease and utility services	25 843	26 938
For SJSC "Latvijas pasts" provided services	659	881
Received services from AS "Air Baltic Corporation"	21 141	32 644

Remuneration of the Board and Supervisory Board

The remuneration of the members of the Supervisory Board and the Board is calculated in accordance with Cabinet Regulation No. 63 of 4 February 2020 "Regulations on the Number of Members of the Management Board of State or Local Government Capital Companies, Remuneration of a Member of the Supervisory Board, a Member of the Management Board, a Representative of a Local Government Shareholder and a Responsible Employee".

EUR

	30.06.2024	30.06.2023
Remuneration of Board members	168 672	168 672
Mandatory state social insurance contributions (employer contributions)	38 796	38 796
Remuneration of Supervisory Board members	47 116	50 602
Mandatory state social insurance contributions (employer contributions)	10 605	11 428

Events after the end of the period

After the end of the reporting period, no significant events have occurred that could affect the financial statement.